**Progressive Strategies of Municipal Trading: The policies of the London County Council Tramways c. 1891-1914**

**Abstract:**

This paper explores the role played by municipal traders in the development of fin

de siècle London's tramway system. Influenced by progressive politics, the Highways

Committee of the London County Council developed a trading organisation that also had a

social mission of improving living and working conditions for tramway users and employees

alike. The Committee also enacted major urban change through the Kingsway Tunnel Project,

which was an exemplar of their commitment to combining financial and social profit. We

conclude that the committee's mission reflected a deep commitment to social and economic

improvement far beyond the transport sphere alone.

**Keywords:** Tramways, Municipal Trading, Political Ideology, Strategic Decision-making, Transport Policy

Between the 1840s and 1900s municipal trading - the owning, operating and management of public utilities and services by local authorities – became a familiar part of British municipal government. By 1900 municipalised services constituted 71.6% of British electricity undertakings, 46.5% of tram systems, 34.6% of gas concerns, and a considerable number of water undertakings.[[1]](#footnote-1) This shift towards local government ownership, and the subsequent strategic management of these services, has in many accounts been characterised as being principally the result of local councils’ desire to exert control over what they considered natural monopolies. Optimum operation of them in the public interest through municipal control was deemed preferable to private providers remaining dominant and who, having eliminated competition at an earlier stage, were considered untrustworthy and profiteering. This was attended by other less prominent concerns with private control, for instance protecting against disruptive road works.[[2]](#footnote-2)

Millward (2001, p. 325) however posited that previous explanations, notably those of Kellett (1978), Fraser (1993), Falkus (1977, pp. 145-146), and Robson (1935, pp. 309-310) have “explained the desire for *public control* but not necessarily the desire for *public ownership* [italics in original],” by assuming that concerns about the power of monopoly were sufficient rationale for councils to take utilities into public ownership. He suggested that in many instances a principal reason for the development of municipal trading, particularly where authorities lacked significant property income, was their desire to capture the profits of utilities to relieve the burden on the ratepayers and proceed with socially beneficial town improvements. Indeed, this was the objective of one of the major figures of the municipalisation movement, Birmingham’s reforming mayor from 1873, Joseph Chamberlain (Millward, p. 325-332; Millward and Ward, 1993). Chamberlain targeted the gas and water industries; several authors have shown that local authorities targeted these industries subsequently, and used this as the basis to move into tramways (Coombs and Edwards, 1996; Foreman-Peck and Millward, 1994; Matthews, 1986; Roberts, 1984). This paper supports this position, building on the findings of Tennent (2017) on the municipal tramway system of York, which showed that profit maximisation was a key driver for municipalisation of tramways there. Taking the case of a much larger city, in an earlier period, we argue that the London County Council’s (LCC) purchase and expansion of London’s tramway networks from the mid-1890s was so it could capture the profits and thus fund rate relief and investment, this objective being explicitly articulated in the council’s minutes books found that the London Metropolitan Archives. The LCC directly owned and operated the tramway system through a department of the council, rather than operating a concession system as continued well into the twentieth century in some US, Belgian, French, Italian, Spanish and Latin American cities (Post, 2007; López, 2003). We study two major investment projects in detail – firstly the electrification of the LCC system, to eliminate horse traction and thus pollution in London’s streets, and secondly the construction of the Kingsway Subway under central London which would both provide a through route between the LCC’s separate north and south networks as well as the opportunity to improve utility infrastructure, combining a business opportunity with an urban planning project. In this paper we follow the methodological lead of Kipping, Wadhwani and Bucheli (2014), using the minute books triangulated with policy documents to construct a narrative to illustrate the municipal trading model arrived at by the LCC in the period between 1891 and 1906.

The history of transport, and particularly railway history, has been a sub-field of formational importance for the broader histories of business and management. Chandler (1977; 1990) derived his theorization of the growth of the modern industrial enterprise from the development of the US’s vast railway systems in the nineteenth century, a view which Chandler and Diems (1979) would later broaden to include Europe. Gourvish’s (1972) history of the London & North Western Railway developed a similar narrative in the UK context, pointing to the development of hierarchy and managerial elites, further developed in Gourvish (1973), and more recently pursued by Turner (2013). The history of twentieth and twenty-first century British railways demonstrates the strategic importance that mainline rail had as a complex industry nested within wider society (Gourvish, 1986; 2004; 2008). Public transport away from mainline rail, for instance urban tramways, constitutes a business and managerial enterprise of considerable scale and scope with similar strategic importance for broader society, including implications for the management of space and the formation of power relationships. Yet, as illustrated by Tennent, this has only partly been analysed within an organizational or managerial framework, whilst Passalacqua (2009) suggested that more investigation is required on urban transport policy.

Urban, economic and social historians have viewed public transport, and especially the tramway, as a driver of urbanisation from the late nineteenth century, particularly in Europe, North America and Australasia (McKay, 1976; Barker, 1980; Capuzzo, 2003). It allowed cities to expand purely beyond a walking space, city dwellers being able to live far beyond comfortable working distances from their places of work, education or leisure, ultimately encouraging suburbanisation.

With such a pivotal role in the economic development of an urban area, it is unsurprising that the ownership and control of public transport became a battleground in the late nineteenth- and early-twentieth centuries, with consequent implications for the strategic and operational management of the systems. Perhaps the most significant economic history of the industry is John P. McKay’s *Tramways and Trolleys* (1976), which focused on the introduction of electric technology into public transport, viewing it as the catalyst for suburban expansion. MacKay’s further contribution was to highlight the municipalisation of the UK’s systems, a process the Glasgow Corporation pioneered. Glasgow’s success, based on its ability to borrow money as a public body, produced enough of a surplus within the first eight years of operation to finance electrification, the replacement of the entire track network and the writing off of the entire horse drawn plant (p. 179), inspired other corporations to use their powers under the Tramways Act 1870 to take tramways into their ownership. By 1911 local authorities were operating ninety per cent of tramway track in the United Kingdom, and McKay further notes that with the exception of France, continental European cities widely adopted municipal ownership to facilitate electrification (pp. 125-162, 191). This economic model was also exported into the British Empire to some extent, with cities such as Melbourne adopting the municipal trading model (Mees, 2000). Belgium took the lead towards more of a centrally planned system which stressed the maximization of utility to users over profitability, but the battle between public and private systems was still being fought in Germany at the time of this case study, before more of a utility maximizing paradigm emerged as the norm there and in Switzerland (De Block, G., and Polasky, 2011; Schott, 2003; Haefeli, 2005).

This blend of profit making with public ownership made the UK’s tramways a sort of halfway house in between the continental European model of publicly owned and planned systems and the US model of privately planned and operated but publicly regulated systems. This system emerged in a context where tramways constituted a new socio-technical system which had to be threaded into mature cities such as London and Glasgow, where large concentrated populations already existed. Schmucki (2012) evidences this by showing that Europeans, including the British, welcomed the electrification of tramways because it meant the demise of horse drawn tramways, and thus a more hygienic street environment. American tramway, or ‘streetcar’ companies often played a more direct role in suburbanization driven by business groups such as that owned by the Los Angeles ‘robber baron’ Henry E. Huntingdon, playing a supporting role in land speculation schemes alongside power and water utilities and even the creation of theme parks as destinations (Fredericks, 1992; Mees, 2010, pp. 15-20; Yago, 1984; Post, 2007). American tramway companies certainly aimed to be profit maximizing, but local authorities heavily regulated their schemes, with disputes over fares and the installation of overhead wires (Schatzberg, 2001). Ultimately the costs of cooperation would prove too high for many local authorities which eventually allowed the streetcar networks to fall into disuse when the technology fell out of favour in the 1920s and 1930s (Mees, 2010, pp. 12-20), rather than evolving them into trolley and motorbus systems as happened in the UK.

London’s framework was different to that operated in the rest of the UK, where municipalisation was usually undertaken by County Boroughs with unitary powers over all aspects of public service, starting with sanitary and slum clearance responsibilities, through parks, schools and highways, stretching into other fields of municipal trading such as gas, electricity, telephones and even abattoirs (Kellett, 1978; Hannah, 1979, pp. 14-19; Foreman-Peck and Millward, 1994, pp. 163-165). The London County Council (LCC) as formed in 1889 had reduced powers compared to these all-powerful County Boroughs, essentially taking over the powers of the former Metropolitan Board of Works, such as sanitation, highways, parks and open spaces, and the fire brigade. It also acquired powers for urban planning, social housing, and from 1904, education. Earlier proposals envisaged a more omnipotent local authority with powers to subsume all local governments in London, but had inevitably met political and economic resistance from adherents of the present structure, most notably the City of London Corporation (Davis, 1988, pp. 74-95). The Metropolitan Board of Works’ increasing expenditure also mitigated against an all-encompassing local authority being formed; between 1879 and 1884 it had increased by fifty per cent (p. 80). Nonetheless, the LCC took control of a territory somewhat smaller than that considered to fall within Greater London today, and the pace of London’s urbanisation continued to exceed the LCC’s powers and reach; even in the 1930s Robson would bemoan the number of outlying authorities which sat outside the powers of the LCC, leading to unplanned sprawl and congestion (Robson, 2013, pp. 39-387).[[3]](#footnote-3)

The LCC’s powers over sanitary reform and highways brought new interest from social reformers. These included members of the Fabian Society, a campaign group led by Beatrice and Sydney Webb and the playwright George Bernard Shaw (Shaw, 1904; Robson, 2013, p. 112). In 1888, however, the Progressive Party was formed. The Progressives were, Searle (2004, p. 226) argued, a “broad populist alliance” who were similarly interested in “advancing the interest of the community against local ‘interests,’ notably the City Corporation and the monopoly suppliers in the utilities”. As Robinson (2015, p. 614) argued, the central driving force of the Progressive Party was the new Liberal and Radical Associations. Through the second half of the nineteenth century Liberals had been reconceptualising what Liberalism meant. Where previously they had defined liberty in individualistic economic, legal, political and religious terms, new thinkers began suggesting that liberty was dependent on one’s life chances. Liberty, they opined, was not equally distributed across society because many lived with social and economic restrictions on it. Party members thus ‘progressively’ called for reforms through more interventionalist actions to restrict privilege that was not earned, and improve people’s opportunities by using higher taxation and redistribution to cure social evils (Pugh, 2002, pp. 109-110). This new quest for social justice was embodied in a general mission for social and economic progress, beginning with the active improvement of cities – the extension and development of tramway systems, then a new technology, allowed an excellent opportunity for (Robinson, 2015, pp. 612-618).

Progressive councillors dominated the LCC from its formation in 1889 to the party’s ousting in the 1907 election. Akin to Joseph Chamberlain’s enterprise in Birmingham, this article argues that Progressive councillors’ political and religious backgrounds led them to adopt strategies in tramway management that embodied emerging ideals on social reform and economic development. Whilst the city of London grew in terms of both population and size, Progressive councillors considered that overcrowding still blighted the central parts of the city. They considered that reduced fares generally, the expansion of the number of reduced-rate workmen’s fares, and the interconnection of London’s separate tramways systems, would be the driver of further outward migration (Barker, 1988, p. 58). For instance, when it took over the tramway from Greenwich to Catford on 1 April 1902, fares for the whole of this distance of about 3 miles (5km) were immediately reduced from 2*d* to 1½*d* (*Kentish Independent*, 1902)*.* Of most significance was the LCC’s fare policy on its Tooting line, where from 1901 it constructed its first social housing. To encourage outward migration from the centre, tenants paid rents below that for equitable accommodation in central London, whilst from 1901 before 8 a.m. return workmen’s fares across any distance cost only 2*d*. The result was a significant increase in workmen’s tickets being issued on the route from 580,000 in 1902-03 to 3.6 million in 1910-11, and outward migration (Abernethy, 2015, pp. 177-178; Barker, 1988, p. 58). As Abernethy argued, for many working individuals on the estate “The tramway was considered vital to their ability to live on the estate and retain their work in the centre.” Indeed, a 1905 survey of 75 households demonstrated their increased mobility, and working-class individuals such as mechanics and market porters used the tramways to commute daily to their employment in central London (pp. 184-185).

But also, this paper also reveals that such social reforming aims of tramways policy could be married easily with profit-motive and the capturing of tramway profits to reduce rates, as suggested by Millward was the case with municipalisation elsewhere in Britain (Millward, 2001, p. 325; Millward and Ward, 1993). This article thus presents the first complete assessment of the strategic aims behind a municipal authority’s purchase, operation and extension of a tramway network in Britain before the First World War.

The LCC’s case is relevant, as in the view of pro-LCC authors such as MacKay, Davis and Jackson the authority combined numerous apparently archaic, and quite separate, mostly horse drawn private tramway operators in a progressive attempt to apply a rationalising modernity to their operation (Davis, 1989, pp. 42-48; Jackson, 1965, pp. 8-14). This process, carried out between 1890 and 1910, presaged the municipalisation of all public transport in London in 1933, and the creation of the British Transport Commission in 1948. While authors such as Green (2016, pp. 76-121) have criticised the slow pace of the elimination of horse tramways in London compared with other cities including Bristol, Dublin, Glasgow and Liverpool, London had faced greater disintegration both in terms of the makeup of its tramway networks and of its local authorities. The LCC was thus an early political attempt in Britain to rationalise privately developed transport, nearly thirty years before the railway grouping of 1923.

The article starts by demonstrating the strategic underpinnings of the LCC’s tramways policy, by describing the backgrounds of the two individuals who directed these policies for much of the period after 1889, John Williams Benn and Joseph Allen Baker. Thereafter follows a description of how the LCC acquired and augmented its tramways after 1889. Finally, how the LCC’s conceptualised the purpose of municipal trading are underlined by analysing what motivated their acquisition of London’s tramways, and then their moves in the first years of the twentieth century to construct the Kingsway Tramway subway and electrify the tramway network.

**John Williams Benn and Joseph Allen Baker**

The LCC’s strategies were in theory decided on by the whole council. In reality, as the case of tramways demonstrates, committees below it – to which the council could devolve matters that need addressing and receive recommendations from –formulated, debated and recommended policies. Davis (2001, p. 52) argued that, as is so with most decision-making bodies of the council’s size, the power actually lay within the sub-committees. Indeed, during the period of Progressive rule of the LCC there were “committee stalwarts”, including “Charles Harrison, Benjamin Costelloe, John Williams Benn, Sydney Webb and Thomas McKinnon Wood”, who drove forward policy development.

Fitting with this assessment, two Progressive councillors, John Williams Benn and Joseph Allen Baker,[[4]](#footnote-4) led in the articulation, formulation and implementation of LCC’s tramways policy at the Highways Committee for much of the period 1889 to 1907. Although, the March 1895 election delivered a split council (*The Times,* 1895), and until the March 1898 election the Moderates had one seat more on the council than Progressives (*The Times*, 1898), delaying the progression towards their objectives (Oakley, 1989, p. 141; Barker and Robbins 1974, p. 96). These men shared a common vision for London’s tramways: they should improve Londoners’ lives and aid the capital’s economic development. Tramways were to also generate profits to facilitate rates reductions and socially beneficial investment. These visions were shaped by Benn and Allen Baker’s moral outlook, as both had strong non-conformist religious convictions which demonstrated some compatibility with the Progressive cause, but they also led successful private businesses from which they brought to the council a commercial mind-set.

John Williams Benn was born in 1850 in Manchester to a middle-class family, the son of a congregational minister. He was home schooled and then had worked in the furniture industry before setting up an industry publication, *The Cabinet Maker*, in 1880 (Gardiner, 1925, p. 59; Brodie, 2008). Shaped by his non-conformist upbringing, Benn was an ardent advocate for social and economic reform in the capital, lecturing frequently on these subjects (*The Times,* 1892). He frequently criticised the alleged corruption and privilege of the Corporation of London, which he hoped to abolish and, demonstrating the religiosity he brought to his work, proclaimed the following in 1892:

Let us peep over this fragment of the old City wall and see how the trustees of the wealth left by our fathers, the old craftsmen of London, are getting on. Ah, the City turtle is on this back, the knees of Gog and Magog are shaking, the Griffin us rocking on his pedestal. Another blast from the slums, and like Jericho, the walls will fall, and a greater, a brighter and a better London will be ours (Pennybacker, 1995, p. 3).

On the LCC’s formation in 1889 Benn was elected a councillor, and became central to the council’s progressive reforming direction (Brodie, 2008). Years later, Beatrice Webb (1983, p. 34) recalled that he was part of an inner group of Progressives who directed “the parliamentary and political policy of the County Council.” Pennybacker argued that the reference to *Ezekiel* in the quote above was demonstrative of an “evangelicism and the ease and suddenness with which he imagined change occurring,” which was part of broader mind-set, “[i]t signalled the Progressives’ sense of their preordination” (Pennybacker, 1995, p. 3). In Benn’s campaign platform of 1889 he advocated wide-ranging social reforms. These included the creation of council housing, local taxes that were fairer, the municipalisation of the gas and water supplies, and council control of liquor licences (Brodie, 2008). On tramway matters, Oakley, the historian of the LCC tramways system, stated that Benn’s life’s work was that the LCC should gain control of London’s transport systems (Oakley, 1989, pp. 141, 501).

A supporter of Benn in the council elections of 1889 and 1892 was Joseph Allen Baker, who in 1895 was himself elected to the council, at which point he was appointed to the Highways Committee. The son of a Canadian bakery equipment manufacturer, Allen Baker had come to London in 1876 to expand his father’s business, Joseph Baker & Sons, taking it over completely in 1892 (Oakley, p, 141; Barker and Robbins, 1974, p. 24). Under Allen Baker the firm relocated to London, and retained a strong family ethos. The family’s Quaker beliefs heavily influenced its organisational culture, which fitted into a broader tradition of paternalistic Quaker capitalism in which employers attempted to intervene in their employees lives to ensure their physical and moral wellbeing and betterment (Walvin, 1997, pp. 179-194). Employees were treated benevolently, there was little regimentation on the shop floor and in the early 1900s Allen Baker encouraged the employees to join the new National Health Insurance and unemployment stamp schemes. Consequently, the company rarely suffered strike action and staff apparently were very loyal to it. The Allen-Baker’s Quaker beliefs were also embodied in the machinery the company produced. This was specifically designed to improve bakers’ working conditions, food hygiene and lower the cost of living for the poor by reducing bakers’ and confectioners’ operating costs (Baker Perkins Historical Society, 2003). Social good was thus central to Joseph Baker & Sons’ operating philosophy. This philosophy was backed up by good business sense. The company was innovative, Allen Baker’s brother George Samuel was an able inventor, whose wares were exhibited at the World’s Fair in Chicago in 1893 (*Western Daily Press*, 1893). Economy was also espoused in the factory and in the early years the Bakers took sandwiches with them to work, rather than indulge in the food provided by restaurants (Baker Perkins Historical Society, 2003). Allen Baker’s non-conformist belief and notions of bettering society were thus intertwined with running an innovative, efficient and successful business. Indeed, between 1891, the year before Allen Baker took over Joseph Baker & Sons, and 1900, its gross revenue grew from £46,000 to £110,000. By 1913 this had reached £160,000. Profits in 1912 were £24,729 (Baker Perkins Historical Society, 2003).

As is demonstrated below, the philosophies Allen Baker employed at Joseph Baker & Sons were readily transposed to the development and management of the LCC’s tramway operation. His and Benn’s capacity to steer tramway policy was limited between 1895 and 1898, yet after the Progressive victory in the 1898 election they pushed ahead with moulding the LCC’s tramways to improve the lives of the populace (Barker and Robbins, 1974, pp. 24-27). They pushed for and supported innovation, such as the network’s electrification, and they managed the concern so profit could be re-invested or contribute to reducing rates. For these men, the lines between municipal and private capitalism, and between the social responsibility of local government and private companies, were blurred, possibly insignificant. This is evidenced by the philosophies underpinning LCC progressive councillors’ decision to acquire and then develop the disparate horse tramway lines constructed in London between 1870 and 1889.

**Building the Tramway Network, 1889-1900**

One of the most important steps in the development of urban transport in Britain, the Tramways Act of 1870 (Chapter 78 33 and 34 Vict) gave local authorities powers to grant private tramway operators twenty-one year concessions to construct tramways systems, with the stipulation that they maintained the highways between the tracks and a small distance either side. When these leases ended the authorities were permitted to purchase the whole operation at asset value, not its value as a going concern. Alternatively, the Act permitted local authorities to build tramways, although they were compelled to lease the operation to private companies. By 1889 there were fifteen lines of varying lengths within the LCC’s boundaries; the North Metropolitan Tramway (NMT) was the longest at 41.73 miles (thirty-five miles of this was within the LCC), the shortest was the Highgate Hill cable tramway at 0.71 miles long. These lines, which were all built and operated independently by private concerns, were later described as being very “disconnected in character,” with no connection linking the north and south of the metropolis (LCC, 1903, p. 10).

Before the first election of LCC councillors, Progressive politicians and a handful of Moderates favoured the council owning, augmenting and operating all tramways within its boundaries in the public interest. Indicative of this, in January 1889 the *Pall Mall Gazette* surveyed the opinions of 164 of the 282 candidates standing in the first council election, which took place later that month. Of 151 responses on the subject of ‘locomotion’, 125 favoured “(a) extension of tramway lines, (b) extension of Thames communication below London Bridge and, (c) acquisition of Tramway lines.” Twenty-six opposed acquisition. Sixty of the 151 respondents to this question were elected to the council, fifty as Progressives and ten as Moderates. Forty-two of them (thirty-nine Progressives and three Moderates) agreed to all three propositions, while eighteen (eleven Progressives and seven Moderates) rejected the third. This meant that of the 112 councillors elected in 1889, forty two - 37.5 per cent – agreed with the acquisition of London’s tramways (*The Pall Mall Gazette*, 1889). Amongst the thirty-nine Progressives who agreed with the three statements were influential figures including Charles Harrison, vice-chairman of the council between March 1892 and December 1895 (Vogeler, 2004), Benjamin Costelloe, John Burns, who strongly supported the municipalisation of utilities and tramways (Kellett, 1978, p. 38), Albert Bassett Hopkins, the Highways Committee’s first vice-chair (*South London Press*, 1890), and Benn.

The Progressive Party’s commitment to the acquisition and development of London’s tramway systems was expressed shortly after the election, and on 5 March 1889 at a meeting of the ‘Provisional Council of the Administrative County of London,’ which met before administrative control of the county passed to councillors on the 20th of that month. Hopkins stated his anxiousness that the council should be ready “to take advantage of the expiration of the twenty-one years by which the Tramway Companies held their lease of the public roads” (*London Standard,* 1889). It was resolved that the General Purposes Committee was to “inquire into the working of the London tramways, and to ascertain how far it is practicable on the expiration of existing tenders to render them more subservient to the interests of the public.” (*Morning Post*, 1889).

Following from this resolution, acquisition of the network became Progressive party policy in its first administration (*Morning Post,* 1891a). The lease of 4.5 miles of the London Street Tramways (LST) system in north London was to expire in August 1892, and it was the first target of councillors’ ambitions. The Highways Committee under Hopkins recommended in March 1891 that a special council meeting should consider and vote on acquiring the line. The committee opined that this socially beneficial action could occur without any “loss to the ratepayers” (*Morning Post*, 1891b). A resolution authorising this was passed by a two-thirds majority by the full council in October (*Edinburgh Evening News*, 1891), although for purely tactical reasons, to gain support of wavering Moderates and thus achieve the requisite two-thirds majority, the Progressives added an amendment explicitly stating the council’s intention not to operate trams – which it was prohibited from doing by the Tramways Act 1870. Not until 1895 did the LCC purchase the 4.5 miles of the LST (Barker and Robbins, 1974, p. 22; LCC, 1903, p. 14), disagreement over the value of the concern drawing out the negotiations (Gibbon and Bell, 1939, p. 615). Unable to run trams directly, the LCC leased the operation’s management back to the LST (*Yorkshire Post and Leeds Intelligencer*, 1896; *Lloyd's Weekly Newspaper*, 1895). By this time however the Progressive objective that the council become owner-operator of London’s tramways had advanced. The Progressive dominated council of 1892 applied to parliament in 1894 for powers to operate tramways systems, which were granted in 1896 by the London County Council Act (Gibbon and Bell, 1939, p. 616).

Barker and Robbins (1975, pp. 23-34) claimed that LCC councillors did not give great consideration to tramway management or electrification in the mid-1890s, citing an absence of expertise on the Highway Committee regarding tramway engineering as being the cause. Inspection of the committee minutes suggests this assessment paid little attention to the formative stage of understanding of such issues, which individuals such as Benn and Allen-Baker attempted to address, while unduly praising in comparison the activities and advances made by private tramway companies and their representatives, particularly regarding electrification.

The acquisition of the LST transformed councillors’ thinking about the LCC’s role as a transport provider from being conceptual to realistic. Quickly councillors established managerial mechanisms to administer the newly acquired concern. Under the full council, the Highways Committee had overall oversight of tramway matters, yet as the LST’s acquisition approached in September 1895 it established a Tramways sub-committee which met when required given the council did not directly control the concern. Underlining the ideological underpinnings of the policy objectives and ultimately municipal trading of Progressive Councillors – who dominated the committee between March 1895 and 1896[[5]](#footnote-5) - its stated aim was to obtain “the greatest advantage to the ratepayers and the public” through improving the system’s service, facilitating traffic interchange between the various lines, and improving tramway employees’ working conditions (LCC, 1895-1896a). However, at the top of the list was “Making the purchase of the tramways and the working of the council itself, of the leasing of them, a source of profit to the ratepayers” (LCC, 1895-1896a, p. 18). Reflecting a desire to understand tramway administration further, a month later in October 1895 the LCC’s statistical officer called the Sub-Committee’s attention to the first annual report of the Glasgow Corporation’s Tramway Committee, which was asked to send enough copies for each councillor (LCC, 1895-1896b, p. 38).[[6]](#footnote-6)

At this time, Progressive councillors on the Highways Committee also began working towards the acquisition, operation and extension all tramway systems within the council’s administrative district, which until then had only been conceptualised through resolutions and words. Although, naturally any concrete action was stymied by the electoral situation of the council where a two-thirds majority was required to pass any resolution. This shift towards strategic planning was driven the acquisition of the LST, but also possibly an approach in May 1895 by the ‘The County of London Tramways Syndicate’ (CLTS). It claimed that it had been negotiating with London’s tramway concerns and offered to deliver most, if not all into the council’s hands at a price for each based on the price paid for the LST. The lines would then be leased to a company established by the syndicate, and the LCC would receive funds as rental. Barker and Robbins (1974, pp. 25, 26) state that the LCC received no advice as to how long the lease would last or future electrification prospects. The LCC rejected this and later proposals, likely because it had already purchased a stretch of line, was negotiating to purchase another and because of the vagueness of the proposal. However, combined with the purchase of the LST, this action likely stimulated the Tramways Sub-Committee in October 1895 to order two reports prepared. The statistical officer was to report on the ‘financial particulars’ of London’s tramways; the possible results of the council’s purchasing them; the mileage open for traffic, in and outside the county; and finally “The mileage rate of capital and revenue, of receipts and expenditure and of purchase money and rents paid and received by the council: That such a return be accompanied by comparative rates and that the return and tables when completed be printed for the use of the sub-committee.’ The LCC’s engineer and valuer were also to estimate the value of all tramway undertakings in London and their value based on their earning capacity (LCC, 1895-1896b, p. 38). Progressive councillors’ long-term goals for London’s tramways were embodied in these orders: for the good of the city’s populace they desired ownership of all tramway systems, their direct operation by the council and the improvement of the intercourse between disconnected lines.

In 1896 the LST offered the remainder of their system to the LCC, as did the North Metropolitan Tramway company (NMT). Barker and Robbins (1974, pp. 26-27) argued that Moderate Councillors were “determined to keep the [tramway] lines in private possession for as long as possible.” Thus, despite the LCC being given powers for direct operation, by the deciding vote of the Moderate chairman of the Highways Committee, the NMT was awarded a fourteen year lease to operate both systems, which ended in 1910, at the end of 1896. Only when in March 1898 the Progressives swept to power could they proceeded to peruse their vision for the capital’s tramways systems – Benn was made Chairman of the Highways Committee and his deputy was Allen Baker (LCC, 1898-1899). Therefore, when another company, the London Tramways Company (LTC), came under its control on 1 January 1899 the lines were thus operated directly (as were those of all concerns acquired thereafter) (Oakley, 1989, p. 69; Porter, 1907, pp. 137-138). At this juncture, councillors’ strategic visions for the network again evolved in response to the changing administrative challenges this presented. Barker and Robbins (1974, p. 28) again criticised LCC councillors for failing to employ an experienced tramway manager sooner. This assessment is unfair. In the absence of direct responsibility for tramway operation day-to-day operational management had been of little concern, and thus the Highways Committee was unable oversee the concern itself. Yet, with direct operation due to start in 1899, Benn and Allen Baker were aware their backgrounds provided them with insufficient professional or technical knowledge that would equip them to manage, expand and develop extensive tramway operations. Allen Baker repeatedly attempted to persuade the council to appoint a Tramways Manager before the control of the LTC was assumed (Oakley, 1989, pp. 141-142).

Only in late 1898 did it agree, but this was still at a date *before* direct control of tramways had been assumed. The Glasgow Corporation Tramways’ John Young was initially offered the position, but refused after the Highways Committee declined to appoint an assistant to support him with the management of the electrification project. Alfred Baker was appointed and from February he began his oversight of 1,895 employees, 408 horse cars, 3,808 horses, 50 cable dummy cars and 50 omnibuses (Oakley, 1989, pp. 141-142). Baker was second on a list of candidates, yet still brought to the LCC considerable experience of tramway management (*The Nottinghamshire Guardian*, 1898a). He had been with Nottingham Tramways over twenty years, had become its General Manager in 1891 and brought with him “the highest testimonials as to his organising capacity, business qualities and aptitude for maintaining perfect discipline among his employees” (Dundee Evening Telegraph, 1898). Barker and Robbins suggest that this appointment was poor on the grounds that Baker lacked experience of electric tramway operations (Barker and Robbins, 1974, pp. 28-29, p. 96). This argument fails to appreciate that in Britain electrification was still in its infancy – the Glasgow Corporation ran its first electric trams that year, with the first significant electrified line opening in Bristol in 1895 (Barker and Robbins, 1974, p. 21; Green, 2016, pp. 76-121). Available officials with both experience of electric tramways and managing a tramway system as large as that which councillors envisioned the LCC system would become were undoubtedly a scarce resource. Finally, considerations regarding the adoption of electric traction were already underway, as will be discussed below, likely meaning their primary concern would have been to obtain the services of an official with managerial and administrative skills suitable for the challenges ahead. Although, Baker likely would have some knowledge of electric traction, Nottingham Corporation was exploring electric operation early in 1898 and authorised plans to be drawn up in early April (*The Nottinghamshire Guardian*, 1898b; 1898c; *The Leicester Chronical and Leicestershire Mercury*, 1889). Baker’s appointment was therefore not a poor one. Their attention to his managerial skills, as opposed to his technical skills, illustrates that Progressive councillors’ belief in the ownership and operation of all the tramways in the county had moved from being a future objective to a reality, with all the practical problems that entailed.

This shift was occurring at the same time as Progressive councillors were continuing to investigate and plan the network’s improvement and development through two projects: electrification and construction of the Kingsway subway. Planning documents continually reaffirm that these projects were to contribute to the social benefit of the network and developing London’s economy. Also coming to the fore was the objective stated in 1895 that the tramways were to be “a source of profit to the ratepayers” (LCC, 1895-1896a, p, 18). Largely absent from the literature on tramways and only touched on by Barker and Robbins (1974, p. 96), who characterise LCC councillors as un-entrepreneurial compared with the CLTS, ‘Municipal capitalism’ as a concept – the synergy of financial and social profit - became more embedded in LCC decision-makers’ thinking around this time and underpinned their strategic planning. Indeed, Benn and Allen Baker – for whom the aims of municipal and private capitalism were comparable, as we have shown - played influential role in this process, with Allen Baker particularly driving forward and planning of the electrification and subway schemes.

**Electrification**

Electrification had been considered early on a part of the plan to develop and augment the tramway system, and in late 1894 Benn travelled to the United States to investigate electric systems there (Gardiner, 1925, pp. 184-185). Barker and Robbins (1974, pp. 21-23) argued however that not until 1898 did the LCC seriously consider electrification, while they compare the LCC’s lack of progress on it unfavourably with that of private tramways in the United States and elsewhere in Britain, for instance the London United Tramways (pp. 26-27). Again this is an uncharitable perspective on the LCC’s position. Moves towards electrification may have seemed slow, however the political situation between 1895 and 1898 was such that Progressives’ ability to make progress towards developing the tramway network would have been difficult given Moderate councillors objected to the council’s ownership of tramways (pp. 26-27).

Allen Baker and Benn’s commitment to the Progressive long-term vision for London’s tramways never waned in the period, and they pursued this as best they could through continued investigation of electrification, as well as other schemes. When the NMT lease was agreed in 1896, they managed to insert a clause that should the LCC require, it was permitted to experiment with electricity or another means of motive power on three to five miles of line (LCC, 1901, p. 2). In May 1897 the Tramways Sub-Committee, which was still dominated by Progressives, considered the subject of electrifying the network, especially as direct operation of the LTC approached, and sought advice from Institute of Electrical Engineers and local authorities in Glasgow, Sheffield, Leeds and Edinburgh (LCC, 1897-1898, p. 735). The outcome of these enquiries is unclear, but shortly after Allen Baker sailed to America to gain information on tramways traction there (LCC, 1897-1898, pp. 205-206). On his return, Allen Baker and Benn favoured adopting a conduit system of electrical traction, where a channel in the road carried the electricity, rather than overhead cables. In February 1898 at the Highways Committee Benn proposed a motion, seconded by Allen Baker stating the undesirability of using within the LCC district the overhead system of traction, leaving the way open for the conduit system to be adopted (LCC, 1897-1898, pp. 372). Yet, pushing through actual large-scale investment in a tramway network would have been likely impossible when the council was split, the Moderates had marginal control of the council, and the fact a two-thirds majority was required to pass any resolution.

Only when the Progressives returned to power in March 1898 could they advance their vision for London’s tramways (*Globe*, 1898). Allen Baker’s report – the result of his investigations - recommended adopting the conduit system, as this was operated satisfactorily on the Continent and in the United States (LCC, 1901, pp. 2-3; Oakley, 1989, p. 155). Uncertainty over which electrical system did nonetheless prevail and the committee engaged Alex B.W. Kennedy, a member of the Institution of Electrical Engineers, to report on the best form of mechanical traction for London’s tramways. After investigations in the United States and Continental Europe, he concurred that the conduit system was the best for London. He recommended that even if the investment in an underground system was much higher than the over-ground system he would still recommend its implementation for the centre of London, as within the busy streets, especially at junctions, the roadways would be clear of obstructions (Kennedy, 1899). Overhead cables were to be reserved for London’s ‘rural’ areas (LCC, 1901, pp. 2-3).

Consequently, councillors began considerable negotiation and consultation with forty London local authorities over the development of electric tramways through bills authorising the conversion of existing lines and the electrification of new ones (House of Commons, 1900). The result was the insertion of a clause allowing the Board of Trade to rule on which system of electric power should be used, with authorities given the chance to have their voice heard before a decision was made (*Morning Post,* 1900). Whilst some authorities remained opposed to the bills (House of Commons, 1900), in 1900 the LCC secured the London County Tramways and the London County Tramways (Electrical Power) Acts. Two years later, and in divergence from continental and American practice, authorisation was also given for the construction of a 40,000hp power plant at Greenwich[[7]](#footnote-7) which opened in 1906 (LCC, 1904, p. 58; *The Times*, 1906). After trials, the first of many lines using the conduit system began operating between Westminster and Blackfriars to Tooting in 1903 (LCC, 1903).

The content of these and other reports evidence the rounded objectives behind the strategies Allen Baker, Benn and other Progressive councillors were pursuing through electrification. In November 1898 Allen Baker presented to the Highways Committee an article from the *Street Railway Journal* on electrical traction, comparing the costs of cable, electric and horse tramway traction in New York. The article, he argued, validated his recommendation that the conduit electrical system should be adopted for London’s tramways. Significantly, his concern with the profit-making capacity of an electrified system was evidenced, as he claimed electrification would reduce operating costs and increase its earning potential. The operating cost of New York’s electric trams was 5*d* per car mile, whereas in London the figure was 10*d* per horse car mile. The gross revenue of horse trams in London was 12*d* per car mile, leaving a balance of 2*d*, and all the capital’s trams earned £250,000 annually. Consequently, Allen Baker argued that if operating expenditures were reduced to the levels found in New York the ‘profit under likely conditions would likely equal 7*d* per car mile or 3½ times the present profit, say £875,000, on the present mileage in London’ (LCC, 1898, p. 2). Allen Baker firmly believed in the positive social benefits developing the tramway system would bring. This document however shows how developed his belief in municipal capitalism was; tramways were not simply to cover their operating costs in its service of the city’s residents, they were to be profitable for the council also.

Despite the technical benefits of electrification being the main focus of Kennedy’s report, his conclusions also embodied the defined strategic vision Progressive politicians had for London’s tramways by the late 1890s. Kennedy (1899) estimated that the capital investment required to electrify all of London’s 200 miles of tramway, implying that the councillors to whom he was reporting envisioned the council acquiring of all London’s tramways. More explicit expression of this aims are found in Kennedy’s conclusion. The project was estimated to cost around £3 million or £15,000 per mile. On the basis that the LCC ran 500 cars at any one time, which on average would run 20 million car miles per annum, the estimated cost would be 1.8*d* per car mile or “just about one half the present working expenses and receipts.” He thus argued that:

I hope therefore that the Committee will find themselves able to believe that the enterprise on which they are about to embark is one that will not only be for the benefit of Londoners generally, but one also which will pay its way, and on which therefore there would seem to be no reason for grudging expenditure as to make the whole scheme one of a kind suitable for and worthy of the greatest city in the world.

The ownership and development of the tramway system Progressive councillors envisaged was therefore to benefit the lives of Londoners while earning revenue for the council, the very embodiment of municipal capitalism. Such ideals were also in evidence in documents pertaining to the council’s second major project to develop the tramway network: the Kingsway Subway.

**Building the Kingsway Subway**

London’s streets in the late-nineteenth century were highly congested. In November 1898 John Wolfe Barry, the noted civil engineer, stated that between 1871 and then the number of omnibuses on London’s roads had increased from 1,268 to 3,170, whilst in the 1850s ‘railway [delivery] vans’ were a rarity, but at that point there were 6,000 of them. This was in addition to a vast increase in hansom cabs, while the city’s expanding population greatly added to the traffic (*Pall Mall Gazette*, 1898). The Progressive councillors were resolved to tackle this congestion on the grounds that this would ease intercourse in the city and deliver economic social benefits; the two objectives of LCC strategy. Indeed, Wolfe Barry considered that the cost to the economy of congestion at four busy centres (Cheapside, Piccadilly, the Strand, and the junction where Oxford Street met Tottenham Court Road) in terms of time lost by road users was £2,154,000 per annum. Reducing congestion would also improve road safety, 8,000 being injured and 150 killed annually on the London’s roads (Baker and Rider, 1901, p. 18).

While not stated explicitly, Kennedy’s visit to the United States and his subsequent engagement with councillors illuminated to them the fact the tramways were carried through subways in Boston and could potentially ease surface traffic (*Lloyd's Weekly Newspaper*, 1899). On 13 June 1899 Allen Baker proposed a resolution at the full council, seconded by Sydney Webb, that the Highway Committee should investigate and report to the council on the practicability of a ‘shallow electric tramway’ which would have provision beside the lines for ‘multiple subways’ that would contain utilities. Simultaneously, he suggested that a tramway subway could run from ‘Westminster (via Parliament-street, Strand, Fleet-Street and Cheapside) to the Bank, thence under Moorgate Street to the terminus of the North Metropolitan Tramways Company at Finsbury-pavement’ (Baker and Rider, 1901, p. 18).

In November 1900 the engineer and statistical officer presented their assessments on the viability of the subway to the Highways Committee (LCC, 1900-1901, pp. 318-319). It is likely that the committee delayed discussing the matter after the 1899 motion and ordering reports to be presented because the organisational arrangements for taking over the LTC were still being formulated and the most suitable form of electric traction for the tramways system had yet to be determined. Lastly, London County Tramways and the London County Tramways (Electrical Power) Acts, both of 1900 (LCC, 1904, p. 58), which gave the LCC powers to electrify its lines and was therefore vital for the construction of a sub-surface tramway, was still passing through Parliament. This passed in August 1900 (*Morning Post,* 1900; *The London Gazette,* 1900) and it was in January 1901 that Allen Baker ordered that the engineer and statistical officers’ reports be referred to the tramways manager for further consideration and report (LCC, 1900-1901, p. 59). Arguably, the delay in considering the subway was not, as Barker and Robbins imply, a case of councillors simply prevaricating.

In the minute referring the matter to the tramway manager we can see again councillors’ early strategic goals behind the development of the LCC’s tramway network. The tramway manager was ordered in his deliberations to consider

…the probable amount of the traffic receipts from the proposed underground tramway if constructed, and whether, in his opinion, the receipts and the travelling facilities which would be afforded to the public would justify the Council in incurring the expenditure for the construction of the tramway (LCC, 1900-1901, p. 59).

Thus, on the one hand he was to consider the ‘travelling facilities’ the subway was to provide, undoubtedly referring to the easing of congestion and the social and economic benefits it could bring. This was however seemingly equal, perhaps even secondary to, the revenues the subway could generate, again highlighting that the profitability of the tramways as a whole was a significant long-term consideration of Progressive councillors. The subway’s benefits were therefore measured in both financial and non-financial terms, which were to be weighed against the probable cost of constructing a subway, evidencing that committee members wanted a good return on any investment. Alfred Baker’s report has not been found, and so it is uncertain what would have been the minimum projected social and financial return needed for the project to go ahead; or whether one form of ‘return’ – social or financial - took priority over another in the committee members’ minds. Later reports do, however, give some limited clarity.

In April 1901 the Highways Committee briefly put the issue on hold (LCC, 1901-1902, pp. 316-317). Then in July 1901 Allen Baker revived it, suggesting that the tramways manager and the engineer visit the United States ‘with the object of obtaining the fullest information possible with regard to the systems of shallow underground tramways in operation there.’ Possibly this gathering of information on external practice suggests that discussion and consideration of it was put on hold in April because of an uncertainty as to how they should proceed (LCC, 1901-1902, p. 16). Indeed, this potentially reflected a general uncertainty committee members had regarding tramway operation, which had already manifested itself in the case of electric traction and tramway organisation, where they also consulted and observed external practice before making major decisions. The tramway subway was not discussed again until October. It was stressed that if no action was taken to secure an act for the construction of a subway that ‘the Council might find itself in a serious position with reference to its opposition to the proposals for the construction of deep level railways which would be before Parliament’ (LCC, 1901-1902, p. 350). What this ‘serious position’ was precisely is yet to be determined from the available material, although it could be argued that councillors saw the whole viability of their plans for a joined-up, London-wide tramway system being at risk, at a time when private companies were proposing to build the ‘tube’ railways that would become the London Underground. In the addendum to Baker and J.H. Rider’s (the LCC’s engineer) report it was stated that in 1900 the joint parliamentary committee – which contained members of the various LCC committees (Barker and Robbins, 1974, p. 87) - concluded that subway tramways should have consideration before any more deep tube railways be sanctioned (Baker and Rider, 1901, pp. 15-20). Many tube plans were due to come before Parliament in the 1901 session. Councillors could therefore have believed that failure to put a subway bill before parliament would prejudiced it against the LCC objections to deep-level tube lines on the basis that they had presented no alternative means of easing London’s congestion. Moreover, if this fact spurred on the councillors to revisit the question and take further action, it would also suggest they believed that failure to act would lose them a competitive advantage over underground tube lines. Indeed, their statements suggest they wished to capture as much trade within the metropolis as possible and maximise profitability, while simultaneously controlling as much of the capital’s transport for the good of its citizens.

The report the Highways Committee received from Baker and Rider on 30 October 1901 detailed their findings from their trip to Boston and New York, the former of which had operating subways and the latter which had them under construction, and outlined the potential benefits for London of tramway subways. An addendum to the report, which also supported the subways’ construction, was written by J. Allen Baker. The report’s sections framed the benefits of subways within the council’s broader objectives for the tramway network. There does however exist within it some evidence, albeit tentative, that the objectives of the tramway officers and Allen Baker, while similar, were somewhat different in focus (Baker and Rider, 1900).

Baker and Rider’s (1900, pp. 15-16) report stressed their concern with operational matters. They ‘were strongly of the opinion…that it was extremely desirable that an endeavour should be made at the earliest possible moment’ to introduce tramway subways in London. They highlighted the fact that for many years the LCC had investigated the issue of connecting up the northern and southern systems they owned because London had suffered from a want of tramway communication across the river. Attempts to connect the separate networks had been stymied by the fact that the construction of lines to points where connections could be made – through the City and at Westminster – had been resisted by Parliament, the City Corporation and the West End authorities. Parliament’s main concern, which the report does not elaborate on, was that until then the proposed tramways would have been horse powered. Secondly, the City and West End authorities had resisted on the grounds that tramways would require considerable widening of the thoroughfares ‘through some of the most valuable business property in the world.’ Baker and Rider’s conclusion was that a subway would allow the tramway system to be extended through these areas to points where a cross-river connections could be made, all with little impact on surface traffic.

Secondly, Baker and Rider commented on the accommodation for utilities alongside the subways. The council had repeatedly addressed the question of the inconvenience utility companies caused by digging up streets. Previously, when the LCC had constructed new streets, subways for pipes and other utilities had been built. However, they argued that where such tunnels were proposed to be built under ‘existing principal thoroughfares’ such projects on their own would be vetoed because of the excessive cost. Tramway subways would solve this problem: if utility tunnels were to be built alongside them, the overall revenue they generated would justify the heavy outlay (pp. 15-16).

Overall, Baker and Rider addressed social and economic benefits for Londoners of a subway tramway and only mentioned in passing its potential for revenue generation within the context of discussing the outlay on construction. Maximising the LCC tramways’ profitability was seemingly not a consideration of theirs, which may reflect their position within the tramways operation. They were not the primary decision-makers with regard to tramway strategy, this being the Highway Committee’s responsibility, and as such their focus was on operational matters. Alternatively, the report’s focus may reflect the brief Baker and Rider were given by the Highways Committee before their visit to the United States, although the records do not state what this was.

Ultimately, while they considered that a complete and independent sub-surface tramway system was desirable for London, to alleviate congestion and to provide good rapid transit for citizens, because they lacked the time to conduct a full survey of ‘the engineering features of what we should consider to be a fairly comprehensive and adequate scheme’, they recommended that the first subway run from

‘the level of the Victoria-embankment, at a point close to Waterloo-bridge, under Wellington-street, across the Strand, and passing under the new street made by the Council from the Strand to Holborn. Passing under Holborn to Southampton-row, it would connect by an incline to the surface lines in Theobald’s-road’(pp. 15-16).

The total estimated cost was £282,000 (although this figure excluded the ‘purchase of vaults, cellars, or any other vested interests, or for the addition of pipe galleries to the subway, or for the transfer of pipes to them’(pp. 15-16).

The thrust Allen Baker’s addendum was slightly, but importantly, different to Baker and Rider’s report. He concurred wholeheartedly with their findings, unsurprising given his previous support for sub-surface tramways generally and his socially conscientious outlook. Nonetheless, akin to his statements on electric traction, his main focus was on the wider economic benefits of the subway for both the city and the LCC. He firstly considered the value of tramway subways generally to the London economy. He cited the report by Wolfe Barry and his estimated cost of the time lost by congestion of £2,154,000. He opined that the subways would ease congestion and consequently benefit the London economy by reducing this sum. Secondly, he considered that the construction of subways would be cheaper than building alternatives i.e. deep level tubes (pp. 18-19). Importantly, Allen Baker stressed how subway tramways may benefit the profitability of the tramway network as a whole. He argued that underground tramways had proven themselves to be a ‘great financial success’ in Boston, Paris and Buda-Pesth, and he presumed similar results would be achieved in London. If the subway was connected with the council’s surface network, for example at the Victoria-embankment (the plans for which were already before Parliament) and the northern and southern systems were joined up, he considered that this would ‘greatly enhance the value and increase the earning power of the Council's tramway system in London.’ He also highlighted that the subways would receive ‘greater patronage’ than the deep-level tube lines, especially from short-distance travellers, as they were better ventilated, better lighted and were easily accessible from the surface. A final but additional bonus of having the utility tunnels running parallel to the tramway subway would be that the council could yield ‘double revenue’ – although what exactly they would charge for is unclear (p. 19).

Allen Baker here again showed his concern with both improving the tramway network for the benefit of citizens, while increasing its profits. ‘Municipal capitalism’ was thus alive and well within the LCC’s Highway Committee and it was fervently pursued by its leading members; Benn and most importantly Allen Baker. Both evidently brought the philosophies they operated in their business lives to their work on the LCC.

**Results**

Broadly, the objectives pursued by the LCC tramways were successfully met before 1914. The result of system expansion, electrification and service improvements, between the years ending 31 March 1900 and 31 March 1914 ridership rose from 118 million passengers (Southern system) to 522 million (LCC, 1902; 1914). It also was noted above how the development LCC’s tramways system and fare reductions allowed working individuals to live further out, 71,718,033 workmen’s fares being issued in 1912-13. Indeed, as Abernethy (2015) has pointed out, where in 1904-05 workmen’s fares only generated 6% of revenues, this had risen to 14% in 1912-13, more working people moving outward. These services were however loss-making, yet reflecting what Abernethy called the “mixed commercial and municipal role of the tramways” (pp. 184-185), they were cross-subsidised by the more remunerative ordinary fares. Nonetheless, for much of the period the expected surpluses on the operation materialised (Figure 1). Stability of the tramways’ finances were however significantly disrupted from 1913, when developing motor omnibus competition cut into profits, the number of omnibuses in the capital rising from 1,494 in 1911 to 2,750 in March 1913 (LCC, 1913). Demonstrating once again the commercial mindedness of LCC tramways managers, various steps were taken in response; “the re-arrangement and reduction of fares, including the institution of additional return fares, and speeding up of the services.” This the annual report argued had helped the recovery of some passenger traffic (LCC, 1914).

**FIGURE 1 HERE**

**Figure 1:** **Overall surplus of the LCC tramway operation after all operating, debt and other costs are taken into account. Source: LMA, LCC/TWYS/GEN/01/002 and LMA, LCC/TWYS/GEN/01/004 - LCC Tramways reports and accounts, 1895-1914.**

**Conclusion**

This article’s central premise was that our understanding of why municipal authorities decided to allocate resources to developing urban tramway systems in the late-nineteenth century has been underdeveloped. Through examining the thinking behind the tramway strategies of the LCC’s Progressive councillors in the 1890s this article is an important first step in exploring this subject, but one that opens up questions surrounding the purpose of municipal trading, the extent of municipal capitalism and where these things sat in the ideologically charged broader political continuum of the day.

On a purely local level, the Progressive party’s augmentation and development of the LCC’s tramway systems have been identified as part of councillors’ reforming agenda. From conception, through to formulation and delivery, Allen Baker and Benn, who were undoubtedly supported by fellow councillors, envisioned that an expanded, modern and interconnected system of tramways would increase the economic and social liberty of the capital’s citizens through the provision of efficient and affordable mass-transit, while supporting the city’s economic development. The strategies they adopted stemmed from the idea that the tramway system was to be an agent of change in the building of a fair, egalitarian and prosperous city. Indeed, in the tramways project we perhaps see one of the boldest expressions of the idealism and reforming zeal Progressive LCC councillors brought to all aspects of their work in the period.

This article has also revealed another dimension to LCC policy. Likely drawing on experiences from their own business backgrounds, never far from Allen Baker and Benn’s deliberations was the anticipation that in addition to the social and economic good the tramways brought, they would also generate profit. All policies were conceived and pursued with this goal in mind, the expectation being that the surplus funds would enable the reduction of rates or be reinvested into the system for further social, economic or financial advantage. Perhaps unique amongst the LCC’s many operations, commercial-mindedness was for councillors deemed compatible with the moral underpinnings of policy, and thus their policies have been described here as ‘municipal capitalism’. These findings also raise important questions for examination of tramway systems’ operations generally. Was the acquisition and development of tramways seen by local authorities nationally, and indeed internationally as the municipalisation debate occurred on both sides of Atlantic (Millward, 2001, p. 325), as a way to generate funds for the steadying or reducing rates at a time when there was greater investment and expenditure on social projects?

The ownership and operation of tramways in Britain was, eventually, very different in character to what occurred in many other cities. Concessions systems continued well into the twentieth century in some US (Post, 2007), European and Latin American cities (López, 2003), meaning that municipal oversight and planning of a network was separate from operation. A glance across the channel to the Paris of this period reveals a contrasting story to London’s, where the city’s Metro network was developed as an elegant alternative to the tram, which there remained privately owned, arguably attaining similar aims to the Kingsway scheme but on a much wider scale (Soppelsa, 2012). The starkest reflection of this separation was in the ownership patterns found in some countries, where tramway companies were funded by foreign capital. Of tram routes in Italy, 71 per cent were in the hands of external investors in 1886, between 1909 and 1914 72 per cent of investment in tramways in Russia originated in Belgium, and in Spain the figure was 56 per cent (López, 2003, p. 74). Technological developments in many cases was also supported by foreign investment, British, Belgian and German capital being largely responsible for electrification projects in Mediterranean, Nordic and Eastern European nations (Martínez, 2012, p. 5). Of continental European countries at the start of the twentieth century only Germany could be considered to have embraced municipalisation on any scale, with Knoop (1912, p. 106) identifying 33 municipalised tramway networks out of 85. The municipality of Berlin was still among those who had yet to impose municipal ownership over its tramway system, and the relationship between the city authorities and the Great Berlin Horse Railway Company was strained by concerns at aesthetics around the city’s monuments and pressure from the company for the renewal of its concession in 1911. While trams were unable to run into large sections of London at all due to aesthetic concerns, the LCC was able to achieve electrification using the conduit method much quicker and more harmoniously in Berlin, where the technological problems remained even after 1910 (McKay, 1976, pp. 121-124). As such, direct ownership and operation of tramway systems in Britain by councils - in the LCC’s case through a department overseen by a committee of elected officials - and the political influence over system development this enabled, stands apart from arrangements found many other places.

London’s underground railways, mostly built deeper and in a less intense network than those of Paris, remained outside of the LCC’s grasp, but the tramway offered it an opportunity to legitimately expand its business interests within its legal powers while attaining social goals. Had these powers been wider, the LCC might have expanded its subway network further.

Ultimately, this article has indicated that there is plenty of scope for future research. Having highlighted an alignment between Progressive councillors’ strategic objectives for the tramways system, attention should now perhaps be turned towards examining those Conservative or Moderate councils elsewhere in Britain that acquired and operated tram networks, to see whether they shared analogous or different aims to their Progressive and Liberal contemporaries when developing them. Millward and Ward (1993, pp. 18-19) in their study of gas municipalisation between 1851 and 1947 showed no greater “statistically significant tendency” on the part of Liberal or Labour councillors to engage in such policy. Perhaps all councils’ necessary concern with rates and overseeing the day-to-day running of their districts meant that in many instances the parties’ aims converged when approaching the management and development of their municipal systems. Here there are also opportunities for further comparison with continental Europe, where much is known about the early expansion of networks under private companies, but less of their consolidation by state or municipally owned organizations later in the twentieth century. De Block and Polasky (2011) point to such trends in rural Belgium, and contemporary sources suggest that those German cities which had municipalized were adopting progressive policies such as zonal ticketing, allowing flat fare travel on multiple lines, to improve mobility by around 1910 (Knoop, 1912, p. 258). Improving the lives of citizens, bolstering local economies and capturing profit for the benefit of ratepayers, may have been the goals of all councils, not necessarily just Progressive ones.

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1. Calculated from figures found in Millward (2001, p. 326). [↑](#footnote-ref-1)
2. Robson (pp. 309-310) does however acknowledge “The desire to obtain revenue from the surplus or profit in order to reduce the rates was also important in certain cases.” [↑](#footnote-ref-2)
3. For a broader view of the economic history of London and its expansion see Ball and Sunderland (2001)*.* Harley (2001) provides a narrative view of this era from the perspective of London’s tramway system. [↑](#footnote-ref-3)
4. While his surname was simply ‘Baker’ for the purposes of this paper he will be referred to as ‘Allen Baker’ to distinguish him from the Tramways General Manager, Alfred Baker. This reflects a distinction made in the LCC’s own minute books. [↑](#footnote-ref-4)
5. Every year the Highways Committee was re-appointed, meaning membership fluctuated. In 12 months beginning March 1895 the Progressives dominated the committee. [↑](#footnote-ref-5)
6. At this meeting were four Progressive councillors and one Moderate. [↑](#footnote-ref-6)
7. Until the opening, an agreement for electrical power was entered into with the South London Electric Supply Corporation. [↑](#footnote-ref-7)