Barnett Freedman was born in May 1901, at Stepney, in the East End of London, to Jewish-Russian parents who had arrived in England in 1896. One of five children, Barnett's childhood was one of chronic ill-health, with long periods spent in hospital. Despite this handicap, by the time he started work as an office boy at the age of fifteen, Barnett was well-read, had practised painting and drawing, and was also able to acquit himself competently on piano, violin and viola. It would appear that despite the circumstances in which his parents had arrived as political refugees, the family did not have to endure the grinding poverty which was then experienced by the majority of London's East End population.

After a short period as office boy, Barnett became a junior draughtsman to a monumental mason where he was employed in making designs for tombstones. Two years later, he moved to an architect's practice where he spent his time lettering the long lists of the fallen in such a manner as they could be cut into the stone of the First World War memorials which were to be erected subsequent to the Armistice of 1918. This repetitious work was to prove beneficial when he was able to demonstrate his genius in combining illustration and hand-lettering for the bookjackets of leading London publishers.

While fully occupied during the day, Barnett attended evening classes at St Martin's School of Art. He made three failed attempts at London County Council scholarships to the Royal College of Art, before its Principal, William Rothenstein, saw his portfolio and overcame the objections of an adjudicator. A grant of £120 per annum enabled Barnett to join the company of a talented group which included Edward Bawden and Eric Ravilious. Although the majority of the students came from middle-class families and were more sophisticated in their behaviour, Barnett, although naturally shy, was able to hold his own with a natural cockney wit, which never deserted him. Rothenstein later memorably described him as 'the grousing genial leader of opposition to authority, the past, to everything established'.

Nevertheless, Freedman followed the normal syllabus with assiduity, while falling in love with a fellow student, Claudia Guercio, whose father, Vincenzo, was a member of a Sicilian family that exported fruit to England through the port of Liverpool. Vincenzo married the daughter of John Varwell of Brixham, whose family operated the ships which transported the Guercio fruit. Claudia and her brother Francis were born in England but grew up in Italy before moving to Liverpool to complete their education. From school, Claudia joined the Liverpool School of Art, then progressing to the Royal College of Art. Because of possible parental disapproval, Claudia and Barnett married secretly in 1924, and again, with parental blessing, in 1930. On leaving the College in 1925, the couple took rooms in Euston Road and endured hard times, with Barnett again spending considerable