



UNIVERSITY OF OXFORD

**Discussion Papers in  
Economic and Social History**

**Number 105, October 2012**

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*SOCIAL CAPITAL IN DECLINE: FRIENDLY SOCIETIES IN  
AUSTRALIA, 1850-1914*

**Arthur Downing**

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# **Social capital in decline: Friendly Societies in Australia,**

**1850-1914**

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## Abstract:

*Participation in 'friendly societies' (or other cooperative organisations) is often used as proxy for measuring the stock of social capital. This is too simplistic. Friendly societies underwent radical changes over the nineteenth century and contemporaries regularly bemoaned that sociability, member participation and conviviality had been in steady decline over the second half of the century. This paper investigates the social relations between friendly society members. Part one looks at the importance of lynchpin 'social capitalists' in the functioning of lodges. Parts two and three examine how lodges generated social capital and how they relied on social network ties between members to function. Part four applies network analysis to proposition books to assess 'intra' lodge relationships between members. As friendly societies grew in size they became more business like. In turn the emphasis shifted from sociability and conviviality to insurance provision. In the process social capital was squandered, but the welfare function of these organisations was temporarily safeguarded.*

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\* I would like to thank Deborah Oxley for supervising the thesis this paper is based on. Numerous conversations with Avner Offer have been very fruitful and I thank him for being generous with his time. Versions of this paper were presented to the Economic and Social History Graduate seminar in Oxford and to the St Peter's College thematic history seminar, and I thank the audiences for their comments. Rui Esteves and Florian Ploeckl read previous drafts and made some valuable suggestions. The basic idea emerged in a conversation with Sylvia and Mick Downing about the dynamics of school governing bodies, and I thank them for their sustained interest.

In July 1910 the Grand Master of the New South Wales district of the Australian Independent Order of Oddfellows urged lodges to hold more parties and to play ‘friendly games’ at the close of meetings:

‘your district officers would very much like to see other Lodges try the foregoing or some other amusements that will have the effect of bringing members to their lodge, not just to pay contributions and go away, but to stay and feel that the working of the Lodge depends on their presence. Then our membership would increase more rapidly, for one could feel that the lodge room was a home... that you would like to take your friends to.’<sup>1</sup>

There was an irony to this statement. Over the preceding century friendly societies had undergone a transition from small locally organised ‘box clubs’ to large business like organisations.<sup>2</sup> The transition was never total. Lodges were still relatively small and socially intimate organisations. However as the NSW Grand Master (GM) acknowledged, by 1910 participation had waned to such an extent that the Board had to urge lodges to actively structure in conviviality. His words speaks to an intractable dilemma: as friendly societies grew in size they adopted bureaucratic and business practices which undermined sociability and thus the ability of lodges to recruit members, monitor them and involve them in the governance of the society.

This paper explores the ways friendlies latched onto social networks and generated social capital. Societies functioned because of hard working officials, or

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<sup>1</sup> *Report of Grand Master and Quarterly Financial Statement of the Sydney District of the MUIOOF, July 1910*, (Sydney, 1910), p.2.

<sup>2</sup> S. Cordery, *British Friendly Societies* (Basingstoke, 2003), pp.12-29, 150–151; N. Doran, 'Risky Business: Codifying Embodied Experience in the Manchester Unity of Oddfellows', *Journal of Historical Sociology*, 7, no.2 (1994), pp.131-154; although this was a transition with earlier roots, E.K. Wallace, 'The Needs of Strangers: Friendly Societies and Insurance Societies in Late Eighteenth-Century England', *Eighteenth-Century Life*, 24, no.3 (2000), pp.53–72.

‘social capitalists’, who were motivated by ‘regard’ as well as financial reward.<sup>3</sup> Lodges also utilised the social networks of members to recruit and monitor. This required the participation and social intimacy of members. Rituals and convivial events encouraged both, binding members in ‘brotherhood’. However participation and ritualised conviviality declined over the period. Although difficult to measure, this shift was mirrored by a change in the levels of social capital generated by friendly societies. In order to capture this complexity I have mainly focussed on Victoria and the largest friendly society in the region and the English speaking nations, the Manchester Unity Independent Order of Oddfellows (hereafter the MU). However the issues discussed are equally applicable to other societies and other English speaking countries.

Social capital is a fraught concept that can be defined as ‘the sum of the resources, actual or virtual, that accrue to an individual or a group by virtue of possessing a durable network of more or less institutionalised relationships of mutual acquaintance and recognition’.<sup>4</sup> Considerable debate has taken place over whether the individual or the collective is the appropriate locus of social capital.<sup>5</sup> Earlier theorists saw it as a resource mobilised by individuals.<sup>6</sup> This understates the reflexivity of social structure and individual action. The social capital which individuals possess is the stuff out of which communities are built.<sup>7</sup> Through ‘bonding’, ‘bridging’ and

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<sup>3</sup> A. Offer, ‘Between the gift and the market the economy of regard,’ *The Economic History Review*, 50, no.3 (1997), pp.451-454.

<sup>4</sup> P. Bourdieu, *An invitation to reflexive sociology* (Chicago, 1992), p.119.

<sup>5</sup> A. Portes, ‘The Two Meanings of Social Capital,’ *Sociological Forum*, 15, no.1 (2000), p.10.

<sup>6</sup> J.S. Coleman, ‘The Design of Organizations and the Right to Act,’ *Sociological Forum*, 8, no.4 (1993) p.538; P. Bourdieu, ‘The Forms of Capital,’ in J.G. Richardson, *Handbook of theory and research for the sociology of education* (Westport, 1986), pp.241–258; E.L. Glaeser, *et al.*, ‘An Economic Approach to Social Capital,’ *The Economic Journal*, 112, no.483 (2002), pp.437-458.

<sup>7</sup> M. Rostila, ‘The Facets of Social Capital,’ *Journal for the Theory of Social Behavior* (December 2010), pp.7–9; G. Magee and A. Thompson, *Empire and Globalisation: networks of people, goods and capital in the British World, c.1850-1914* (Cambridge, 2010), p.50; R. Putnam, *Bowling Alone: The*

'linking' social capital, individuals from diverse groups are brought into contact. This begets collective action, cooperation and trust, which in turn promotes further social capital accumulation.<sup>8</sup> Moreover the volume of social capital possessed by any individual depends on the volume of social capital possessed by each of those to whom the agent is connected.<sup>9</sup> In short, social capital is both the property of individuals and the networks in which they are embedded.<sup>10</sup>

Organisations like friendly societies were an example of how social capital was mobilised by individuals and embedded in broader social networks.<sup>11</sup> Access resulted from a social connection with an existing member. Once in the lodge the new member could be confident that other members were trustworthy because aggregated personal ties served to police fraudulent behaviour. Yet organisations fit poorly in many theories of social capital.<sup>12</sup> In the collectivist approach the conceptualisation of social capital is often nebulous. In Putnam's work it is measured by indicators like newspaper reading, membership in voluntary associations and expressions of trust.<sup>13</sup> Identified as such, this 'stock' of social capital is used as an independent variable effecting dependent variables like economic, organisational and institutional performance.<sup>14</sup> This static view of society ignores the complex reciprocal relationship

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*Collapse and Revival of American Community*, (New York, 2001); R. Putnam, *Making Democracy Work: Civic Traditions in Modern Italy* (Princeton, 1994).

<sup>8</sup> D. Castiglione, J.W. van Deth, and G. Wolleb, (eds.), *The Handbook of Social Capital* (Oxford, 2008), pp.71–2; S. Field, and T. Schuller, *Social capital: Critical perspectives* (Oxford, 2000), pp.9–11.

<sup>9</sup> P. Bourdieu, 'The Forms of Capital', p.249,

<sup>10</sup> N. Lin, *Social capital: a theory of social structure and action* (Cambridge, 2002), pp.24–5.

<sup>11</sup> F. Herreros, *The Problem of Forming Social Capital: Why Trust?* (New York, 2004), pp.108–9.

<sup>12</sup> Some suggest that they be excluded all together Y. Hayami, 'Social Capital, Human Capital and the Community Mechanism: Toward a Conceptual Framework for Economists', *Journal of Development Studies*, 45, no.1 (2009), pp.97–8.

<sup>13</sup> A. Portes, 'Social Capital: Its Origins and Applications in Modern Sociology', *Annual Review of Sociology*, 24, no.1 (1998), p.18; Putnam, *Bowling Alone*, pp.31–180.

<sup>14</sup> E. Ostrom, 'Overview: What is Social Capital', in V. Bartkus (ed.), *Social capital: reaching out, reaching in* (Cheltenham, 2009), p.26; Putnam, *Making Democracy Work*, chapter 6.

between organisations like friendlies and social capital formation.<sup>15</sup> The amount of social capital generated by an organisation depends on the way it is structured, and this can vary over time.<sup>16</sup> As a consequence of the way in which actors seek to solve collective action problems, social capital can be both augmented and destroyed.<sup>17</sup> In the first decades of the 20<sup>th</sup> century Australian friendlies were still strong but as the opening quote illustrates we should not assume that membership generated social capital in the same way it had in earlier periods. Yet to capture such complex dynamics requires an individualist methodology.<sup>18</sup>

This paper challenges two arguments in the literature. Firstly, it questions using the overall membership figures of friendly societies, and other mutual aid associations, as a quantitative measure of social capital.<sup>19</sup> By using membership figures one can gain the impression that the stock of social capital was increasing. This ignores the internal history of these associations. As friendlies grew they became more business like and social relations between members changed. Thus within these associations the amount of social capital generated *per member* declined. It is very problematic to associate an increase in the number of members with an increase in the total amount of social capital. Secondly, it challenges one aspect of Magee and

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<sup>15</sup> J. Franklin, (ed.), *Women and Social Capital*, The Families and Social Capital ESRC Research Group, (April 2005) pp. 6-7, [[www.lsbu.ac.uk/ahs/downloads/families/familieswp12.pdf](http://www.lsbu.ac.uk/ahs/downloads/families/familieswp12.pdf)] (accessed 18<sup>th</sup> April 2012).

<sup>16</sup> Ostrom, 'Overview: What is Social Capital', pp.27-31.

<sup>17</sup> T.K. Ahn and E. Ostrom, 'Social capital and collective action', in *The Handbook of Social Capital*, pp.84-87; T.K. Ahn and E. Ostrom, 'The meaning of social capital and its link to collective action', in G.T. Svendsen and G.L.H. Svendsen, *Handbook of social capital : the troika of sociology, political science and economics* (Cheltenham, 2009), pp.30-31.

<sup>18</sup> R. Edmondson, 'Social capital: a strategy for enhancing health?', *Social Science & Medicine*, 57, no.9 (2003), pp.1723-1733; See also R. Edmondson, 'Studying civic culture ethnographically and what it tells us about social capital: Communities in the West of Ireland', in P. Dekker and E.M. Uslaner, *Social Capital and Participation in Everyday Life* (Routledge, 2001), pp.59-73.

<sup>19</sup> Putnam *Bowling Alone*, pp.49-64, 116-134; E. Felice, 'The Determinants of Italy's Regional imbalances over the long run: exploring the contributions of human and social capital', University of Oxford Discussion Papers in Economic and Social History, 88 (March, 2011), pp.28-29; G. Nuzzo, 'Un secolo di statistiche sociali: persistenza o convergenza tra le regioni italiane?' *Quaderni dell'Ufficio Ricerche Storiche*, 11 (Rome: Bank of Italy, 2006).

Thompson's framework for understanding the British world. These authors argue that transnational social capital networks were crucial in promoting migration and tying together different regions of the English-speaking world. Clubs and associations were important in formalising and embedding these networks.<sup>20</sup> However Magee and Thompson do not acknowledge that these associations changed over time. In their framework the concept of 'social capital' is too rigid and does not accommodate important historical change within specific 'settler societies' like Australia.

### Officials as social capitalists

Friendly societies were self-administered convivial clubs providing mutual insurance to members for sickness and death.<sup>21</sup> At one level the success of friendly societies was the product of a problem wage labourers faced all across the British world: loss of income due to illness or injury was one of the greatest risks to a wage earner's household's standard of living.<sup>22</sup> In the absence of commercial health insurance and the welfare state a patchwork of protection emerged.<sup>23</sup> Friendly societies were one of the most important forms of insurance in this 'mixed economy of welfare'; providing benefits to cover lost wages, medical attendance and medicine, and lump sum pay-outs at death (see **figure 1**). Death pay-outs helped to mitigate the shock to the household from the loss of a wage earner but they also spared the deceased from the social stigma of a pauper burial.<sup>24</sup> Benefits were psychological as

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<sup>20</sup> Magee and Thompson, *Empire and Globalization*, pp.85-97, 133-137.

<sup>21</sup> Cordery, *British Friendly Societies, 1750-1914*, p.13.

<sup>22</sup> S. Horrell and D. Oxley, 'Work and Prudence: Household Responses to Income Variation in Nineteenth-Century Britain,' *European Review of Economic History*, 4, no.1 (2000), p.27.

<sup>23</sup> B. Harris and P. Brigden (eds.), *Supporting self-help: charity, mutuality and reciprocity in nineteenth-century Britain* (New York, 2007), p.2.

<sup>24</sup> E.P Thompson, *The Making of the English Working Class* (London, 1963), p.419; P. Johnson *Saving and Spending: The Working-Class Economy in Britain*, (Oxford, 1985) pp.85-6

well as financial. The desire for fellowship, regard, status and the excitement of ritualism were also important.<sup>25</sup> The rulebook of one of the first Australian friendly societies justified its existence in precisely these terms:

‘[W]e may not recount all the sufferings that a few weeks illness may occasion, the examples are as numerous as they are appalling... We can perceive nothing to cheer us in the prospect of sickness and adversity, except through our united exertions to save from our weekly gains such an amount as may form a fund to relieve those who may be unable to provide for themselves and families the common necessities of life... Formed in such a society we cease to be strangers and friendless in this land of our adoption’<sup>26</sup>

The last sentence places great importance on inter-personal bonds between members, which was a result of the basic organisational unit of the friendly society movement: the lodge. Friendlies were organised around semi-autonomous ‘lodges’ or ‘courts’. Between 1866 and 1900 the average members per lodge in Victoria fluctuated from 59.4 in 1879 to 86.25 in 1900, groupings small enough for members to build meaningful friendship ties (see **figure 2**).<sup>27</sup> Lodges appointed their own officials, initiated new members, administered benefits, collected contributions and met frequently for official and convivial reasons. ‘Affiliated orders’ like the various Oddfellows societies, the Ancient Order of Foresters or the Ancient Order of Rechabites had a federal structure that curtailed lodge independence to a degree.<sup>28</sup> Yet even in these large orders lodges functioned in much the same way as in a local friendly society.<sup>29</sup> The lodge was crucial to the functioning of a friendly society; the social intimacy of members curtailed opportunism and reduced monitoring and

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<sup>25</sup> Johnson, *Saving and Spending*, pp.9, 65–7; Offer, ‘Between the gift and the market’ pp.450–476.

<sup>26</sup> *Articles and regulations of the Parmatta Friendly Society, July 24<sup>th</sup> 1839*, p.5 (Mitchell Library, Sydney, 334.7/P, hereafter ML).

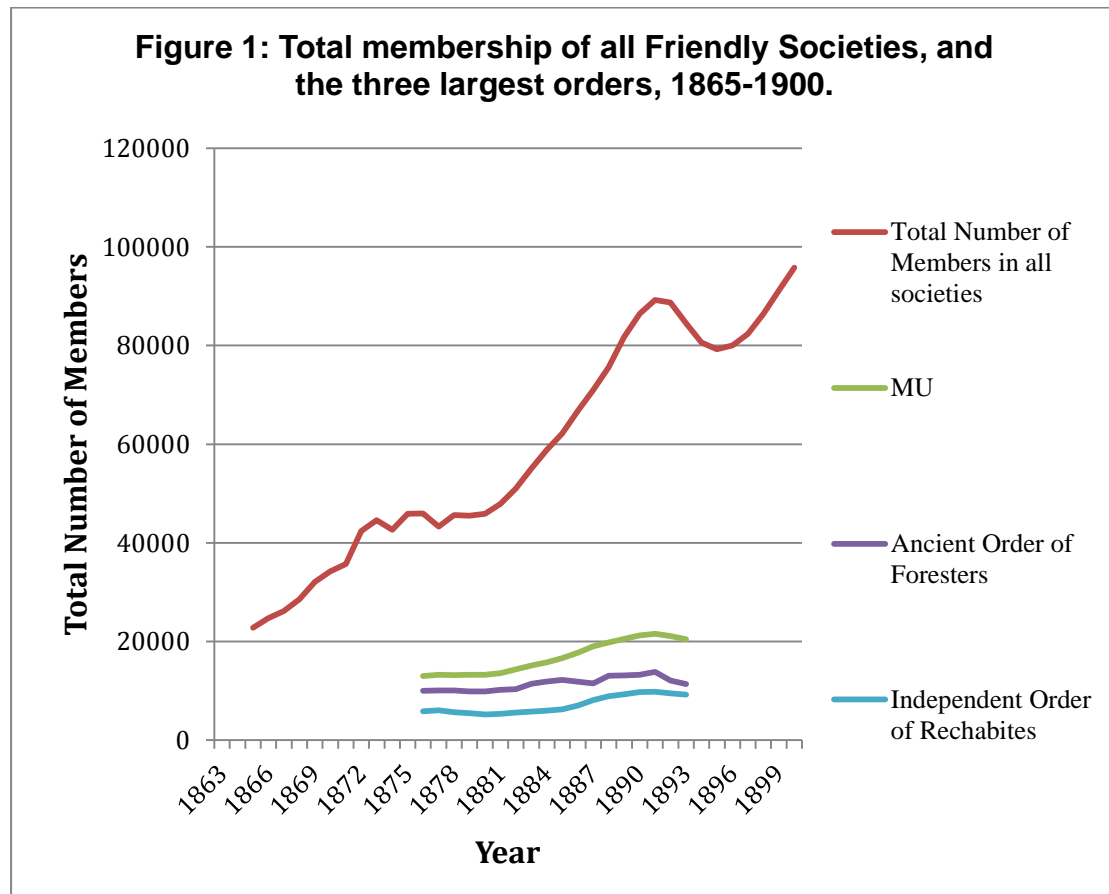
<sup>27</sup> R. Dunbar, ‘Neocortex size as a constraint on group size in primates’, *Journal of Human Evolution*, 22, no.6 (1992), pp.469–493.

<sup>28</sup> P. Gosden, *Self-help: voluntary associations in the nineteenth century* (London, 1973), pp.40–45.

<sup>29</sup> *Ibid.*, p.50.



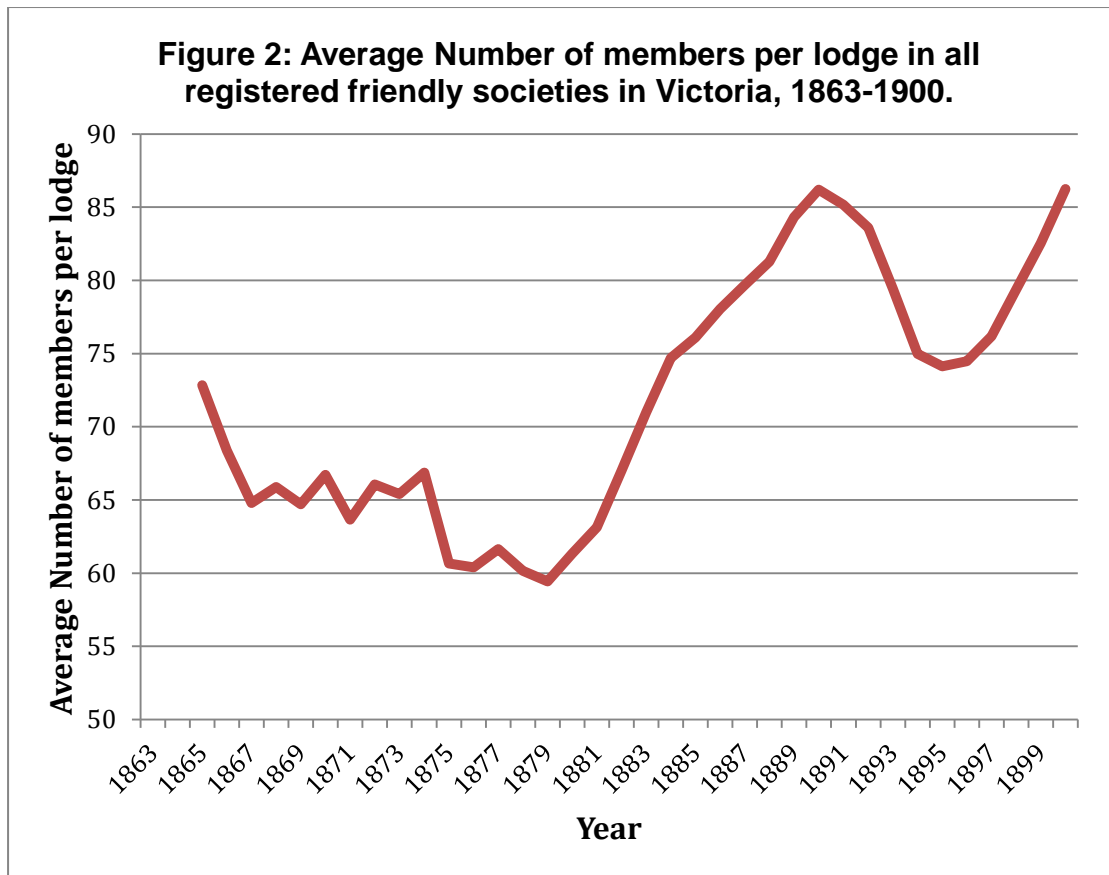
transaction costs. For many migrants these lodges served to reconstitute a *gemeinschaft* community based on fictive kinship relations between ‘brothers’.<sup>30</sup> Lodges were so important for migrant social support networks that some were formed on boats before disembarking.<sup>31</sup>



Source: *The Statistical Register for the colony of Victoria, 1900*, pp.681-683, (ML.Q319 2/V); and *Statistics of Friendly Societies for the year 1877 with introductory report*, pp.xvi-xvii in *The Statistical Register for the colony of Victoria, 1877*, (ML.Q319 2/V).

<sup>30</sup> B. Glenn, 'The Rhetoric of Fraternalism: Its Influence on the Development of the Welfare State, 1900-1935', *Studies in American Political Development*, 15, no.2 (2001), p.221; M. Clawson, 'Fraternal Orders and Class Formation in the Nineteenth-Century United States', *Comparative Studies in Society and History*, 27, no.4 (1985), p.689; M. Gorsky, 'The growth and distribution of English friendly societies in the early nineteenth century,' *The Economic History Review*, 51, no.3 (1998), p.507.

<sup>31</sup> S. Morgan, *Land Settlement in Early Tasmania: Creating an Antipodean England* (Cambridge, 2003), p.48



*Source:* Taken from successive volumes of *Statistics of Friendly Societies*, in *The Statistical Register for the colony of Victoria*, (ML.Q319 2/V).

Friendly societies would not have operated without members willing to fill official positions. The more important the position, the more likely it was to be paid. In April of 1882 the Corresponding Secretary of the Victoria district of the MU was paid £20 for services rendered on top of his salary.<sup>32</sup> In 1891 Hart's salary was increased to £400 per annum, on account of his good work and because 'insufficiency of funds, cannot be pleaded as an excuse'.<sup>33</sup> It was only in 1895 that the MU had an independent body for electing deputies after complaints that deputies were voting on their own pay.<sup>34</sup> Many officials were considerably better off than the rank and file

<sup>32</sup> *MUIOOF in Victoria, Report of the Quarterly Board Meeting, 6<sup>th</sup> April 1882*, p.9 (Noel Butlin Archives, Canberra, Z190 Box 128, hereafter NB).

<sup>33</sup> *MUIOOF in Victoria, Proceedings of the Grand Annual Moveable Committee, March 10<sup>th</sup>-13<sup>th</sup> 1891* p.5. (NB.Z227 Box 430)

<sup>34</sup> *Report of the Quarterly Committee of the MUIOOF, Sydney District, 27<sup>th</sup> March 1895*, p.5 (ML.334/706. 2).

membership. Members had to pass through ‘degrees’ before they could become officials. The Number One Past Grand Lodge of Ballarat was only for members who had attained the purple degree, the highest rank in the order. The lodge only collected for medical relief and funeral pay-outs and this implied that the members were wealthy enough to cover any lost income because of illness through their personal savings.<sup>35</sup>

These social capitalists invested time and effort for psychological as well as financial rewards.<sup>36</sup> Friendly societies traded in regard. Officials could expect the approbation of the fellowship in life and in death.<sup>37</sup> In 1891 the Port Phillip GM gave his sincere thanks to the ‘different social committees for the large number of invites sent to us’.<sup>38</sup> GMs often began their annual speeches by lavishing praise on their predecessor and in the case of one ex-Director the GM also gave a glowing public obituary.<sup>39</sup> Officials also earned the respect of those outside of the friendly society movement. Upon the ‘lamented death’ of the Past Master Zox in 1901 a public meeting of leading citizens of Melbourne inaugurated a fund ‘for the purpose of perpetuating his memory by the erection and endowment of one or more cottages for old and indignant colonists’.<sup>40</sup> In 1887 a memorial for another Past GM closed with the charge:

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<sup>35</sup> *Minute Book of the Number One Past Grand’s Lodge, 1885-1888*, (NB.Z190, Box 69)

<sup>36</sup> M.B. Petersen, A. Roepstoff and S. Serritzlew, 'Social Capital in the Brain?', in *Handbook of social capital*, pp.75–92; R.F. Baumeister and M.R. Leary, 'The need to belong: desire for interpersonal attachments as a fundamental human motivation', *Psychological Bulletin*, 117, no.3 (1995), pp.497-529.

<sup>37</sup> Offer, 'Between the gift and the market,' pp.451–2.

<sup>38</sup> *The Proceedings of the Port Phillip District Annual Moveable Committee, December 2<sup>nd</sup> 1891*, p.6. (NB.Z262 Box 374).

<sup>39</sup> *MUIOOF in Victoria, Proceedings of the Grand Annual Moveable Committee, 10<sup>th</sup> -13<sup>th</sup> March 1891*, p.5 (NB Z227 Box 430); *MUIOOF in Victoria Proceedings of the Grand Annual Moveable Committee, 17<sup>th</sup>-20<sup>th</sup> March 1896*, p.7 (NB Z227 Box 430).

<sup>40</sup> *The Proceedings of the Port Phillip District Annual Moveable Committee, 6<sup>th</sup> December 1901*, p.10 (NB.Z262 Box 374).

Let us then endeavour to emulate the good example set us by our late Brother and remember – *Lives of great men oft' remind us, We may make our lives sublime, and departing leave behind us, Footprints in the sands of time.*<sup>41</sup>

The desire to be remembered was no doubt an important motivator, particularly in friendly societies where death played an ever-present role in ritual and ceremonies.<sup>42</sup>

Within lodges ordinary members filled many of the official positions. Each friendly society was different but the MU was representative of the large affiliated orders.<sup>43</sup> In the MU the 'guardian' was tasked with guarding the door and ensuring the correct password was given to new recruits, the 'conductor' helped new members through the initiation ceremony and the 'warden' examined each person in attendance and had custody of the lodge regalia. The lodge also had an elective and a financial secretary. The former took minutes while the latter kept the books. In addition each lodge had three major officials: the noble grand, the vice grand, and the immediate past noble grand. These offices changed hands regularly and all members were expected to occupy these positions – to 'go through the chairs'. A risk of this participatory approach was that officials might be incompetent. Lodges adapted mechanisms to reduce this risk. Each grand had to appoint two supporters and traditionally new Grands would pick experienced ex-officers. Without willing officials lodges and courts could flounder. In 1877 the Merino lodge of the MU encountered great difficulties in trying to find someone to maintain the books as a

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<sup>41</sup> *Report of the Quarterly Meeting of the MUIOOF, Sydney District, 15<sup>th</sup> April 1908*, p.5. (ML.334/706. 2).

<sup>42</sup> Corderoy, *British Friendly Societies*, pp.30–33.

<sup>43</sup> All of the following is based on D.G. Green and L. Cromwell, *Mutual Aid or Welfare State: Australia's Friendly Societies* (Sydney, 1984), pp.37-43.

secretary. The lodge could not send returns to the district and had to be visited by a district past GM for assistance.<sup>44</sup>

Lodge official positions were relatively open. In the Loyal Yarra Yarra lodge (MU) many of those attaining the second highest degree standard, the gold degree, did so within a very short time after initiation. Herman Flipping was initiated in October of 1887 and had his gold degree by August 1888. Of the seven other members who made this transition between 1880 and 1890 the longest time lapse was nine months. Between 1899 and 1906 members of the Myrtelford lodge (MU) usually had to be more patient. Yet all of the sixteen members who attained the gold degree achieved this within 5 years and one member, Allan Smith, took just 6 months.<sup>45</sup>

The vast majority of lodge positions were unpaid and again status was a driving motive. The financial secretary was often paid a small honorarium, but the payment came nowhere near to compensating the work done.<sup>46</sup> Paying officials made it easier to guarantee satisfactory performance but might have discouraged wider participation and encouraged a division between the paid bureaucrats and the normal members. The vast majority of petty positions were rewarded with regard. On the 12<sup>th</sup> October the Court Unity (AOF) branch gave a silver medal to P.C.R Edmondson as thanks for his hard work.<sup>47</sup> Similarly on May 5<sup>th</sup> 1854 the Loyal Gold Miners Pride Lodge (MU) presented the secretary with a new sash for ‘the most able manner in

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<sup>44</sup> *MUIOOF Hamilton District Proceedings at the Quarterly District Committee, 7<sup>th</sup> March 1877*, p.1. (NB.Z227, Box 284).

<sup>45</sup> Degree Book for The Myrtleford Lodge, MUIOOF, (NB.Z227 Box 5); Degree Book for the Yarra Yarra Lodge, MUIOOF, (NB.Z262, Box 207).

<sup>46</sup> Green and Cromwell, *Mutual Aid*, p.41.

<sup>47</sup> Minute book of the Court Unity branch, Ancient Order of Foresters, 1865-1868, (NB.Z193 Box 3).

which he kept the minute books'.<sup>48</sup> While the loyal Camberwell Lodge and the Loyal Rutherglen lodge of the MU kept lavish boards for honouring their officers (see figure 3).<sup>49</sup>

**Figure 3: The Honour Board of the Loyal Camberwell Lodge (MU), 1865-1914.**



Source: *The Honour Board of the Camberwell Lodge of the MUIOOF, 1865-1914, (NB.Z262, Box 236).*

Officials were part bureaucrats, part social capitalists, motivated by money and regard. Top ranking positions within friendly societies were well paid, but they also ensured respectability and considerable social standing.<sup>50</sup> Some boasted that many officials went on to attain positions in civic life based on the training they had

<sup>48</sup> Minute book for the Loyal Gold Miners Pride Lodge, MUIOOF, (NB.Z227, Box 72).

<sup>49</sup> Honour Board of the Loyal Camberwell Lodge, MUIOOF, 1865-1914, (NB.Z262, Box 236); Honour Board of the Loyal Rutherglen lodge, MUIOOF, (NB.Z227, Box 32).

<sup>50</sup> Cordery, *British Friendly Societies*, pp.99–119.

received within the movement.<sup>51</sup> The more mundane positions were not paid and ultimately lodges only functioned because of the participation of members who sought out the attention of their peers.

### **Latching onto social networks.**

To function lodges had to latch onto the social networks of their members. This was particularly the case with recruitment and monitoring. To enter a lodge one needed to be proposed and seconded by two existing members. When membership growth slowed officials prompted members to be more proactive in seeking out new candidates. In March 1878 the GM of the MU in Victoria attributed the slow numerical progress of the order ‘to the want of energy on the part of the brethren, and I earnestly hope that, for the future, every member will do his best to add at least one to the Unity.’<sup>52</sup> The downturn in initiations in the 1890s was probably due to broader economic woes, however MU GMs repeatedly cajoled members to do more. One GM wrote that ‘individual effort, too, is needed, and it certainly is not credible that our members should continue to decrease because of the indifference and neglect of those who best know and experience the advantage provided by our noble institution’.<sup>53</sup> The Sydney district experienced the same problem in 1914 and one official commented that ‘more could have been done, had the members only considered their duty, not only to themselves, but to their neighbours... to carry out their part of the ritual in doing unto others as they would have done unto them, for how many are

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<sup>51</sup> *The Proceedings of the Port Phillip District Grand Annual Moveable Committee, 7<sup>th</sup> December 1898*, p.18 (NB.Z262 Box 374).

<sup>52</sup> *MUIOOF in Victoria, Report of the Quarterly Board Meeting, 12<sup>th</sup>–14<sup>th</sup> March 1878*, p.6 (NB.Z262 Box 373).

<sup>53</sup> *MUIOOF in Victoria, Proceedings of the Grand Annual Moveable Committee, 20<sup>th</sup>–22<sup>nd</sup> March 1894*, p.9 (NB.Z227, Box 430).

trying to extend the benefits that they themselves enjoy to those not already in any Benefit Society?'<sup>54</sup>

Social capital networks were not only crucial in ensuring a steady quantity of new members, but also in ensuring the quality of these individuals. Before a member was initiated the proposer had to ask for leave, and this involved guaranteeing that the initiated individual was healthy and of sound moral character.<sup>55</sup> This procedure pooled the collective knowledge of both the lodge and the unity, with members verifying or falsifying any claims made. In 1861 the Victoria Quarterly Report received a question from P.G. Sansom about the legality of refusing a member because members from another lodge attended the initiation ceremony and 'made such statements that resulted in non election' of a proposed member.<sup>56</sup> The decision was found to be perfectly legal. In this way social relations outside the lodge were internalised and utilised.

Lodges mobilised the social networks of members in monitoring sickness claims and avoiding moral hazards. Moral hazard is a complex issue in itself and will be dealt with in chapter 3. However contemporaries were convinced that there was a risk of fraud, and organised lodges around this assumption. In the AOF the Woodward was responsible for visiting the sick member once a week, and had the power to withhold sick pay if they suspected shirking.<sup>57</sup> Most societies prohibited

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<sup>54</sup> *Report of the Quarterly Meeting of the Sydney District of the MUIOOF, July 1914*, pp.7-8, (ML.334/706. 2).

<sup>55</sup> Notices asking for leave to recommend new members for the Loyal Allansford Lodge, MUIOOF, (NB.Z227 Box 282).

<sup>56</sup> *MUIOOF in Victoria, Report of the Quarterly Board Meeting, 2<sup>nd</sup> Jan 1861*, pp.9-10 (NB.Z190, Box 128).

<sup>57</sup> *Amended rules of the Ancient Order of Foresters Friendly Society for the guidance of the Court Royal Oak* (Sydney, 1886) p. 9.



members from gaming, attending the alehouse, or being out after a certain time whilst 'on the box' (claiming benefits). These rules were impossible to monitor simply through officers, and lodges relied on individuals reporting members they suspected. In 1897 one Brother Hadfield of the Pride of Ferndale Lodge was spotted out after 8 p.m. in summer and was fined as a consequence.<sup>58</sup>

### **Generating Social Capital?**

Latching onto the social networks of members was not a parasitic process: lodges could not have utilised the social capital of members had they not also cultivated sociability and made the lodge an important node in the social networks of members. Lodges had to generate social capital, both cognitive and structural.<sup>59</sup> Members had to trust one another and feel a sense of closeness. Otherwise they would not have been so diligent in regulating claims. However, unless the lodge was a structural component of the social networks of members then monitoring would have been ineffective.

Convivial and sociable occasions were vital in building up social capital. Lodge meetings were rarely dedicated solely to business. Refreshments were often served and it was common for a meeting to adjourn with '15 minutes of harmony'.<sup>60</sup> Many officials saw cultivating friendship as integral to the friendly society mission. In 1878 the Quarterly Board of the MU of Victoria claimed of the spread of lodges that 'the good it affects is not only perceptible by the pecuniary benefits derived, but it

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<sup>58</sup> Green and Cromwell, *Mutual Aid*, p. 53.

<sup>59</sup> Rostila, 'The Facets of Social Capital,' pp.5–10.

<sup>60</sup> Green and Cromwell, *Mutual Aid*, p. 29; see also Ross, *A History*, p.11.

established a bond of friendship and brotherhood, binding men together by an indissoluble tie, and causing them to work harmoniously for the public weal'.<sup>61</sup> Officials tried to integrate lodges into local communities. After its opening in 1892 the Kembla Court of the AOF was 'thrown open to the public, when a social tea was held to celebrate the event'.<sup>62</sup> The event was so successful that tea had to be served in relays.<sup>63</sup> The Happy Home Lodge of the MU in Queanbeyan was at the centre of town processions, entertainments and the town's band.<sup>64</sup> Similarly at the opening of the new hall of the Court Perseverance lodge (AOF) in remote Digby in September 1873 the members marched through the town with a large crowd in attendance.<sup>65</sup> The town's Boxing Day Ball was held in the hall later that year. The event was so convivial that the *Hamilton Spectator* complained that '*dancing was kept up until a late hour, and only for a disturbance caused by some larrikin visitors, everything would have passed off well.*'<sup>66</sup>

Ritual and secrecy were important ways in which in-group ties were created and strengthened, and were indistinguishable from friendly society sociability.<sup>67</sup> The arcane rituals of early friendly societies had been abandoned by the time the affiliated orders had spread to Australia. However the Grand United Order of Oddfellows blindfolded candidates for the initiation ceremony until 1873 and ritual never entirely

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<sup>61</sup> MUIIOF of Victoria, *Quarterly Board Meeting held 12<sup>th</sup>-15<sup>th</sup> March 1878*, p.15. (NB.Z262, Box 373).

<sup>62</sup> *Minutes of Proceedings of the 45<sup>th</sup> Annual delegates meeting of the Sydney District Ancient Order of Foresters, 8h-10<sup>th</sup> March 1893*, p.22 (ML.334.7 A).

<sup>63</sup> *Idem.*

<sup>64</sup> E.J. Lea-Scarlett *Queanbeyan district and people* (Queanbeyan, 1968), pp.44, 123.

<sup>65</sup> *The Hamilton Spectator*, 18<sup>th</sup> June 1873, (National Library of Australia, Microform NX571, hereafter NLA).

<sup>66</sup> *The Hamilton Spectator*, 7<sup>th</sup> Jan 1874, (NLA, Microform NX571).

<sup>67</sup> Cordery, *British Friendly Societies*, p.33; M. Gorsky, 'Mutual Aid and Civil Society: Friendly Societies in Nineteenth-Century Bristol,' *Urban History*, 25, no.3 (1998), pp.320–321.

disappeared.<sup>68</sup> The 1897 rules of the MU of Victoria stipulated that for ceremonies all members should wear some combination of sashes, collars, aprons and medals.<sup>69</sup> Such costumes cemented an identity of fellowship and fraternity as a group separate and distinct from those outside of the lodge.<sup>70</sup> This was made explicit latter in the same rulebook with the instruction for funerals that ‘the members shall form accordingly to their rank in the Order, walking two and two, *linked by the little finger*, juniors going before, guarded in front by the lodge guardian’.<sup>71</sup> This funeral ritual emphasised bonding, hierarchy and the boundary between the group and those outside. In all these examples a lodge identity was forged through ‘othering’, and hence the importance of secrecy.<sup>72</sup> In the United Order of Druids’ initiation ceremony the candidate would knock on the lodge door and the lodge grand would answer ‘a stranger is without who desires to become a member of our lodge and the Order’.<sup>73</sup> Crucial to the transition from being a stranger without to being a brother within was being versed in the ‘secrets of the order’.<sup>74</sup> The ceremony also emphasised that the diffusion of these secrets would harm the order, and thus the new candidate was made to feel a sense of responsibility, and it was hoped they would reciprocate with responsible and trustworthy behaviour themselves.<sup>75</sup>

Rituals were pedagogical as well as convivial. The funeral ritual of the Iron Moulders Friendly Society included the statement that ‘we the United Moulders recognise the 8 hour day as the standard day’s work... [and] discountenance all piece

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<sup>68</sup> Green and Cromwell, *Mutual Aid*, p.16.

<sup>69</sup> *Rules of the MUIOOF in Victoria* (Melbourne, 1897), p.23.

<sup>70</sup> Cordery, *British Friendly Societies*, p.31.

<sup>71</sup> *Rules of the MUIOOF in Victoria* (Melbourne, 1897), p.80.

<sup>72</sup> D. Weinbren, *The Oddfellows, 1810 - 2010: Two Hundred Years of Making* (Lancaster, 2010), p.83.

<sup>73</sup> *Ritual of the South Australian United Ancient Order of Druids, 1893*, p.8 (NLA, N336.099423).

<sup>74</sup> *Ibid*, p.9.

<sup>75</sup> *Idem*.

work'.<sup>76</sup> Rechabite lodges were opened with the brethren singing an ode to abstinence, and other rituals inculcated the members in the virtues of temperance.<sup>77</sup> The initiation ceremony of the Grand United Order of Oddfellows warned that 'whoever enters this Order for the mean and selfish object of paying his contributions and receiving its pecuniary benefits, without... aiding in the arduous labours of conducting the business of his lodge, is to be regarded as an unworthy intruder.'<sup>78</sup> All these rituals communicated and instilled certain social norms.

Material culture was another way of signalling the importance of certain values. Yet symbols are elusive for those not instructed in their meaning and it took time and constant reiteration to produce a symbol and make it intelligible. The meaning of the straw bales, a symbol which adorned various pieces of Oddfellow regalia and which emphasised 'strength in unity and cooperation', was all the more forceful because it was steeped in the history of the order. Dispensations sent from England were lavishly embellished with symbols (see **figure 4**). The heart in the hand signified 'kindness and friendship', while the dove and the olive branch denoted 'love and peace'.<sup>79</sup> The beehive represented 'justice as the reward for industry'.<sup>80</sup> The owl emphasised 'wisdom and secrecy' to the member and 'the necessity of keeping the arcana of his lodge to himself'.<sup>81</sup> The terrestrial globes and the eye of providence signalled the universality of the spirit of benevolence and that 'true charity was

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<sup>76</sup> *Rules to be observed by the Friendly Society of the Iron Moulders of Victoria, instituted 11<sup>th</sup> September 1858*, p.26 (ML.331. 7616691/1).

<sup>77</sup> *Initiation Service of the Juvenile Branch of the Albert District, No 83, Independent order of Rechabites, S.U.*, (Adelaide, 1894), p. 2.

<sup>78</sup> Green and Cromwell, *Mutual Aid*, p. 35.

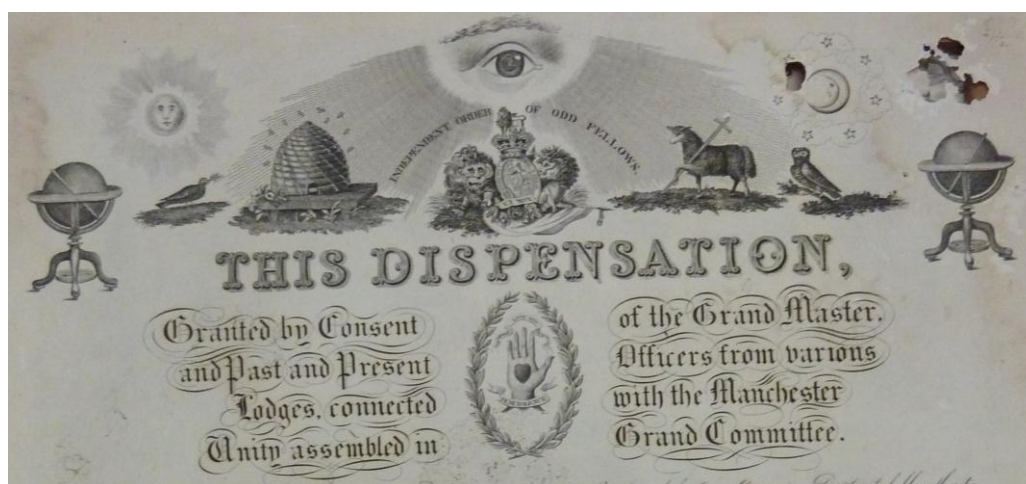
<sup>79</sup> *The Complete Manual of Oddfellowship being a practical guide to its history, principle, ceremonies and symbolism, with a front piece* (London, 1879), p.128.

<sup>80</sup> *Ibid.*, p.129.

<sup>81</sup> *Ibid.*, p.130.

omniscient'.<sup>82</sup> However bizarre, all these symbols communicated the importance of certain values which together elevated the general levels of trust within the lodge.

**Figure 4: Symbols on the dispensation for the establishment of the Loyal Prince of Wales Lodge (MU) in Victoria, 1858.**



*Source: Dispensation for the Loyal Prince of Wales Lodge (MU), Victoria, 1859 (NB.Z262, Item 33).*

Lodges had to be careful that they did not generate the wrong kinds of social intimacy. They may have latched on to the social networks of members but some social relations had to be left at the door if there was a risk of a negative effect. In a reply to the Prince Loyal Albert lodge (MU) the Victoria district argued that a ‘clearance cannot be refused from fractious or personal cause’.<sup>83</sup> To guard against personal vendettas, fines for false or unsubstantiated charges against other members were very high.<sup>84</sup> Additionally the lodge could fine members who divulged the names of those who opposed or voted against a person becoming a member of the Order, as this ‘tended to cause disturbance’.<sup>85</sup> In these cases the fine was 10s for the first

<sup>82</sup> *Ibid.*, p.129.

<sup>83</sup> *Questions and Answers taken from the Boards of the Grand Masters and the Board directors, MUIOOF, from July 1866-July 1874*, p.13. (NB.Z227, Box 430)

<sup>84</sup> Green and Cromwell, *Mutual Aid*, p. 54.

<sup>85</sup> *Idem.*

offense, 20s for the second, and expulsion for 12 months for the third offense.<sup>86</sup> In contrast most fines entered in the Loyal Dimboola Lodge fine book were for between 6p and 1s. Absence of some form usually cost around 6p while arrears were taken more seriously, with 6p to 2s the norm. It was abusive language and false accusations that were taken most seriously, at 10s each.<sup>87</sup> Districts reinforced this price structure. In 1858 the Port Phillip district fined one brother Addison of the Hope of Richmond Lodge 10s for neglecting to attend a summons to give evidence against an individual he had accused.<sup>88</sup>

A more substantial issue was that the kinds of social bonds that lodges generated changed over time as organisational practices changed: ritual declined, participation waned, conviviality and sociability were displaced and the lodge became less central in connecting members together.

Participation in lodge governance declined in the final decades of the 19<sup>th</sup> century.<sup>89</sup> The sentiments of the GM of the Australian IOOF we opened with reflected comments made in 1902 to the *Foresters Review*: '[T]here are many members of the Society... who look on friendly societies as being nothing better than cheap assurance societies, quite forgetting the obligations they took on joining to combine for mutual help in times of need and trouble'.<sup>90</sup> Even earlier than this some officials were bemoaning a lack of participation. One writer in the June 1889 edition

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<sup>86</sup> MUIOOF in Victoria, *Report of the Quarterly Board Meeting, 2<sup>nd</sup> July 1879*, p.13 (NB.Z262, Box 373).

<sup>87</sup> Fine Book of the Loyal Dimboola Lodge, MUIOOF, (NB.Z227, Box 372).

<sup>88</sup> MUIOOF in Victoria, *Proceedings of the Grand Annual Moveable Committee, 29<sup>th</sup> June 1858*, p.4 (NB.Z262, Box 374).

<sup>89</sup> B. James and D. Weinbren, 'Getting a Grip: The Roles of Friendly Societies in Australia and Britain Reappraised', *Labour History*, 88 (2005), pp.95-96

<sup>90</sup> Green and Cromwell, *Mutual Aid*, p.18.

of *The Oddfellows* complained that lodges with between 200 and 400 members were barely able to fill essential positions.<sup>91</sup>

Sociability and conviviality within lodges also declined. In 1883 a Royal Commission of New South Wales found that ‘a large number of the principle societies discouraged... the elements of social enjoyments and conviviality,... which has now given place to a feeling that, to be successful, they must be carried out upon rigorously business principles’.<sup>92</sup> The Juvenile Branch of the Royal Hope of Ballarat Lodge was unusually social, with time allocated for gaming and singing every meeting. Yet even this lodge experienced a decline in participation and officials complained about poor attendance. On the 13<sup>th</sup> of March 1890 the lodge threatened to cancel an anniversary meal ‘unless the members turned up better next lodge night’<sup>93</sup>

A physical testament to the decline in sociability was the replacement of pubs for lodge halls as the meeting places for friendly society lodges. In 1858 seventeen of the twenty MU lodges in the Port Phillip district met in inns, hotels or pubs.<sup>94</sup> This presented landlords with a steady stream of customers, and, unsurprisingly, some were prime movers in founding lodges. In 1871 the Port Phillip district of the MU sanctioned the opening of the Loyal Caledonia Lodge, which was ‘to meet in the house of Bro Robert Smith, known as the St Andrew Hotel’.<sup>95</sup> However by 1883 the Royal Commission observed that ‘societies discourage the meeting of their

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<sup>91</sup> *Ibid.*, p.35.

<sup>92</sup> *Ibid.*, p.29; *Report of the Royal Commission, to inquire into and report upon the working of the Friendly Societies Act*, (Sydney, 1883), p.26.

<sup>93</sup> Minute Book of the Juvenile Branch of the Royal Hope of Ballarat Lodge, MUIOOF, (NB.Z190 Box 12).

<sup>94</sup> *The Proceedings of the Port Phillip District Grand Annual Moveable Committee of the MUIOOF*, 29<sup>th</sup> June 1858, p.11. (NB.Z262 Box 374).

<sup>95</sup> *The Proceedings of the Port Phillip District Grand Annual Moveable Committee of the MUIOOF*, 6<sup>th</sup> December 1871, pp.4-5 (NB.Z262 Box 374).

subordinate branches in public houses, which was at one time almost universal.’<sup>96</sup> In the interim lodges had used their accumulated funds to build halls, like the one built in Digby in 1874. In 1871 one supporter of halls argued that ‘a society, like an individual, is benefitting by halving the feeling of independence derived from the consciousness that the roof under which is its abiding place, is its own, purchased with years of savings, and a memento of the good results following a judicious providence’.<sup>97</sup> However halls were not simply cultural statements of respectability and independence. The same author argued that they would ‘improve the moral standing of the order... and will induce an accession of members, drawn from that most desirable class – young men who have been trained to an abhorrence of the taproom and its associations’.<sup>98</sup> Friendly society halls were architectural monuments to a broader transition in emphasis from piss-ups to premiums.

The decline in traditional forms of friendly society conviviality was part of a deeper transformation in people’s attitudes towards leisure time, and a shift away from active and regular participation in local ‘clubs’ toward the enjoyment of mass commercial spectacles like sports events, music halls or holidays.<sup>99</sup> Friendly society sociability gravitated towards these more coordinated, pre-planned, public and respectable ‘events’. In December 1895 the United Friendly Societies Association held a Sports Day. There were bicycle races, field games and cricket. The event had elite and commercial support; the premier Lord Hamble attended and beer and drugs

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<sup>96</sup> Green and Cromwell, *Mutual Aid*, p.29.

<sup>97</sup> *The Friendly Society Record*, December 1871, p.1 (NLA, FER F6372a).

<sup>98</sup> *Idem*.

<sup>99</sup> Cordery, *British Friendly Societies*, p.137; G. Blainey, *Odd Fellows: a history of IOOF Australia* (Sydney, 1991), pp.78-84.



companies sponsored the event.<sup>100</sup> Events like this were more acceptable than the booze soaked boisterous conviviality of the traditional lodge night. In Queensland Friendly Society day was a public holiday and in 1918 the friendly societies of Toowoomba organised a procession through the town that was enthusiastically attended by the towns folk.<sup>101</sup> Sociability mutated as much it declined. Moreover lodge-level fun never entirely disappeared. In Australia centralised collecting societies with no branches, ritual, regalia or lodge meetings were less successful than in Britain. In South Australia the Cosmopolitan Benefit Society (CBS) was founded in 1879, modelled on the British Hearts of Oak Friendly Society. The latter had 32,000 members in 1908, but the Australian CBS had attracted just 652 members.<sup>102</sup>

While the decline in traditional conviviality was multi-layered the decline in ritual was more straightforward. In 1887 the NSW Manchester Unity district announced that 'IT IS NOW OPTIONAL WITH THE LODGES WHETHER THERE SHALL BE A PROCESSION ON THE DEATH OF A MEMBER. (VIDE FUNERAL RULE NO.17).<sup>103</sup> In 1894 the district regalia of the NSW district of the IOOF was so old that lodges had to provide themselves with their own funeral regalia.<sup>104</sup> This was a trend that stretched back to the 1870s. In a series of correspondence in *The Friendly Society Record* on the topic of 'display vs. economy' one commenter called regalia 'tomfoolery' and 'an expensive and useless piece of humbug'.<sup>105</sup> The author went on to compare a friendly society to an insurance order

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<sup>100</sup> *United Friendly Societies Demonstration, Official Sports Program, Saturday 28<sup>th</sup> 1895*, (ML.Davis Sporting Collection, Box 32, Item 8), p.46.

<sup>101</sup> Green and Cromwell, *Mutual Aid*, pp.29-30

<sup>102</sup> *Ibid.*, pp.36-7.

<sup>103</sup> *Report of the Quarterly Committee of the NSW MUIOOF, March 1887*, p.15. (ML.334/706. 2).

<sup>104</sup> *Report of the Quarterly Committee of the NSW MUIOOF, September 1894*, p.20, (ML.334/706. 2).

<sup>105</sup> *The Friendly Society Record*, May 1872, p. 45 (NLA.FER F6372a).

and argued that regalia had inhibited ‘useful’ members from joining.<sup>106</sup> In a later edition one writer defended regalia for making ‘the initiations pleasing and grand and because... [it] has been one of the many inducements which entices young people to join’.<sup>107</sup> However this past GM from Colleraine was swimming against the tide.

### **From Buninyong to Daylesford**

Testing whether there was a change in the nature of the social bonds between members is difficult.<sup>108</sup> Accessing intimate interpersonal relations is very difficult in the absence of the kinds of survey data available to social scientists today. With historical evidence there is the strong likelihood that there are unobserved and undocumented links between individuals. Much of the above has relied on anecdotal evidence and there is a risk of accepting contemporary accounts at face value. To investigate social networks around lodges one needs to take a microscopic view and engage in a ‘Namierisation of social history’.<sup>109</sup>

The process by which members were admitted into lodges reveals a great deal about the relationships between members. As mentioned, lodges admitted members through proposition and seconding. If participation levels were high and the lodge played important social role in members lives then one would expect a high proportion of members to be recruiters - as they sought to add new members to the

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<sup>106</sup> *Idem.*

<sup>107</sup> *The Friendly Society Record*, July 1872, p.59 (NLA.FER F6372a).

<sup>108</sup> Gorsky, ‘Mutual Aid and Civil Society’ p.321.

<sup>109</sup> P. Corfield, ‘British History: The Exploding Galaxy’, *Journal for Eighteenth- Century Studies*, 34, no.4 (2011), p.520; T. Hitchcock, *Down and out in eighteenth-century London* (London, 2004), pp.xv–xvi, 238–240.

lodge and include their own friends. If ties between members were strong then one would also expect a high degree of interdependency in recruitment pathways; with member A proposing member B, who seconded member C, who was initially proposed by member A. On the other hand if the lodge was peripheral in the social lives of members then one might expect the burden of recruitment to have fallen on a smaller group of individuals with the majority of members joining and never initiating anyone else. One would also expect low levels of interdependency, with members reciprocating less because they were not intimately tied to other members of the lodge.

These interrelated hypotheses can be tested with the proposition books that some lodges kept. Very few of these books still survive and those that do are often incomplete. In the Noel Butlin archive, which has one of the best collections of lodge level manuscript sources available in the world, only four proposition books for the entire MU survive. The books for the Loyal Gordon and Loyal James Roe lodges do not cover long enough periods to be of any use and are almost illegible. The best proposition books are for the Loyal Buninyong Lodge in Buninyong, from 1855-1872, and the Loyal Hand Of Friendship Lodge in Daylesford from 1903-1915. These books record the name of the member being initiated, their age, occupation and current place of residence as well as the names of the proposer and seconder. Through cross-referencing entries I was able to link together most members.<sup>110</sup> These data were then analysed using network software packages.<sup>111</sup>

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<sup>110</sup> Proposition Book of the Loyal Buninyong Lodge, 1856-1873 (NB.Z190, Box 36); Proposition Book of the Loyal Daylesford Lodge, 1904-1914 (NB.Z227, Box 161).

<sup>111</sup> U. Brandes and D. Wagner, 'Visone – Analysis and Visualization of Social Networks', in M. Jünger and P. Mutzel (eds.), *Graph Drawing Software*, (Springer, 2003), pp.321-340.

The comparability of these lodges needs defending. All of the following is at best suggestive. Ideally one would have a proposition book for the same lodge over the entire period. Source survival makes this impossible. However the two lodges were reasonably similar. Both were MU lodges and therefore organisational differences would have been minimal. The Buninyong lodge was founded in 1855 and the Daylesford lodge in 1858.<sup>112</sup> In 1875, the first year for which a membership figure is available for either lodges, the former had 90 members and the latter 252.<sup>113</sup> In 1897 the Daylesford lodge had contracted in size and had 159 members.<sup>114</sup> It failed to send complete returns to Manchester for the majority of the early 20<sup>th</sup> century, and so we do not know how many members the lodge had. However it is likely that it continued to shrink. In 1896 it had 159 members and a capital valuation of £1084. The MU directory of 1903 does not record a membership figure but gives the lodge a capital valuation of £643.<sup>115</sup> This was over a forty per cent reduction in the funds since 1897. To lose that much money the lodge must have had a bad few years of mortality and morbidity, and/or lost a large number of members which depleted its contributions base. Either way it is reasonable to assume that the large depreciation of capital was accompanied by a loss in members. If we make a conservative estimate of a reduction of 20%, then the Daylesford lodge had around 130 members in 1903. Thus whilst the Daylesford lodge was still bigger than the Buninyong lodge, with around 60-90 member, it was probably not that much larger.

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<sup>112</sup> *Statistics of Friendly Societies for the year 1875*, (Melbourne, 1876), p.60.

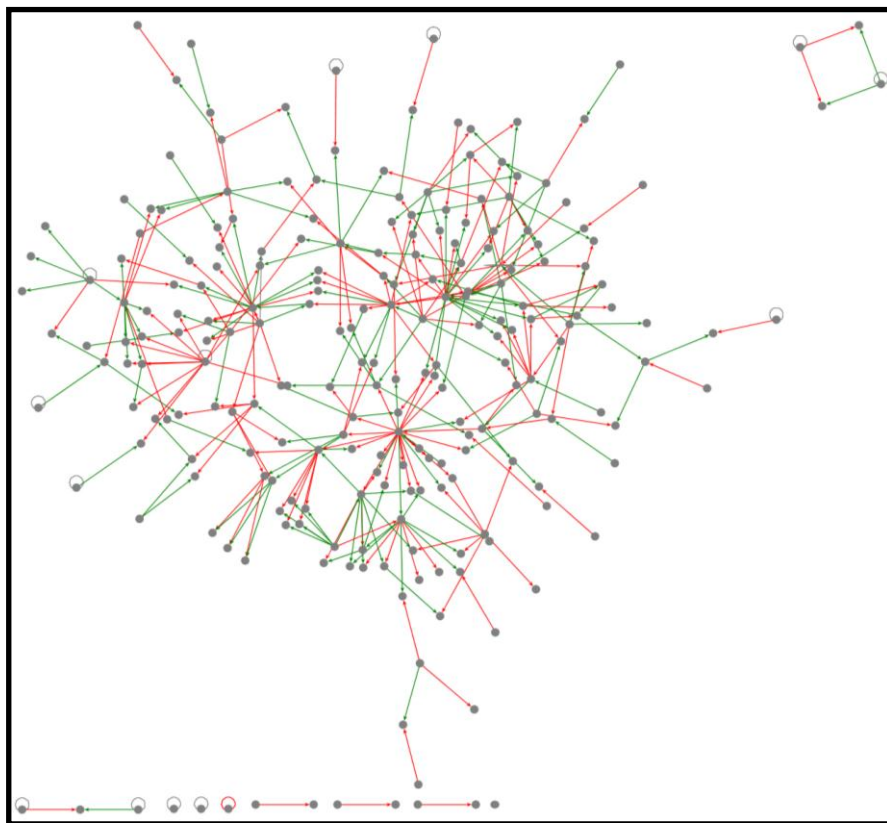
<sup>113</sup> *Ibid.*, p.42.

<sup>114</sup> J.H. Taylor, *Statistics of the MUIOOF in Victoria, 1897*, p.5 in *MUIOOF in Victoria, Proceedings of the Grand Annual Moveable Committee, 15<sup>th</sup>-18<sup>th</sup> March 1898*, (NB.Z227 Box 430).

<sup>115</sup> *Idem*; *A List of the lodges composing the Independent Order of Oddfellows, Manchester Unity*, (Manchester, 1903), p.220 (OA).

These towns were fairly similar. Buninyong, just south of Ballarat, was Victoria's first inland town. In the 1830s and 1840s it was a pastoral settlement but when gold was struck in 1851 it became a mining town. During the 'gold boom' the settlement transitioned into a moderately sized town. In 1871 it had 1,981 residents, 20 hotels and a post office.<sup>116</sup> Daylesford was another 'gold town', which became a municipality in 1859. In the 1860s flourmills were opened and local agriculture emerged. By the early 20<sup>th</sup> century Daylesford had become a spa resort and holiday destination with a population of 3,384.<sup>117</sup> In their respective periods Buninyong and Daylesford were small towns with agriculture, mining and service industries.<sup>118</sup>

**Figure 5: Initiations into the Loyal Buninyong Lodge, 1855- 1872.**



<sup>116</sup> *The Statistical Register for the Colony of Victoria for the year 1875* (Melbourne, 1876), p.12.

<sup>117</sup> *Census of Victoria, Australia*, (Melbourne, 1901), p.22.

<sup>118</sup> R. Appleton and B. Appleton (eds.), *The Cambridge Dictionary of Australian Places* (Cambridge, 1992), pp.49, 86

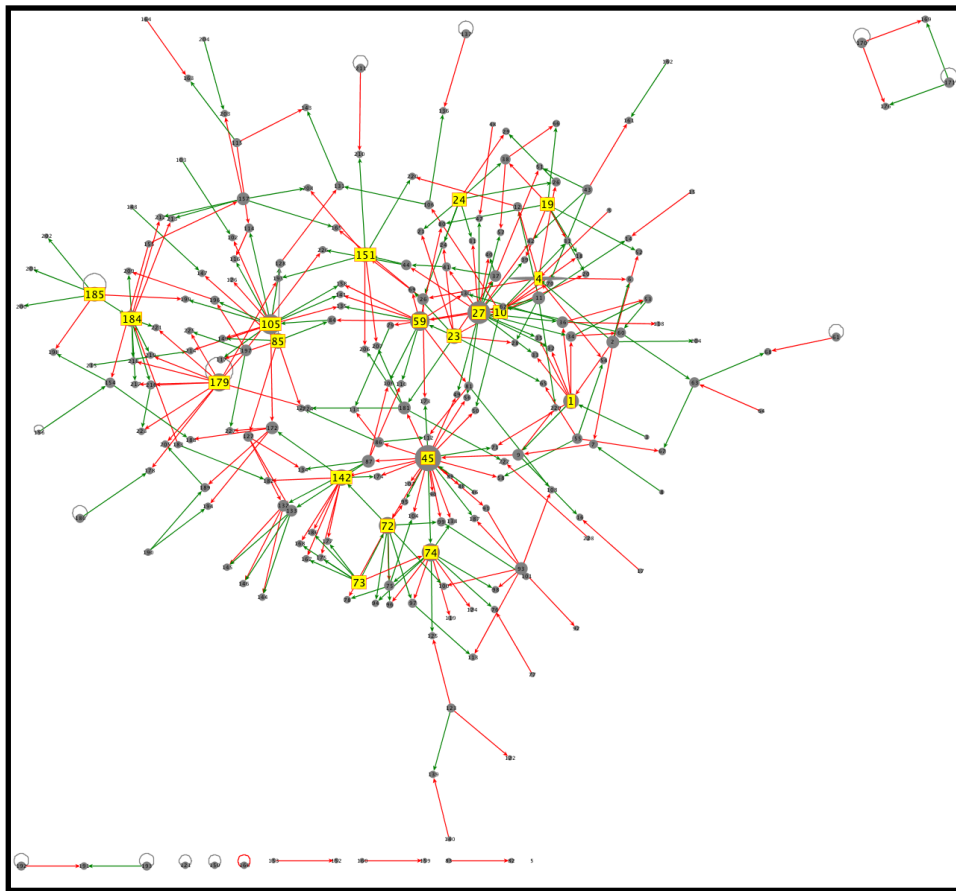
The Buninyong proposition book gives the impression of a lodge with highly connected members (see **figure 5**). Each node is an individual member. Red lines are propositions and green lines are for seconders.<sup>119</sup> Lines are directed with the arrow going from the proposer or seconder to the new member. Ninety-nine of the two hundred and twenty nine (43.2%) members in this network made at least one referral. The time span covered is relatively short, meaning that most members were recruiting within a short time after their own initiation. There are 255 links for which the year of initiation for the recruiting member and year of initiation for the member being recruited is known. Nearly 70% were making recruitments within the first two years of membership, and 22.5% were recruiting within the same year of their initiation (see **Table 1**). This suggests an open lodge structure; a clique of senior members did not control access.

**Table 1: Frequency table for the time lag between entry and recruitment for the Loyal Buninyong Lodge.**

<b>Time lag in years</b>	<b>Frequency</b>	<b>Per cent</b>	<b>Valid Per cent</b>	<b>Cumulative Per cent</b>
0	57	22.4	22.5	22.5
1	77	30.2	30.4	53.0
2	41	16.1	16.2	69.2
3	25	9.8	9.9	79.1
4	22	8.6	8.7	87.7
5	12	4.7	4.7	92.5
6	9	3.5	3.6	96.0
7	1	0.4	0.4	96.4
8	1	0.4	0.4	96.8
9	2	0.8	0.8	97.6
10	1	0.4	0.4	98.0
11	3	1.2	1.2	99.2
12	1	0.4	0.4	99.6
16	1	0.4	0.4	100.0
Total	253	99.2	100.0	
Missing	2	0.8		

<sup>119</sup> Loops are for members that cleared lodges.

**Figure 6: Initiations into the Loyal Buninyong Lodge, 1855-1872, with lynch pin members highlighted and the area of nodes expressing ‘node centrality’.**



However **figure 6** demonstrates the importance of certain lynch pin members. In this image the area of each node expresses ‘node centrality’.<sup>120</sup> Larger nodes represent more ‘central’ individuals with more connections. These nodes have been highlighted with larger yellow labels. **Table 2** gives information on the twenty most important members. Some, like Peter Hedwick, Skinner and Sawyer, were amongst the first members of the lodge. Yet first movers did not dominate. William Ralph and John Bradshaw were 47<sup>th</sup> and 30<sup>th</sup> to be initiated but were the most important recruiters. In terms of occupation these members were not from higher status occupations. Ralph was a digger, Bradshaw a carpenter, Scott a mason and Stanford

<sup>120</sup> Centrality measures the number of nodes each node is connected to, see S. Wasserman and K. Faust, *Social Network Analysis: Methods and Applications* (Cambridge, 1994), pp.169-173.

and Hickson were miners. Other lynch pin members were in occupations that one would expect to have been important in community life; Conrad Young was a barman, Peter Hendrick a shopkeeper, and Robottom a baker.

**Table 2: Lynchpin members of the Loyal Buninyong Lodge.**

Name	Degree of Centrality	Order of Introduction	Occupation	Age on initiation	Residence
William Ralph	25	47 <sup>th</sup>	Digger	22	Blackhead
John Bradshaw	19	30 <sup>th</sup>	Gardiner	25	Buninyong
Joseph Martin	15	105 <sup>th</sup>	Carpenter	23	Buninyong
Thomas Piggott	14	59 <sup>th</sup>	Coach Builder	22	Buninyong
John Scott	12	74 <sup>th</sup>	Mason	29	Blackhead
P.G Graham	12	179 <sup>th</sup>			
Charles Stanford	11	72 <sup>nd</sup>	Miner	29	Blackhead
Ed Hickson	10	142 <sup>nd</sup>	Miner	34	Blackhead
Archibald Millar	10	184 <sup>th</sup>	Teacher	21	Buninyong
Robottom	9	14 <sup>th</sup>	Baker	34	Buninyong
George Sayer	9	9 <sup>th</sup>		26	Buninyong
William Minikinnick	9	85 <sup>th</sup>			
Kinlock	8	15 <sup>th</sup>	Carpenter	35	Buninyong
Peter Hendrick	8	19 <sup>th</sup>	Store Keeper	21	Buninyong
Skinner	8	8 <sup>th</sup>	Carpenter		Buninyong
Conrad Young	8	151 <sup>st</sup>	Barman	20	Buninyong
Kilminster	8	185 <sup>th</sup>			
Fowler	7	10 <sup>th</sup>			
S Hunt	7	73 <sup>rd</sup>			
Peter Hedwick	6	1 <sup>st</sup>			

Did social capital beget social capital? One way of tackling this question is to ask whether the degree of node centrality of a proposer influenced the node centrality of the new member. Did new members replicate the behaviour of their sponsor? In the



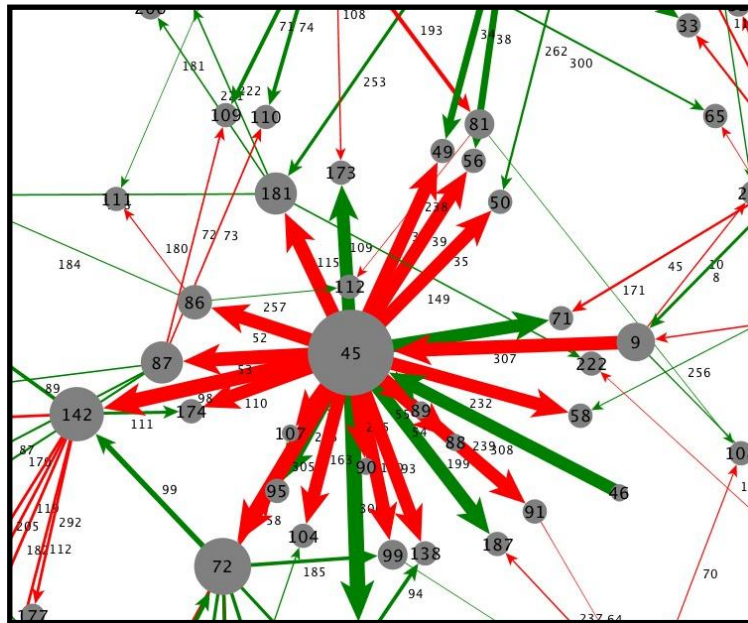
case of the lynchpin members this does not seem to have been the case. William Ralph was recruited by individuals with very low degrees of centrality (five for his seconder and one for his proposer). **Figure 7** focuses in on William Ralph (node 45). The width of the link represents the importance of that link in the overall network. Node 46 seconded Ralph and although he did not make any other referrals the link width is large because of the importance of Ralph. This indicates both the importance of individual agency and the complexity of the network. The overall correlation results for the entire lodge are inconclusive (see **table 3**). There is a very weak and positive correlation of the degree of centrality of the proposer and the seconder, suggesting that important recruiters sometimes worked together. Normally they did not. There is no evidence that new members copied the recruitment practices of their sponsors. However reciprocation was embedded in the lodge in other ways. Many members went on to recruit new members and often in collusion with the members who had admitted them. In 1864 William Ralph proposed Edward Dickson, a miner, who in turn seconded Henry Waite, a Butcher, who had been initially proposed by Ralph. The complexity of the network is a result of these kinds of triangles and extended loops – or what network theorists term ‘clustering’.

**Table 3: Degree of centrality correlations for the Loyal Buninyong Lodge.**

	<b>Degree of centrality of initiated</b>	<b>Degree of centrality of proposer</b>	<b>Degree of centrality of Seconder</b>
<b>Degree of centrality of initiated</b>	1		
<b>Degree of centrality of proposer</b>	0.031 (0.689)	1	
<b>Degree of centrality of Seconder</b>	-0.35 (0.660)	0.163* (0.044)	1

*Sig. (2-tailed) in parenthesis. \* Correlation is significant at the 0.05% level (2-tailed).*

**Figure 7: William Ralph (node 45) and his network.**



What connected proposers, seconders and new members? New members were not from an age group similar to those who guided their passage into the lodge (see **table 4**).

**Table 4: Age correlations for the Loyal Buninyong Lodge**

	Age of initiated	Age of Proposer	Age of seconder
Age of initiated	1		
Age of Proposer	-0.099 (0.302) N = 110	1	
Age of seconder	0.089 (0.387) N = 96	0.204 (0.090) N = 70	1

*Sig. (2-tailed) in parenthesis. Note: Age of proposer and seconder refers to their age at the time of proposing others, not their age on entry.*

The age of proposers and seconders was more correlated, but still only slightly and none of these correlations are statistically significant. In this lodge, where lots of members were involved in initiations, there does not seem to have been any homophilic age tendency. If members initiated members of a similar age then there was a potential that recruitment would catalyse the aging process. However these

correlations suggest that lodges overcame this particular aspect of adverse selection.<sup>121</sup>

Occupation had a clearer effect, but the correlations are still weak (see **table 5**). The strongest correlation was between the occupation of initiated and the occupation of seconders. However all of these effects are weak, suggesting that links were not made through the workplace.

**Table 5: Occupation correlations for the Loyal Buninyong Lodge**

	Occupation of initiated	Occupation of Proposer	Occupation of Seconder
Occupation of initiated	1		
Occupation of Proposer	0.211* (0.027) N=110	1	
Occupation of Seconder	0.536** (0.00) N = 93	0.380** (0.001) N=71	1

*Sig. (2-tailed) in parenthesis. \* Correlation is significant at the 0.05% level (2-tailed).*

*\*\* Correlation is significant at the 0.01% level (2-tailed).*

The effect of residence was stronger when it came to seconding than proposing (see **table 6**). Yet the coefficients are lower than expected given that there were only ten areas listed in the proposition book. Members recruited individuals from different residential areas.

**Table 6: Residential correlations for the Loyal Buninyong Lodge**

	Residence of initiated	Residence of Proposer	Residence of Seconder
Residence of initiated	1		
Residence of Proposer	0.256** (0.006) N = 114	1	
Residence of Seconder	0.431** (0.000) N = 106	0.453** (0.000) (N=75)	1

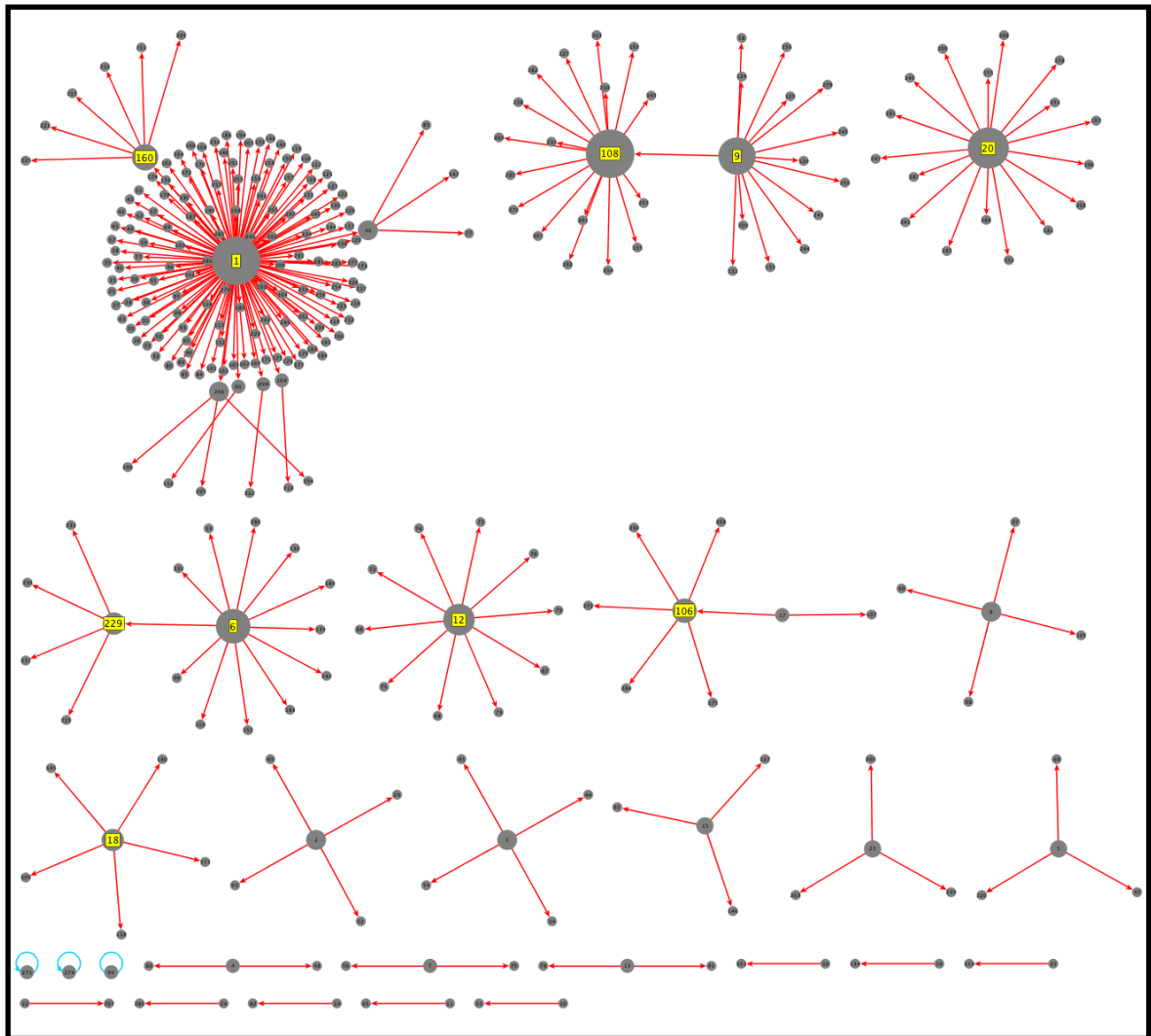
*Sig. (2-tailed) in parenthesis. \* Correlation is significant at the 0.05% level(2-tailed).*

*\*\* Correlation is significant at the 0.01% level (2-tailed).*

<sup>121</sup> McPherson, M. *et al.*, 'Birds of a Feather: Homophily in Social Networks,' *Annual Review of Sociology* 27, no.1 (August 2001), pp.415-444.

Initiations into the Daylesford lodge between 1903-1915 looked completely different. **Figure 8** shows a highly atomised lodge. The vast majority of members were not connected to any other member in initiating new recruits. Only 33 of the 302 members made a proposition. One obvious difference to the Buninyong lodge was that there was no seconding. This undermined interconnection. There are only nine cases where new members went on to make a proposition themselves. The vast majority of members were duds who did not take any responsibility for recruitment. Moreover very little triangular or extended interconnection existed between members.

**Figure 8: Initiations into the Loyal Daylesford Lodge, 1903-1915, with lynch pin members highlighted and the area of nodes expressing node centrality.**



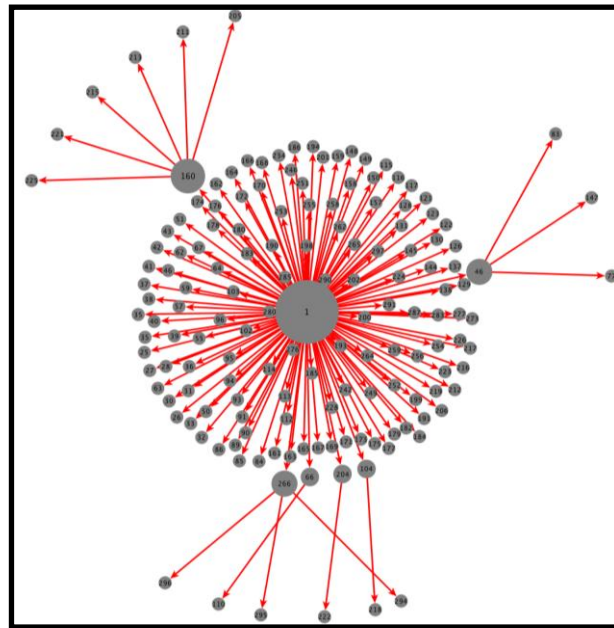
Lynchpin members, highlighted in yellow in **figure 8**, were much more important in Daylesford than in Buninyong. **Table 7** shows the most important twelve members in the network. The degree of centrality figure for the most important member, Charles Matheson (identity number 1) was much larger than for William Ralph. Matheson, Cox, Green, Wahwoods, and FM Matheson (Charles Matheson’s first brother) were early-comers who entered the lodge before the proposition book began and therefore we know little about their own paths into the lodge. However it was not impossible for newer members to make initiations. WR Matheson, another of Charles Matheson’s brothers, was able to make initiations despite entering the lodge much later. Henry Smith and Massey were important recruiters and they were also late-comers. Moreover what occupation information we have indicates that lynchpin members were not necessarily of higher socio-economic status. Massey and WR Matheson were both general labourers.

**Table 7: Lynchpin members of the Loyal Daylesford Lodge.**

<b>Name</b>	<b>Intro Order</b>	<b>Degree of centrality</b>	<b>ID number</b>	<b>Age on Initiation</b>	<b>Occupation</b>
Charles Matheson	1	138	1	24	
William G Roure	112	18	108	19	Stoker
EB Baldwin	20	17	20		
Charles Trotter	9	14	9		
Wahwoods	6	12	6		
FM Matheson	12	10	12		
WR Matheson	163	7	160	18	Labourer
Massey	110	6	106	22	Labourer
Rea	18	5	18	19	
Henry Smith	231	5	229		Miner
AE Green	2	4	2		
GH Cox	3	4	3		

Unlike in Buninyong very few members of the Daylesford lodge replicated the practices of their own sponsors. The focus on the network around Charles Matherson is illustrative (see **figure 9**). Only 6 of the 139 members who Matherson proposed went on to propose again. In all of these cases the initiation chain went dead straight away.

**Figure 9: Charles Matherson (node 1) and his network.**



It is not worth attempting correlation analysis because we have such scant information on lynchpin members. Correlations of the age of proposer and the initiated are inconclusive (see **table 8**). As in Buninyong, this is suggestive in itself. In both lodges there is no evidence for homophilic tendencies, where members initiated individuals with similar characteristics to themselves.

**Table 8: Age correlations for the Loyal Daylesford Lodge.**

	Age of Initiated	Age of Proposer
Age of initiated	1	
Age of Proposer	0.078 (0.311) N = 169	1

*Note: Age of proposer and seconder refers to their age at the time of proposing others, not their age on entry.*

Network analysis indicates that the relationships between members within each of these lodges were very different. In Buninyong the majority of members took responsibility for recruitment. In Daylesford only a few members proposed anyone. In Buninyong complex webs tied members together. Most individuals had put their name forward for a new member who in turn was connected back to them by the referrals they made. In Daylesford members were atomised. It could well be that they were intimate outside the lodge, but their connection does not show up as visible within the lodge. It is unlikely that one of the men proposed by Charles Matheson had any connection with those proposed by EB Baldwin. The lack of a seconding system was the major force behind this difference - it halved the number of connections possible. However it does not explain why so few members made propositions. The difference between Buninyong and Daylesford suggest that contemporaries were correct; between 1850 and 1914 participation waned and the social ties between lodge members thinned. Obviously this is a tentative claim because data is so scarce. The preceding has sketched a methodology for analysing lodge level relations and the network connections between individuals that the concept of social capital is built upon. With more data collection it is hoped that we will be able to make more conclusive claims in future work.

### **Conclusion**

A remaining question is whether the move towards an insurance company model of organisation was a cause or a consequence of the decline in sociability. It could be that the decision to build halls, actuarially price contributions, remove ritual and constrain conviviality had a path dependent effect on lodge level relations. Yet it

is impossible to isolate cause and consequence because all of these changes mutually reinforced one another.

One hypothesis is that as lodges became increasingly important as insurers their social importance declined.<sup>122</sup> In the four biggest affiliated orders in the colony the average number of sick days per member steadily increased (see **figure 10**) in the last quarter of the nineteenth century. These societies became more important for members' welfare. In Emery and Emery's distinction Australian friendlies were 'Old Men's Benefit Societies'. The North American IOOF was a 'young man's society'; members joined for sickness insurance cover while young because alternative insurance strategies, such as personal savings and/or family support, were not available. Members left as they aged.<sup>123</sup> The reverse was true in Australia. Some sample actuarial valuation tables published by the registrar of Victoria give the average age of lodge members and withdrawers. In every society the average age of those remaining in the lodge was greater than the average age of withdrawers (see **figure 11**).<sup>124</sup> The reverse was true in Emery and Emery's data.<sup>125</sup> The demand for friendlies in Victoria came from the old. As the entire population aged it is reasonable to assume that this demand increased. At the same time average lodge size increased, which reduced the potential for social intimacy. Although this was a trend effecting all the societies in Victoria the affiliated orders experienced it more acutely (see **Figures 2 and 12**). The reduction in average lodge size in the 1890s was a

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<sup>122</sup> Gorsky, 'Mutual Aid and Civil Society,' p.322.

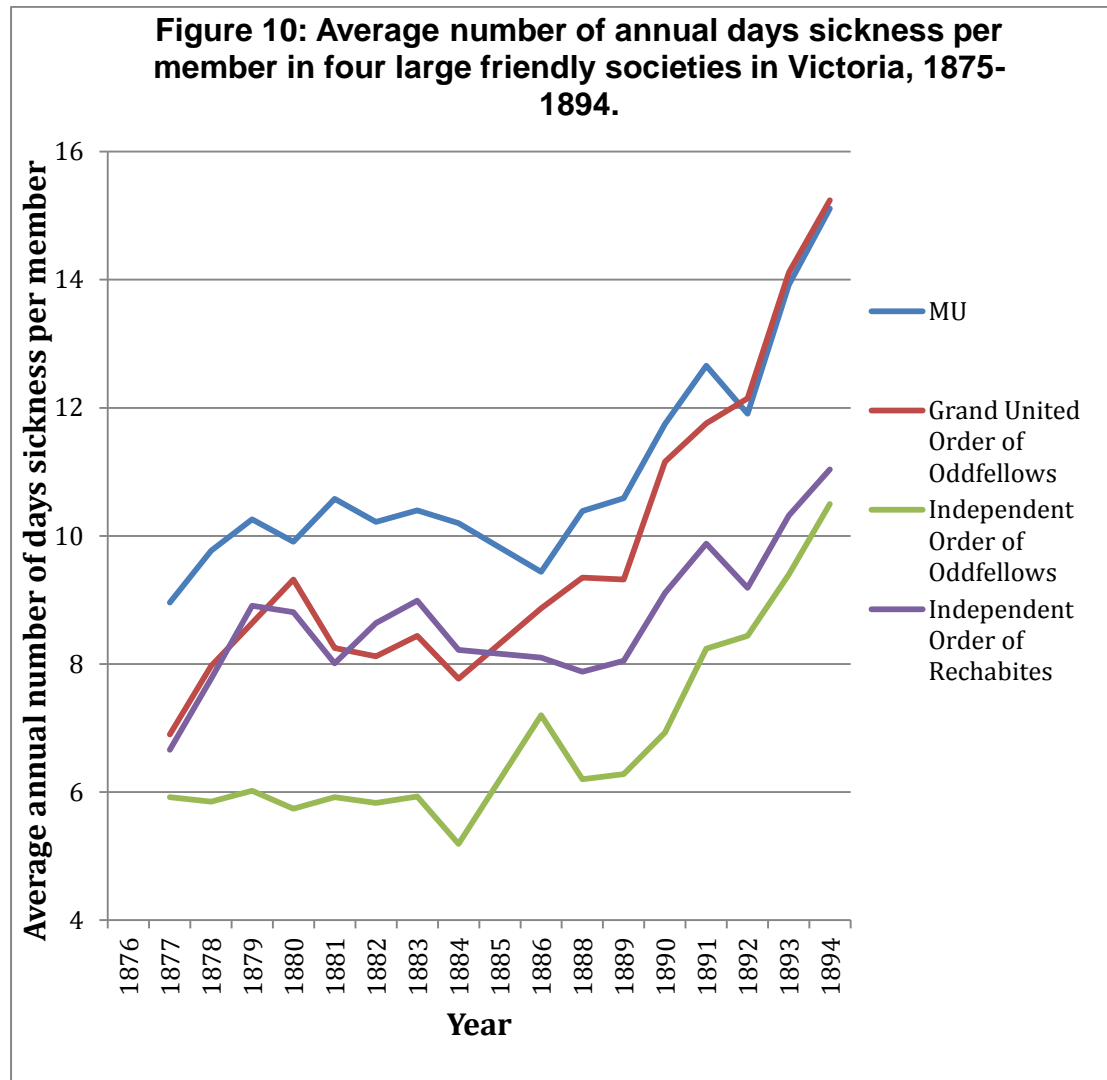
<sup>123</sup> G. Emery and H. Emery, *A Young Man's benefit: the independent Order of Odd Fellows and sickness insurance in the United States and Canada, 1860-1929*, (Montreal, 1999) pp.4-5, 39.

<sup>124</sup> Taken from the volumes of *Annual Reports of the Government Statist in Connection with Friendly Societies*, 1881-1894 in volumes of *The Statistical Register for the colony of Victoria*, (ML.Q319 2/V).

<sup>125</sup> Emery and Emery, *A Young Man's benefit*, p.39.

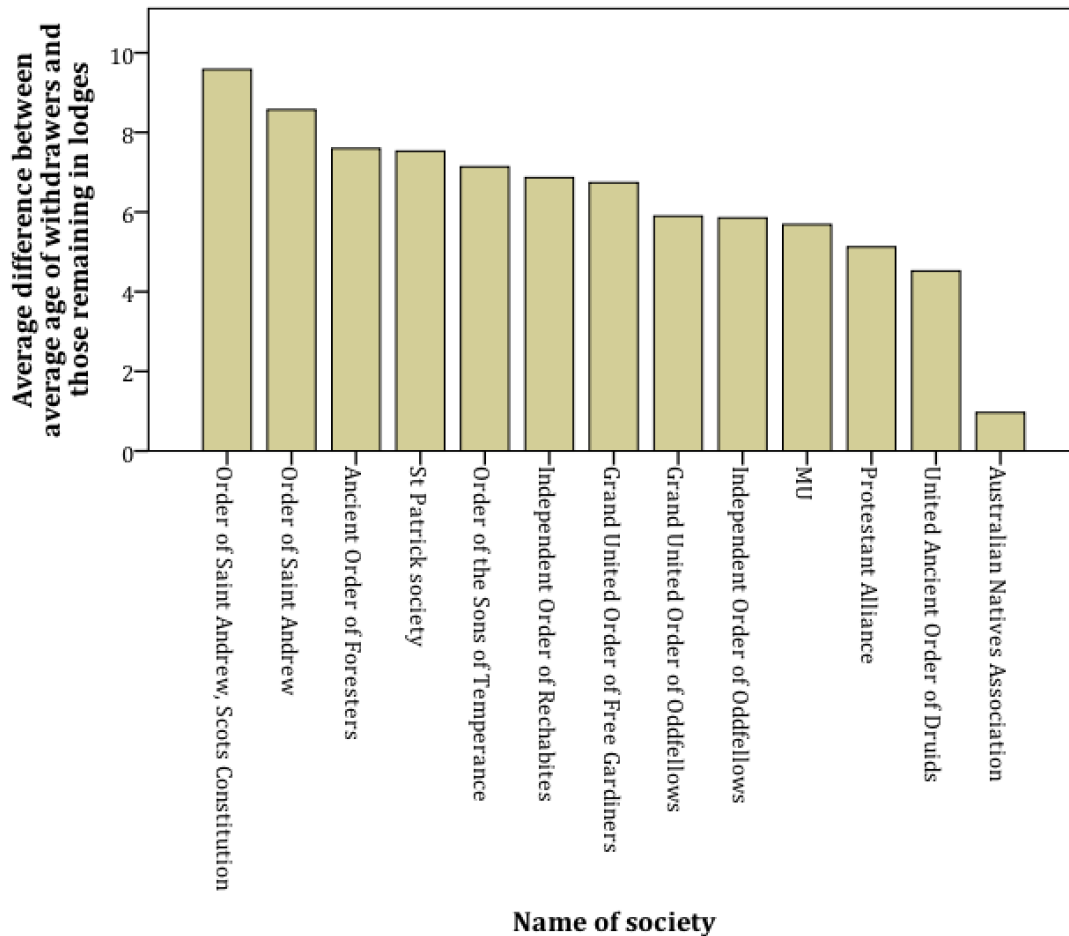


consequence of many members leaving friendlies because of the depression. However the general trend was upward.



Source: Taken from successive volumes of *Statistics of Friendly Societies*, in *The Statistical Register for the colony of Victoria*, (ML.Q319 2/V).

**Figure 11: Average age of lodge minus average age of withdrawers from lodges in several friendly societies in Victoria, 1880-1890.**

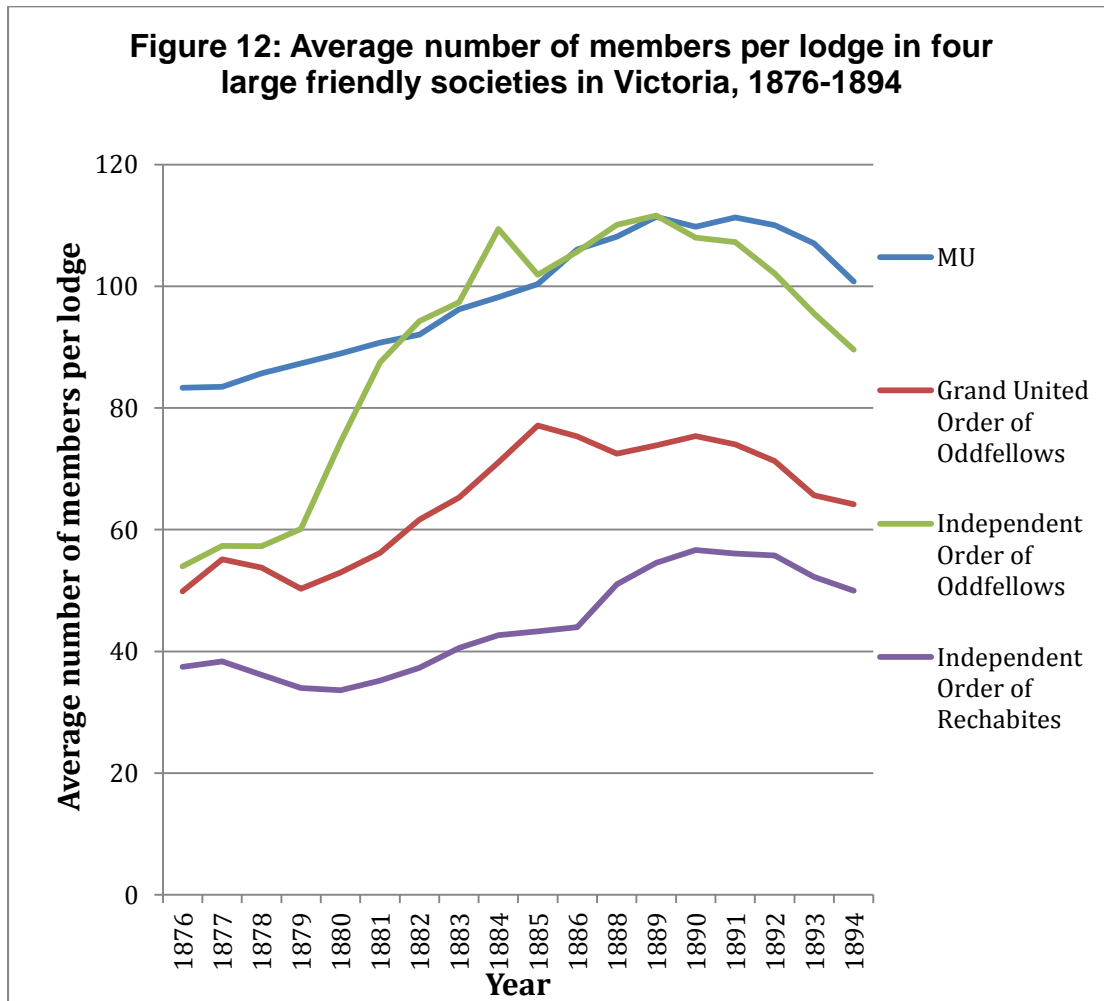


*Source:* Taken from successive volumes of *Statistics of Friendly Societies*, in *The Statistical Register for the colony of Victoria*, (ML.Q319 2/V).

As members aged the importance of friendlies increased, but as lodges grew, thick bonds were eroded. It is unlikely that modernisation was imposed on an inert and unwilling membership.<sup>126</sup> If officials had eroded sociability they had done so in collusion with these broader trend. In 1901, in a dispute over officers' fees, one member of the Australian Natives Association summarised the general mood; 'if there is anyone who likes to strengthen the feeling of brotherhood I am that man, but we

<sup>126</sup> B. Glenn, 'The Rhetoric of Fraternalism: Its Influence on the Development of the Welfare State, 1900-1935', *Studies in American Political Development*, 15, no.2 (2001), pp.220-233.

have got to think of the pounds, shillings and pence'.<sup>127</sup> Friendlies had become self-consciously business like. In 1892 the historian of the Court Perseverance branch of the AOF argued that 'woodwards' should be paid because 'though philanthropy is much to be admired, we must not forget that... we are purely a business Society or, in other words, an Assurance Society'<sup>128</sup>



Source: Taken from successive volumes of *Statistics of Friendly Societies*, in *The Statistical Register for the colony of Victoria*, (ML.Q319 2/V).

The social capital generated by friendlies declined over the long nineteenth century. In fact this stock of social capital was a bi-product of the organisational form

<sup>127</sup> *Australian Natives Association, NSW, Proceedings of them First Section of Representatives Held at the Board's Room, Sydney, Monday 10<sup>th</sup> and Tuesday 11<sup>th</sup> June 1901*, p.12 (NLA.PETHPAM 386), p.12.

<sup>128</sup> F.L. Plastrier, *A Short History of Court Perseverance, 2727, of the Ancient Order of Foresters*, (Melbourne, 1892).

of the lodge, generated to maintain the functionality of friendlies. As lodges changed and the scale of the collective action problem increased, societies modernised. Social capital was squandered but the defining purpose of friendly societies, to cope with life-cycle risks, was safeguarded. In this sense the move from volunteerism to compulsion in the 20<sup>th</sup> century welfare reforms was part of the long quest to minimise the negative impact of illness and infirmity. Any social capital lost in the process was incidental.

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