THE RISE OF PROFESSIONAL SOCIETY

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Harold Perkin is Professor of History at Northwestern University, Evanston, Illinois. Educated at Cambridge and learning the historian's craft as a lecturer at Manchester University, he became the first Professor of Social History to be appointed in Britain, a position he held at the University of Lancaster from 1967 to 1984. He is the author of a number of books, including The Origins of Modern English Society 1780-1880 (1969), New Universities in the United Kingdom (1969), Key Profession: The History of the Association of University Teachers (1969), The Age of the Railway (1970), The Age of the Automobile (1976) and The Structured Crowd: Essays in English Social History (1981). He is joint editor of the Routledge series 'Social and Economic History'.

Social history


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"A true magnum opus. No social historian can afford not to read it."

Asa Briggs
PREFACE

Carolina, and Northwestern University for welcoming a refugee from the British university system and making him feel at home in a land which still appreciates education. Finally, my warmest thanks go to my wife Joan, who gave unstintingly of her abundant enthusiasm, sympathetic criticism and effervescent personality, read the manuscript and saved me from endless slips of the pen (or the computer keys), and paid me the handsomest compliment of all by becoming a social historian herself.

Northwestern University
November 1987

Chapter 1

THE MEANING OF PROFESSIONAL SOCIETY

After the unanswerable question whether human civilization will survive for much longer or succumb to a catastrophe that may destroy all sentient life on earth, the most important question facing mankind today is: if we escape the holocaust, what sort of society will we survive to live in? What sort of society is it that has brought us to this brink, of unprecedented power both for creation and destruction? All of us now in the more economically advanced countries routinely enjoy material comforts far beyond the luxuries of Cleopatra, Kubla Khan or even Queen Victoria. We travel faster and more freely than Ariel, hear sounds and sweet airs more appealing than Prospero's, conjure living pictures out of the void at the touch of a button, have instant access to grand opera, ballet, classical and rock music, the Olympic Games and the World Cup, and all the delights that our ancestors could only dream of. And most of us live lives far longer, fuller and freer from pain than our predecessors.

At the same time we live in greater fear, not just of those old enemies famine, plague and war (the Sahel drought, the AIDS epidemic and the Gulf War show that those enemies are still with us), but of total extermination, if not by the instant horror of nuclear holocaust then by the slow attrition of the environment. In pursuit of the Nirvana of material bliss and avoidance of the Inferno of nuclear destruction we also have to choose politically, between a Western version of democracy that allows free play to competitive forces but may end in the survival of anti-democratic concentrations of economic power, and an Eastern version that claims to put human welfare first but from the outset sacrifices freedom to equality.
What has brought us to this pass? Faced with such overwhelming successes and dangers, we may well think with Emerson that 'Things are in the saddle, and ride mankind.' It is clear, however, that men and women working together in social organizations have produced these dilemmas. We ourselves, wittingly or unwittingly, are the authors of our own prosperity and potential destruction. Whole armies of experts - scientists, technologists, industrial managers, highly skilled workers, medical researchers, artists, writers, teachers, administrators and politicians - have contributed to our promising and perilous situation. The world we have gained and may be about to lose is the consequence of a myriad human activities which have only one thing in common: they are increasingly specialized, increasingly diverse, increasingly skilled - in a word, increasingly professional. The twentieth is not, pace Franklin D. Roosevelt, the century of the common man but of the uncommon and increasingly professional expert.

1 CLASS VERSUS HIERARCHY

We live, in fact, in an increasingly professional society. Modern society in Britain, as elsewhere in the developed world, is made up of career hierarchies of specialized occupations, selected by merit and based on trained expertise. Where pre-industrial society was based on passive property in land and industrial society on actively managed capital, professional society is based on human capital created by education and enhanced by strategies of closure, that is, the exclusion of the unqualified. Landed and industrial wealth still exerts power but is increasingly managed by corporate professionals in property companies and business corporations. The professional hierarchies cut across the horizontal solidarities of class in the warp and weft of the social fabric. Both class and hierarchy are an integral part of the fabric and neither ever quite disappears from view. The 'great functional interests' of land, trade and finance, each representing a vertical swathe from landlord through farmer to labourer or merchant through puttermill to craftsman, predominated over the latent class conflict of eighteenth-century society. The organized antagonisms of the Anti-Corn Law League against the landlords and of the Chartists against both landed politicians and industrial employers brought class to the face of the cloth in Victorian society. In late twentieth-century Britain, despite the survival of class rhetoric and class-based political parties, the warp of professionalism is beginning to show through and overlay the weft of class.

A professional society is more than a society dominated by professionals. The professionals are not just another ruling class, replacing the landlords of pre-industrial society and the capitalists of industrial society as in James Burnham's The Managerial Revolution - though there is the ever-present danger that some of them might try to become so. Professionalism permeates society from top to bottom, in two ways. Firstly, the professional hierarchies - not all of them equal in status or rewards, or stretching as far as the top - reach much further down the social pyramid than ever landlordship or even business capital did, and embrace occupations formerly thought beyond the reach of professional aspiration. As more and more jobs become subject to specialized training and claim expertise beyond the common sense of the layman - and all professionals are laymen to the other professions - their occupants demand the status and rewards of a profession. In these days of increasingly employed professionals - close to the original model of the clergy or the military rather than medicine or the law, though even doctors and lawyers are now mostly salaried employees - this means a secure income, a rising salary scale, fringe benefits such as paid holidays and sick leave, and an occupational pension. Such professional conditions of work are increasingly within reach not merely of non-manual workers but of increasing numbers of the manual working class.

Secondly, a professional society is one permeated by the professional social ideal. A social ideal is a model of how society should be organized to suit a certain class or interest and of the ideal citizen and his contribution to it. Pre-industrial society was permeated by the aristocratic ideal based on property and patronage. Passive property, usually in land, provided the means for the ideal citizen, the leisured gentleman, to offer his unique contribution of political rule, moral leadership and encouragement of art, literature and sport. Patronage enabled him to select the recruits for those positions of power and influence not filled by property alone. Industrial society was permeated by the entrepreneurial ideal based on active capital and competition, on business investment as the engine of the economy run by the active
THE MEANING OF PROFESSIONAL SOCIETY

owner-manager, ideally the self-made man who rose to wealth and influence by his own intrinsic worth and won out in open competition. The rival ideal of the working class, never achieved in practice, was the collective ideal of labour and co-operation, of labour as the sole source of wealth and co-operative endeavour as the fairest means of harnessing and rewarding it, and of the worker's right to the whole produce of labour. The professional ideal, based on trained expertise and selection by merit, differed from the other three in emphasizing human capital rather than passive or active property, highly skilled and differentiated labour rather than the simple labour theory of value, and selection by merit defined as trained and certified expertise. [No more or no less than the rest did it live up to reality. Not all landlords were benevolent gentlemen, not all capitalists self-made men, not all wage earners more concerned with rising with their class rather than out of it. And not all professional men were prepared to let merit rise without help from family wealth or privileged education. Professional society is based on merit, but some acquire merit more easily than others.]

The ideals compete in a wider field than the economic market for income and wealth. They compete in the societal market for income, power and status. To complicate the metaphor and make the social fabric three-dimensional, we can envisage society - any society - as an equi-valent tetrahedron, a three-sided pyramid, its faces labelled (with acknowledgments to Max Weber) class, power and status. [The faces are only three ways of looking at the same social reality, from the economic, the political, and the socio-ideological point of view. No face - pace Marx (or, rather, the vulgar Marxists) with the economic interpretation of society, Ralf Dahrendorf with the primacy of political authority in 'coordinated organizations' (Herrschaftsverbanden - derived indeed from Weber), or Weber himself with his emphasis on charisma, religious belief and morality - is more fundamental than the other two. They are equi-valent, of equal worth, at least until one of them wins out in the competition. Talk of economic substructure and political or cultural superstructure, as in the Marxist or Annales schools of historiography, is premature until one examines empirically the society in question.]

Industrial society was of course based on the ownership of capital, but capital itself was based on the concept of absolute property, which was the product of law and politics. Ultimately it derived from the victory of English landlords over the peasants, the church and the crown which came to be enshrined in 12 Charles II, cap. 24, the Act of 1660 which turned feudal tenures into freeholds. [The capitalists, who took no part in the struggle for absolute property, were the fortuitous beneficiaries of laws enacted for the benefit of landlords. Pre-industrial society was based on landed property but ultimately on feudal conquest and the continuous struggle between landlords and kings from the Conquest to the Civil War, and thus on military force. The wealth of the medieval church, by contrast, derived from its power to persuade kings, barons and commons to endow it with land and goods in return for spiritual services, above all prayers for their souls. When the doctrine of purgatory was rejected at the Reformation, making prayers for the dead irrelevant, half of its wealth was confiscated.]

Thus wealth, power and status could derive from any face of the pyramid. For the social fabric inside the pyramid has a fourth dimension: change over time. It is not static but dynamic. The three forces, economic, political and socio-ideological, are variant forms of energy transmutable (with suitable transformers and inevitable transmission losses) into either or both of the other two. Physical force by feudal conquerors or Mafia-like, home-grown strong men is readily transmutable into wealth (land tenure) and status (lordship). Economic power is less readily transformed into status and authority because purchasing power (claims on labour) requires the pre-condition of symbolic property (currency or credit instruments), both based on pre-existing law, and also the agreement of the existing holders of power and status to honour it, by, for example, the sale of feudal land or aristocratic titles - unless, of course, these can be seized by revolution, in which case capitalism comes to rest as much on force as feudalism.

More easily forgotten is that status, or socio-ideological, cultural, intellectual or spiritual power, has often been transformed into wealth and political authority. A good case could be made (though it is unlikely to hold for all historical societies) for the primacy of the socio-ideological face. The greatest conquerors from Alexander to Napoleon and Hitler have used charisma to gather followers and inspire their armies, and industrialists like Carnegie, Ford and Nuffield have used...
propaganda and philanthropy to sing the benefits of capitalism. More directly, charismatic power has often been used to take over the wealth and authority of whole societies: consider the careers of Savanarola, Eva Peron or the Ayatollah Khomeini and their use of inspirational oratory to command the obedience, wealth and military force of their societies. Longer-lived political success has accrued to ideological persuasion by priests and bureaucrats: to the Aztec and Inca priest-kings who persuaded their subjects that daily human sacrifice caused the sun to rise and the seasons to return; to the Bishops of Rome whose wealth and power flowed from control of the keys of heaven; and to the Chinese imperial bureaucracy whose monopoly of administrative skill seduced wave after wave of less civilized conquerors. Socio-ideological persuasion is an enviable form of power (while it lasts, and its weakness is that it can fade as fast as the belief in it) since its devotees give freely and enthusiastically what they yield only grudgingly to military force or superior purchasing power. Political and economic elites pay it the compliment of emulation in propaganda and education.

The professions in general may not aspire to such heights of charismatic persuasion but their modus vivendi starts from the same face of the pyramid. They live by persuasion and propaganda, by claiming that their particular service is indispensable to the client or employer and to society and the state. By this means they hope to raise their status and through it their income, authority and psychic rewards (deference and self-respect). With luck and persistence they may turn the human capital they acquire into material wealth. In the pre-industrial past individual professionals - royal favourites (in the oldest profession) like George Villiers, Duke of Buckingham or Nell Gwyn, archbishops like Wolsey and Sumner, judges like Lords Eldon and Scott, generals like Marlborough and Wellington, and even lowly solicitors with other incomes like Sir John Hawkins or Sir Walter Scott - were able to buy land and try to found a family. In industrial society even actors and playwrights like Sheridan, Ellen Terry and Bernard Shaw turned human capital into visible wealth. But only in post-industrial society have the professions as a whole been able to establish human capital as the dominant form of wealth. Whereas a hundred years ago, according to Peter Lindert, human capital accounted for only about 15 per cent of national income, it now accounts for about 52 per cent.2

Property is not, as is commonly believed, an object or a credit instrument, which are just its outward signs. Leaving aside its lesser meaning as the right to immediate use of tangible objects like a car, a house or an owner-occupied farm (each of which, indeed, yields an imputed rent), property in its major meaning of power over resources, which creates relations between members of a society, is a right to a flow of income: rent, interest, profits, labour service, or goods in kind. It is an acknowledged and legitimated claim to other people's labour.

How could the professions transform a service into income-yielding property? Gary Becker, Pierre Bourdieu, Alvin Gouldner, Anthony Giddens and others have familiarized the concepts of human, educational, cultural and intellectual capital, by which investment in acquired knowledge and expertise yields a rate of return commensurate with that of material capital.4 Such theories tend to assume that investment in specialized training of itself yields a differential return without any control of the market (other than the fortuitous economic or demographic fluctuations in supply and demand for specialized labour). Unfortunately for that analysis, specialized training of itself yields only earned income, payment for immediate services rendered, which may even fall below the cost of production if the service is oversupplied or undervalued. It cannot, except accidentally, create property in the form of vested income without some device to transform it into a scarce resource.

The transforming device is professional control of the market. When a professional occupation has, by active persuasion of the public and the state, acquired sufficient control of the market in a particular service, it creates an artificial scarcity in the supply which has the effect of yielding a rent, in the strict Ricardian sense of a payment for the use of a scarce resource. Some part of the payment, of course, will always accrue to the immediate work performed, but its value will be enhanced by an amount proportional to the scarcity of the service or skill. A natural or 'accidental' example, the fortuitous result of a unique though professionally trained voice, is that of Placido Domingo, who is paid a very large fee for each performance, most of which is rent for the use of the scarce resource, or a Henry Moore sculpture, which is a lump of stone transformed in value by his signature. Monopoly is not a sine qua non: scarcity may appear long before
outright monopoly - the landlords charged rent long before achieving a monopoly, if they ever did - and the element of rent will be larger or smaller accordingly. But some element of rent accrues from any degree of control of the market, which is why organized professions are paid more than equivalent unorganized occupations. Since the essence of property is the right to (some portion of) the flow of income from the resource owned, this professional capital, which is manifestly more tangible than stocks or shares, less destructible than many forms of material property (buildings burn more readily than people), and capable of self-renewal by means of improvement in skills and expertise, is thus in the truest sense a species of property - albeit contingent property, contingent upon the performance of the service.

The importance of such property to the professional is that it gives him what all income-yielding property provides for its possessors: independence, security, the right to criticize without fear of the consequences, and a secure position from which to defend one's place in society or, if he so wishes, a position of leverage from which to change society or one's own corner of it. Above all, it gives him the psychic security and self-confidence to press his own social ideal, his own vision of society and how it should be organized, upon the other classes. And the gradual triumph of the professional ideal over the last hundred years, as we shall see in this book, paved the way for the hegemony of human capital and the emergence of professional society.

There was a crucial difference, however, between the hegemony of the professional ideal and that of the aristocratic or entrepreneurial ideals in earlier societies. Whereas their ideal citizen had been a limited concept, applicable to only one group in society, however many amongst the rest aspired to it - only the landed few could be leisured gentlemen, only those who acquired capital entrepreneurs - the professional ideal could in principle be extended to everyone. Every landlord and industrialist could be transformed into a professional manager, every worker into a salaried employee. Moreover, since the professional's status and income depend less on the market than on his power to persuade society to set an agreed value on his service, the ideal implied the principle of a just reward not only for the particular profession but for every occupation necessary to society's well-being.

Since, too, the ideal is justified by social efficiency and the avoidance of waste, particularly the waste of human talent, it implied a principle of social justice which extended to the whole population the right to security of income, educational opportunity, decent housing in a clean environment and, some professionals would say, the right and obligation to work. As will be argued later, the rise of the welfare state was a practical expression of the professional ideal. It was initially an attempt to extend to those as yet excluded from professional status the basic security and conditions already enjoyed by the established professions.

It is this potential extension of ideal citizenship to the whole community that differentiates professional society from its predecessors. Although the ideal embraces equality of opportunity and even equality of treatment in raising every citizen to the minimum acceptable standard of life, it is not in the final analysis an egalitarian society. To paraphrase George Orwell, all professionals are equal but some are more equal than others. It is not a class society in the traditional sense of a binary model with a small ruling class exploiting a large underclass, but a collection of parallel hierarchies of unequal height, each with its own ladder of many rungs. In this way the inequalities and rivalries of hierarchy come to predominate over those of class.

2 PROFESSIONAL RIVALRIES AND THE STATE

A professional society, therefore, is not merely the old class society fitted out with a new ruling class. It is a society structured around a different principle. The matrix of the new society is the vertical career hierarchy rather than the horizontal connection of class, and social conflict - no society being free from the struggle for income, power and status - takes the form of a competition for resources between rival interest groups. The doctors, the civil servants, the military, the social workers and administrators, the university and government scientific researchers are all manifestly in competition for public resources. The managers of private corporations are primarily concerned to limit those resources by keeping taxation down, but they are also concerned to lobby government for contracts, investment subsidies or tax breaks, favourable planning legislation, development status for their own localities of operation, tariff protection against foreign competition and, if all
else fails, direct government subsidies to support their invested capital and employed workforce. Even the trade unions, whose rhetoric remains proletariat and solidaristic on behalf of the whole working class, are usually more concerned in practice with demarcation disputes with rival crafts, and with maintaining employment in their own industry by keeping open plants and mines, if necessary with government subsidies.

In such a vertically structured system disputes between the interests are increasingly mediated through the state. This is inevitable, since the state, not just in Britain but in every economically advanced country, collects and disposes of an increasing share of the national income, commonly between 40 and 60 per cent of Gross Domestic Product. In Britain public expenditure grew to about 50 per cent of GDP in 1970 and to no less than 60 per cent in 1975, though more than half of this consisted of transfer payments (social security, unemployment benefit, pensions, and the like) which were returned to personal expenditure for private consumption. Nonetheless, this means that about half or more of society’s resources are managed by the government and are therefore open to competition by the various interests, including not only the state-funded professions and the private corporations but the Claimants’ Union, the Child Poverty Action Group, Shelter and all the other lobbies representing welfare recipients.

The main struggle for society’s resources, therefore, is between those who benefit directly from government expenditure and those who see themselves as the source of that expenditure. It is true that everyone pays taxes and everyone benefits from government expenditure, but they do so unequally, not only because the rich pay more individually (though not collectively) than the rest but because state employees gain more by state spending than they pay in taxes. Consequently, by far the most important division between the interest groups is between the public sector professions, those funded directly or indirectly by the state, and the private sector professions, chiefly the managers of private corporations. As the struggle between lord and peasant was the master conflict in feudal society and the struggle between capitalist and wage earner the master conflict in industrial society, so the struggle between the public and private sector professions is the master conflict of professional society.

This division leaves out a large and important group of professional occupations, namely those employed neither by the state nor by the corporations but by a host of not-for-profit organizations such as universities, churches, charitable foundations, voluntary organizations of many kinds, and so on. These non-market professionals are employed by a wide range of institutions, from those almost entirely dependent on government funding, like the universities and many research institutes, to bodies closely associated with industry, like the trade unions and employers’ associations. Which side of the divide their officials will lean towards will depend on their perception of how their incomes are derived and where their interests lie. University academics have since the First World War become increasingly conscious of their dependence on public funds and have recently had a sharp reminder of the dangers of that dependence. Officials of employers’ associations, on the other hand, are equally conscious of their dependence on the corporations, and would be foolish to ignore the wishes of their master. In between there is every variety of occupational interest, from those philanthropic bodies which exist principally to lobby the state for larger resources for deserving minorities, such as children in poverty, the mentally or physically handicapped, the elderly, or the veterans of past wars, to the officials of trade unions and political parties whose interests do not always chime with those of their very demanding employers. With obvious exceptions, however, the non-market professionals, not being motivated by profit, tend to lean towards the public side of the divide, partly because so many of them see the state as the resource of last resort and partly because they are perceived by the corporate sector as being the same sort of ‘overhead’ as government itself, and therefore as a ‘cost’ which the private sector has to carry. For most purposes they will be treated in this book as having more in common with the public sector professions than with the private.

The clash of interests between the public or non-market and the private sector professions helps to explain one of the most puzzling questions about modern society. Why, in the late twentieth century, in an economic system which bears little resemblance to the industrial capitalism of the Industrial Revolution, do we still talk about society in the early nineteenth-century terms of Ricardo and Marx? Modern corporate capitalism
is run by professional managers who, though they control far larger capitals than Victorian entrepreneurs, are themselves for the most part salaried employees whose status and income differ only in degree, not in kind, from those of their subordinates and whose power over them ceases when they take their pensions. Other professionals, notably government bureaucrats, judges, generals, hospital consultants, town planners, trade union officials, newspaper editors and television producers, may be equally powerful in their own spheres, which may impinge unwarrantedly on corporate decision making. Yet most politicians, sociologists and commentators talk as if society were still divided principally into a small employing class of individual capitalists and an undifferentiated mass of wage-earning manual workers. On the right, the neo-Ricardians preach the virtues of a free market which, however appropriate to a Victorian economy of small family firms and partnerships, is wholly irrelevant to a corporate economy in which one hundred firms produce nearly half the manufacturing output and three to five firms dominate each separate industry, and the public sector employs over a quarter of the total workforce. On the left, the Marxists, the antithesis of the Ricardians, attack the same free market as if it still consisted of individual capitalists extracting surplus value from a supine and unaccountably non-revolutionary proletariat. In between, the ostensibly class-based political parties, in reality large coalitions of diverse professional interests as we shall see, still pitch their appeals in class terms, with the exception (which proves the rule) that the Conservative Party has to modify its appeal to embrace a large minority of the working class.

The answer to the puzzle is that the old rhetoric of class happens to suit the protagonists of the master conflict of professional society. The ideology of the free market appeals to the professional managers of great corporations and their allies because it protects them from the accusation they most fear, that they themselves are the major threat to competition and the freedom of the citizen. By denying the incontrovertible fact that competition drives out competitors and tends towards monopoly, it enables them to present themselves as the guardians of the consumer and the deliverers of the widest choice of goods and services at the lowest prices. More significantly, by tying the concept of free choice in the market to the idea of political freedom, it enables them to claim to be the guardians of individual liberty against the tyranny of the state. The irony of their position, the poacher acting the part of gamekeeper, in no way detracts from its effectiveness. As long as the state rather than the corporations can be vilified as the major threat to freedom, then the corporate managers can pose as the defenders of the common man against the encroachments of big government.9

The ideology, of course, contains a contradiction. The free market itself could not exist but for the state. Without regulation to set the terms of the market, hold the ring between buyer and seller, determine the meaning and transfer of ownership, and uphold the law of contract, the market would collapse into chaos and the strong could take whatever they liked from the weak. Thus the state itself, far from being the enemy of freedom, is its source and origin. Freedom can be positive as well as negative, freedom to do and be without molestation or exploitation by other citizens as well as freedom from state intervention. Freedom from all state interference is freedom for criminals, thieves and frauds. Civil society itself exists by reason of the state, without which it would descend to a Hobbesian state of nature, the war of all against all. By denying the positive role of the state the free market ideology rests on a quicksand, a fictitious law of nature which sets up the rules of the market prior to and separate from the laws of society.

The same is true of political freedom. Without law there can be no liberty, and without the state no law. Yet the free marketeers claim that the state, which protects them and their property from depredation, has no right to set limits to competition even when it threatens to end in monopoly and the curtailment of freedom for others. They wish, in short, to have their cake and eat it, the protection of the state for themselves but not for others against themselves. It is easy to see why the rhetoric of early nineteenth-century liberalism should appeal to the private sector professionals. It promises them a heroic stance against the state while they enjoy the benefits of government.

On the other side, the class rhetoric of the left, the doppelgänger of the classical economists, appeals almost as strongly to the public sector professionals. The Ricardian socialists, who anticipated Marx in the theory of 'surplus value' and 'the right to the whole produce of labour' which they logically based on the Ricardian labour theory of value, diagnosed competition as the
source of inequality and exploitation and saw cooperation and collectivism as the remedy. Though by no means all enamoured of the state or of violent revolution as the means to their ideal society, their socialist successors, whether Marxist or Fabian, repudiated the free market and increasingly looked to the state to address its inequalities. The motive force behind the collectivist legislation of the Victorian age restricting the rights of landlords and industrialists has been assumed to be the increasing pressure of the working-class vote, but it has been demonstrated elsewhere not only that the working-class voter showed little interest in collectivist measures until they were already in existence, but that the main challenge to the unfettered claims of property came from the professional middle class.

It is not surprising, therefore, that the public sector professionals today should adopt the language of their anti-Ricardian predecessors. Richard Titmuss complained that the welfare state seemed to exist more for the professionals who administer and service it than for the recipients of welfare. The doctors, social workers, legal aid lawyers, town and country planners, professors and teachers, civil servants and local officials have a greater stake in maintaining and expanding the services than anyone else. In what Titmuss called 'the pressure group state' the most powerful of the pressure groups are the welfare professions. Whatever their party politics, the most vociferous defenders of the National Health Service are the doctors, nurses and ancillary hospital workers, the Law Society defends legal aid as 'an integral part of the British system of justice', social workers organize to preserve their autonomous relation with their 'clients', planners oppose free access by developers to green belts, academics lobby Parliament against cuts in university grants, teachers refuse non-classroom duties to protest against low pay and lack of resources, and public officials dispute the need for reductions in the central and local government establishment. Even such conservative government professions as the military and the police demand an ever-increasing expenditure on defence and law and order.

All this can be argued in terms of social justice for every citizen rather than the self-interest of each profession. The free market, it is asserted, has manifestly failed to produce an equitable distribution of resources or solve the social problems of (relative)

poverty, maldistribution of health care, unequal educational opportunity, inadequate housing, a squalid environment, and involuntary unemployment. In a complex, interdependent society in which, it is argued, many vital services cannot be equitably or efficiently provided by the market, state provision through publicly funded professions is inescapable.

The problem with such arguments, of course, is knowing where to stop. There are undoubtedly services, like defence or law and order, which are indivisible, collectively provided, and would be dangerous to turn over to private enterprise. There are others, like roads and public utilities, which are natural monopolies and, on the face of it, safer in publicly accountable hands (though the more extreme free marketeers naturally disagree). There are still others, like health and education, in which the most needy clients, the sick poor, the elderly, and most children, lack the resources to buy on the free market. And there is a ‘final group of essential services, like poverty relief cum social security and the incarceration of criminals, which, with a few disastrous exceptions like Bentham’s Panopticon scheme, private enterprise does not see a profit in. The difficulty with public provision is the feedback principle; once a service becomes professionalized under public auspices the professionals discover further needs to be met and problems to be solved and a host of reasons for extending their activities. Hence the self-generating expansion of the state in all the advanced countries. This expansion is not fortuitous but the logical consequence of professionalism and the driving force behind it, the increasing complexity of modern life and the increasing division of ever more minutely skilled labour to meet its demands.

All this is not to say that all private enterprise professionals support the unfettered free market without reservation or all the public sector ones an interventionist state. There are corporate millionaires who support the Labour Party and corporate managers eager and willing to work for nationalized industries, and there are civil servants, doctors and professors dedicated to the privatization of government services, hospitals and universities. The role of a social ideal is not to determine a person’s beliefs, which may indeed clash with his interests, all the more so the more independent his mind, but to provide strong motivation for inclining one way rather than another. As David Hume said two hundred years ago, ‘Though men be much governed by interest;
yet even interest itself, and all human affairs, are entirely governed by opinion.14 Whether class or interest group predominates in a given society depends on how men view their situation, as allying them more with those on their own social level or with those above and below them in the same occupation or industry. The existence of 'social cranks' - men with an 'eccentric drive' who espoused the cause of a class other than their own - in the early nineteenth century, often professional men like Malthus, James Mill or Bronterre O'Brien who spoke for the landed, capitalist and working classes, helped the new class society to come to birth.15

The professional ideal, as we shall see, motivated many professional men to seek a new kind of society more suited to their interests and social role. Since they existed to provide services which were esoteric, evanescent and fiduciary - beyond the knowledge of the laity, not (with some partial exceptions like architects and civil engineers) productive of concrete objects, and thus having to be taken on trust - they could not accept a market valuation of their skill but demanded that society should accept their own valuation, guaranteed by exclusive education and certification. Not all achieved this enviable position but all aspired to it, and the growing numbers of employed professionals compromised by means of a negotiated salary scale and the stable lifelong career. The objective was to create a framework for the secure exploitation of human capital, defined as the investment in personal skill so as to yield not just a reward for labour but a differential return, in strict Ricardian terms a rent for the scarce resource of their esoteric skill. The size of the rent, the difference between the professional fee or salary and the price of common labour, was the measure of the success of each profession in claiming that scarcity value and establishing its status. Status rather than market valuation determined their remuneration; or, rather, their rewards were negotiated in the wider societal market of prestige and the social value placed on their service rather than by the sale of their labour in the economic market place.

This was especially true of those professions in the old class society whose services were directed to society as a whole or towards those who could not afford to pay their full cost: the clergy, the military, the public health doctors and the increasing number of private doctors who treated the poor in infirmaries and dispensaries, the teachers in voluntary aided and state schools, the academics in the less endowed university colleges, the social workers, the bureaucrats in the early welfare state such as the health and unemployment insurance divisions, and so on. It was less urgent for the slowly evolving private sector professions, whose ambitions might long be directed towards partnerships in family businesses, directorships of corporations, and emulation of traditional entrepreneurs. Nevertheless, despite the exceptional managerial tycoon, most professional managers became more dependent on a salaried career than on the windfall opportunities of capital gains and they too came to be assimilated to the stable career hierarchy. The difference was that, while the public sector professionals for the most part focused on the non-monetary rewards, on honour, fame or power rather than fortune, the prestige of rising to the head of a government department, an army, a church, an academic discipline, or a great profession, the private sector professions still tended to measure success in terms of salary and fringe benefits.

The modern bifurcation of the two rival groups of professions rests, therefore, on the concrete foundations of incompatible interests. Their divergent attitudes to the role of the state reflect their different views of it as ally or antagonist. The public sector professions see it as the origin of their incomes and resources and guarantor of their status and prestige; the private sector professionals as a threat to their incomes and capital base and a constraint on their activities. Both groups wish to capture control of government, the first to underpin and expand their work, the second to 'get government off our backs' and escape its inhibiting control. The nineteenth-century rhetoric of class conflict is for both a weapon in their competition for income and status. That rhetoric effectively disguises what is happening to modern society and the part that both groups have played in its evolution.

3 THE CULMINATION OF THE INDUSTRIAL REVOLUTION

Professional society is the culmination of the more than Industrial Revolution in which modern English society had its origins. In the earlier book to which this is the sequel that revolution, it was argued, was characterized as
a revolution in men's access to the means of life, in control over their ecological environment, in their capacity to escape from the niggardliness of nature. At the material level it can be described as a rise in human productivity, industrial, agricultural and demographic, on such a scale that it raised, as it were, the logarithmic index of society, that is it increased by a multiple (rather than a fraction) both the number of human beings which a given area of land would support, and their standard of life, or consumption per head of goods and services... Such a rise in scale required, involved and implied drastic changes in society itself: in the size and distribution of the population, in its social structure and organization, and in the political and administrative superstructure which they demanded and supported. It was in brief a social revolution: a revolution in social organization, with social causes as well as social effects.  

It was, after a slow evolution lasting seven or eight millennia, the logical continuation of the Neolithic Revolution, the beginnings of settled agriculture, which freed a small minority of people from the production of food to become full-time craftsmen, warriors, priests and rulers, and so to found cities and the possibility of civilization. Industrialism released a majority from agriculture to work and live in industrial towns and cities, increased the population of England and Wales nearly fourfold from 8.9 million in 1801 and 32.5 million in 1901, and quadrupled living standards per head from £12.9 per head (at mid-Victorian prices) in 1800 to £52.5 in 1900. At the same time it produced a rise in the scale or organization, from workshop to factory, stage coach to railway train, sailing ship to ocean steamer, single country bank to great joint stock banking, village and tiny country town to great city and conurbation, and government from 16,000 'persons in public offices' in 1797 to over 100,000 civil servants in 1897. It also transformed society from a classless hierarchy of interest groups, representing the 'great functional interests' of agriculture, finance, commerce, and various manufacturers, and so on into the conflict-ridden but viable class society of mid-Victorian England.

Professional society is a logical continuation of industrial society. It has increased population still further, if more slowly, from 32.5 million in 1901 to 49.1 million in 1981, almost completely urbanized that population by bringing more than 90 per cent within reach of the amenities of a town (practically all, if we include the instant links of telephone, radio and television), and nearly trebled average living standards, from £49.9 per head (at 1913 prices) in 1900 to £142 in 1981. The rise in the scale of organization has outstripped anything the Victorians could have imagined. The average factory workforce has scarcely doubled, from eighty-six workers in 1871 to 155 in 1984, but the scale of the leading plants has soared: nearly half of the manufacturing workers (47 per cent) at the later date were in establishments with over 500 workers, nearly a third (31 per cent) in those with over 1,000. Since most of the large factories were owned by even larger companies, the size of firms was still larger, and becoming more so by almost continuous mergers and take-overs. The share of the largest one hundred corporations in total manufacturing output rose from 15 per cent in 1909 to 45 per cent by 1970. The 2,024 largest companies with assets of £500,000 or more in 1957 had shrunk to 1,253 by 1964; of these the largest eighty in 1957 held 53 per cent of all company assets, in 1964 no less than 62 per cent. The nationalized industries were even larger: eight public corporations in 1968 employed 2.3 million workers, 8.5 per cent of the employed population. In all, thirty-three enterprises, twenty-five private and eight public corporations each with over 50,000 employees, employed a total of 4.1 million workers, 18 per cent of the employed population. The high street deposit banks were reduced from 121 in 1875 to twenty-eight in 1914 and to the 'Big Four' plus a handful of smaller ones by the 1970s. The trend towards concentration was not confined to any one industry but spread right across the economy. In 1951 the three largest firms in each of forty-two industries employed on average 29.3 per cent of the workforce of each industry; by 1973 the largest three in forty industries employed 42.2 per cent.

On the other side of the industrial relations fence the trade unions more than matched the employers in size and concentration. The 1,325 trade unions of 1900 had less than 2 million members (about 15 per cent of the workforce); by 1978 they had shrunk to 402 but increased their membership to 13.1 million (50 per cent). Since most of the later unions had under 50,000 members, the movement was dominated by the forty unions with more than that number, which contained 88 per cent of the
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Indeed, the whole policy of the Trades Union Congress (and of the Labour Party) could be determined by the eleven unions with over 250,000 members, which collectively disposed of 64 per cent of the total votes. Employers' associations, by contrast, were less concentrated: from forty-three federations and national associations and 810 local associations in 1900 they grew to 'some 1,350' of both kinds reported by the Donovan Commission on Trade Unions and Industrial Relations to 1970. But they were no less organized and active than their trade union counterparts, and a great deal better funded.

Professional associations, although their memberships were smaller, were in many ways more successful than trade unions in uniting almost the whole of each relevant occupation. Despite their proliferation during the Industrial Revolution there were still only twenty-seven qualifying associations in 1880 (counting the four Inns of Court for Barristers and the two Royal Colleges and the Society for Apothecaries for medical doctors), but thereafter there was an enormous expansion: another twenty-one associations by 1900, a further twenty-seven by 1918, between the wars forty-six, and by 1970 another forty-six - a total of 140 since 1880. In addition there were a host of non-qualifying bodies, plus forty-four white-collar unions in 1977 with some 3.3 million members. These included such obviously professional unions as the National Association of Local Government Officers with 709,000 members, the Association of Scientific, Technical and Managerial Staffs with 441,000, the National Union of Teachers with 296,000 and the various Civil Service unions with 550,000 between them. These professional organizations, along with the employers' (increasingly the professional managers') associations and the trade unions, were the harbingers of the new society.

Even schools and universities, which had already risen in size during the nineteenth century, rose still further in the twentieth. In 1900 the average voluntary school had 163 pupils, nine times its eighteenth-century counterpart, and the average state school 450; by 1977 the average primary school had 210, and the average secondary school 791, and both were far more complex institutions than their predecessors. In 1913 there were 26,711 students, about 1 per cent of the age group, in twenty-two universities and colleges in Britain, nearly half of them in Oxford, Cambridge and London alone, the rest in England and Wales averaging only 461 each; by 1978 there were forty-four universities (excluding the Open University) in the United Kingdom with 296,000 full-time students, about 7 per cent of the age group, of whom over 40,000 were at London University, 14,845 at Manchester, 11,783 at Oxford, 10,978 at Cambridge, and upwards of 4,000 at each of the others. There were also 228,800 full-time advanced students at the thirty polytechnics and the colleges of higher education, a further 5 per cent of the age groups. Moreover, both the local education authority schools and colleges and the universities were integrated into a system financed and much more tightly controlled, directly or indirectly, by the central government.

A similar story could be told of many other institutions, such as hospitals - from voluntary hospitals and poor law infirmaries to the large integrated units of the National Health Service with their hierarchy of Regional, Area and District Hospital Boards - social work and welfare agencies, prisons, borstals and remand homes, army, air force and naval units, and so on. But this leads us on to the most significant rise in scale of all, the twentieth-century rise in the scale of government. In the past century the numbers employed by local government have risen from the 83,000 workers (including police) of 1881 to no less than 968,000 in 1979. Similarly, the 107,782 civil servants (excluding industrial grades) in 1902 had increased to 547,000 by 1980 (plus 157,600 industrial staff). Altogether, the state came to employ no less than 17 per cent of the occupied population, 25 per cent if the nationalized industries are included. More to the point, whereas down to the First World War most civil servants were employed in London in comparatively small central offices, and only the Customs and Excise staffs worked in the provinces, since then government offices have sprung up in every sizeable provincial town - employment exchanges (job centres), social security and supplementary benefit offices, income tax, value added tax and other taxation offices, and the like, in addition to the great decentralized headquarters such as those for Social Security at Newcastle-upon-Tyne, for DES statistics and teachers' pay and pensions at Darlington, and for vehicle and driving licences at Swansea - and they have impinged far more visibly on the lives of most citizens.

One measure of this extraordinary growth of government is the more than thirtyfold rise in national government expenditure in real terms (nearly tenfold as a proportion of national income),
from £77.9 million in 1897-8 (£105.3 million at 1913 prices), about 4.9 per cent of the net National Income (at factor cost), to £66,800 million in 1978-9 (£3,889 million at 1913 prices), about 47.1 per cent of the net National Income. Of course, a great deal of this enormous increase consists of transfer payments, in pensions, social security and supplementary benefits, and the like, most of which are immediately spent again on consumption goods, and also of personal service such as medical treatment, education, housing subsidies and social work which directly benefit their consumers. But this does not detract from the point that central and local government (which spends a further £20,573 million at current prices) together handle 61.6 per cent of the net National Income or, to put it more fairly perhaps, 53.3 per cent of the Gross National Product.

The rise in the scale of organization is not the cause but the effect and symptom of the rise of a much more complex, interdependent society. The connecting link between industrial and professional society is the familiar principle of the division of labour, which Adam Smith saw as the key to the wealth of nations in 1776. In 200 years it has transformed Britain (and a large part of the planet) from a predominantly agricultural system through an industrial mass-production economy to a post-industrial society increasingly based on services. Machines, as Smith was aware, are the by-product of the division of labour, and enable the less skilled, like car drivers and television watchers, to call up at the turn of a switch the services of skilled engineers. Telecommunications and computers have now done the same for office work, banking, entertainment, and other services. A service-based economy is admittedly ambiguous, and includes retail distribution, catering and hotel work, hospital portering, bus driving, routine office work and other low-paid jobs as well as high-paid law, medicine, finance and administration, and the post-industrial society is a good deal less upmarket than Daniel Bell's 'Knowledge rules, OK!', and some critics think that many jobs are becoming 'deskilled'. Nevertheless, his prediction that fewer workers would be making things and more doing things for others has turned out to be true. What Colin Clark called 'Petty's law' (after Sir William Petty, the seventeenth-century pioneer of 'political arithmetic') is still in operation: the movement of workers with economic growth from agriculture to industry to services.

What is happening to industry in post-industrial society is what happened to agriculture during the Industrial Revolution. Agriculture, with the aid of fertilizers and machinery, became more, not less, efficient, and with a diminishing workforce was able to feed a majority instead of a minority of non-agarians. Now industry is becoming so efficient, with the aid of robotics and computers, that a small minority of the population are able to produce the consumer goods for the non-manufacturing majority. (With the 'green revolution' agriculture is becoming still more efficient, and the most efficient agriculture is in the most economically advanced countries in Western Europe and North America, though not as yet in Japan.) Like the Industrial Revolution this has produced major structural changes in the economy, bringing unemployment for some as well as opportunities for others. The choice is between deindustrialization and low-grade service work on the one hand and highly automated, competitive industry and high-grade services on the other. As in the Industrial Revolution, when predominantly peasant agriculture lost out to industrial mass production, those countries which take the first road will lose out in the race for wealth and power to those which have chosen the second.

There are, however, two aspects to the division of labour, one of which Adam Smith neglected because he could take it for granted: specialization and integration. Specialization leads directly to professionalism. Specialists rapidly form guilds, associations, clubs or unions to enhance their status, protect their skills from competition, and increase their incomes. That some become organized professions and others trade unions is due to a trick of the English language, aided by English snobbery. 'Profession', as in French (or Beruf in German), originally meant any occupation, and the more prestigious trades were distinguished by the adjectives 'liberal' (meaning gentlemanly) and 'learned' (meaning institutionally educated) professions. By dropping the epithets the more prestigious occupations, chiefly the clergy, law and medicine, laid claim to the exclusive label of 'profession', which came to mean an occupation which so effectively controlled its labour market that it never had to behave like a trade union. Trade unions, meanwhile, never quite abandoned the same aim: the Rule Book of the Amalgamated Society of Engineers in 1864 declared that the journeyman engineer had the same right to
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protect the value of his skill as the physician. Over the years more and more occupations have made this claim, and increasingly with justice: the civil engineer whose constructions may fall down, the pharmacist whose healing drugs may kill, even the car mechanic whose slightest mistake may be lethal, can claim to be as vital to their clients' welfare and survival as any doctor or lawyer. The increasing complexity and interdependence of the modern world automatically generates specialization and organized professions.

Before specialization can complete its work, however, it has to be integrated into the finished product or service. Even Adam Smith's pin makers had to be organized to make completed pins. The ten separate operations were useless unless they came together in packets of pins ready for sale, and that required an organizer to oversee the whole enterprise. Smith refused to take the organizer's contribution seriously and argued that, even in many great works like the Carron iron foundry, his work could be left to 'some principal clerk. His wages properly express the value of this labour of inspection and direction.' The more divided the labour, however, the larger the enterprise and the more complex the task of fitting all the specialized operations together.

The rise in the scale of organization was not only an effect of the increasing division of labour; it was also the cause of a further division of labour as management itself became more complex and was further divided into production, purchasing of materials, accounting, design and engineering, quality surveying and, eventually, industrial relations. Honest, competent managers outside of the owner's family and partners were hard to find, and while 'there were well-defined groups of managers in many industries: there was, by 1830, as yet hardly a managerial profession as such.' Yet with the growth of large-scale undertakings like railways, steamship lines, steel, engineering and chemical works, all of which depended on large numbers of specialist workers and careful integration of their work, management became not only a profession but, with the import of Taylorism from the United States, a science. The surge of defensive amalgamations, mergers and take-overs which began in the Great Depression of 1874-96 and have continued ever since made it impossible for owners to do more than a fraction of their own managing. Although it took until the new business schools of the 1960s for it to acquire its own academically certified training, company management became one of the two pivotal hierarchies of professional society.

As the business schools have discovered to their gain, management is not confined to private industry. Public administration, hospitals, universities, research establishments, the armed forces, trade unions and employers' associations, even charitable foundations, all employ diverse collections of specialists and need to be organized. The rise in the scale of their organization was, as we have seen, as much a feature of industrial society as industrial concentration itself. Post-industrial society, with its swing to services, has accelerated the trend. The enormous expansion of government has been powered by the demand for more and more specialized services, from the inspection of factories, mines, food and drugs, slum housing or financial markets' operations to the provision of pensions, social security, secondary and tertiary education, or sophisticated weapons research. Many of these professions have acquired their own self-governing associations and training, like the mine engineers, the medical officers of health, the actuaries, public accountants, social workers, public analysts, nuclear physicists, and so on. But like corporate management, public administration as such, traditionally trained on the job like any traditional craft, took until the 1960s to acquire, in the Civil Service College at Sunningdale, a recognized training of its own, and even yet few civil servants are required to attend there and most are still recruited from university graduates in classics, history, law or political science. Nevertheless, it would be naive not to recognize the administrative Civil Service as one of the key organizing professions, the central core of the public sector which forms the second pivot on which the professional society turns.

The rise of the professions to permeate and, some more than others, dominate modern society stems, then, from the logic of the division and reintegration of labour which inspired the Industrial Revolution and every large-scale development that has sprung from it. Yet how did professionalism as an organizing principle come to superecede class, and in particular superecede the plutocratic landed and capitalistic ruling class which dominated Victorian and Edwardian society? This is a long story which embraces the whole social history of the last hundred years and
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will occupy the rest of the book. We must begin that story by examining industrial class society at its zenith, between 1880 and the First World War.
To Joan
- helpmate and colleague