

8 Conclusion

NOW that 150 years have passed since the Liverpool and Manchester Railway first opened its doors to the public, it is all too easy to underestimate the role of the railways in the Victorian economy. Railways were more than a technologically superior mode of transport which reduced costs and facilitated the speedier, more reliable movement of passengers and freight. They were also a major industry in their own right and the first example of large-scale enterprise in the United Kingdom. Their promotion and construction in the forty years after 1830 had important linkage effects on several industries – notably iron and coal – and helped to transform financial institutions and the habits of savers. Any dissatisfaction we may have with the ‘social saving’ method of calculating their impact should not lead us to minimise their undoubted contribution to economic growth in the mid-nineteenth century. And whatever their difficulties in the years after 1870, there can be no dispute about their continuing relevance to industrial and commercial development. It is true that in the period 1870–1914 we may find the origins of many of the industry’s more enduring problems and, in particular, the obvious conflict between a ‘market’ approach to transport provision and the ‘public service’ environment encouraged by government and interest-groups. However, before 1914 these were largely masked by the companies’ ability to provide reasonable returns for investors while at the same time they so clearly dominated inland transport.