Abstract

Drawing together institutional papers, the trade- and national-press, and Mass-Observation documents, this article examines the changing ways that the Advertising Association justified commercial advertising from 1939 to 1951. It argues that the ability to repeatedly re-conceptualise the social and economic purposes of advertising was central to the industry’s survival and revival during the years of war and austerity. This matters because the survival and revival of commercial advertising helps to explain the composition of the post-war mixed economy and the emergence of a consumer culture that became the ‘golden age’ of capitalism. While commercial advertising’s role in supporting periods of affluence is well documented, much less is known about its relationship with war and austerity. This omission is problematic. Advertising was only able to shape the 1950s and 1960s economy because its corporate structures remained intact during the 1940s, as the industry withstood the challenges of wartime and the difficulties presented under Attlee’s government. Recognising the deliberate attempts of advertising people to promote a role for commercial advertising invites us to reconsider the inevitability of post-war affluence, while offering fresh insight into the debate around consumer education, freedom of choice, and the centrality of advertising and communication in democratic society: issues central to the society Britain was, and hoped to become.

Keywords: Austerity; Business resilience; Commercial advertising; Wartime economy
During the 1920s and 1930s leaders of the British advertising industry presented advertising as a force that stimulated trade by opening up new markets, creating and nurturing consumer demand, and improving the efficiency of distribution.\(^1\) Advertising, they argued, contributed to prosperity and supported the cause of international peace. Having justified their professional calling though the pursuit of peace and affluence, however, during the 1940s advertising came under great pressure. War, government controls and austerity made the public claims of the industry seem hollow, irrelevant, and even contrary to the national interests. In 1942 the Economist commented that ‘it is a gross disservice to stimulate the desire to spend or to foster shop crawling’, while a proposed tax on commercial advertising in 1947 aimed to curb inflationary tendencies in the economy caused by excessive consumption.\(^2\) Yet by 1951, advertising had not just survived but was undergoing a remarkable revival. Despite the editor of Advertising’s Weekly’s observation that ‘ours is a cheerful business that rides uneasily with depression and frustration’, the industry had remained buoyant during a decade of controls, and had carved out a place for advertising in a planned economy.\(^3\)

The purpose of this article is to examine the changing ways that the British advertising industry justified commercial advertising from 1939 to 1951, and to demonstrate that the ability to repeatedly re-conceptualise the social and economic purposes of advertising was central to the industry’s preservation during the years of war and austerity. This matters because the survival and revival of commercial advertising helps to explain the composition

\(^1\) For instance, ‘Some straight talking at National Advertiser’s Dinner’, Advertiser’s Weekly, 18 July 1924; ‘The Quest for Markets’, Advertiser’s Weekly, 14 June 1929, 456; ‘The Advertising Exhibition’, The Times, 13 April 1933, 16. The Empire Marketing Board (1926-1933) was based on this principle. 
\(^3\) ‘A Service to Render’, Advertiser’s Weekly, 16 October 1947, 104
of the post-war economy and the emergence of a consumer culture that became the ‘golden age’ of capitalism.

Claims made by the industry about the power and significance of advertising should be read critically in the context of advertising practitioners’ desire for professional legitimacy, and the need of advertisers and the press for sustained business. Nevertheless, a growing literature on the development of commercial cultures has shown the significant effect of advertising on social values and the organisation of the economy. We now know much about advertising’s role in supporting periods of affluence, and the effects of marketing on consumer tastes and organisation. Pamela Walker Laird and Daniel Pope have demonstrated the centrality of advertising to the change in focus from production to consumption in the American economy, and the importance of the industry’s self-promotion.

---


within this shift.⁷ Affluence and increased consumption – caused in part by advertising – have become significant ways of understanding reconstruction and the story of the post-war world, and recent work on Britain establishes connections between affluence, politics, and commercial cultures.⁸ For instance, Stefan Schwarzkopf draws attention to how the industry appropriated the Cold War language of ‘freedom versus totalitarianism’ to defend itself against heightened regulations in the 1950s, while Sean Nixon uses the debate surrounding commercial television to reveal anxieties about affluence, Americanisation, and changing gender roles in post-war Britain.⁹

Much less is known about commercial advertising’s relationship with war and austerity. Instead, scholarship on advertising during these periods focuses disproportionately on government publicity and the advertising industry’s connection to Whitehall.¹⁰ This is to some extent understandable: state archives are more comprehensive than private sector ones,

---

and the economic role of advertising was more limited in war and austerity than in periods of affluence. For instance, throughout the 1940s commercial goods were strictly rationed, making the primary function of advertising, to stimulate demand, redundant. The acute shortage of newsprint meant that commercial advertisements were smaller and fewer than they had been during the inter-war period, while, in contrast, there was an unprecedented volume of government publicity.

Yet this omission is problematic. Advertising was a central component in the economic, social and cultural adjustments of post-war Britain, but it was only able to play such a role because its corporate structures remained intact during the 1940s as the industry withstood the considerable challenges of wartime and the further financial and ideological difficulties presented under Attlee’s government. It is important to understand how and why it survived. Recognising the deliberate attempts of advertising people to promote a social and economic role for commercial advertising during this period demonstrates the resilience of the advertising industry in times of acute stress. It invites us to reconsider the inevitability of post-war affluence.

A focus on the arguments and assumptions of the advertising industry (rather than the government) about the role of commercial advertising also offers fresh insight into the changing values of twentieth-century Britain. It was during the years of wartime propaganda and material scarcity that the seeds of the Cold War debate about consumer education, freedom of choice, and the centrality of advertising and communication in democratic society were sown. Nixon and Schwarzkopf have shown that the appropriation of contemporary rhetoric was central to the self-promotion of advertising practitioners from the 1950s
However, the debate surrounding advertising as they describe it is too rigid; criticism of advertising took time crystallise into the political left and right. This article takes a chronological approach to explain the evolution of the language and themes used by advertising people during war and austerity to justify advertising, revealing the genesis of ideas that came to prominence in the post-war years. Through their justification of advertising in the 1940s, leaders of advertising engaged with ideas about the role of the state in controlling consumption in democratic societies; citizenship, consumer choice and resource allocation; about the social value of private profit; the balance between planning and the freedom of speech; and about competing visions of economic futures and social ideals. These issues were central to contemporary debate about the type of society that Britain was, and hoped to become in future.

The strategies of the advertising industry during the 1940s are seen in the activities of the Advertising Association (AA), which are recorded in the organisation’s papers at the History of Advertising Trust archive and in both the national and trade press. As the overarching trade body for the British advertising industry, the AA took a leading role in justifying commercial advertising to the government, to businessmen and to the public. The AA represented the interests of the four interdependent groups of people who worked in advertising: advertisers, the firms that paid for campaigns in order to advertise their goods and services; advertising agents, who produced and placed advertising campaigns; auxiliary industries including printers, art studios, and block makers; and media owners, the most important of which in this period was the press. Disagreements between affiliated groups are recorded in the minutes of the AA’s meetings; the advertising industry was not always united. In the absence of a critical voice from a press that was financially reliant on advertising, and

---


6
with business archives scattered and incomplete, the AA sheds light on debates not seen elsewhere in the public sphere. It is a crucial source for addressing questions about the survival and revival of commercial advertising in war and austerity.

**Brand names, goodwill, and service to the nation.**

In 1939, the advertising industry was concentrated in London in order to serve the headquarters of national and international firms. The industry had weathered the economic turmoil of the 1930s well: by 1938, total national advertising expenditure stood at approximately £91 million, or 2.2% of the country’s net income, up from an estimated £31 million in 1920.\(^{12}\) This growth occurred alongside the foundation of professional and trade institutions, including the AA in 1926. The AA used its annual convention to communicate the purpose of advertising. Events in the 1920s aimed to ‘convert’ manufacturers to advertising as a new and better way of doing business, while speakers in the 1930s – who included politicians and prominent businessmen as well as advertising people – presented advertising as part of a rationalisation process that simplified distribution and created stable sales and profits for advertisers.\(^{13}\) Growing numbers of commercial colleges added advertising to course syllabi, with the result that advertising was increasingly presented as an integral part of practice to those starting out in business.\(^{14}\) Meanwhile, the advertising agent


\(^{13}\) One ‘convert’ was ‘a manufacturer who had decided to extend his business by mass production, but could see no way of creating a demand for his products without publicity’, ‘The Advertising Exhibition’, *The Times*, 1 December 1920, 5; For the Truth in Advertising Movement see Pope, *Modern Advertising*, 202-12. Leo Amory, J. Astor, and Lord Leverhulme all addressed AA conventions 1930s.

William Crawford demonstrated to Whitehall the potential of advertising to sell products during his service on the Empire Marketing Board.\textsuperscript{15} By the end of the 1930s, therefore, the industry had established an economic need for commercial advertising based on the ability of advertising to increase and support consumption of branded goods.

The principle challenging facing the advertising industry on the outbreak of war was a sharp decline in business. The economic uncertainty of war made advertisers wary and unwilling to commit to advertising campaigns. A memorandum circulated at the London office of J. Walter Thompson, a leading American advertising agency, read: ‘the great majority of our clients cancelled all advertising immediately on the declaration of war. In the case of several of them, it is almost certain that they will be unable to resume advertising until the end of the war’.\textsuperscript{16} The case of J. Walter Thompson appears to be typical, although lack of data makes it difficult to describe accurately the contraction of the industry. Nevertheless, Nicholas Kaldor estimated that total expenditure on advertising fell from £91 million in 1938 to just £35-40 million in 1943.\textsuperscript{17} Kaldor acknowledges, however, that a ‘large part’ of the wartime figure represented government (rather than commercial) sponsored publicity, meaning that the gross decline was even greater. Indeed, as the war progressed, the creation and management of government publicity became an important source of revenue for advertising agencies in lieu of commercial clients, although, unlike in the United States where American practitioners played a central role in the Office of War Information,

\footnotesize{\textsuperscript{15} Scott Antony, Public Relations and the Making of Modern Britain (Manchester, 2012); Grant, Propaganda.}\footnotesize
\footnotesize{\textsuperscript{16} Rubenstein Rare Book and Manuscript Library Duke University (henceforth Duke), JWT, The Papers of Sam Soper, Box 1, ‘A Memorandum to all Directors and Employees of the JWT Agency’, in Sam Soper, My JWT Life, unpublished manuscript (1996), 58.}\footnotesize
\footnotesize{\textsuperscript{17} Kaldor and Silverman, A Statistical Analysis, 6.}
Whitehall preferred to employ those with experience of commissioning advertising rather than experience of creating it.\footnote{Appropriations could not be shared among all agencies. Instead, the Advisory Committee on the Appointment of Advertising Agents, which had direct access to the Minister, kept a list of agencies and ‘made impartial recommendations as to which would be most suitable to handle each campaign’. Saxon Mills, \textit{There is a Tide}, 155; The National Archives (henceforth TNA), A/108/21, ‘Commercial Relations Section’; ‘S. H. Benson only Advertising Agency represented among MOI Staff’, \textit{Advertiser’s Weekly}, 12 October 1939, 23; Dawn Spring, \textit{Advertising in the Age of Persuasion} (Basingstoke, 2011).}

Speculation abounded about what controls would be introduced to the wartime economy, and how they would affect advertising. As early as 26 October 1939, Mr Teasdale, chair of the AA’s executive, reported to the committee that ‘various Ministries were considering the control of industry to an extent that might preclude advertising altogether, in particular of branded goods’.\footnote{History of Advertising Trust archive (henceforth, HAT), AA 4/1/3 ‘The Advertising Association Executive Committee Minutes’, 26 October 1939, 1.} In June 1940, the cooking fats industry was reorganised along these lines; companies, including Stork margarine, shared resources to manufacture non-branded products. Pooling initiatives were limited, but they were part of wider measures introduced to ration foodstuffs and consumer goods. Private consumption, which commercial advertising specifically aimed to increase, was now forcefully curtailed by government. Moreover, faced with shortages as raw materials were redirected towards the war effort, firms struggled to meet the heightened consumer demand caused by increased employment and greater disposable income; there was no obvious need for the additional impetus provided by advertising. Although the 1939 Excess Profits tax, which froze profits at pre-war levels, encouraged some firms to advertise rather than pay additional tax, F. R. Bishop, the
advertisement manager of *The Times*, observed that prevailing feeling in the industry was ‘uncertainty, doubt and depression’.  

To avoid commercial advertising becoming altogether redundant – or worse, anti-social – in the evolving economy, the advertising industry needed to convince firms that it was essential to continue advertising their brands, while assuring the government of the positive role that commercial advertising could play in wartime. To do this, the AA emphasised that ‘the goodwill built up by manufacturers, which was of immense value to the trade of the country’ should not be ‘destroyed as a result of the war’.  

Thus, the advertising industry sought to protect its interests by highlighting the economic value of brand names created by advertising. British brand names and trademarks, the AA argued, were valuable assets that had been created through years of good trading, careful maintenance of quality standards, and ‘substantial investments in advertising’. If brands were allowed to disappear through lack of advertising, the consumer goodwill that had been built up at great expense during the 1920s and 1930s would be heavily damaged or even destroyed. The industry’s initial response to the changed economic conditions, therefore, was addressed to private enterprise and phrased in terms of surviving the war so that advertisers and their brands could flourish in the subsequent post-war economy.

As part of this effort, the AA commissioned a series of advertisements in early 1940 to encourage brand-awareness among firms, and to educate ‘the consumer in the wisdom of buying by trade mark’. Judicious advertising, the AA argued, would ‘keep alive the

---

23 ‘1940 Calls to Advertising’s Younger Generation’, *Advertiser’s Weekly*, 4 January 1940, 4.
goodwill and reputation built up from products in past years’. The public were encouraged to ‘buy branded goods, and be safe’. Unwisely, the advertisements adopted the instructive tone of early wartime government propaganda, much maligned by the public, which included the inept slogan that ‘your courage, your cheerfulness, your fortitude will bring us victory’. The campaign was scare-mongering, and its narrow focus on sustaining consumer goodwill to safeguard manufacturers’ investment did not sit well in the economic climate of increasing scarcity and sacrifice. Unsurprisingly, newspapers did not publicise it widely (only one of the advertisements appeared in The Times, for example, and neither the Daily Mail nor Telegraph donated space).

Despite the misjudged pitch of the AA’s campaign, firms did continue to commission goodwill advertising. For instance, the hosier manufacturers Kayser-Bonder launched a campaign in September 1940, in spite of being down 40% on supplies. The campaign aimed to provide honest explanation of the difficulties facing the company, while also ‘attempting to restrain the public from buying more than is necessary’. Like the AA, the director H. Lewis Selby justified the campaign in terms of readiness for post-war trade: ‘every national advertiser of branded commodities who refrains from advertising now is failing to rearm for the world war for world markets’. Thos. French Sons Ltd. had more immediate concerns: it continued to advertise Rufflette curtain fittings in order to create a stable market for their

---

24 HAT, AA 13/16, ‘The Advertising Association Series of Wartime Advertisements: No. 4’.
28 ‘Where is advertising going now?’, Advertiser’s Weekly, 5 September 1940, 146.
29 Ibid.
branded article once demand for ARP curtains had subsided.\textsuperscript{30} Mass-Observation noted points of the AA’s campaign in a field-report on public attitudes to press advertising, which suggests that the message was also being heard by consumers.\textsuperscript{31}

The 1941 Budget introduced plans for the further concentration of industry, in order to use labour and resources more efficiently in an economy now supporting total war. The government placed production quotas on civilian industries, centrally allocated scarce resources such as steel and capital, and introduced greater rationing and other anti-inflationary measures. Consequently, the production of munitions dramatically increased, at the expense of consumer industries.\textsuperscript{32} Once again, brands were at risk. Writing to \textit{The Times}, Norman Moore, the president of the Institute of the Incorporated Practitioners of Advertising (IIPA) did not dispute that these measures were necessary. Rather, he suggested that there was ‘a great difference between the maintenance of the production of a branded article, and the preservation of a brand name’\textsuperscript{33} Indeed, even without the concentration of industry, branded products were disappearing due to the restrictions placed on the materials – paper, glass, cardboard, tin – necessary for packaging to differentiate them. Yet, the halting of the manufacture of branded goods did not remove the need for advertising. Moore argued that ‘when the war is over those manufacturers who have kept their brand names alive in the public consciousness will be in the most advantageous position to resume their normal trading and to re-employ the young men and women now temporarily absorbed in war service’\textsuperscript{34} Moore anticipated the unemployment that blighted the years following the First World War and so sought to connect firms’ advertising expenditure with the preservation of

\begin{itemize}
\item \textsuperscript{31} M-O, File report 1055, ‘Public Attitude to Press Advertising’, 25 January 1942.
\item \textsuperscript{32} Broadberry and Howlett, ‘The United Kingdom’, 58.
\item \textsuperscript{33} Norman Moore, ‘Branded Goods’, \textit{The Times}, 2 April 1941, 5.
\item \textsuperscript{34} Moore, ‘Branded Goods’.
\end{itemize}
industry and the long-term social benefits that employment would bring to the post-war economy, rather than just profit for advertisers.

However, the more immediate problem of increasing paper shortages prompted questions in parliament from MPs across parties about the need for ‘goodwill’ advertising of ‘unproducelable’ luxury goods in wartime, especially since these advertisements appeared to be financed through money diverted from the Excess Profits Tax. The persistence of advertising campaigns in the press suggests that many firms had been persuaded of the importance of maintaining consumer goodwill through advertising. However, certain MPs remained unconvinced. With space in newspapers at a premium as paper supplies ran low, some MPs felt that government announcements should take precedence over ‘wasteful’ advertisements. This attitude extended beyond parliament. A Mass Observation survey of Londoners in January 1942 found that about a third were definitely against advertising (describing it as ‘utterly useless’, and a waste of paper and resources), a third were ‘tolerant’, and the remainder ‘doubtful or disinterested’. Mass Observation concluded that while there was ‘considerable acceptance of advertising as a fact, those with definite opinions are considerable and explicitly against it… People simply don’t appreciate the need or purpose of such advertising, and are distinctly puzzled by it.’

---

36 ‘Paper Control (hoarding advertisements)’, Parliamentary Debates (Commons), 376, 19 November 1941, 300; ‘Publications (paper allowance)’, Parliamentary Debates (Commons), 374, 11 November 1941, 2080-1W.
In the face of mounting criticism, it was vital that the AA addressed the mystification about commercial advertising and stem the growing hostility towards it. The AA’s solution was a pamphlet, ‘Advertising in War-time’, which was published in March 1942. Over 1,400 copies were distributed among newspapers and the affiliated members of the AA, and it was ‘reprinted in part or whole in many publications’.\textsuperscript{39} The arguments it set out were a marked shift away from the AA’s initial focus on maintaining business for advertising by persuading firms of the need to sustain consumer goodwill. Instead, turning to address the general public, the AA explained how it envisaged the social and economic role of advertising more broadly, and how commercial advertising worked to benefit the whole nation.

First, in order to justify commercial advertising in newspapers, the AA emphasised the part that advertising had played historically in building up and maintaining a press free from government control; indeed, by the turn of the twentieth century, advertising already accounted for approximately 50% of a newspaper’s revenue.\textsuperscript{40} In the pamphlet, the AA argued that, in contrast to ‘political parties and private interests’, commercial advertisers’ motives were plain to see in their advertisements, and that advertisers had ‘neither the desire nor the power to influence the freedom of editorial expression’.\textsuperscript{41} Alice Goldfarb Marquis has demonstrated in the context of the First World War the importance of a seemingly free press in maintaining public morale.\textsuperscript{42} This was essential in the Second World War, when, according to Mass-Observation, ‘immediately before war broke out 84% of men and 89% of women

\textsuperscript{39} ‘Allied Newspapers’, \textit{The Times}, 28 May 1940, 11; HAT, AA 4/1/3 ‘Minutes of the Executive Committee’, 18 December 1941.

\textsuperscript{40} Adrian Bingham, \textit{Gender, Modernity and the Popular Press in Inter-War Britain} (Oxford 2004), 86-93; ‘Economics of the Press’ \textit{Economist} 9 January 1937, 52.

\textsuperscript{41} ‘Advertising In War-Time’, \textit{The Times}, 20 March 1942, 2; in contrast, Denys Thompson argued that advertisers stifled editorial freedom. Thompson, \textit{Voice of Civilisation} (Glasgow 1943), 155-9.

criticised the press as a reliable or disinterested source of information or instruction’. The AA argued that increased newspaper dependence on government announcements for income would further compromise the independence of the press, which was already bound by strict censorship rules. Advertising, then, was presented as an expression of and support for democracy, through its sustenance of a free press, and with it, freedom of speech. This argument would become increasingly important for the advertising industry in the late 1940s as the Cold War became entrenched.

Second, the AA pointed to how advertisements helped the war effort through the guidance that they offered to the public ‘in the difficult task of adaption to war conditions’. In the absence of goods to sell, firms – and their advertising agents – were imaginative in keeping brand names before the public. Despite the pooling initiative, Stork margarine continued to advertise through the ‘Stork Margarine Cookery Service’. In this campaign, which ran from August 1940, when ‘Stork margarine join[ed] up’, until May 1954, Stork offered printed recipes, cooking tips, and coupons for recipe books to help make rationed foods go further and taste better. Similarly, Sunlight Soap’s ‘Thro’ the Sunlight Window’ campaign (May 1940) featured notable authors, including J. B. Priestley (who at the time was also presenting his Postscripts), giving ‘talks in print’ that offered ‘an outlook on today’s problems’. At a time when government notices were condescending in tone, Priestley tapped into the popular mood to address issues of immediate concern, including the removal of iron

44 Similarly, the Association of Australian National Advertisers defined advertising as ‘a method of mass communication that was helping defend one of democracy's cherished freedoms - the freedom of speech’, Crawford, ‘Nothing to Sell?’ 112.
47 For instance, ‘Multiple Display Advertising Items’, Daily Mail, 6 May 1940, 7.
railings and the role of prayer in wartime.\(^4^8\) Therefore, the AA claimed confidently that commercial advertising was ‘doing a job which would otherwise have to be done in other ways’.\(^4^9\) Clampin and Crawford both point to how advertising campaigns supported the propaganda messages of government; here it is significant that the AA specifically cast commercial advertising in this role.\(^5^0\) The benefit to advertisers in running such campaigns was, of course, maintaining consumer goodwill, but unlike the AA’s 1940 campaign, the pamphlet placed emphasis firmly on how commercial advertising served the public interest.

Third, in wartime, the AA argued, advertising helped to sustain morale: advertising’s cheerful hints and tips provided ‘variety and relief’ in the contents of a newspaper, which otherwise carried grave news. More obscurely, the AA claimed that advertising could raise the morale of industrial workers if they saw the fruits of their efforts advertised. The Economist dismissed this argument as ‘so pompishly foolish as to come close to spoiling a sound case’.\(^5^1\) Yet, by praising workers’ production, the AA suggested that advertising could counter workers’ alienation. This is surprising in the context of the mid-century Marxist critique of advertising, which presented advertising as distracting people from lack of satisfaction in productive work by drawing attention instead to the sphere of consumption (similar to the AA’s former argument that advertising provided relief from bad news).

The pamphlet ended with a patriotic statement that committed advertising to the service of the nation, and called for an end to attacks on advertising that worked to achieve that end. Branded products became emblematic of an imagined life of choice and plenty, something for which to fight:

---

\(^4^8\) Clampin, ‘The Role of Commercial Advertising’, 68.


In so far as it represents a hindrance to the war effort or a dissipation of resources or energy on unessential things, [commercial advertising] is justly condemned. In so far as it can be shown to be helping in the war effort, however indirectly, or in the preservation of the things for which we are fighting, it should be protected and encouraged so far as circumstances will allow.52

By 1942, therefore, the AA had shifted its justification of commercial advertising from increasing the consumption of branded goods, to emphasising instead advertising’s role in maintaining the consumer goodwill necessary for a smooth transition to a post-war economy, as well as supporting freedom of speech and civilian morale.

**Establishing a factual basis for advertising**

The pamphlet received favourable coverage in the press. However, the episode raised fundamental concerns about the public perception of advertising. In a meeting of the executive council of the AA in July 1942, F. R. Bishop emphasised the extent of the criticism raised against advertising on both sides of the Atlantic by ‘economists and other critics’, who suggested that ‘it was extravagant, wasteful and had an injurious effect on the country’.53 One such voice was the leading silk manufacturer Samuel Courtauld, who saw no place for advertising in the reconstructed post-war economy. Describing advertising as ‘highly noxious’ and ‘of little national value’, Courtauld argued that the cost of advertising was a

---

52 ‘Advertising In War-Time’, *The Times*, 20 March 1942, 2.

53 HAT, AA 4/1/3, Minutes of the Executive Committee’, 3 July 1942; Bishop said that there was a ‘large body of opinion on this matter’. K. W. Rothschild, A Note on Advertising’, *Economic Journal*, 52 (1942), 112-21.
‘great extravagance’, and suggested that rather than increasing the economy, advertising merely ‘transferred business from one manufacturer to another’.\textsuperscript{54}

Advertising also faced criticism from literary and cultural circles. In 1936, the literary critic and Cambridge scholar F. R. Leavis and his student Denys Thompson had published an early critique of mass culture, \textit{Culture and Environment}, in which they held advertising, film and newspapers responsible for the alienation that they observed in modern life.\textsuperscript{55} Building on this work, Thompson conducted a wartime enquiry into advertising, in which he observed that ‘we are living reasonably well on mainly rationed and unadvertised foods… We have seen advertising of the persuasive kind greatly decrease in our newspapers; and it is not easy to see why any advertising should return, except the genuinely informative and desirable kind’.\textsuperscript{56}

The advertising industry was used to condemnation. What was concerning about these bodies of criticism was that they focused not only on the wartime role of advertising, but also on its place in society following the war. During the war, the future economic direction of Britain was uncertain, and, given the trend towards socialist and fascist planned economies, it is unsurprising that some feared that the post-war economy would ‘have planned consumption, planned distribution and planned production which will oust advertising completely’.\textsuperscript{57} While this view was an extreme, most economists at the time understood themselves as working within a paradigm of ‘market socialism’, which by blending public ownership with market economy left commercial advertising in a reduced role.


\textsuperscript{55} F. R. Leavis and Denys Thompson, \textit{Culture and Environment} (London, 1936).


\textsuperscript{57} HAT, AA 4/1/3, ‘Minutes of the Executive Committee’, 3 July 1942.
Minutes of that 1942 executive council meeting record that, while the AA felt that ‘such criticisms could not be ignored, they were difficult to answer in the absence of an accepted body of facts which only a systematic inquiry could make available’. Remarkably, despite advances in market research before the war, no factual basis existed for the advertising industry to argue the benefits of advertising more broadly. To address uncertainty about the position of commercial advertising in the post-war world, in December 1942 the AA commissioned the National Institute of Economic and Social Research to conduct a ‘scientific study’. It was hoped that this study would ‘constitute an answer to those who, from lack of knowledge, condemned advertising as uneconomic and not in the public interest’. Nicholas Kaldor, the economist who also worked on two reports for Lord Beveridge, ‘Social Insurance’ (1942) and ‘Full Employment in a Free Society’ (1944), was appointed chief investigator. The AA deliberately used an impartial body so that the survey results and analysis would be given greater authority. For the first time, the AA sought a systematically collected body of factual evidence to furnish its justification of advertising.

A memorandum stated that ‘the purpose of the inquiry is to establish the economic facts about advertising and to examine the effects of advertising, or of particular methods of advertising, on social welfare in all its aspects’. More specifically, the study asked:

58 HAT, AA 4/1/3, ‘A scientific inquiry into the economic effects of advertising’ in ‘Minutes of the Executive Committee’, 29 December 1942. Rothschild pointed to the ‘extreme difficulty of getting any reliable statistics or other material on the subject’ in ‘A Note on Advertising’, 112; the Economist observed that ‘the great need, statistically, is, to find out exactly how influential advertising is’, ‘The Role of Advertising’, The Economist, 18 April 1942, 536.

59 The study cost £2,000 ‘A scientific inquiry’, 1.

60 ‘A scientific inquiry’.

61 ‘A scientific inquiry’.
How far has the desire to reduce advertising costs contributed to the suppression of competition and the growth of monopoly? How far have the fluctuations in advertising expenditure accentuated the movements of the trade cycle? What has been its effects on the costs of distribution, upon prices, upon the quality and range of products offered to the consumer? What part has advertising played in affording a link between the ownership and management of capital in an age of joint stock organisations?62

These questions suggested the economic effects of advertising were more sophisticated than simply increasing consumption. Advertising practitioners had explored some of these relationships during the inter-war period, but lacked data to support their claims.63 Therefore, in a further change of strategy, the AA hoped to demonstrate statistically that advertising contributed positively to the national economy, and on this basis to suggest that, in addition to sustaining profit for firms, advertising worked ‘for the good of the community’ and, therefore, had an essential role in the post-war economy.64 Questions about advertising’s aesthetics and ethics were placed beyond the scope of the study; the AA sought to argue its case in purely social and economic terms. An economic enquiry would yield seemingly concrete results, which would be easier to use as evidence than more philosophical ideas about aesthetic merit. The Times made public the aims of the inquiry in its ‘City Notes’ section on 3 June 1943, which placed the study firmly in the context of the financial sector.65 The AA also used the investigation as positive publicity for the industry: advertising was

62 ‘City Notes’, The Times, 12 July 1943, 7.
64 ‘A scientific inquiry’, 3.
presented as a sector that, despite the difficulties of war, was subjecting itself to independent critical appraisal of its practice and social role.

The study was published in pamphlet form in 1946, and then as a book in 1948. It was more limited than originally planned, as a preliminary investigation suggested that the original scope was impossible given the ‘wartime limitations on manpower’. Instead, the investigation focused on the more modest aim of establishing ‘the main facts as to the role of advertising in the national economy’.\textsuperscript{66} Advertising was defined as ‘any activity designed to spread information with a view to promoting the sales of marketable goods and services’, which explicitly excluded advertising funded by the government.\textsuperscript{67} Kaldor took 1935 as the base year since the 1935 Census of Production allowed comparison between advertising expenditure and value of goods advertised. He surveyed press advertising for all years 1934-8, and made estimates for 1943.\textsuperscript{68} He gathered data by asking advertisers about their expenditure on advertising, and questioning ‘the various industries which had supplied the services purchased by the advertisers’ on their budgets.

The report found that in 1935, the total amount spent on advertising was £89.4 million (with a 5% margin of error). This was a third larger than the national expenditure on newspapers, periodicals and new books combined.\textsuperscript{69} When locating advertising within the economy, the investigation found enormous variation in spending between industries and that advertising was heavily concentrated among particular firms. Sectors where advertising cost more than 40\% of the value of the sales included baby goods, health salts, tonic wine, shampoos, and dentifrices. Kaldor concluded that this demonstrated that largescale advertising ‘was peculiar to industrial situations with are neither monopolistic nor

\textsuperscript{66} Kaldor and Silverman, \textit{A Statistical Analysis}, 1.
\textsuperscript{67} Kaldor and Silverman, \textit{A Statistical Analysis} 2.
\textsuperscript{68} Kaldor and Silverman, \textit{A Statistical Analysis}, 3.
\textsuperscript{69} Kaldor and Silverman, \textit{A Statistical Analysis}, 6.
competitive, [but rather] oligopolies – the market being divided between a few competing producers’. 70 The Economist commented that such cases showed advertising as ‘indulging in unnecessary wastage of national resources’ and, given the context of shortage in the mid-1940s, raised ‘serious doubts about the ability of the nation to afford this type of indulgence’. 71 The report also showed the extent to which the press relied on advertising for revenue: in 1935 total expenditure on the press was £105 million, of which the public spent £56.7 million on newspapers and advertisers spent £48.4 million on purchasing space. 72 Therefore, advertising subsidised the cost of newspapers by approximately 40%. Given the importance of a free press in sustaining democracy, an ideal for which the Second World War was fought, this was an important statistic; the study indicated that advertising made newspapers affordable, while enabling the press to remain free from government influence.

The study set an important precedent for further analysis: The Times suggested that ‘the regular provision of data of these and similar kinds, independently and regularly collected and analysed, would be of the highest value’. 73 While the Economist agreed that more facts about advertising were necessary, it argued that ‘statistics alone will not provide the complex psychological and social information on which a considered national policy towards advertising needs to be based’. 74 Perhaps most of all, then, the study drew attention to how much remained unknown about the economics of advertising and its social effects. Until further, more conclusive, evidence was found about the impact of advertising, the advertising industry was left with room to negotiate a place for commercial advertising in post-war Britain on a fairly broad basis.

70 Kaldor and Silverman, A Statistical Analysis, 37.
72 Kaldor and Silverman, A Statistical Analysis, 41.
Advertising in austerity: exports, education, and freedom

Many wartime justifications for commercial advertising, especially those relating to goodwill, were based on the assumption that firms would be able to supply consumers with the brands that they had continued to advertise once hostilities ceased. However, the election in 1945 of a Labour government ‘critical to private enterprise’ and the continuation of rationing and wartime controls left plans frustrated. In laying out their response to shortages, the emphasis of the Labour party’s publication *Let Us Face the Future* (1945), was on ‘controls as a means of securing an egalitarian distribution of limited supplies of goods, and as an instrument to help offset the expected slump’. Yet, in spite of, or perhaps because of, government measures, by 1947 it appeared as if ‘the home front ran on without a war to sustain it’.  

Commercial advertising had no obvious place in these plans; indeed, Hugh Dalton’s proposed tax on advertising in 1947, which was designed to save ‘labour and materials employed in advertising, and [avoid] the incitement to consumers to try to buy goods which are in short supply’, suggested that he viewed the industry as counterproductive to them. Although Stafford Cripps abandoned the tax following outcry from the industry, and advertisers agreed instead to a voluntary reduction of 15% on advertising expenditure by firms spending over £2,500 on advertising ‘scarce and luxury goods’, the episode was a setback. It wasn’t that the government deemed advertising to be ineffective; quite the opposite. The Attlee government spent more public money on publicity than any previous government in order to make the nation’s economic problems intelligible to the general public. Rather, the problem facing the advertising industry was that the government

---

78 Crofts, *Coercion or Persuasion?* 11; Saxon Mills, *There is a Tide*, 163.
believed that domestic demand should be curtailed in order to keep inflationary tendencies under control when goods continued to be scarce.

Export trade, where goods were sold outside of the domestic economy, was an early opportunity for the advertising industry to resume its primary work of promoting consumption, while also demonstrating that commercial advertising benefitted the national economy. In 1945 Britain was heavily in debt. The war had cost over half the nation’s wealth and two-thirds of its export trade; in 1945, it lacked the means to pay for more than a third of its essential imports.79 A vast increase in production was required to correct the adverse balance of payments, and export trade was deemed essential for British recovery.80 Almost immediately after the peace settlement, the AA revived its pre-war argument that advertising could support overseas trade and open up new markets.81

As part of the export drive, the AA collaborated with other industrialists and the Board of Trade in March 1945 to form the British Export Trade Research Organisation (BETRO), a non-profit organisation. BETRO sought to expand on the often-patchy market research gathered by the Department of Overseas Trade to give firms general and bespoke information about the ‘nature and potential size of overseas markets and about the preferences of potential consumers in the matter of design, quality and price’.82 It was hoped that this data would inform effective sales policies, which would lead to a cumulative increase of efficiency of Britain’s export trade. This information was welcome in an expanding market: exports in 1948 were £450 million greater than in 1947, an increase of nearly 40%, and by 1949, overseas business accounted for about one sixth of the advertising agency W. S. Crawford’s

79 Crofts, Coercion or Persuasion? 5
82 ‘New Deal for BETRO’, Economist, 22 April 1950, 912
turnover. However, BETRO suffered at times from ‘a lack of precision in its purposes’. Its position as a Government subsidised body (it received £106,000 from 1945 to 1950) ‘hampered it in gaining the confidence of industry’, and in 1952 it was liquidated voluntarily. Yet, despite its failings, BETRO marked an important transition to peacetime trade. The AA argued that success in export trade relied on advertising expertise, including market research, being central to export strategy. The creation of BETRO suggests that the government agreed.

Stafford Cripps claimed in January 1949 that Britain’s economic improvement was due to the vigorous expansion of export trade, which was possible, he said, because of ‘the self-restraint of the British people in their determination to restore their national economy’. People were consuming less, meaning that more goods could be exported. The advertising industry’s response to this was to advise advertisers to encourage people in their productive work through commercial advertising that promoted brand goodwill, rather than seeking to increase domestic consumption. Speaking at the AA’s 1947 convention Amy Pearce, of the advertising agency Saward Baker, pointed to the work of women in supporting family morale, which was crucial for the ‘national drive for effort’. Pearce urged advertisers to give housewives ‘rays of optimism’ in their advertising, and promised that in return, housewives would help ‘to remove those obstacles which now stand in the way of prosperity’. As in wartime, advertising people showed how commercial advertising could sustain morale and reinforce the messages of government communication, in addition to generating goodwill and continued sales for firms that advertised.

84 ‘New Deal for BETRO’, Economist, 22 April 1950, 912
85 Duke, JWT, Sam Meek Papers, International Offices Box 2 ‘Background note: economic’.
86 Amy Pearce, ‘Does it Matter that Men and Women think differently?’ Advertiser’s Weekly, 29 May 1947, 416.
The advertising industry recognised the narrowing gap between commercial advertising and government publicity, which the war had blurred. Following the war, manufacturers continued to provide patriotic advice and information, while advertising agencies continued to create campaigns for a government that sought to educate the public to be informed and responsible citizens. Campaigns produced by advertising agencies for the Attlee administration included the productivity campaign, the road safety campaign and the promotion of immunization against diphtheria, in addition to campaigns that were adjuncts of economic information propaganda. Such government publicity remained important sources of revenue for advertising agencies, but, more significantly, they affected the way that the industry justified advertising.

Speaking at the AA’s 1947 convention, the advertising agent J. B. Nicholas suggested that the democratic system depended on the ‘ad hoc education and guidance of popular opinion’. It was ‘the science of public relations and advertising’ he claimed, that was ‘the modern instrument… capable of applying this guidance without coercion – under free conditions.’ The idea of using advertising to educate the public dates back to the 1920s; indeed, the Empire Marketing Board’s campaigns from 1926 to 1931, which Crawford oversaw, were explicitly based on consumer education. What was different in the late 1940s, however, was that the advertising industry believed the public read advertisements produced by commercial interests in the same way as they did government announcements: carefully and critically, treating them as sources of information. Reflecting on how the war had changed advertising and consumer behaviour, Harold Mackintosh, the confectionary manufacturer and president of the AA, argued that consumers had ‘got used to the idea of looking to advertisements for guidance and for information, and not as something

87 ‘Government spent £750,000’ Advertiser’s Weekly, 5 September 1940, 143.
88 Saxon Mills, There is a Tide, 164, 195-7; Crofts, Coercion or Persuasion? 11.
merely there to persuade them to buy’.\(^\text{90}\) This was evident in a Mass-Observation survey where 48% respondents found advertising useful, and while ‘nearly all the men in “B” class were indifferent’, ‘“C” classes (both sexes) found advertisements particularly useful’.\(^\text{91}\)

The long-term social and political consequences for the public sphere of this closer relationship between advertising and the government are highly contested; although the public backlash against the industry following the publication of Vince Parkard’s \textit{The Hidden Persuaders} (1959) suggests that by the late 1950s consumers did not appreciate the industry’s attempts to ‘guide public opinion’.\(^\text{92}\) The significance here is that Nicholas and others presented commercial advertising, alongside the developing field of public relations, as a vital, distinct component of the success of democratic societies because of its potential to educate and inform, and believed that consumers would make the ‘right’ choice if given the ‘right’ message.

The importance of an educated public gained prominence as the peace after the Second World War descended into Cold War, and the rhetoric of ‘freedom’ and ‘choice’ was used increasingly in the public domain. In 1947, the Royal Commission on the Press was tasked ‘with the object of furthering the free expression of opinion through the press and the greatest practicable accuracy in the presentation of news’.\(^\text{93}\) The Commission criticised the press for presenting over-simplistic accounts rather than trying to educate readers. Significantly, it also dismissed claims that advertisers had undue influence in news reportage, despite the extent to

\(^{90}\) Harold Mackintosh, ‘Victory Tributes to Advertising’, \textit{Advertiser’s Weekly}, 10 May 1945, 288.
\(^{91}\) M-O, File Report 2010C, ‘Resistance to Advertising’, June 1944, 3. Given that Mass Observation used ‘B’ class to denote the ‘middle classes’ and ‘C’ class ‘artisans and skilled workers’, this represented a significant number of people.
which newspapers relied on advertising revenue (Kaldor’s report had claimed 40% of the press’s income was derived from advertising).  

Reacting against the continued restrictions placed on business and advertising by the Labour government’s austerity measures and by the debate about media control and governance, leading advertising people adopted the developing rhetoric of the Cold War and shifted their justification of advertising once more: increasingly, commercial advertising was presented in terms of advocating consumer freedom and choice. This stance had developed slowly since the war by people including Nicholas and Mackintosh, who emphasised the educational potential of advertising, and was reinforced by prominent Conservative speakers at advertising clubs in the late 1940s. For instance, when addressing the AA quarterly luncheon meeting in 1949, Harold Macmillan argued that advertising was ‘the essential defence of individualism’.

The strategy was most evident at the AA’s International Conference in London in 1951, dedicated to ‘The Task of Advertising in a Free World’. The conference was arranged to coincide with the Festival of Britain, which celebrated Britain’s industry and commerce, and ‘moral and economic vitality’ in the post-war world. Through history and art exhibitions, the festival depicted Britain as a nation balancing political freedom and equality with security and a reasonable standard of living for all. The AA’s conference integrated advertising into this narrative of national hope and renewal. The conference was attended by almost 3,000 advertising men and women from thirty-eight nations, who gathered in Westminster’s Central


95 Schwarzkopf, ‘They do it with Mirrors’.

96 ‘Aims of advertising’ *The Times*, 9 February 1949, 3; ‘Role of Advertising: Mr. Stanley’s defence of consumer’s choice’, *The Times*, 16 December 1947, 2.


Hall from 7 to 13 July 1951. Delegates were addressed by prominent public figures and politicians as well as industry leaders. Speaking at the opening ceremony, Mackintosh placed the conference in the wider political context of the Cold War: ‘the fundamental struggle convulsing the nations today’, he said, ‘is whether the liberty and freedom for which our forefathers fought so long and ardently is to prevail’. He urged delegates to do all they could ‘to preserve that free way of life’.

Lord Beveridge, protagonist of the welfare state and chairman of the government’s investigation into broadcasting, also spoke at the opening ceremony. The choice to invite Beveridge as a speaker demonstrated the AA’s desire to associate commercial advertising with the social justice that Beveridge represented and promoted, which aimed to make consumption democratic, universal and open to all. To set a focus for the sessions of the conference, Beveridge set a ‘challenge to advertising’:

The challenge to advertising in a free world is that those who conduct it shall recognise their responsibilities and shall take as their overriding purpose, the aim of helping consumers to exercise freedom of spending wisely.

By pointing to advertising’s ‘responsibilities’, Beveridge recognised that commercial advertising did indeed wield influence in democratic societies; a decade of economic controls had not rendered it impotent. Equally, he suggested that advertising had not always lived up to these responsibilities. This challenge gave speakers a platform on which to demonstrate

---

100 ‘How to Make Life Full and Free’, *Advertiser’s Weekly*, 10 July 1951, 2.
102 Hilton, ‘Consumers and the State’, 68.
103 ‘The Beveridge Challenge to Advertising’
how commercial advertising could support the individual choice and opinion of the citizen-consumer (which the Royal Commission had criticised newspapers for not doing enough). Speaking at the conference, the Labour Foreign Secretary Herbert Morrison echoed Beveridge: ‘We want freedom to choose between political parties – that’s where democracy comes in. And we want freedom to choose between goods in shops – that’s where advertising comes in.’

This line of reasoning chimed with emerging theories advanced by economists including Hayek, which placed the freedom of economic activity at the centre of democratic society. Indeed, when reporting on the conference, The Times argued that the danger facing consumers was not wasteful advertisement, but rather too little choice and descent to monopoly, leaving no space for consumer sovereignty: ‘Advertisement, where it represents a genuine effort to please the customer and a real rivalry to gain his custom, provides a healthy restraint… on this growing tendency’. Therefore, the ‘reputable’ advertiser, the paper suggested, ‘ranks as a useful and active partner in the economic systems of all free nations’. This conception of the consumer as a thinking, economic being, who benefitted from greater information in order to make better individual choices, is an important and enduring one, as it formed the basis on which the consumer protection legislation of the latter part of the century was passed.

Commercial advertising’s promotion of higher standards of living, which became a significant theme of the Cold War, was also emphasised at the 1951 conference. It was introduced by Frank Soskice, Attorney-General to the Labour Government, who spoke at the opening ceremony:

---

104 ‘As Heralds of Trade’, Advertiser’s Weekly, 12 July 1951.
Advertising contributed greatly to the enjoyment, comfort, and fullness of our lives. Good advertising did not persuade people to buy more than they required; it taught them how adequately to satisfy their needs. It helped to make taste selective. Good advertising did not bludgeon the will – it refined and cajoled the taste.107

Soskice presented ‘good advertising’ as improving living standards by prompting rational consumption and considered cultural refinement. His comments indicate the extent to which the Left believed in the power of information and education for self-improvement, and in equitable and reasonable consumption for all. They also suggest the constraints that commercial advertising was working under by 1951: Soskice envisaged ‘good advertising’ as fulfilling a role very similar to government announcements.

George Bryson, a managing director of the American agency Young & Rubicam, went further. Addressing delegates, he said, ‘Advertising alone cannot give the consumer a better standard of living. But advertising can make the consumer want something better and that in turn can result in a better standard of living’.108 Bryson recognised the subjective nature of the ‘adequate’ that Soskice referred to. He acknowledged that desire, be it for material things, standard of living, or status, was a powerful impetus to consume. Bryson affirmed that consumer desire for a better standard of living, the ‘good life’ characterised by material plenty, which had been stifled during the deprivation and devastation of the 1940s, was worth working for, saving for, and investing in. He argued commercial advertising had the power to awaken and direct this desire – through information, education, consumer guidance, and

persuasion – into consumption, and was, therefore, central to the realisation of the better living standards that the post-war world promised.

**Conclusion**

By 1951, as the advertising industry gathered in conference in London, Britain was on the brink of affluence. As Stephen Brooke notes, ‘little semblance of the planning promised by the party before 1945 had emerged in the six years of Labour government’. Instead, ‘the old creed of physical controls had given way to a new one: demand management’. Government management of demand and the relationship of consumption to prosperity have become central to our understanding of Britain in the second half of the twentieth century. Commercial advertising, marginalised during war and austerity, played a fundamental part in this new mixed economy by promoting ‘free’ consumption in a free, democratic society, selling aspirations to greater standards of living, and rationalising distribution by directing demand. Considering the experience of the industry from 1939 to 1951 helps to explain how advertising was able to assume this role, and promote the values that underpinned its new economic, political and social context.

During the 1940s the AA consistently aligned commercial advertising to greater ideals: from protecting peacetime international trade, and so safeguarding the post-war health of the nation, to promoting democracy through press freedom and public education, and advocating consumer freedom by providing information and guidance, commercial advertising was presented as being much more than selling commodities. These successive justifications offer fresh insight into how contemporary public values evolved as war and austerity became post-109

---


war, Cold War, and affluence. Regardless of the truth of the industry’s narratives, it is important to recognise the deliberate and collaborative attempts to justify advertising and the practice of it. This promotion is unsurprising given the professional ambitions of advertising agents, and the context of evolving public relations and government communication. What is remarkable is the resilience that advertising people displayed in presenting successive justifications for commercial advertising in response to changing conditions, which straddled the political and social as well as the economic sphere.

The immediate success that the advertising industry achieved when justifying advertising is difficult to measure, especially since the press, reliant on advertising revenue, tended to present it positively. However, that Mass-Observation surveys cited the industry’s justifications for commercial advertising suggests at least that arguments were being heard, acknowledged, and repeated in the public domain, despite some continuing strong feeling against advertising. Ultimately, the advertising industry survived. The willingness of advertising people to re-imagine advertising meant that they were well prepared to take advantage of the improved economic conditions of the 1950s and 1960s, while adapting to the new political challenges presented by commercial television, Americanisation, and fear of subliminal control.