

The Business of Alcohol in the US and the UK: UK Regulation and Drinking Habits, 1914–39

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The battle between temperance and the alcoholic drink trades, principally beer brewing, and the strategies used to battle for advantage during and after the First World War, form a backcloth to any history of the brewing industry in several countries, and notably the United States, the UK, Australia and New Zealand. In the U.S., prohibition was introduced in 1919 following ratification of the Eighteenth Amendment passed by the Congress and Senate in December 1917, although it came after concerted attempts in many states to curb drinking and other excesses in “on-licensed” premises, principally the saloons, and the introduction of war-time emergency measures to prohibit the manufacture of spirits (September 1917) and beer and wine (May 1919) [Hamm, 1995, pp. 240, 247; Kerr, 1985; Siebel and Schwarz, 1933, pp. 158-9]. In the UK both prohibition and nationalization were advanced as possible policies by Lloyd George’s war-time administration. Embarrassed by tales of drunkenness among workers in munitions and other vital industries, and goaded by American complaints about Britain’s conversion of grain into alcohol at a time when the United States was supplying considerable quantities of grain to the UK, Lloyd George adopted a tough stance on both brewing and distilling. However, in the end, the estimated cost of nationalizing the drink trades was far too high for any reasonable British government to contemplate, provoking the view that Lloyd George merely used the specter of prohibition or nationalization to nudge the industry into accepting draconian restrictions on productive activity through controls on output, reductions in alcoholic strength, higher prices, and reduced drinking times [Gourvish and Wilson, 1994, pp. 318-23; Turner, 1980, pp. 589-615; Weir, 1995, pp. 141-9]. The concern in this paper is to examine the regulatory regime introduced in the UK during the First World War to control the consumption of alcohol, particularly in on-licensed premises, together with amendments up to 1939. An assessment will be made of the impact of these measures on consumers’ behavior, together with an analysis of the brewers’ response to criticism in the form of the movement for the “improved public house.” Finally, some comparisons will be

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made with the contemporaneous regulations introduced by American states when brewing of full-strength beer was resumed in 1933.

The First World War and its Aftermath 1914-20

In the UK a substantial change in the regulatory environment came with the application of the Defence of the Realm Act in 1914 and the establishment in 1915 of the Central Control Board (Liquor Traffic) [Rose, 1973; Aldcroft, 1977]. The first introduced sweeping reductions in the permitted hours for consuming liquor in retail outlets, chiefly public houses. The second, known popularly as the “Carlisle Experiment,” involved the nationalization of brewing and retailing functions in areas where munitions production was identified as important, viz. Carlisle, Gretna, Invergordon (Cromarty), and Enfield Lock (London). It proved to be an enduring example of state ownership and control, outliving prohibition in the States since the scheme was not formally wound up until 1974. Taken together these measures, while falling well short of prohibition, represented a considerable intervention in brewing production and consumption in the UK, and significant elements were retained after the war under the terms of the 1921 Licensing Act.

By the beginning of 1916 half the country had seen the opening hours of licensed premises cut from 16-19 hours a day to 5.5, with evening closing time set at 9:00 or 9:30 p.m., and within two years these restrictions applied to almost the entire country. Off-licence (take-home) sales were also regulated. At the same time certain popular drinking habits, including “treating,” the “long-pull” and the provision of credit were outlawed [Carter, 1919, pp. 157-61]. In Carlisle steps went much further. The Central Control Board nationalized the town’s four breweries together with 400 public houses in the Carlisle and Maryport districts; a further 44 pubs were acquired elsewhere. The compensation paid amounted to £900,000 [Gourvish and Wilson, 1994, p. 324]. The impact both in the short and longer term of these measures remains a matter for debate, and this debate ranges widely over issues in both economic and social history. For business historians what is of interest is the impact of regulation on the subsequent marketing of liquor in Britain, and the steps taken by brewing companies to disarm the vestiges of temperance opposition and turn pubs into havens of sobriety as well as profitable outlets.

Progressive brewing executives, such as William Butler of Mitchells & Butlers and Sydney Nevile of Brandon’s and Whitbread, certainly exploited the fact that the government’s measures had reduced overt signs of drunkenness, though whether the experiment in state management achieved its objectives of ending the “evils of drink” was more doubtful. Both Butler and Nevile served on the Control Board and helped to implement a policy of “fewer and better” pubs. In Carlisle the small, disreputable, males-only bars were closed, and drinking was rationalized around larger, “improved” premises, run by salaried managers instead of independent tenants. This new “model” owed its origins to strategies which had been pursued for some time by Butler and Nevile in their private sector companies, to the Gothenberg concept of “disinterested

management,” and to the Public House Trust and Refreshment House reform movements [Gourvish and Wilson, 1994, p. 419; Gutzke, 1994]. It attracted trade visitors from all over Britain and encouraged emulation by companies such as Barclay Perkins in London, Benskins of Watford, Bent’s and Walker-Cain of Liverpool, Flower & Sons of Stratford-on-Avon, and Greene King of Bury St Edmunds [Gourvish and Wilson, 1994, pp. 426-7]. The Carlisle State Brewery also sought to enforce improved drinking habits in its improved public houses, by banning drinking on Sundays and the use of spirit “chasers.” At the same time, emphasis was put on the civilizing influences of food, non-alcoholic drinks, games, and the presence of women. The “Gretna Tavern”, opened in 1916, was a monument to these aspirations [Rose, 1973, pp. 78-9].

The Impact of State Management

How successful was state management of brewing? Critics were soon able to point out that improved sobriety was evident everywhere in Britain, as much in the “unreformed” centres of heavy drinking as in Carlisle. Convictions for drunkenness fell by 71 per cent in Carlisle, 1914-18, but by 79 per cent in Liverpool and 89 per cent in Portsmouth, two ports with reputations for alcoholic excess [Gourvish and Wilson, 1994, p. 326]. After the war, the Carlisle scheme was not extended, but neither was it wound up. When the Central Control Board was abolished in 1921, it was replaced by a Council of State Management Districts which reported to two government departments, the Home and Scottish Offices; civil servants continued to take decisions on such matters as the specific gravities of Carlisle’s beer, the price of Guinness in public bars, and the employment of barmaids, though over a tiny estate in comparison with the UK as a whole. Carlisle soon ceased to be a mecca for reformers, however. Instead, it became a curious anomaly, where the drinking of alcohol took place in dull, run-down pubs which with their patent underinvestment and conservative marketing exhibited all the disadvantages of state-owned enterprise, although the beer was noticeably cheaper in the 1950’s and 1960’s than that offered by many private sector brewers elsewhere in the North-west of England. A much more important factor in influencing changes in drinking habits was overall state control of the industry rather than ownership and reformist strategies.

The Impact of Inter-war Licensing

If the Carlisle Experiment had limited results, we must remember that there was no full return to the freer drinking arrangements of the pre-1914 world. The Licensing Act of 1921 limited drinking times in public houses to 8-9 hours on weekdays, with compulsory afternoon closing, and to 5 hours on Sundays. Subsequent government enquiries also maintained the official attitude of restraint, notably the Southborough Committee on the Disinterested Management of Public Houses of 1927 and the Royal Commission on Licensing of 1929-31. The latter was very much an advocate of the improved

public house, recommending that the public house should be “a place where the public can obtain general refreshment, of whatever variety they choose, in decent, pleasant and comfortable surroundings.” [Gourvish and Wilson, 1994, p. 421]. It is also quite clear that the brewing industry and its trade association, the Brewers’ Society, tried to respond to the environment by adopting a more “progressive” stance.

However, cause and effect are difficult to establish, since other factors were clearly at work — the recession in Britain’s staple industries, high beer prices, the war-time death toll among young males, and social trends in the post-war period, including suburbanization and the expansion of alternative leisure pursuits. Some changes in consumers’ behaviour would have taken place whether the regulatory environment had changed or not. What is clear is that the incidence of drunkenness fell steadily, as did production and consumption. Convictions for drunkenness per 10,000 population in England & Wales fell from 50.1 in 1913 to 7.5 in 1932, a fall of 85 per cent; the UK’s production of beer of standard strength (c.5.5% alcohol by volume) fell by 64 per cent over the same period, while estimated UK consumption (excluding Eire) per capita fell by 61 per cent. There was an upturn after 1932, but even in 1938 the reduction compared with 1913 was impressive: 77, 49 and 48 per cent respectively for drunkenness convictions, production, and consumption per capita [Gourvish and Wilson, 1994, pp. 336-7; Brewers’ Almanack, 1940]. While it is difficult to detach more restrictive drinking hours from other elements, there is no doubt that those who wished to defend the brewing industry from temperance extremists could point to evidence of a growing sobriety.

This was certainly the line adopted by the more progressive firms. The movement for the “improved public house” advanced by Nevile, Butler, and others acquired a great deal of publicity in the trade press, and the inter-war years saw considerable signs of activity in the building and rebuilding of pubs. Butler’s firm Mitchells & Butlers of Birmingham was one of the pioneers. By 1925 it had given up 300 licences on small pubs, and the broader initiative in Birmingham had seen over 850 small pubs closed. A much smaller number of large pubs replaced them, many in the expanding suburbs. These were architecturally impressive buildings with a wide range of new amenities including gardens, bowling greens, meeting rooms, family rooms, and restaurants. London, Leeds, and Middlesborough were also areas where this kind of rationalization was followed [Gourvish and Wilson, 1994, p. 422]. Barclay Perkins, Watney Combe Reid, and Whitbread, all major London brewers, were especially prominent. Barclay Perkins marketed a chain of improved public houses called “Anchor Taverns,” while Whitbread created a subsidiary company, the Improved Public House Company, in 1920 to assume responsibility for the management of its new large outlets. By 1939 it owned 17 pubs and managed a further 32 for its parent company [IPHC, 1940]. Watney established a reputation for public house building in the capital with an emphasis on architectural style, as seen in the “Windsor Castle” in Victoria, the “Belle Vue” in Clapham Common and the “Mitre” in Holland Park [Oliver,

1934, pp. 23-5]. All three companies built large pubs for London's new housing estates and were particularly supportive of reforming ideas, for example by offering premises to bodies such as the Restaurant Public Houses Association to run on "disinterested management" lines [Gourvish and Wilson, 1994, pp. 425-6].

It is not easy to determine the impact of the brewers' responses. There is no doubt that some companies and notably the large London brewers spent large sums on new building and renewals. Information collected by the Brewers' Society suggested that at least £20 million had been spent on improving brewers' real estates in England and Wales in the period 1922-30, although it is clear that there was a considerable variation around the mean annual expenditure [Brewers' Society, 1930]. Some of the more extreme outcomes of improvement, like the "Downham Tavern" in South London, a pub with 36 lavatories, a hall for the staging of Shakespearian plays, and room for 1,000 people, but no bars [until 1937], were heavily criticised. Such pubs were thought to resemble army barracks on the exterior and employment exchanges or hospital wards inside. The attempt to ban drinking practices such as ordering and drinking direct from the bar ("perpendicular drinking") was fiercely resisted.

Instead, small, intimate, tenanted pubs, where landlords were far from disinterested in the amount of drink consumed, remained very popular, as the Mass-Observation study of public house drinking in Bolton, a Lancashire cotton-town, in 1937-9 revealed [Mass-Observation, 1943]. This, and a subsequent survey of drinking habits in 1947-8, provided abundant evidence that behavior in most pubs did not change radically in the period 1920-50. What we would call "laddish" culture today predominated, and although more women were apparently drinking in pubs, they were often discouraged, particularly in public bars. A statistical survey of drinking in Bolton produced a figure of only 16 per cent for female participation [Mass-Observation, 1943, p. 38]. Eating in pubs remained of relatively minor significance until the 1970's. Whitbread may have been a pioneering company in establishing a "full meals service" in nearly half (282) of its 580 pubs by 1926, but this was very much a "best practice" approach and even here turnover on food was often rather modest. The majority of British pubs provided only snacks and did not espouse the Carlisle approach [Gourvish and Wilson 1994, pp. 426-36; Mass-Observation, 1943, 1948; Kemsley and Ginsburg, 1951]. Such reform as occurred was largely confined to middle-class enclaves and the more prosperous South-east. As the Bolton study showed, "The pub is still essentially very much a pre-industrial institution. Format, ritual, traditions, nomenclature, games, have not changed very much in the past hundred years. It still caters in the simplest way for leisure hours of working people living in the immediate vicinity" [Mass-Observation, 1943, p. 336]. Recently, David Gutzke has argued [1994, pp. 367-92] that a substantial change in drinking habits during the First World War, with many more women drinking in pubs, was challenged by reactionary sub-cultures and unsympathetic feminists after 1918. Certainly, the phenomenon of females drinking in pubs may have gone

the same way as a good deal of war-time “reform,” though Gutzke may have exaggerated both the importance of the Carlisle experiment and the post-war reaction against it. Of course, it is difficult to separate fact from opinion on this topic, and there is a dearth of reliable statistical evidence. It is doubtful whether the need to retain female customers drove brewing company strategies during the inter-war years, but we can say that the middle-class custom of both sexes was considered important by many of the progressive brewers, while their building of improved public houses did much to disarm the temperance lobby and present a more respectable, responsible image for beer drinking as a whole.

The United States and the New Model

How did the new American regulations of the 1930’s compare with what was in place in the UK? Was there any direct transfer of experience? These questions are much easier to pose than to resolve, of course. However, it is clear that the intention of the reformers, backed by the Roosevelt administration, was to repeal prohibition within an “improving” environment which shared many characteristics with that which was debated in Britain during the establishment of the Carlisle Experiment and the movement to established the “improved public house.” The Democrats, in pressing for repeal, at the same time declared their implacable opposition to the return of the unregulated saloon with all its attendant abuses and urged the states to bring the liquor trade “under complete supervision and control” [Chauncey, 1994, pp. 335-7; Ronnenberg, forthcoming, p. 10]. The return of brewing was also accompanied by a determination on the part of the regulators to outlaw vertical integration in the industry, and specifically the ownership or control of chains of retail outlets by brewers.

The papers relating to Pierre S. Du Pont’s involvement in the Association Against the Prohibition Amendment, and his subsequent role as one-man Commissioner of the Delaware Liquor Commission from 1933 [Hagley Museum], shed further light on this issue. First of all, Du Pont was clearly more liberal than many in Delaware on the subject of legalised liquor consumption. Given considerable powers by the state legislature to determine future practice [*Sunday Sun*, 1933] he pressed for the age of drinking to be 18 years rather than 21, and favored fairly long licensing hours. Eighteen was the chosen age in 1933, though this was altered to 21 in 1937. Opening times for bars and tap rooms were to be 9 am to 12 midnight, but there was to be no Sunday drinking. Second, the evidence suggests that British experience was not examined in setting up the new structure in Delaware. Rather, reference was made to countries where state involvement in the trade was more prominent, such as Canada and Sweden. Du Pont and his colleagues certainly studied the “Quebec Plan” in some detail, while in neighbouring Maryland, the practice in both Quebec and Sweden was examined. However, there is nothing in the papers to indicate that any transatlantic diffusion of ideas was made. Nevertheless, there are clear similarities between aspirations in Delaware in the 1930’s and Carlisle in the 1920’s. Du Pont’s post-prohibition “taverns” were to

have no back rooms or drawn-down curtains. Perpendicular drinking was strictly prohibited – “The old bar with its brass railings is banned forever” – and there was to be no treating. Advertising was to be restrained and strictly controlled [Du Pont-Byron, 1933]. The “new model” of American drinking in the 1930’s, at least in Delaware, was close to the hearts of Sydney Nevile and William Butler.

In both countries there was a gulf between intention and achievement. Du Pont and the Delaware reformers failed to follow the Quebec model of state-run liquor stores and beer taverns. The cost of introducing such a system was found to be prohibitive and the Liquor Commission fell back on a scheme involving licensed importation and sale. Within two years, 320 establishments had been licensed to sell at retail. The ban on certain types of advertising was successfully challenged in 1935. The Commission’s annual report for 1934/5 was forced to concede that “contrary to published reports the Delaware Liquor Commission Act has resulted in the establishment of a plan not unlike the much reviled “old time saloon” system [Delaware Liquor Commission, 1934/5]. Drinking habits, the regulations designed to restrain them, and the responses of brewers were all subject to a degree of “path dependency.”

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