

Component 2S: Depth study: The Making of Modern Britain, 1951–2007

Part one: building a new Britain, 1951–1979

1. Watch the first episode of Andrew Marr’s ‘The History of Modern Britain’ on the link below. If the link doesn’t work, Google ‘Andrew Marr History of Modern Britain watch online’ and this should be the first link. You can also buy the DVD of course.

<http://britain.docuwat.ch/videos/history-of-modern-britain/history-of-modern-britain-01-advance-britannia-1945-1955->

This will give you essential background knowledge for the start of the course, and should enable you to judge how effective the Attlee governments were, which will be the key question for your first lesson. **As you watch, complete the mindmap you have been given.** Use different colours for each section. You then need to read the extract from the Connell Short eGuide to Britain after WW2. You can use this to add to your mindmap, make separate notes or annotate/highlight it.

2. You have also been provided with a wider reading list for the course. The more reading you can do before and during the course, the better. The best book to read at this stage to get an overall understanding is Andrew Marr *A History of Modern Britain* – this covers the whole period of the course (AS and A2). You can also watch Episodes 2-5 of the TV series using links from the page above.

3. You need to find the meaning/definitions of these key political terms:

- Left Wing and Right Wing _____

- Socialist _____

- First past the post _____

- Conservative Party _____

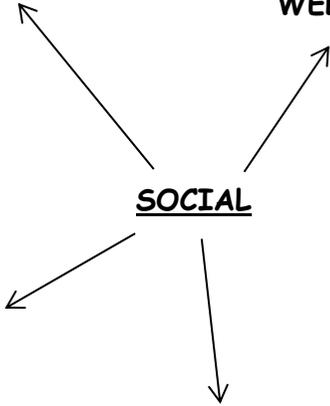
- Labour Party _____

- Liberal Party _____

Black Market

WELFARE STATE

SOCIAL



Rationing

Diet

Marshall Aid - USA

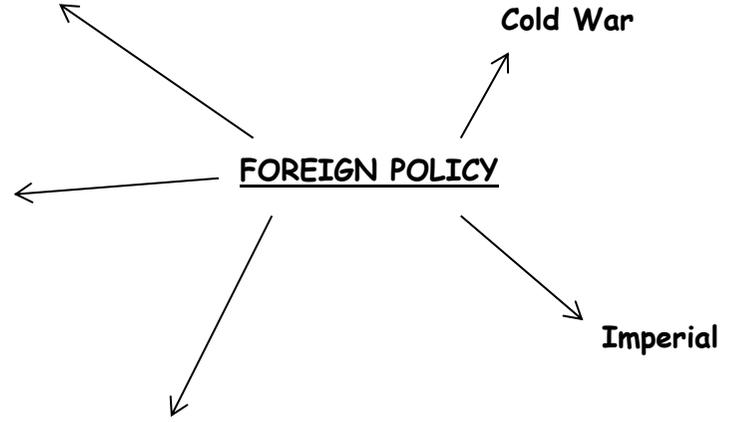
Cold War

FOREIGN POLICY

Europe

Korea

Imperial



Attlee Governments, 1945-51

General - comments made re.
GB post-war:

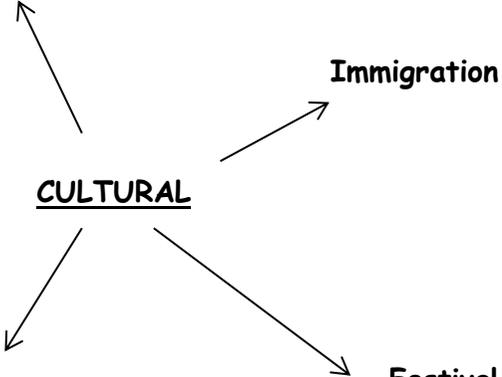
Cinema

Immigration

CULTURAL

Fashion

Festival of Britain



US loans

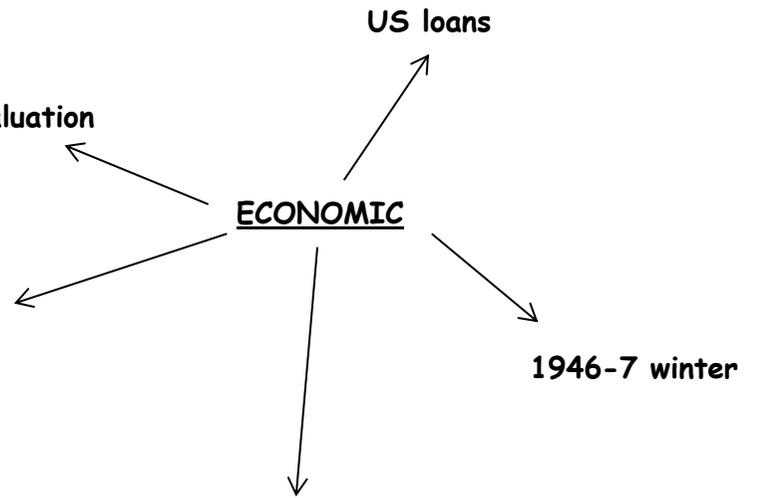
Devaluation

ECONOMIC

Nationalisation

1946-7 winter

1947 Convertibility Crisis



POLITICAL

Party Divisions



Adapted from Connell Short eGuide to Britain after WW2. You can use this to add to your mindmap, make separate notes or annotate/highlight it.

In 1945, Britain emerged from the most devastating war it had ever seen. Though victorious, the country was severely in debt, had suffered major structural damage from German bombing, and found its world status overshadowed by the rise of the United States and Soviet Union as superpowers. Yet the 20 years that followed were some of the most successful in British history. The creation of the welfare state marked a new chapter in the relationship between state and society, providing Britons with greater economic security than ever before. The 1940s were a time of austerity, but 1950s were a time of affluence; Jim Tomlinson describes the 1950s and 1960s as “the most successful period of British economic performance ever”. Real wages grew rapidly, while unemployment never rose above 2%, the lowest level of any sustained period between 1870 and 2000.

In the wider world, Britain found itself in a more challenging position. The 1956 Suez Crisis dramatized “the limits of post-war British power”. The decision to abstain from discussions about European integration left Britain side-lined, beginning the troubled relationship with Europe that continues to the present day. Decolonisation brought independence to much of the empire in a somewhat painful, haphazard process forced more by pragmatism than enlightened political choices. Despite this, the development of British nuclear weapons in the 1950s ensured the country’s continued status as a major world power.

Why did Labour win the election in 1945?

The general election of 5th July 1945 delivered a sweeping landslide to Clement Attlee’s Labour Party, which attained 393 seats to the Conservatives’ 197. The result astonished many, in light of Churchill’s huge wartime popularity, but it reflected the population’s growing mistrust of Conservative policy-making, and the association of the party with the Great Depression and the appeasement of Germany in the 1930s. Churchill also did himself a disservice during the election campaign by claiming during a radio broadcast that Labour would have to introduce “some form of Gestapo” to govern Britain, a comment that, unsurprisingly proved deeply unpopular. By contrast, under the slogan “Let us Face the Future Together”, Labour promised people greater economic security, ranging from full employment to the adoption of the 1942 Beveridge Report’s recommendation for comprehensive, ‘cradle to grave’ social insurance.

Labour also committed itself to the nationalisation of major utilities, such as gas, electricity, transport and the Bank of England. Though, nominally, the party delivered on this promise, government responsibility for utilities remained a grey area during Labour’s incumbency- most of them were run by semi-autonomous public corporations rather than directly by the government.

Labour’s greatest success, once in power, was the creation of the welfare state. British public opinion had shifted to the left during the war. The wartime coalition government responded by expanding state welfare provision, promising free secondary education up to the age of 15 in 1944 and the provision of family allowances in 1945. After the war, Labour expanded on this foundation, raising the school leaving age to 15 in 1947, for instance. Its efforts culminated in 1948, with the creation of three organisations that changed the face of the nation: The National Health Service, National Insurance, with individuals paying a flat rate insurance contribution to be eligible for flat rate pensions, sickness benefit, unemployment benefit, and funeral benefit; and National Assistance, giving financial help to those with no other source of income.

Historians have, broadly, perceived these events as an extraordinary and successful new departure. Peter Baldwin claimed they were “an historic event equivalent in importance and stature to the French and Russian Revolutions”. However, politically right-wing commentators, such as Corelli Barnett, have contended that excessive spending on these welfare institutions contributed to Britain’s economic decline.

The development of infrastructure for the new welfare state was hampered by economic conditions. Benefit levels remained low, and hospital and education services operated from run-down buildings with little imminent prospect of renovation. House building also stagnated: despite war damage and population growth, between 1944 and the end

of 1947 fewer than 200,000 permanent dwellings were built. From 1948 to 1951, only 200,000 further homes were added each year. By 1951, there was a shortfall of a million houses. This reflected a post-war economy in serious crisis. The historian Martin Francis writes that between 1945 and 1951 “Britain walked on a knife edge between economic recovery and collapse.” During the war, Britain had diverted exports into the war effort (exports were a third of their 1939 level in 1945), sold off foreign assets and accumulated large debts (sterling balances) with India, Egypt, and other colonies. The result was a post-war crisis in the balance of payments. The government tried to solve this by boosting exports and reducing imports. It did this by prioritising the building of industrial and commercial buildings, and imposing a policy of domestic austerity to reduce consumption, including continuing wartime rationing. Prime Minister Clement Attlee warned: “It is vital to realise that we have come through difficult years and we are going to face difficult years and to get through them we will require no less effort, no less unselfishness and no less work than was needed to bring us through the war.”

Other crises hampered Britain’s recovery. The Lend-Lease agreement with the United States was terminated on 29th August 1945. The large quantity of goods still in transit from America had now to be paid for in dollars, which was a great economic shock. Breathing room was gained by the Anglo-American loan agreement (1946), by which Britain received \$3.75 billion (equivalent to \$57 billion today) from the US. But there was a hugely problematic condition with the loan. Until 1947, foreign nations were not allowed to change their sterling balances into other currencies, as it was feared that this would drain Britain’s reserves. Under the terms of the American loan, however, sterling had to become convertible by 1947. As soon as currency conversion was permitted, holders of sterling balances rushed to exchange them for dollars. Within a month, nearly a billion dollars had been drawn from Britain’s dollar reserves. This crisis forced the government to abandon the permission it had given for currency conversion and to make huge cuts to its expenditure.

In spite of this, economic historian Catherine Schenk argues that by 1948 the British economy had begun “to turn the corner from austerity to growth”. In large part, this was due to yet another American initiative: as part of the Marshall Plan to help rebuild European economies after the war the US gave Britain around \$2.7 billion between 1948 and 1950. In addition, in 1949 the pound was devalued from \$4.03 to \$2.80. Although this was damaging to the attempt to maintain sterling as a global reserve currency (which depended on maintaining the value of sterling), it made British exports far more competitive abroad, especially so since Germany and Japan had yet to reorganise their economies to compete effectively. The year 1948 also saw the “Bonfire of Controls”, where many restrictions on consumer goods, industrial equipment and foreign supplies were lifted.

Why did Labour lose the election in 1951?

Historians widely agree that by 1950 Labour had run out of steam. Its “reforming impulse had largely atrophied”; it fought the general elections in 1950 and 1951 in an “ideological cul-de-sac”. Labour was suffering from internal divisions and an ageing cabinet, losing many key members of the government through ill health. After the great success of the welfare state, its policies became uninspiring, with the promise of nationalising the sugar, cement and water industries one of the main planks of its election campaign. The party was a victim of its own success, unable to make promises which matched its past achievements.

Moreover, the war between North and South Korea- which began in 1950 and involved Britain through its membership of the United Nations- put pressure on the country’s still shaky economy. This resulted in cuts in domestic spending. Most contentiously, charges were introduced for dental care and spectacles, causing Aneurin Bevan, Minister of Health, and the man who had spearheaded the creation of the NHS, to resign angrily from his post.

Meanwhile, the Conservative Party had undergone an important reorganisation. In 1947 it published the Industrial Charter, a policy statement in which the party accepted many of the economic and social policies of Attlee’s government and made it clear that, once elected, it would not dismantle the welfare state. In addition to this, the Conservative election campaign took advantage of the electorate’s dislike of austerity. Despite the “Bonfire of Controls”, food and coal rationing continued (they were not ended until 1954 and 1958 respectively), making popular the Conservatives’ rally cry that they would “set the people free” from controls. Although some attributed the eventual

Conservative victory purely to “militant housewives and resentment from women about rationing”, historian Andrew Thorpe finds this “somewhat wide of the mark”: the largest group of voters Labour lost were men.

The final nails in Labour’s coffin were changes to the electoral system. Some constituency boundaries were moved in 1949, disadvantaging Labour. The Liberal Party, meanwhile-already in electoral decline- was caught out by the financial cost of a second election. In 1950 it had put up 475 candidates, but could only afford 109 in 1951. Former Liberal voters tended to vote for the Conservatives, a tendency strengthened by various measures taken by the Conservatives to ally with local Liberal associations.

The general election of 1950 was a victory for Labour-but only just. It won a majority of five seats, so small that Attlee felt there would shortly have to be another election. A date- 25th October 1951- was chosen, putting paid to the king’s proposed tour of Africa as he was unwilling to leave the country while the ruling party had such a small majority. The second election was a misjudgement on Labour’s part: the Conservatives won 321 seats to Labour’s 295. Although their majority was narrow, only 17 seats, and Labour had polled a larger proportion of the popular vote, the Conservatives were in power again. They would not be toppled until 1964.