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### **Affluence in the Making: The 1953-54 Household Expenditures Enquiry and Visualization of Taste**

Shinobu Majima

CRESC, The University of Manchester

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For further information:

Centre for Research on Socio-Cultural Change (CRESC)  
Faculty of Social Sciences, The Open University,  
Walton Hall, Milton Keynes, MK7 6AA, UK  
Tel: +44 (0)1908 654458 Fax: +44 (0)1908 654488

Email: [cresc@manchester.ac.uk](mailto:cresc@manchester.ac.uk) or [cresc@open.ac.uk](mailto:cresc@open.ac.uk)

Web: [www.cresc.ac.uk](http://www.cresc.ac.uk)



The University of Manchester



## **Affluence in the Making: The 1953-54 Household Expenditures Enquiry and visualization of taste**

**Shinobu Majima**

*Associate Professor, Gakushuin University, Tokyo, and Honorary Research Fellow,  
CRESC, Manchester*

### **Abstract**

The 1953-54 Household Expenditures Survey (HEE) was the first nationwide comprehensive survey since the 1937-38 Working-class Household Budget Enquiry. This survey exercise built the foundational framework of the Family Expenditure Survey (FES) that became a regular annual practice under the leadership of the Ministry of Labour after 1957. We apply factor analysis to the data that we recompiled for the purpose of our research as such an analytical method was not used in the 1957 Report. By applying factor analysis, we aim to reveal the patterning of everyday lives in unprecedented detail what people bought and how they lived in the transitional phase from the austerity years after the end of the Second World War to the beginning of the affluent mass consumer society.

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## Affluence in the Making: The 1953-54 Household Expenditures Enquiry and visualization of taste

During the 1950s, a new battery of surveys began to be deployed by government to analyse spending and consumption in original ways and with unprecedented detail. These surveys now constitute a rich source of historical data, a resource which permit contemporary researchers to reflect on the structure of consumption in previous years. In this working paper, we use the data from one of the consumer expenditures surveys that have been collected worldwide by many governments and the access to which is not usually restricted for academic purposes. In Britain, such annual surveys became part of the government apparatus since 1957 as a means to estimate the appropriate weight for the retail price indices. In this paper, we use the pioneering survey data which were collected in 1953-54 as a one-off, large-scale preparatory survey before the introduction of regular annual surveys. The data show in unprecedented detail what people bought and how they lived in the transitional phase from the austerity years after the end of the Second World War to the beginning of the affluent mass consumer society.

These surveys were commissioned during the period that the debate on whether poverty had been eliminated or not continued to rage. After the end of the World War II and in midst of the restructuring of the British society along the welfarist agenda, Seebohm Rowntree declared the end of deprivation in the city of York in his *Poverty and Welfare State* (Rowntree and Lavers 1951). Since then, there has been debate over how to grapple the reality of people's lives in the society which was struggling to redistribute its recent wealth as it emerged out of the years of austerity, as many social scientists pointed to the continuing existence of poverty. A few years after Rowntree's third survey, the Ministry of Labour conducted an unprecedentedly large-scale survey which was the Household Expenditure Enquiry (HEE). The hand-written individual survey returns have miraculously been retained intact in the disused salt mines that acted as the storage for the Public Record Office, and this made it possible to reconstruct the database based on the hand-written manuscript after more than half a century. We apply factor analysis to the data that we recompiled for the purpose of our research as such an analytical method was not used in the 1957 Report (Ministry of Labour and National Service 1957). By applying factor analysis, we aim to reveal the patterning of everyday lives and shopping habits and the multiplicity of poverty and affluence within the post-war welfare state.

### **The prehistory of consumer expenditures survey in Britain**

The 1953-54 Household Expenditures Survey (HEE) was the first nationwide comprehensive survey since the 1937-38 Working-class Household Budget Enquiry.<sup>1</sup> This survey exercise built the foundational framework of the Family Expenditure Survey (FES) that became a regular annual practice under the leadership of the Ministry of Labour after 1957. Although the initial purpose of the survey was to estimate the weights for the cost-of-living index, social scientists have also used the data for their research on poverty (Abel-Smith and Townsend 1965; Gazeley 2003).

We need to place this survey within the wider history of the household expenditures survey. In Britain, one of the first attempts to collect working class budget data took place in 1904 under the Board of Trade. With the upsurge of the collective bargaining and the trade union movement, and with the strengthening of power by the newly established Ministry of Labour, it became high on its agenda to keep the statistics up-to-date including the cost-of-living index. By the 1930s, it was imperative to carry out a family budget survey to respond to the statistical requirement, but the cost-of-living index that came into use as the result of the 1937-38 Working-class Household Budget Enquiry was not comprehensive enough having

been based on imperfect sampling procedure. After the Second World War, when the large-scale and comprehensive HEE was carried out in 1953-54, its results were reflected in the Retail Price Index (RPI) rebased in 1956, and then since 1957 as the FES became the standard annual practice, the system to regularly rebase the RPI finally came into operation (Wright 1984).

The purpose of the 1953-54 HEE was not only to rebase the RPI but also to provide complementary data on household consumption that were required by the national accounting exercise, to improvise the theoretical model between income and expenditure by providing data for the demand analysis, and to make estimates for the appropriate levels of direct and indirect taxation, and calculation of the benefits that were gained from the social welfare services such as National Assistance and other state benefits (Ministry of Labour and National Service 1957). In other words, the survey became an indispensable tool for the government to deal with the issue of income distribution and redistribution between the affluent and the poor. Thenceforwards the survey came to be used in various other purposes, among which was the challenge by Peter Townsend who used the 1953-54 survey data to argue against the elimination of poverty proclaimed by Rowntree (Abel-Smith and Townsend 1965). This linked expenditure surveys to the tradition of poverty surveys, associated with the pioneering studies of Charles Booth in London and Benjamin Seebohm Rowntree in York. Among the two, Rowntree was more influential in defining ‘poverty’ in clear terms for the first time. He calculated the necessary cost incurred by purchasing the everyday necessities, and defined those with insufficient income to cover the cost as living under the ‘Poverty Line’. However, the problem here was how to distinguish what was necessity and what was not. Rowntree conducted the surveys in 1899, 1936 and 1950 (Rowntree 1901; Rowntree 1941; Rowntree and Lavers 1951), but it was not yet apparent whether the ‘necessity’ should change over time or not, and what should be admitted into ‘necessity’ if it were to change over time. When Rowntree carried out the 1950 survey, what he added to the newly defined necessities were Oxo cubes and plastic table cloth which render the consumer taste in that period (Rowntree and Lavers 1951). Townsend later on criticized the arbitrary definition of ‘necessity’, but he himself also fell into the dilemma between the absolute and relative definitions of poverty. As we discuss later in this paper, we explore the possibility of solving this methodological problem in the survey of poverty as we focus on the progress of the affluent society in our analysis.

### **The politics of affluence survey**

Why did the household expenditures survey take place after the Second World War after a long wait? The Ministry of Labour manuscripts point to the way that ‘affluence’ became an issue in the propaganda machine in the Cold War era. In the international survey of non-food consumption carried out at the end of the World War II, in comparison to the United States, Canada and Australia, Britain was singled out as having the lowest standard of living, lower than its own level before the outbreak of the war.<sup>2</sup> In the occupied Germany, too, a survey of living standards was envisaged to be an urgent mission. There was an outbreak of a socialist revolution at the end of the First World War in Germany. The occupied forces could not thus leave this to a chance after the Second World War. ‘Two Thousand Housewives Show Their Budgets’ was the title of a 1947 news film in which an officer persuades an ordinary citizen to keep an expenditure diary. The film concludes with a hopeful voice of an ordinary citizen: ‘Well then, on our part we shall duly keep this book in order that you (the official) may obtain a reliable picture of the present economic situation, for I realise that things can only be turned to the better if all evils are known, and if possible, supported by detailed figures.’<sup>3</sup>

Above all, the report published by the United States Department of Labor may have exercised the most powerful influence upon the Ministry of Labour’s decision to carry out the survey. The report published in *Monthly Labor Review* in February 1951 was entitled ‘Work Time to Buy Food’, a comparison among various countries including the US, the UK and the USSR.<sup>4</sup> ‘The American worker can buy 5 times as much food for their earnings as a Soviet Worker...’

This survey result was even trumpeted out on the international radio channel, Voice of America. Table 1 below shows the figures that were published in the review.

**Table 1: Index of the purchasing power of average hourly earnings in terms of food**

	1950	1949	Pre-war
<b>US</b>	100	100	100
<b>Australia</b>	107	109	92
<b>Canada</b>	78	84	86
<b>Denmark</b>	73	80	73
<b>Norway</b>	84	88	68
<b>Israel</b>	63	49	52
<b>Germany</b>	38	32	51
<b>Great Britain</b>	62	71	46
<b>Soviet Union</b>	14	13	24

Source: *Monthly Labor Review* (February 1951)

What astonished the Ministry of Labour was not the low level of living standard in the USSR compared to the US, but the level of British living standard compared to the US. What made the Ministry of Labour move towards the full implementation of the survey was their recognition that Britain was lagging behind other countries in the post-war reconstruction, a finding which was dependent on the mobilisation of survey data.

As evident in the American report, the household expenditures survey had come to be regarded as an effective means to generate information which could be used to counter attack the Soviet Communism in the Cold War world. Implementation of the large-scale budget survey itself became an effectual political performance. Once the survey was conducted in Britain, then the survey method was introduced to the far ends of the British Empire which were slowly decomposing after the end of the World War II. Reports on ‘Recommendation about the cost-of-living index for Cyprus’<sup>5</sup> and similar recommendations for Baghdad, Athens, Palestine, Tanganyika and Pretoria remains in the Foreign Office records, alongside with evidence of efforts to implement the budget surveys in these cities under the British influence. In the Eastern Europe, the political role of the budget survey was also clearly articulated. The embassy in Hungary welcomed the news about the Household Expenditures Enquiry in *Budapest Legation* in 1954, commenting that ‘this is the type of propaganda of immense value behind the “Iron Curtain”.’<sup>6</sup>

### The basic structure of the 1953-54 Household Expenditures Survey

If the major task of the Household Expenditures Survey was only to provide the new weights for the cost-of-living index following the format of the working-class budget survey, the Ministry could have taken just the working-class sample as in the 1937-38 survey. However, in order to respond to the broader political agenda which had opened up, the survey sample was expected to cover the whole population including the wealthier classes of consumers. Therefore, the method of stratified random sampling was used to extract 20,000 households, among which 12,911 households participated, resulting in the response rate of 65 per cent. The survey sample was extracted using the random stratified sampling method as much as possible based on the postcode addresses, but the technological limitation at the time of survey also has to be taken into consideration. The adult members of the participating households, excluding the children under the age 16, kept diary records of purchases made during the three week survey period. Furthermore, the investigators interviewed each respondent, asking about the details of income, rent, mortgage, state subsidies and other

regular financial commitment. The collected data were aggregated using Hollerith punch cards, but unfortunately the cards were discarded after the initial use at the Ministry. What survived to see the daylight today are the massive volume of hand-written individual diaries kept by the 12,911 respondent households. Each household file contains 42 pages each of expenditure records for the three week survey period for each of the family member, a few pages of personal information sheets containing the income and subsidy data, and another few pages of household information sheets relating to housing, durables and utilities, all of which summed up to a few hundred pages per household in most cases. However, in order to keep the anonymity of the respondent households, only a summary code sheet per household remains for the details of the addresses, family composition, age and occupation related records. Thus unfortunately not all hand-written information was retrieved for this analysis.

As the amount of the surviving hand-written records is too large for our one-year funded project, we have digitized and analysed the data focusing on London boroughs alone, which contains 768 households. This represents 17 per cent of the whole national sample, but is an underestimate, comparing to the figures reported in the Census.<sup>7</sup> In our analysis, we additionally looked at the York sample of 24 households, in order to make a comparison with the London sample, taking into consideration the ‘affluent’ standard of living that Rowntree argued obtained in that city. The variables used in this analysis are the household income group codes (9 classes in total), the number of dependent children, the number of income earners, whether receiving state benefits or not, which are extracted from the household summary information sheet, and the amount spent on the coded expenditure categories (75 items in total). The 3 digit expenditure codes were jotted down by the investigator in red ink beside the respondents’ handwriting, the number of which amounted to the total of 212, but as there were cases of duplicate coding as well as those items which were bought by only a few households, we had to take them out of our analysis as we cleaned up the database to be robust enough for a statistical analysis. In order to show that the database which we built for our analysis is reliable enough, we make a comparison of sample means with those found in other dataset of this period, as shown below in Tables 2-a and 2-b.

**Table 2-a: The share of food expenditures**

<b>Food groups</b>	<b>1953-54 HEE</b>	<b>1955-56 DFC</b>
<b>Milk, eggs and cheese</b>	18	18
<b>Meat &amp; fish</b>	29	32
<b>Fruit &amp; vegetable</b>	16	16
<b>Cereals, fats, sugar and preserves</b>	23	26
<b>Other foods and beverages</b>	13	8
<b>All foods</b>	100	100

Source: DFC - Domestic Food Consumption, 1955-56', reported in Ian Gazeley, *Poverty in Britain*.  
HEE – Household Expenditures Enquiry, 1953-54.

**Table 2-b: The share of total expenditures**

<b>Expenditure categories</b>	<b>1953-54 HEE</b>	<b>1963 (Q1) NA</b>
<b>Food</b>	26	25
<b>Alcohol &amp; tobacco</b>	9	8
<b>Clothing &amp; footwear</b>	10	10
<b>Housing &amp; fuel</b>	10	12
<b>Recreation &amp; culture</b>	7	8
<b>Others</b>	36	37
<b>All categories</b>	100	100

Source: NA - National Accounts, Household Final Consumption Expenditure, 1963, First Quarter.  
 HEE – Household Expenditures Enquiry, 1953-54.

Table 2-a shows a comparison with Domestic Food Consumption (DFC) data. The disparities between the different data sources are not significantly large. Within the total food expenditure, the 1953-54 Household Expenditures Enquiry (HEE) data show slightly smaller ratios in sources of protein such as meat and fish, and also in sources of energy such as grain, oil and sugar. Beverages and the other category are slightly larger instead. Table 2-b shows another comparison with National Accounting, Household Final Consumption Expenditure (NA) data, with even smaller disparities. Therefore we may safely claim that our dataset contains no fundamental problems. However, in order to achieve higher accuracy of the dataset, many assignments were also left behind, as mentioned in the Ministry of Labour advisory committee reports on Household Expenditures Enquiry.

There were a few slightly uncertain practices with regards to the 1953-54 survey, for example, that related to the use of ‘Clubs’, such as Saving Club, Sick Club, Clothing Club, Holiday Club and Christmas Club, which were often cashed in by working-class families.<sup>8</sup> In 1953 as the coronation of Queen Elizabeth took place, spending on Coronation Club was also mentioned in the diaries. Whether these Club expenditures should be aggregated within each respective category such as ‘saving’, ‘medical expenditure’, ‘clothing expenditure’ and ‘recreational expenditure’, or whether all of these Club expenditures should be aggregated within ‘saving’ alone was much debated in the advisory committee. Especially, it was reported that some households used the money saved in the Clothing Club for other kinds of purchases, which made the latter case a more appropriate system of aggregation.<sup>9</sup> The advisory committee concluded that these Club expenditures should be regarded as a kind of saving and should be aggregated within ‘the other expenditures’ category. However, in the United States Consumer Expenditures Surveys, which had firmly been established by the mid-century, Clothing Clubs were considered to be a form of Hire Purchase and calculated into the clothing expenditure category. Indeed, Hire Purchase was another form of financing system that was often utilized by the working class families, alongside Clothing Clubs. Hire Purchase was often used for durables, automobiles and motorbikes, but as it involved interest payments, it made the calculation even more difficult for the officials.

Furthermore, Townsend criticised the fact that the total expenditure exceeded the total income, pointing to the possibility that Club saving and other short-term savings were often cut into when incomes were not sufficient and used for consumption if necessary (Abel-Smith and Townsend 1965). In this manner, it is hard to grasp the mean income and the mean expenditure figures accurately without understanding the methods and the dynamics of working-class financing at that time. In our analysis below, we avoid this kind of difficulty, by employing the analytical method that can contribute to revealing the dynamics of financing and spending.

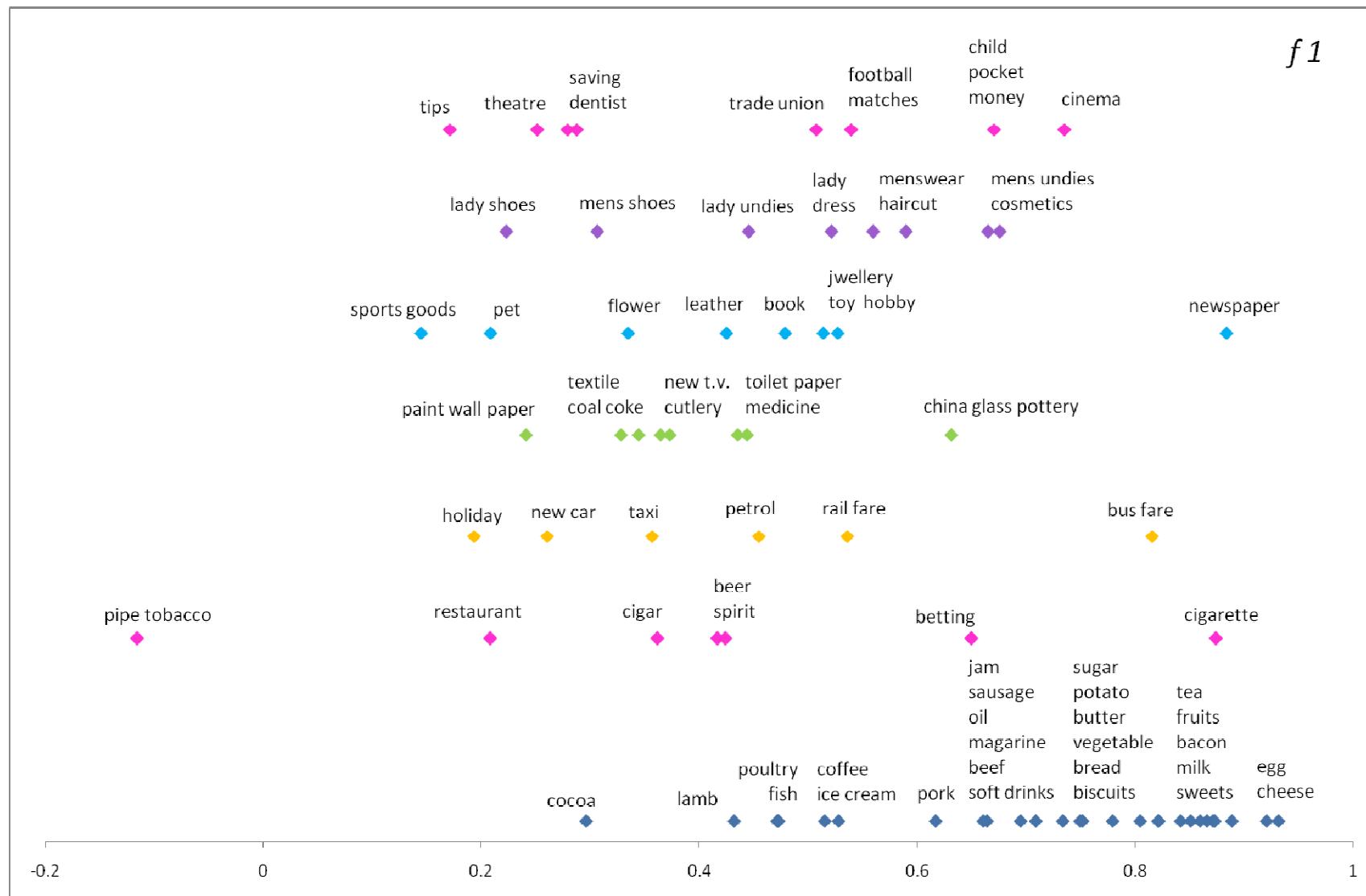
## The method of multivariate data analysis

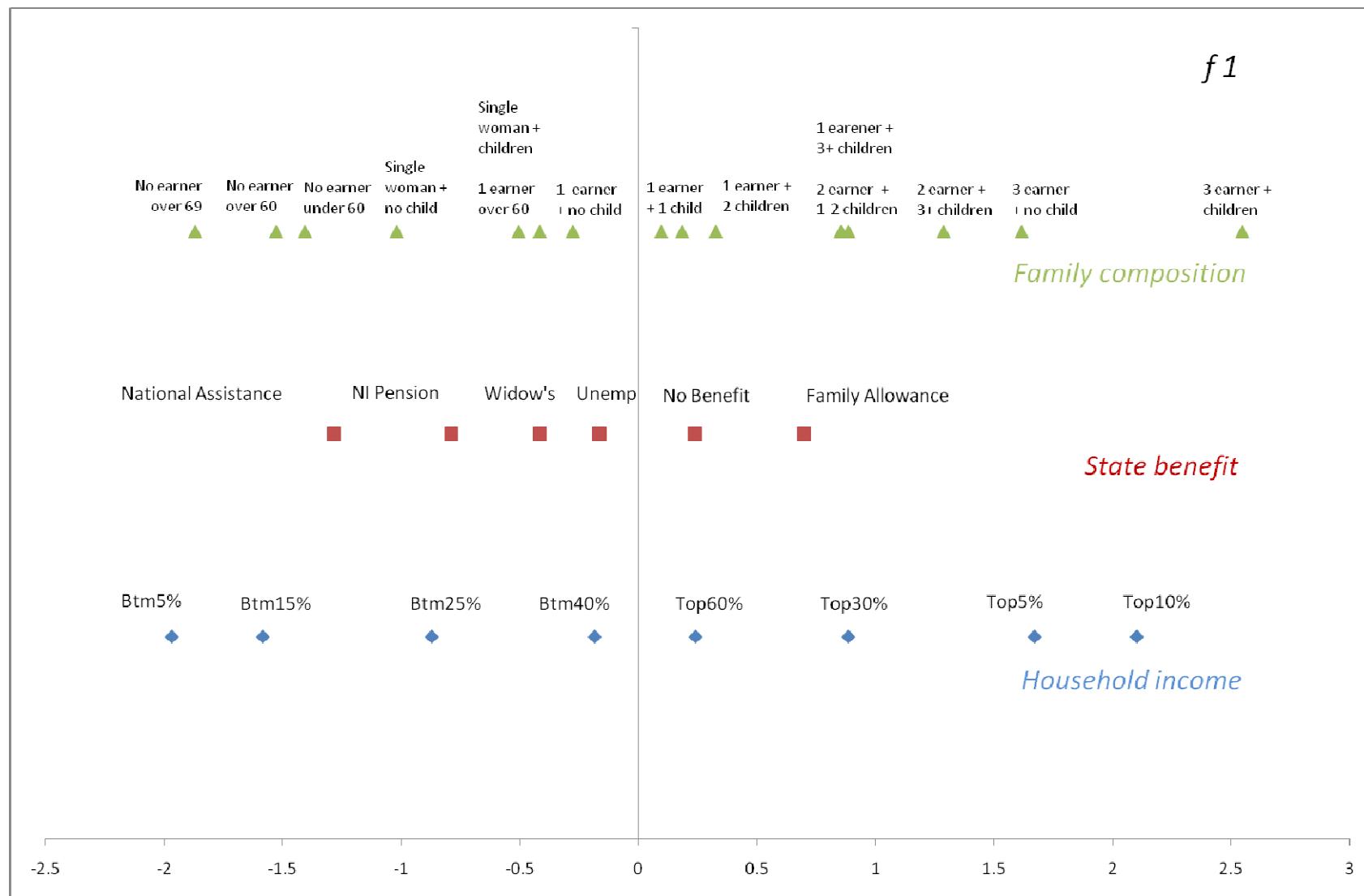
In this paper, we apply factor analysis, a form of multivariate analyses on our Household Expenditures Enquiry data. This method is different from ordinary procedures and measures used in socio-economic research, such as calculation of the mean or cross tabulation, and provides an ingenious exploratory method to visualize complex patterning. In recent years, the method is used in the field of marketing, but tracing back the history of this approach, we find that it was initially developed for the use in the intelligence quality testing in the US and became part of an established academic research first in the field of formal linguistics in France. As mentioned above, this visualization method is an effective approach to unfold the issue of ‘relative poverty’ which Townsend had referred to. In other words, we may be able to reveal social norms and customs associated with the notion of ‘necessity’ that change over time, using this analytical method. The method of factor analysis that we use in this working paper has parallels with other important studies, such as Pierre Bourdieu’s *Distinction* which pioneered the use of this approach in social sciences (Bourdieu 1979). Bourdieu researched cultural tastes of French people, using the method of Correspondence Analysis, another form of multivariate analysis, and visualising the differences in taste among the people with different economic and cultural capital. In the US, Arnold Mitchell’s lifestyle research might be considered as the pioneer in this field (Mitchell 1981). The approach which Mitchell used is coined ‘Psychographics’, and nine lifestyles of American people were revealed using Principal Component Analysis, yet another type of multivariate analysis. Many subsequent sociological analyses follow these pioneering works and used ‘qualitative’ survey data, such as social attitude surveys, but in this paper we use a ‘quantitative’ kind of data as in the household expenditures survey and take up an original challenge to reuse this data in a rather new and creative direction (Majima 2008).

In order to use the Household Expenditure Enquiry data, we used groups of households with similar characteristics, and not individual households themselves. As mentioned above, the individual respondent households kept the expenditure diary records for the duration of three weeks within the whole survey year, but as the individual households were evenly spread over the year, we may obtain the average household expenditure taking into consideration the variation due to seasonality. But individual households may not spend on many consumption items, especially on non-grocery items. Even if there was latent demand for such items, zero expenditure would be registered on the survey questionnaire unless the survey week overlapped with the actual purchase. Therefore, it would be necessary to avoid this problem of zero expenditure by using the group mean of the households with similar characteristics.

Factor analysis allows us to obtain the correlation among multiple variables, or in other words, the distances among different variables. In this analysis, we obtain the correlation between the different amounts spent on the 75 items, ranging from bread and butter to taxi and dental services as proportion of the total household expenditure. In other words, we are measuring the tendencies that different groups of households are likely to purchase certain different items. We use STATA statistical application, and calculate out the distances among these tendencies as factor loadings. We then plot these factor loadings on to multidimensional space, and thus visualize the relationships as a map of shopping items. The household groups that each comprise the unit of analysis are the eight income groups, the 13 groups with different family composition patterns, the six groups in terms of state subsidies, and the 28 London boroughs plus one group for York. The numbers and the proportions of households within each group are listed in Appendices A1, A2 and A3. These characteristic groups were chosen in the socio-economic interest of this project, but suppose we had access to the data on the age and the occupation of household heads, our analysis could have become even more interesting and useful in contrast to the existing literature in sociological research. Having said that, our data source provides a unique opportunity to focus on the differences among London boroughs, and could also possibly contribute to the urban history of London. In the sections below, we extract Factor 1 (eigenvalue: 25.7), Factor 2 (eigenvalue: 7.6) and Factor 3 (eigenvalue: 5.0) according to the size of the eigenvalues, and provide our explanation over the analytical results as plotted on the visualisation maps.

Figure 1-a: Factor loadings for Factor 1, Household Expenditures Enquiry 1953-54



**Figure 1-b: Factor scores for Factor 1, Household Expenditures Enquiry, 1953-54**

First, we consider, Factor 1. We follow the lead by Bourdieu and use as little statistical jargon as possible for ease of exposition. We do not try and single out ‘the’ most important factor deciphering the factor scores in a mechanical manner, but try to find the meanings behind the visualised space that are created by the factor loadings and the factor scores as a space of relationships and distances among the variables - the invisible social ordering and latent classes. Figure 1-a shows the variables on a one-dimensional scale along the horizontal axis from left to right. It must be noted that there is no vertical axis from top to bottom in this diagram. First of all, we start by looking at this dimension of Factor 1. We can see there is a rather clear ordering from the left to the right of this diagram. For example, on the left we see food items such as cocoa, coffee and ice cream - those *petits péchés mignons*. We also find lamb, poultry and fish, not easily obtained in London throughout the year. All of this can be regarded as food luxury. Moving towards the right on the scale, we find more ordinary food items which were probably consumed by many families. In terms of the source of protein, we see bacon, egg and cheese on the right, which tend to keep better than raw meat. Tobacco and alcohol items are separated on the different ends of the spectrum – pipe tobacco on the left has an opposite sign to anything else, including cigarette on the right. Tobacco thus explains much of the differences on the Factor 1 scale. In terms of mobility, the purchase of new cars and the use of taxis are found on the left and those who use buses, the public transport, are found on the right. Looking at items of personal interest and hobbies, we see sports goods and animal-related expenses, such as for dogs and horses, on the left hand and daily newspapers on the right. Before the diffusion of television, newspapers were probably one of the most important sources of information and entertainment for the working class families. Also in terms of culture and entertainment, we find that the positions of theatre and cinema are separated out on the two ends of the scale, each of which the different classes of the respondents may have enjoyed. In this manner, Figure 1-a exhibits a list of seemingly meaningless items of shopping at first sight, but it also seems to show the differences in cultural tastes between the middle-class and working-class families which persisted even after the Second World War. However, at this stage we are still unclear about what kinds of differences that would be, which we investigate further below.

Let us now look at Figure 1-b, starting with household incomes. We can see that the lower income groups are located on the left and the higher income groups are located on the right. The highest income group is then found not at the far right end but next to it – why could this be? And why do we see higher income groups towards the right end of the spectrum, while, as in Figure 1-a, we see expenditure items that seem to exhibit working-class preferences on the right? Furthermore, on the far left, we find households which receive National Assistance, then the recipients of state pensions, unemployment insurance, while we see Family Allowance on the right hand side. Those families who do not receive any state benefit are positioned next to Family Allowance. The ordering is similar to that of household income. Furthermore, looking at family composition, we see older households without children and households without male-earners on the left, while households with many earners and/or a lot of children are found on the right. Considering this point, the polarity manifested in Factor 1 may be more related to the size of the household and how many people and children consume food, rather than to the class differences. Factor 1 is a slightly difficult case to interpret, as we have seen. What we are certain at this stage is that Factor 1 does not represent a straight forward income scale. Rather on the contrary. The key to solve this interpretation problem may be found in the consumption of eggs and cheese, which are found in the right end of the spectrum, and the effect of rationing. These food items came off ration in 1953 and 1954 just around the time of this survey. The effect of income differences thus probably got balanced out. Interestingly, children and expectant mothers were allowed more eggs than ordinary adults, and the rationing of cheese was relaxed a couple of times since the start of food control, and became the most generous source of protein, as it substituted for other sources of protein such as meat and fish (Zweiniger-Bargielowska 2000). Having identified the effect of post-war rationing, we investigate further in the following figures the social differences that appear in the consumption patterns of the early 1950s, looking at the factor loadings for Factors 2 and 3 on a two dimensional diagram.

**Figure 2-a: Factor loadings and scores for Factors 2 & 3, Household Expenditures Enquiry 1953-54.**

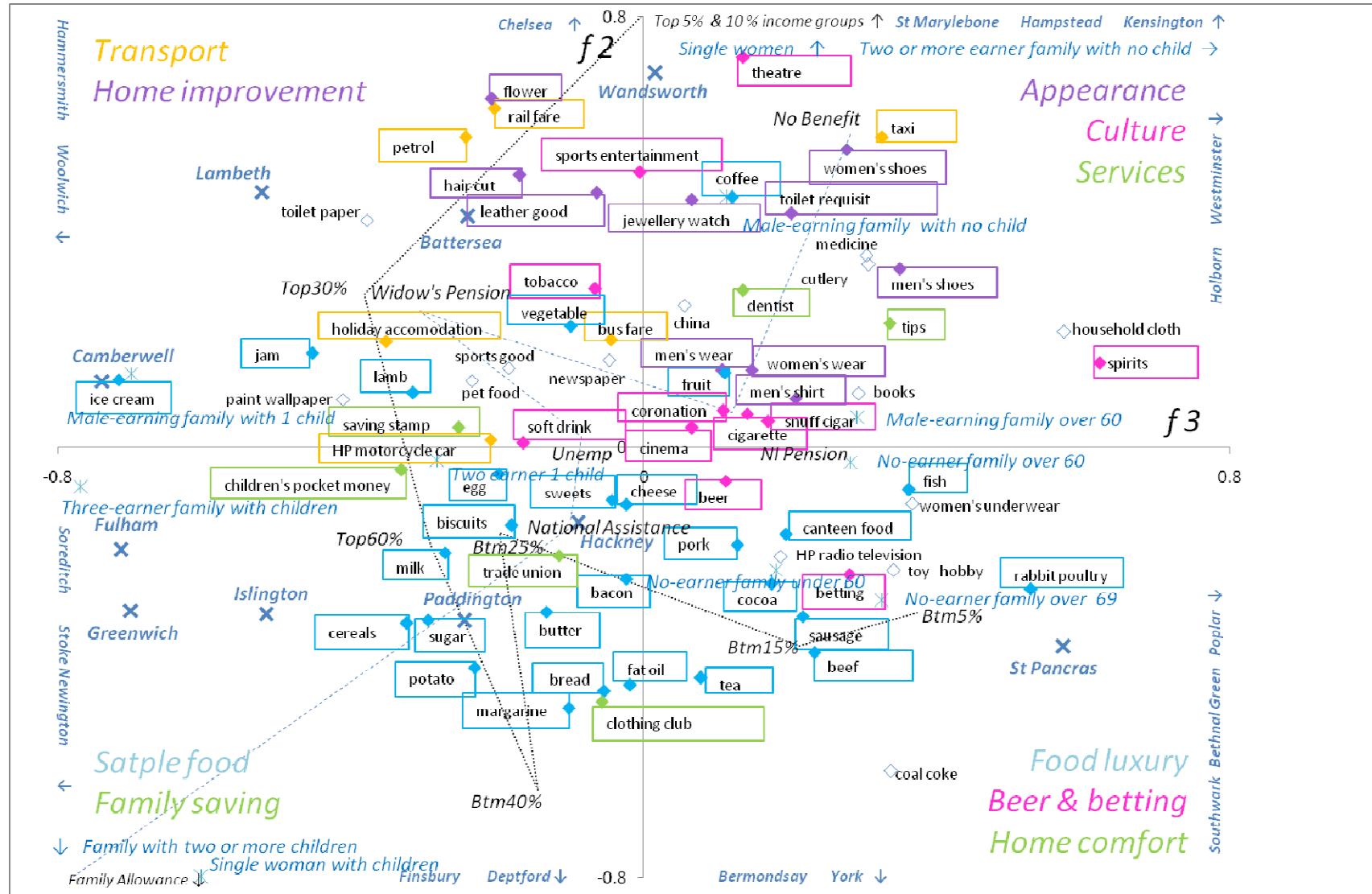
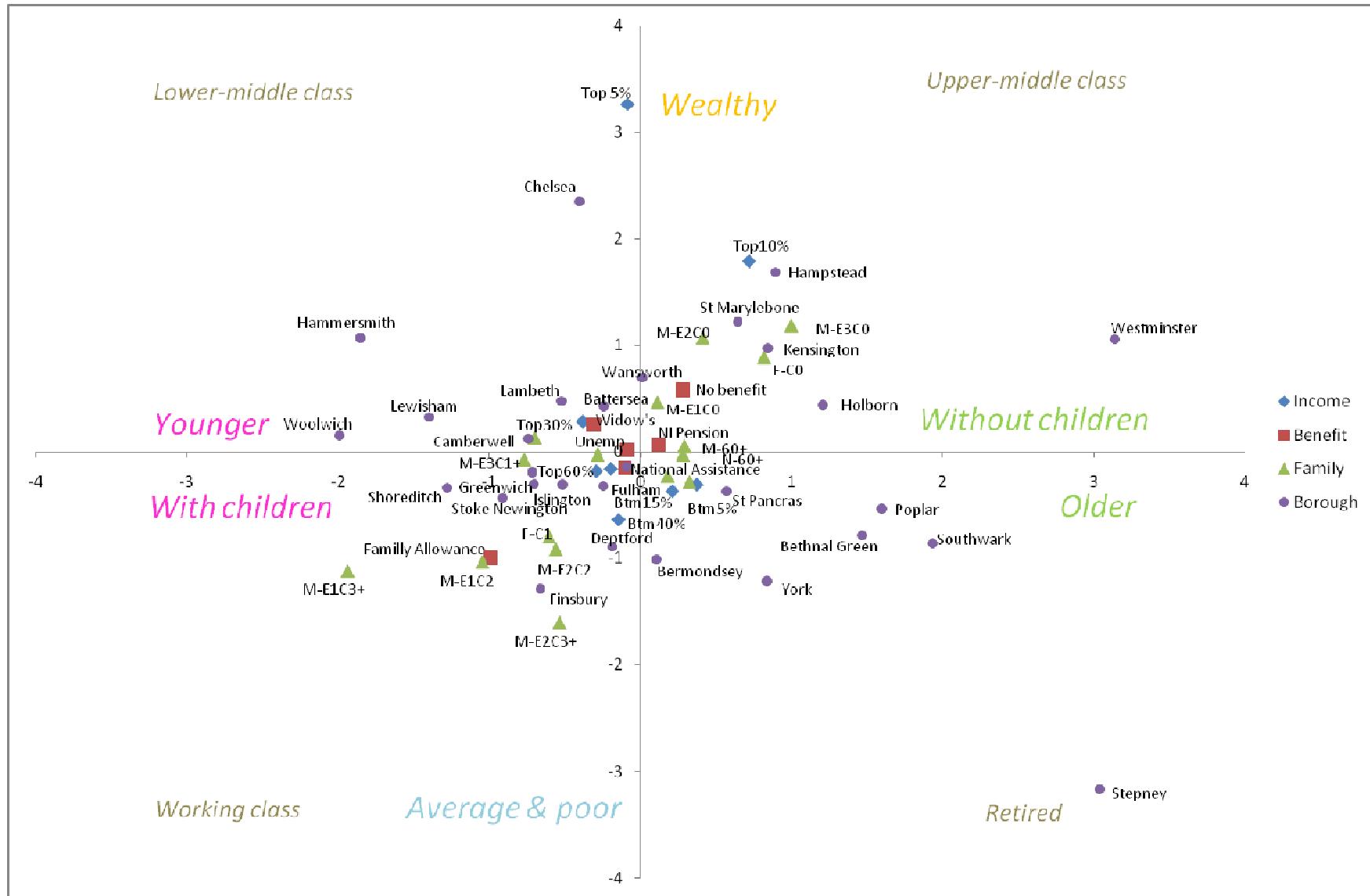


Figure 2-b: Factor scores for Factors 2 &amp; 3, Household Expenditures Enquiry 1953-54.



In Figures 2-a and 2-b, we take Factor 2 on the vertical axis and Factor 3 on the horizontal axis and show the coordinates on a two dimensional diagram. From around 1970s onwards, our previous research results showed that a similar pattern appeared in Factors 1 and 2, and that the pattern evolved little by little over the 40 years as the contents of the respondents' shopping baskets changed over the decades (Majima 2008). Therefore, it would be meaningful to compare these with Factors 2 and 3 of our 1953-54 Household Expenditures Enquiry data analysis. Although Factor 1 is slightly difficult to interpret due to rationing, the correlations among different consumption items that appear in Factors 2 and 3 correspond quite well with the socio-economic relational characteristics of the respondent's household groups. Let us start with the bottom left corner of Figure 2-a. In the space of bottom-left corner of this diagram, we find food items. Bread and potatoes are found at the very bottom of this corner, as well as margarine that goes with them instead of butter. Then we see milk, sugar and cereals, and further up the diagram, we find eggs, cheese, cakes and biscuits. Apart from food items, we find payments for Clothing Clubs and trade unions, as well as saving stamps, a little up the diagram. These were important avenues of saving for the working-class families as we have already discussed earlier.

Moving on to the top-left corner of the diagram, what appear prominently are the transport-related expenses. Bus and railway services, petrol charges, and also motor cycles and cars bought on Hire Purchase are found in this quadrant. Those families who spend more of their household budget on holidays and travel are found around this space, too. There are also a few food items - sugary processed food, such as ice cream and jam, lamb, which were not easily available before the large-scale frozen lamb import started with New Zealand, and also vegetable. Families who preferred to eat a lot of vegetable seem to be rather special in those days. Do-it-yourself items, such as wall papers and paints that appear in this corner, might be reflecting the popularity of modernist interior by ordinary households, perhaps influenced by the new post-war modernist architecture. As part of a national drive for post-war recovery and reconstruction, an exhibition on design was held in London in 1946 (Woodham 1997). Toilet papers appear in the top left corner also in reminiscent of the post-war austerity years. During the Second World War, the British government recommended recycling newspapers and cutting back on toilet rolls due to a severe shortage of papers. Therefore, even though toilet papers are everyday necessity, they appear at the top left quadrant of this diagram. In the results of analyses after 1961 they usually appear right at the bottom of the diagram with staple food items.

Let us now explore the top right quadrant, where clothing and appearance-related expenditures tend to appear prominently. We see jewellery and watches, women's shoes and cosmetics, and a little further down are menswear and womenswear, and men's shoes on the far right. These are the items which has not upper limit on price. Well-dressed, glamorous people might hire a taxi and go to the theatre. These people might spend handsomely on tips, too. Spirits and wines are also found at the far right side of this quadrant, whereas more popular type of guilty pleasure are found close to popular entertainment, such as cinemas and the Coronation Party in the centre of this diagram. In terms of food and beverages, we see coffee and fruits which might have been regarded as rather refined. In fact, expenditure on coffee is also found high up in the top right corner in the diagrams for the 1960s and the 1970s, but in the recent diagram of family expenditures survey, we find coffee right at the bottom of the diagram with tea. Over the 40 years, coffee became an extremely popular kind of beverages for the British people.

Now finally, we move on to the bottom right corner. In this quadrant we find a lot of food items. Whereas we saw staple food items with high carbohydrate content in the bottom left corner, we see more of the sources of protein in the bottom right corner. Tea and cocoa, beer and betting are also found in this quadrant. However, what is most characteristic of this space is coal and coke that appear in the bottom right of this diagram. Fire places in which coal and coke were burnt were still quite important as the source of warmth in ordinary households. In

the warm house, families might have enjoyed hobbies and playing with toys with children and grandchildren, listening to the radio or watching the television which were bought on Hire Purchase.

Those households which tend to stay at home and keep warmth, as we find in the bottom right corner of the diagram, are the older pensioner households (*no earner family over 69*). And those families which are found in the bottom left corner of the diagram are the middle income households, namely the majority of the working-class families. These households tend to spare much of their budget on food items due to the size of the family and the number of dependent children. On the top left are the households with higher incomes, and on the top right corner are the highest income households. To grasp the whole picture of household characteristics that spread over and outside the diagram, we need to zoom out as we do in Figure 2-b which shows only the coordinates of the factor scores, without data points for factor loadings, relating to the positions of the shopping items.

In Figure 2-b, we can see the whole picture of income groups, family composition groups and benefit recipient groups. Furthermore, in this diagram, we also show the positions of the London boroughs and York. In the bottom right corner, we find Poplar, Southwark, Stepney, Bethnal Green, which are namely the East End of London and the dockland boroughs. In the years after the Second World War, new towns and council houses were built in the suburbs of London, and families in the East End were encouraged to move. Those who decided to grab the new opportunity and to move out of poverty were the younger families with children, and those who were left in the East End were the older pensioners (Young and Wilmott 1957). Therefore, in the bottom left corner of the diagram, we find southern boroughs which were close to the newly constructed bed towns in Surrey and Kent. On the other hand, in the top left corner, we find Hammersmith and Lewisham which became suburban neighbourhood in the nineteenth century as the middle classes moved to the western and the southern boroughs. We also see Chelsea in this quadrant, which was popular for younger middle classes. And as we move on to the top right corner, we find the so called West End and Hampstead. Since the seventeenth and the eighteenth centuries, the town houses of the aristocracy were found competing each other in these areas such as Westminster, Kensington, Holborn and Marylebone.

Having looked at Figure 2-a and 2-b, we might conclude that Factor 2 can be interpreted as an index of affluence and poverty, and that Factor 3 might be an index of the young and the old, as well as those with and without dependent children.

### **Consumer behaviour of the low income households**

As we have discussed above, the data analysis of the 1953-54 Household Expenditures Enquiry unravelled the social distances that were kept among the diverse range of residents in London. Apart from family size, that may determine the expenditure patterns particularly under the influence of rationing, income and age can be considered as the two most important factors, determining the residual differences. However, not everything can be explained by these factors. For example, would not it be rather peculiar that expenditure on radios and televisions are found in the quadrant for the low-income old-age pensioners, even though they were bought on Hire Purchase? Here we might remind ourselves of the system of Hire Purchase, which became popular alongside with the diffusion of household appliances and durables since the interwar period (Scott 2007). The households usually paid the instalment as 'rent' during the instalment period, and if they cannot pay up the total price and the interest rate at the end of the instalment period, they had to return the item back to the vendor. In the UK, the experimental television broadcasting started in 1936, and the rapid diffusion of black and white television sets was already on its way in 1949. Therefore, by the time of 1953-54 survey period, it is not hard to imagine that many ordinary working-class households were

buying the black and white television sets. Even on the national scale, by 1958 television had diffused to more than half of all households in Britain. The rate of diffusion must have been quite rapid among households in London, too (Offer 2006).

**Table 3-a: Purchase of durables by low income households**

<i>Items (incl. H.P.)</i>	<i>All households</i> (774)	<i>Bottom 6-15%</i> (82)	<i>Bottom 5%</i> (43)
<b>Fridge &amp; washing machine</b>	18	0	0
<b>Gas cooker</b>	24	3	0
<b>Television</b>	50	2	0
<b>Radio &amp; gramophone</b>	12	2	0

**Table 3-b: Budget shares of major expenditure categories, low income households**

<i>Expenditure categories</i>	<i>All households</i> (774)	<i>Bottom 6-15%</i> (82)	<i>Bottom 5%</i> (43)
<b>Food</b>	26	46	47
<b>Alcohol &amp; tobacco</b>	9	10	9
<b>Clothing &amp; footwear</b>	10	8	7
<b>Housing &amp; fuel</b>	10	3	5
<b>Recreation &amp; culture</b>	7	7	7
<b>Others</b>	36	27	24
<b>All categories</b>	100	100	100

As in Table 3-a, we extracted the data for the low income households and compared with the sample means, and found that even though the bottom 5 % income households bought none of those durables or household appliances, a few of the 6-15% households were buying gas cookers, televisions and radios on Hire Purchase. Although the number is small, if we see this as a percentage of the total, the proportions are not so different to those of the whole sample. However, if we look at consumption items as a whole, as in Table 3-b, we see a clearer difference between the low income households and the whole sample. Within the budgets of the low income families, food has a large share, which almost reaches half the budget, and the share of alcohol and tobacco is also high. As they tend to live in council houses and low rent accommodation, expenditures on housing is cut back, but the difference is not spent on other expenditure categories at all. Even though it must have been hard to squeeze out payment for Hire Purchase, poorer households nonetheless had desire for durables that could raise the symbolic status of the household. Especially, the diffusion of appliances for family entertainment, such as televisions and radios, was faster than labour-saving appliances such as refrigerators, washing machines, and vacuum cleaners (Offer 2006).

Extending the discussion on the consumption patterns of the low income households, we might here consider the analytical results of our data in comparison to Rowntree's poverty survey of York and Townsend's reanalysis of household expenditures surveys. Firstly, let us consider the meaning of the York sample, whose coordinates interestingly appeared in the bottom right corner of Figure 2-a. Rowntree once mentioned that it was not appropriate to generalise his survey results of York to discuss about the level of poverty within the whole of Britain, because he thought people in York were a lot wealthier than the national average. In our present analysis, we only used the data on 24 households in York, therefore it is not large

enough a sample to generalise about York, but we might say that the possible reason why York appear in the bottom right corner of the diagram is not because the people in York were poor but possibly because the consumption taste of Yorkshire folks was rather conservative compared to that of Londoners. In the small northern town, there were less variety of shops and entertainment compared to London, and in terms of food, Yorkshire people might have enjoyed more meat-oriented, traditionally respectable meals more than starch dependent meals. In any case, this is all still speculative, and a further comparison with other northern towns would be necessary to produce more meaningful observations and a chance to re-evaluate the consumption lifestyles in York in the early 1950s.

Considering the element of conservativeness in Yorkshire lifestyles, it might be easier to comprehend the reason why Townsend objected the notion of ‘necessity’ set out by Rowntree. Setting the standard in York might have inadvertently deepened the distance away from the newer and more modern, youthful lifestyles of London and other large towns. Furthermore, we have shown that it is apparently difficult to define poverty with a standard unitary measurement such as the Poverty Line or the National Assistance Scale because the correlations among the characteristics of households are so multilayered and multidimensional as revealed by our Factor Analysis. Rowntree, for example, added vegetable and fruits within his calculation of Poverty Line, taking into consideration the nutritious importance (Rowntree and Lavers 1951), but in Figure 2-a we saw vegetable and fruits in the top left and the top right quadrant of the diagram. This means that the poor families did not regard them as necessities, when the effect of rationing was controlled for. Furthermore, Rowntree did not take into account the diffusion of household appliances apart from the use of radios. Townsend, moreover, pointed out that there was severe flaws in the National Assistance Scale in his research (Abel-Smith and Townsend 1965). This was broadcasted in a newspaper with a headline ‘Millions Still in Poverty’.<sup>10</sup> The public criticism amounted by this time that the National Assistance Scale had been too loose so that households which did not need assistance were receiving the benefit. What Townsend pointed out with his research result was that the actual problem was the fact that many households which really needed assistance were getting none. The National Assistance Scale was calculated with regards to household income and family size - in general, those who earned less than the half of the national average or less than the 60 per cent of the national median came under the line. Townsend pointed out that there was the problem of ‘Wage Stop’ whereas households with a certain earning received only a reduced rate of assistance and that the working poor were increasing in number. On the other hand, he also admitted that, in some cases, those households with older relatives were receiving the benefit even though they earned more than the 40 per cent above the National Assistance Scale.

Exploring the coordinates of factor scores in Figure 2-a and 2-b, we see that National Assistance recipients are located in the bottom left corner but quite close to the centre of the diagram, which probably means that those who were receiving National Assistance kept the consumption standard which was similar to that of the upper strata of working-class households - almost the same with the national average. On the other hand, the Family Allowance recipients are located far away in the bottom left end of the diagram, which presumably means that they had to survive on the starch dependent diet, with a large share of budget spent on bread and potatoes, apart from the meagre source of protein found in the rationed eggs and cheese. In terms of the positioning of income groups, we also see that the lower income households, such as the bottom 16-25% group, are located above the slightly below average, i.e. bottom 26-40% income households, which probably mean that the latter group had to endure lower level of consumption lifestyle than the former group when the effect of rationing was controlled for. Townsend often mentioned the problem of poverty among the older age pensioners, but we might conclude from our analysis of Figure 2-a that the issue of poverty was prominent and equally severe among the working families with many children. Britain saw a small baby-boom after the end of Second World War, which was smaller than that of the 1960s. The amount of the Family Allowance that started after the

Second World War was clearly not enough to lower down the Engel Coefficient of those households which raised many children in the post-war baby-boom. Furthermore, we could also see that this hardship of the young child-bearing families persisted for the next few decades in Britain after the rationing ended, as we followed up the family expenditure survey data further in our previous research (Majima 2008).

### Concluding remarks

As a response to the various criticism made by Townsend, an impressionistic sentence was written up by an official of the Ministry of Labour as below:

... relative poverty may be an intellectually defensible concept but surely it is a much less deserving subject for social indignation than some level of living which really means "hardship". It is even a little unfair to use "poverty" which is a highly *emotive* word to describe the situations you have in mind.<sup>11</sup> (*Italics by the author.*)

The Ministry of Labour was trying to deal with the issue of affluence and poverty as one of the foundational pillars of the post-war Welfare State, while cunningly avoiding the pressure from abroad and the criticism from the public in a manner perhaps suitable for a gentleman official. Britain came to be left behind other European countries and the US and Japan in terms of the economy and the industry in the post-war recovery of international trade, but we might see a kind of political grace in its desire to keep the superior standard of living for the people. The government expenditures on benefit expanded monstrously thereafter, and this became the target of criticism for decades to come. With the ascendance of Thatcher as the Prime Minister, it is said that expenditures on benefit were cut back, but even today we cannot avoid mentioning that there remains a large cluster of poorest households who have depended on state benefit for generations. Was this due to the political principle or to the administrative misallocation as pointed out by Townsend? Even after half a century since the start of the Family Allowance scheme, child poverty is a priority issue for this country. It might be said that even the government officials have to be emotive facing such a humanitarian crisis.

In this working paper, we have revisited the dawn of the post-war British society, from the perspectives of consumption, income and benefit. Due to the limitation of the one-year research period, the analysis had to be curtailed to the London (plus York) sample only, but it was worthwhile to digitize the hand-written survey records and to perform factor analysis on the collected data, as we could see the groundbreaking years of the consumer society and the welfare state from a new angle. Through the course of analysis, we could confirm that even though the effect of rationing was still felt strongly, the dynamics of affluent consumption patterns slowly came to be in the reach of the ordinary households, including the household appliances, interior renovation, cinemas and Coronation Parties, Saving Stamps and Clothing Clubs. As it could be seen in the archival materials of the Ministry of Labour, the government did make an effort to publicise the survey widely as early as in the preparation stage, and was used as a propaganda material in the Cold War situation. Nevertheless the consumers themselves seemed to have been eagerly celebrating the end of the post-war austerity years that were characterised by tight rationing and control. There appeared to be some hand-written diaries in which the respondents bought far more than their income level would imply, as if showing their hearty appetite for consumption. Also we could see some descriptions of consumption items which showed the respondent's emotional attachment that could never be inferred just from the already-digitised official dataset. Especially, there were cases in which the respondents noted the brand names of the consumption items. For example, one respondent noted 'Golden Shredded' to qualify the marmalade that she bought, as if being so proud of her culinary taste.

It is also confirmed that the method of Factor Analysis that we used in this working paper could provide a solution to the interpretive problem of ‘relative poverty’. The similarity and dissimilarity in consumption patterns between the benefit-recipient poor and the families with average income in hardship due to the family size could be graphically told using this method. We could also see the characteristic spaces of socio-cultural differences among those working classes, and the lower middle class and the upper middle class. The analytical results of our 1953-54 survey data offered illustrative stories that were directly comparable to the results of the survey data analyses for the other decades since the 1960s and also to the research analytics produced by Bourdieu in France. Our future assignment is to expand this dataset to cover the whole country. Our plan is to start with the large northern cities such as Manchester, Liverpool and Leeds and Bradford, and compare the data with that of London boroughs. Furthermore, we will investigate the use of the Mass Observation material ‘On Family Budget, 1952’ in order to understand what people thought and how they felt as they tried to keep the ends meet at the time of the groundbreaking point from the austerity years to the mass consumer society in Britain after the World War II.

## Appendix

**Table A1: Number of respondents in each London Borough**

	All	Top 10%	Bottom 15%		All	Top 10%	Bottom 15%
<b>Battersea</b>	26	2	3	<b>Kensington</b>	28	3	6
<b>Bermondsey</b>	14	0	3	<b>Lambeth</b>	62	1	7
<b>Bethnal Green</b>	13	1	2	<b>Lewisham</b>	60	0	11
<b>Camberwell</b>	26	0	4	<b>Paddington</b>	18	0	4
<b>Chelsea</b>	10	1	1	<b>Poplar</b>	21	0	5
<b>Deptford</b>	20	0	4	<b>St Marylebone</b>	11	1	6
<b>Finsbury</b>	8	0	2	<b>St Pancras</b>	28	0	4
<b>Fulham</b>	25	2	3	<b>Shoreditch</b>	13	1	1
<b>Greenwich</b>	29	0	7	<b>Southwark</b>	21	0	3
<b>Hackney</b>	41	3	6	<b>Stepney</b>	18	0	2
<b>Hammersmith</b>	33	3	5	<b>Stoke Newington</b>	13	0	3
<b>Hampstead</b>	22	1	3	<b>Wandsworth</b>	80	0	6
<b>Holborn</b>	3	0	1	<b>Westminster</b>	20	0	4
<b>Islington</b>	55	1	14	<b>Woolwich</b>	32	1	0

Source: Household Expenditure Enquiry 1953-54.

**Table A2: Number of earners and children in the households**

<b>Male-headed families</b>	#	%	<b>Non-male-headed families</b>	#	%
<b>One earner</b>	296	38	<b>Female-headed</b>	80	10
(with one child)	(61)	(8)	(with 1+ children)	(21)	(3)
(with 2 children)	(64)	(8)			
(with 3+ children)	(33)	(4)	<b>Benefit-dependent</b>	102	13
<b>Two earners</b>	215	28	(age 60-69)	(29)	(4)
(with one child)	(55)	(7)	(age 70 and over)	(57)	(7)
(with 2 children)	(33)	(4)			
(with 3+ children)	(22)	(3)			
<b>Three+ earners</b>	81	10			
(with 1+ children)	(42)	(5)	<b>Total number of families</b>	774	100

Source: Household Expenditure Enquiry 1953-54.

**Table A3: Number of state benefit recipients**

	<i># of primary benefit</i>	%	(# of N.A. recipient)
<b>No Benefit</b>	392	51	(0)
<b>Family Allowances</b>	181	23	(4)
<b>National Assistance</b>	64	8	n/a
<b>Sickness Benefit, Unemployment Benefit, Industrial Injury or Disability Compensation</b>	21	3	(3)
<b>National Insurance Retirement or Old Age Pension</b>	78	10	(48)
<b>Widow's Pension or Allowance, War Disability Pension or Allowance, Other kind of Retirement Pension or Superannuation</b>	38	5	(12)
<b>All</b>	774	100	

<sup>1</sup> 'Weekly Expenditure of Working-Class Households in the U.K. in 1937-38', *Ministry of Labour Gazette*, December 1940, January and February 1941.

<sup>2</sup> 'Non-food Consumption Levels in the UK, the US and Canada, 1944-45'. National Archives.

<sup>3</sup> '2,000 Housewives show their budgets', 1947. Family Budget Statistics, British-controlled Area, Germany. National Archives.

<sup>4</sup> U.S. Department of Labor, Bureau of Labor Statistics, 'Work time required to buy food, 1937-1950', *Monthly Labor Review*, February 1951; U.S. Department of Labor, Bureau of Labor Statistics, 'Work time required to buy food in the USA and eleven other countries in 1951-52'. National Archives.

<sup>5</sup> 'Cyprus: Cost of Living Index', 1949, National Archives.

<sup>6</sup> 'Letter to W. E. Leopold, Esq., Public Relations Department', 1954. National Archives.

<sup>7</sup> 'Effect of re-weighting for an apparent under-representation of London in the sample', 1955. National Archives.

<sup>8</sup> 'Possible sources of duplication in the figures summarised from budgets', 1953. National Archives.

<sup>9</sup> 'Household Expenditure Enquiry: Clothing Club Payments', 1955. National Archives.

<sup>10</sup> 'Millions still in poverty', *Guardian*, December 1965.

<sup>11</sup> F. G. Forsyth, Ministry of Labour, November 1965, in response to Peter Townsend. National Archives.

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