**Women Investors in England and Wales, 1870-1930**
**ESRC RES-000-23-1435**

*End of grant report*

**Background**
This research was prompted by our lack of understanding of the composition of wealth in late-nineteenth and early-twentieth century England and Wales, and of the role of gender in the process of investment and accumulation. Most large scale studies of wealth holding have previously focussed on the very rich, and consequently on men rather than women.\(^1\) Research into share ownership has also been restricted in its scope, dealing with supply rather than demand – the motives prompting companies to issue an increasing variety of securities during the period and the implications of growing share ownership for corporate governance. Analyses of shareholders have concluded that women represented only a small fraction of investors.

However, this contradicts recent findings for the nineteenth century which suggest that changes in the law and new opportunities to invest made women increasingly important as wealth holders.\(^2\) The rise of limited companies and the increasing availability of lower denomination and less risky preference and debenture securities were likely to have attracted more female investors. At the same time, the Married Women’s Property Acts of 1870 and 1882 allowed women more freedom to make such investments in the knowledge that they could be protected by law against claims by a husband.

Given these important changes, how significant were women as wealth holders and what kinds of wealth did they hold? How far did the rise of Britain as ‘a nation of shareholders’ involve women? Were regional differences important in understanding the composition of wealth and the extent of share ownership? This project addresses these questions through an analysis of the wealth portfolios of 1,446 men and women who died between 1870 and 1902 and a study of approximately 38,000 shareholders who invested in a broad sample of companies between 1870 and 1935.
Objectives
The project investigated four main research questions:

1. **What types of assets and investments did men and women favour and how did these change between 1870 and c. 1930?**
   Most analyses of wealth holding in nineteenth and twentieth-century Britain have focused on the aggregate wealth of rich males, paying little attention to the composition of personal fortunes and the role of gender.³ Studies of shareholding have similarly focussed on aggregate estimates of the size of the total shareholding population,⁴ and on the share choices of large cohorts within that population.⁵

   We therefore identified the kinds of assets women owned compared to men and explored how these changed over time. In particular we examined the significance of gender in relation to the types and amounts of shares held.

2. **How important were men and women in the overall investment population between 1870 and c1930?**
   Previous studies of shareholding during this period have paid little attention to the extent to which women took up new investment opportunities.⁶ However, recent work on the eighteenth and early-nineteenth centuries has argued that the importance of women as shareholders has been understated.⁷

   Our study compared the significance of men and women wealth holders and shareholders for the period after 1870, taking into account the relative importance of married, widowed and single women.

3. **What motivated women’s choice of investments?**
   Analyses of investment in this period have largely focused either on the development of financial institutions and corporate governance practices,⁸ or on ‘supply side’ factors such as the issue of lower denomination shares.⁹ Far less is known about demand for investments and how gender influenced individuals’ financial motives.

   To address these issues we explored the relationships between male and female investors’ social and economic characteristics (e.g. age, marital status and occupation) and their investment behaviour. This enabled us to understand how different women dealt with the risks inherent in investment. We also explored how and why women acquired shares and in what form (e.g. through purchase or inheritance, trusteeships, joint ownership or outright ownership).
4. What were the geographical and regional differences in male and female investment practices?

Economic historians and geographers have long debated the extent to which the English economy was marked by regional differences. Such differences were likely to have influenced individuals’ wealth and investment and their attitudes towards financial risk.

We therefore examined the regional geography of wealth ownership and shareholding. By adding grid references for all those individuals in our database, we were able to use GIS methods to explore at a finer scale of analysis the relationships between regional economies and composition of wealth, and between distance, types of shareholdings and groups of shareholders.

Sources and Methods

The creation of two large databases was central to this project: the first contains information on the assets of a sample of wealth holders and the second on a sample of shareholders. These databases were compiled from a varied range of sources outlined in Annex 1. Together, these exceptionally rich databases provide the empirical basis for addressing our research questions. They are accompanied by detailed training documentation, enabling future researchers to understand and add to their contents.

(i) IR19 Wealth Database

This includes information on the composition of the estates at death of 1,446 individuals for the period 1870-1902. Data were derived from all surviving ‘Residuary Accounts’ preserved in the IR19 series at the National Archives (NA). These accounts, compiled in order to assess estates for Legacy Duty, provide detailed valuations of all personal property, debts and expenses at death. We calculated real estate values by linking each individual to entries in the IR26 series of Succession and Estate Duty Registers; the value of their freehold property was determined from the ‘net annual yield’ described in these registers. Ages at death were ascertained for 1,276 individuals (88% of the total), enabling us to examine the relationships between wealth holding, age, the life course and gender. Census information on household characteristics was gathered in order to investigate the importance of social and demographic factors in understanding the composition of wealth. For a subset of 250 individuals, we also entered details from their wills to explore how assets were used in family inheritance strategies. The database represents the most complete set of evidence on wealth holding for the period 1870 to 1902, when both the IR19 and IR26 series end.
(ii) Company Shareholding Database

This database contains information on a large sample of male and female shareholdings covering the period 1870-1935. A national sample, described below, comprises over 33,000 individual shareholdings drawn from 223 company shareholding lists of 47 companies listed in Annex 2. A further 110 lists from 29 companies with over 5,000 individual shareholdings were sampled for regional case studies. Consol ledgers were also sampled to provide a risk-free investor benchmark. Shareholding records were derived from the BT31 series of company financial returns preserved at the NA, from similar archives at Companies House and from company records. Consol holdings were found at the Bank of England archive.

To generate a representative national sample of companies various factors were taken into consideration. We identified eight sectors as the basis for analysis: agricultural, commercial and breweries, extractive, financial, manufacturing, transport and communications, and utilities. Approximately equal numbers of companies were sampled in each sector irrespective of the overall importance of that sector as measured by capital value (a disproportionate stratified sample). A list of the companies is provided in Annex 2.

The national sample was constructed to include companies which differed in several ways: span of time over which shareholding records were available; longevity of the company; size as measured by issued capital and number of shareholders; and type of capital raised e.g. ordinary shares, preference shares and/or debentures. We also sought a range of companies that included domestic, empire and foreign operations as well as a regional mix of firms in England and Wales. The majority of companies were public companies having at least one security publicly quoted on the London or on a provincial Stock Exchange. We also included some private companies (as defined by the 1907 Companies Act). Our national sample forms the most comprehensive shareholding database yet created, in terms of size, period covered, and companies included.

We developed a rigorous sampling methodology for selecting shareholders from a wide variety of differently formatted shareholding records. This methodology involves a random sampling of letter clusters in the records and is described more fully in our forthcoming article in Accounting History (2009). This innovative approach has established a standard sampling methodology which can be applied to any type of shareholding record, thus providing a methodological template for future work in this area.
Additional Elements

In addition to the creation of the main databases we have completed two extra elements within the project.

(i) The composition of estates post-1902

Since the IR19 Residuary Accounts and IR26 Succession and Estate Duty records do not survive for the period after 1902, it was originally intended that information on the composition of individual estates would be obtained from wills after this date. Analysis of a sample of 353 wills from 1903 to 1930 has revealed that although such documents are useful for analysing the familial context to wealth holding, and particularly the significance of inheritance in the acquisition of assets, they do not yield reliable information on the composition of estates.

To overcome this problem, we consulted Inland Revenue Annual Reports for relevant years which provide aggregate data on the composition of estates subject to the estate duty. Investigation of personal papers in regional archives has also enabled us to develop detailed case studies of the composition of estates for both the pre and post 1902 periods.

(ii) Understanding investment behaviour

Information about the contacts, personal and professional, which influenced investment choices have proved difficult to access and the project is continuing to investigate personal papers for evidence about relevant relationships. A comprehensive online keyword search using the Access to Archives (A2A) search facility identified potential sets of personal papers in Birmingham, Brighton, Liverpool, Northampton, Norwich Sheffield and Whitehaven. Visits to archives in each of these places yielded several useful case studies which are currently being analysed.

We have also considered the published information which was at the disposal of investors and might have influenced their decision-making, including newspapers and journals (Times, Economist, Statist, Financial Review of Reviews), market information (Stock Exchange Yearbook, Investors Monthly Manual) and popular advice on investment.12

To examine further shareholder behaviour, we have collected 100% samples of shareholders for 1870-1935 from 14 companies, the majority private, held at Sheffield City Archives. These results will contribute to our understanding of the investor population in a rapidly growing industrial city and also enable us to explore in detail issues such as the role of family involvement in prompting share ownership and the extent to which women were drawn into corporate governance.
A further longitudinal study has used share records of The Cunard Steamship Company Ltd, held at Liverpool University. Using ordinary and preference share registers, this research tracks the continuity of shareholding by following the holdings of a sample of individuals. This is important as a means of assessing the extent to which shareholders chose to invest over the long term or were prepared to speculate.

**Team Working**
One senior RA was initially appointed for two years. Three junior RAs were appointed for one year, primarily to compile the database. However, the early resignation of the senior RA on personal grounds meant that more responsibility for data gathering and database cleaning was placed on the junior RAs. Instead of appointing another senior RA half way through the project, we decided to employ another junior RA to assist with these tasks.

Each junior RA was mentored by one of the senior academics, and their progress overseen by the PI. The RAs were supported to attend conferences and the end of project workshop. There was active career development: regular training days were held and each RA allowed five days to attend courses to develop a range of skills including project management, writing and presentation, Access and Excel. They were encouraged to present their findings at team meetings and conferences and involved in revising the training manuals that accompany the database. All team members had access to server folders set up at King’s College, which included a very full library of relevant secondary literature, which they were encouraged to read and add to. Of the four RAs, one has since been appointed as a lecturer at the Open University, another returned to finish her PhD, and a third has started an AHRC funded PhD at King’s College London.

A crucial additional member of the research team was the database designer, Marian Nicolson, whose time was provided at minimal cost to the project through the Information Services System (ISS) at King’s College. Other ISS members developed the synchronisation process that allowed each of the project researchers to access and input to the databases remotely. Ms Nicolson has been fully involved in liaising with all members of the team and in advising about the transfer of data to third party users, such as the National Archives and the ESDS.
Results
This project has enriched our understanding of wealth holding and share ownership in several distinct ways.

Men, women and wealth holding
The vast majority of those who owned assets at death were people of relatively modest means rather than the very rich: 80% owned less than £5000 at death; 60% owned less than £1000. Women formed approximately 40 per cent of this group.

Age and gender were important factors influencing the ownership of different kinds of wealth and the pattern of debt. For both men and women who died relatively young (i.e. below the age of 44), debt was a significant issue, revealing that credit was commonplace for both maintaining a ‘genteel’ household and running a business. However, as they grew older, both men and women tended to increase their wealth, reflecting the need to provide for their own old age in the absence of state provision and other forms of support. For men, the acquisition of real estate was relatively important, particularly for those aged 60 and above. For women, shares also increased in importance with age, though government securities were a significant element of portfolios for the very elderly. As individuals aged they also tended to become net lenders rather than borrowers, providing capital in the way of loans to the younger generation.

Over the period, the evidence suggests that an increasing number of individuals owned shares. Between 1870 and 1902 the proportion of individuals whose estates were submitted for probate or administration who died owning shares, rose from 21% in the 1870s to 42% by the 1890s. This increase was as true for women as it was for men. Shares also comprised an increasingly important element of the value of assets at death. For men, the relative importance of shares as part of their estate rose from 18% to 36% by value. For women shares always comprised between 28% and 32% by value. Comparisons with Inland Revenue annual reports from 1903 to 1930, suggest that this trend in shareholding had reached a plateau by the early 1900s.

A further important strand of this part of the project is the analysis of a sample of 603 male and female wills spanning the entire period of the study. This enables us to better understand the family context to wealth holding and investment. By linking our sample of pre-1902 wills with the IR19 Residuary Accounts and associated death duty records, we can track the transmission, liquidation and conversion of assets across generations in a level of detail not achieved in other studies of inheritance. Analysis reveals how assets and investments were used as a means of securing the financial well-being of close
kin and the way that an equitable distribution of estate was the norm in those cases where children were present. This suggests that in comparison to men women were not constrained in their access to family wealth.

Ongoing analysis is attempting to unravel and understand the relative importance of a range of variables that influenced wealth portfolios, including geographical location, household composition, occupational background, age and period. Individual case studies drawn from personal papers together with more detailed regional studies of investment practices and opportunities help to illustrate these themes.

Regional variations in wealth
The role that geographical factors might have played in influencing the composition of wealth has been addressed in two ways. First, broad regional breakdowns of individual wealth portfolios from the IR19 and IR26 series suggest that significant variations existed between different parts of the country, particularly in relation to the importance of securities, shares and real estate.

Preliminary results (Figure 1) suggest that as a proportion of wealth at death, real estate was relatively unimportant in urban and industrial counties, such as London and Lancashire compared to more rural places, such as the Yorkshire, the Southwest and Southeast. By contrast, shares were of far greater significance in, London and Lancashire, accounting for over a third of total assets recorded. Securities were of greater importance in southern counties and London, reflecting the strong rentier class in these places. Such differences raise important questions about regional patterns of asset ownership which will be the subject of further analysis, including discussion of gendered investment practices.

Secondly, this research addresses spatial differences in investing practices through an analysis of relationships between shareholding and risk. Using the grid reference data for each of the shareholders in our database, we can calculate the distance between individuals and a company’s registered office. This allows us to investigate the relationships between different types of shareholdings (e.g. ordinary versus preference), distance and gender. Preliminary results (Table 1) suggest that in the late-nineteenth century those investing in less risky preference shares tended to live further away from the company’s registered office, though as communications improved and financial information became more easily available this relationship ceased to hold. By the 1930s there was no difference in the distances between ordinary and preference shareholders and the company’s office.
These findings raise important questions about the geographical factors that influenced shareholder decisions. For example, did ‘localist’ attitudes towards investments that supposedly characterised the petite bourgeoisie loosen over time with improvements in communications and the wider dissemination of financial information? Throughout the period, analysis of personal papers reveals the importance of local ‘financially literate’ family members, brokers, solicitors and other intermediaries in encouraging both men and women to invest. We also explore these issues in relation to particular companies and through more detailed regional studies, discussed below.
Figure 1: Regional composition of assets for men and women 1870-1902

Source: IR19 series, 1870-1902
Table 1: Average distance between shareholder and company registered office in kms

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<tr>
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<th>1930-1935</th>
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<tbody>
<tr>
<td></td>
<td>Ordinary</td>
<td>Preference</td>
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<td>Preference</td>
</tr>
<tr>
<td>Male</td>
<td>86.1</td>
<td>161.8</td>
<td>141.9</td>
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<td>76.4</td>
<td>112.4</td>
<td>148.9</td>
<td>142.0</td>
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Note: Since a large number of companies had offices in London, this table excludes shareholders with a London address.

Women and shareholding

One of the key issues this research set out to address was the extent to which the growth in the shareholder population involved a significant shift in the numbers and proportion of women. Based on an analysis of the national sample of share records, Figure 2 shows that between 1870 and 1935 the proportion of women shareholders rose from 15% to nearly 42%. By value their share rose from about 4% to nearly 30%. In some companies, notably those with household names, women were the majority of shareholders.

Figure 2: Percentage of Male and Female Shareholders by number and value of holdings

Throughout the study period, single women were the most important group of female shareholders, representing between 39% and 50% of women investors. Married women became more significant from the beginning of the twentieth century, representing over 20% of women investors from 1900,
compared with only 5% between 1880 and 1889. In terms of value, spinsters’ share fell from nearly 60% in the 1870s to under 30% by the 1930s. However, married women’s share rose from 2% of the total value of female shareholdings in the 1870s to over 35% by the 1930s. The evidence hints that the impact of the Married Women’s Property Acts was relatively slow but nevertheless important.\(^\text{14}\)

Compared with male investors, women preferred less risky preference shares and fixed interest securities to ordinary shares. To some extent this reflected supply side issues relating to new financial opportunities, but also suggests the importance of demand side factors relating to the desire to acquire low risk investments. This is reflected not just in the types of shares held but also in the nature of the companies chosen by women – those close to home, low-risk industries, utility companies and household names, (e.g. Boots and J. Lyons & Co). We explore risk preference further in a detailed analysis of companies for which we have collected additional information about performance.

**Summary**

This project has demonstrated the importance of interdisciplinary approaches to understanding the relationships between wealth and gender. It will transform our understanding of the extent of women’s economic activity in the period 1870-1930. While recent research has emphasised the role of middle-class women as consumers,\(^\text{15}\) and has explored how females from all social backgrounds began to enter the labour market, this project has demonstrated previously overlooked aspects of female economic activity: investment and ownership of different kinds of wealth, notably shares. By focussing on this ‘hidden’ financial involvement, this research has added a gendered dimension to understanding wealth accumulation and share ownership and has underlined an important way that female capital increasingly contributed to British economic fortunes in the late-nineteenth and early-twentieth centuries.

The research has considerably widened our understanding of wealth holding away from just the very rich to incorporate a much larger group of individuals lower down the social hierarchy. Drawing on a relatively large sample of individuals, it provides the first systematic and detailed analysis of the composition of personal fortunes and investment portfolios for the period under consideration. A significant aspect has been the inclusion of real estate values in order to estimate the composition and worth of estates and to assess its significance relative to other assets. In yielding these insights into wealth holding this research has emphasised the significance of gender, age and regional variation in economic opportunity.

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The international significance of this research is enhanced in two ways: by the use of a systematic methodology for understanding wealth ownership and shareholding, and by incorporating international comparators in relation to sectoral classification (ISIC) and occupational coding (HISCO). The results of this research can also be used to provide the context within which individual case studies can be located.

Activities
Conferences, Seminars and Presentations
Results of this project have so far been presented at national and international conferences in Britain (Association of Business Historians, Economic History Society), Europe (European Business History Association; European Social Science History Conference) and North America (Business History). Seminars have been presented at the LSE, the Institute of Historical Research, the Open University and at the University of Northampton. The results have also been presented to staff at the National Archives and we are currently in discussion about a further public lecture.

Workshop
Wealth, Investment and Gender in the Nineteenth and Twentieth Centuries
Open University, Milton Keynes UK 16-17 June 2008

A two day international and interdisciplinary workshop was convened at the Open University to mark the end of the project. It brought together the project team (including the RAs) with a group of leading researchers in the field. Participants came from the Netherlands, Canada, the USA and Australia as well as from the UK (see Annex 3).

Outputs
I. Journal articles
Accepted

Discusses the methodology used to develop the Company Shareholding database, outlining the way that sectors were allocated, the factors behind the choice of specific companies, and the way that share listings were sampled.
Submitted


Examines the importance of age and gender in understanding the composition of wealth. We discuss the significance of different kinds of assets during the life course.


Presents the argument that over this period, women formed an increasingly significant body of shareholders, but that the differences between them and their male counterparts diminished in relation to types of shares and amounts held.

In preparation

iv. ‘The landed middle class: real estate and wealth in nineteenth-century England and Wales’, to be submitted to Economic History Review, end of 2008

Explores the geographical significance of real estate in relation to other forms of wealth drawing on a range of sources including residuary account and wills from the early part of the nineteenth century as well as from the IR19 database constructed for this project.

v. ‘The final balance: reconstructing wealth portfolios from death duty records in England and Wales, 1870–1930’, to be submitted to Archives end of 2008

Describes the nature and complexity of the IR19 Residuary Accounts and the IR26 Death Duty Registers and outlines the methodology used to construct individual wealth portfolios.


Examines the importance of female investment in different types of company security and different types of company.

vii. ‘Regional geographies of wealth in late nineteenth-century England and Wales’, to be submitted to Transactions of the Institute of British Geographers early 2009
Explores the local regional dimensions of asset ownership using evidence drawn from the IR19 database and supplemented by personal papers.

viii. Place, space and shares: Liverpool and Sheffield investors 1870-1930 to be submitted to Business History, early 2009

Explores investment practices and opportunities in Liverpool and Sheffield using additional information about shareholding from companies in those cities together with personal papers and other contemporary evidence.

ix. ‘Distance, risk and investment: geographies of shareholding in nineteenth and twentieth century England and Wales’, to be submitted to Journal of Economic History, mid-2009

Analyses the relationships between distance, share type and gender, focussing on the concept of differential risk. We question the significance of distance and locality in influencing changing shareholder behaviour over time.

x. ‘The rise of the female investor in England and Wales 1870-1935’, to be submitted to Gender and History mid 2009

Describes the growth of female shareholding between 1870 and 1930 and discusses some of the demand-side factors that might have accounted for this increase, relating the findings to debates among gender historians about the extent of female ‘emancipation’ in this period.

II Edited Book
Wealth, Gender and Investment: place, people and property c.1850–1950

This edited book derives from the two day international workshop held to mark the end of the project- see Annex 4 for details.

III. Working Papers (available from www.womeninvestors.org.uk)

1. Women and Investors in England and Wales 1870-1930: Project training manual
2. Working with company share lists
3. Working with the IR26 Death Duty Registers
4 Working with personal papers
5 Working with wills
6 Reconstructing wealth portfolios from death duty records in England and Wales, 1870–1930 (end 2008)

IV. Website (www.womeninvestors.org.uk)
This website provides details of the project together with all the working papers in pdf format and abstracts of each of the articles produced by the research team. Links to conference and other relevant websites are also provided.

V. IR19 Wealth and Company Shareholding Databases
These major databases on wealth and shareholding in England and Wales between 1870 and 1930 (described above) are a pivotal output from the project. These data have been offered to the ESDS and the NA.

Impacts
The project team are currently in discussion with the NA about making the contents of the IR19 Wealth Database available to genealogists and other archive users.

Future research priorities
There are several potential research programmes arising from this study:

i. Widening the geographical focus
The clear methodology developed by the project makes it feasible to undertake comparative international studies of shareholding that address similar questions to those considered in this research. In particular, the rise of shareholder capitalism in the USA and Europe could be compared to the British experience presented in this project.

The shared legislative and institutional framework of the British empire enables comparative studies of wealth and asset holding in Britain’s settler colonies (e.g. New Zealand, Australia, Canada) focusing on questions such as levels of wealth and inequality; wealth and wealth distribution; and gender, asset holding and the life course. Green and Owens are already collaborating with colleagues in Australia, Canada and the USA to develop this agenda by proposing a session at the 2009 World Economic History Congress.

ii) Extending the historical focus
The availability of Legacy Duty Residuary Accounts, death duty records, wills and other probate documents for the period 1796-1870 could enable a detailed
examination of wealth holding, asset composition and family strategies for the nineteenth-century as a whole, building on previous work by Owens et al.\textsuperscript{16} The existence of a robust database together with ongoing technical support will allow this extension to take place with little need for further methodological work.

Analysis of shareholding could be extended to consider the important periods before and after World War II, in particular using Form E share records.

\textit{iii) More detailed analyses of investment behaviour}

The systematic nature of this research has allowed us to provide a framework within which to locate a wide variety of more detailed analyses of specific aspects of investment 1870-1930. These include further local or regional case studies, investigation of specific kinds of security (e.g. debentures, local authority bonds, war bonds, government stock), and individual case studies comparing portfolios derived from rich personal papers with the general findings of this research.