

An Economic History of London, 1800–1914. By *Michael Ball and David Sutherland*. New York: Routledge, 2001. x + 470 pp. Index, figures, tables. Cloth, \$110. ISBN 0-415-24691-1.

Reviewed by Patricia L. Garside

Michael Ball and David Sutherland set out to move London history in new directions, departing from previous narrative and explanatory accounts and explicitly deploying modern economic theories. Application of urban economics, they contend, can demystify many of London's nineteenth-century developments. The size and complexity of London, which so enthralled and horrified contemporary and subsequent observers, should not be regarded as unique. Images and explanations derived from these earlier views have often been misleading; in particular, they do not "make much economic sense" (p. 4). Economic theory can rescue us from these "heaven and hell-fire conclusions" (p. 417), and for Ball and Sutherland, nineteenth-century London's interest lies not in its special qualities, but in the characteristics it shares with today's Third World cities. They argue that the scale and nature of London's growth in the nineteenth century, as well as the expansion of modern global urban agglomerations, resulted primarily from market forces. The significance of the behavior of governments, social elites, and institutions in this outcome is recognized, but "when interpreting the available evidence," the authors put most weight on market outcomes. They justify their approach by asserting that "market processes are more likely to be causally important than some hypothesised monopoly, hidden influence or act of political manipulation" (p. 7). Such *a priori* reasoning, however, makes an unconvincing start to the analysis. Furthermore, there is something of the straw man about their portrayal of previous work on nineteenth-century London. Since David Eversley criticized contributors to H. J. Dyos and M. Wolff's volumes on the Victorian city for their easy vilification of London (*London Journal*, 1975), there have been several reassessments of this period of metropolitan history. Moreover, a number of these have been based on urban theory (see, for example, N. H. Buck and D. Rose in M. Dear and A. J. Scott, editors, *Urbanisation and Urban Planning in Capitalist Societies*, 1981), while recent empirical work has explicitly judged theory to be inadequate in explaining the chronology and complexity of metropolitan processes, such as residential redevelopment (see J. A. Yelling, *Slums and Slum Clearance in Victorian London*, 1986).

There is no doubt, however, that Ball and Sutherland's book does offer a comprehensive account of London's economic history and updates the only previous study of London's industrial development, *Industries of London since 1861*, compiled by Peter Hall (1962). They cover the period from 1800 to 1914 in seventeen chapters, arranged in seven parts. Their assessment of

London's economic problems begins with an outline of urban economic theory. In Part Two, this theory is applied to an overview of London's economic history, including population, employment, and living standards. Parts Three, Four, and Five cover the making of London's physical structure, including housing, shopping, transport, manufacturing, and financial services. Part Six focuses on London government and social policy, while the concluding chapter presents an overall assessment of London's economic problems in the nineteenth century and the lessons that can be drawn from them. The authors' conclusions refute some allegedly commonly held views of the London economy, for Ball and Sunderland argue that London was not industrially backward in the nineteenth century, but was growing and diversifying according to the predictions of competitive market theory. There was consequently no sharp break in London's industrial character after 1914, but, rather, predictable continuity with innovative and successful industries originating in the previous century. The authors also challenge the view that London became primarily a provider of services, with the City's international financial center at its apex. Many of these conclusions, however, do not altogether break new ground, but follow the findings of other recent revisionist contributors to the field, such as Paul Johnson, Andrew Godley, John Armstrong, and David Green (*London Journal*, 1996) working from different perspectives. How far can the economic theories set out in Part One carry the explanatory power ascribed to them? Ball and Sutherland acknowledge the paradox that "modern growth theory in economics has tended to ignore the urban dimension" (p. 6). The discussion of economic explanations for the existence and growth of cities in Chapter Two is sketchy and unspecific. Direct empirical evidence is lacking, and references to London are brief and generalized. For example, the "agglomeration benefits" of large cities are difficult to measure, and evidence even for modern cities is weak (p. 11). Nevertheless, the authors claim that agglomeration economics offers "compelling" explanations, since the fact that firms are willing to pay more to set up in large cities shows that they must be gaining from such locations. Deductive reasoning may be inevitable where data are sparse, but it is unlikely to be persuasive. Business historians have pursued other explanations, such as the nature of entrepreneurship, prevailing institutional frameworks in the private and public sectors, and historical influences. Ball and Sutherland accept that factors like these have to be brought into the account, but they maintain that it is economic theory that can bring clarity and causal understanding to London history. The insights offered by economic theory, however, appear limited: either its explanatory power is weak (as in the application of agglomeration economics to industrial location), or its findings are not new (as in the treatment of the specialization of London firms and the significance of London's wealthy consumer market). The authors' criticism of planning theory for "hankering for the technical fix

in place of real world uncertainty” (p. 430) might apply as well to economic theory. It is tantalizing, however, to consider whether a study of London economic history *post* 1914 might not offer a richer field. Not only are many theoretical questions unexplored, but there is also a general paucity of work of all sorts in this period. Ball and Sutherland challenge the view that 1914 marks the end of Victorian London, yet studies of London’s new industries are thin on the ground. They also speculate that the attractions of London-based activity may have blocked particular parts of national economic development to the detriment of the interwar economy. Tracing the trajectories of the post-1914 London economy and their causes offers a rich field for theoretical and empirical study alike. Ball and Sutherland have prepared the way for such studies, which could truly open up new areas as well as offer reinterpretations of London’s economic role.

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