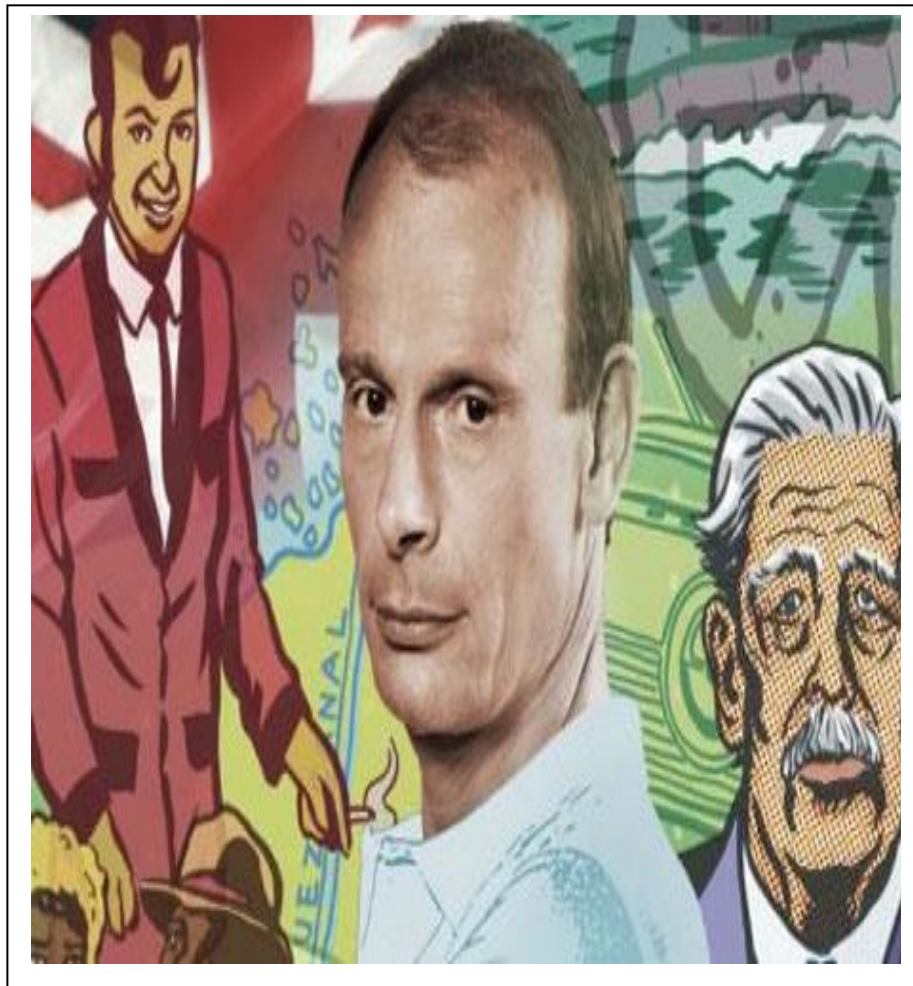




REVISION GUIDE

Making Of Modern Britain, 1951-2007

BRITAIN IN 1951



POLITICS

Three key turning points during this period

- 1951 election > start of 13 years Conservative rule
- 1979 election > start of Thatcher dominance lasting 11 years
- 1997 election > start of New Labour dominance (so far 13 years)

1951 saw end of Labour and Attlee in government - had achieved all promises outlined in 1945 election manifesto and legacy remains for (arguably) twenty years. Impact on society and politics until mid 1970's despite Conservative dominance, and Welfare State and NHS continue to date.

1951-1997 - Conservatives 'natural party of government' for 35 of the 46 years. Labour Party showed a mentality of an opposition party rather than governing party (even when in power) until Blair arrived.

Two party electoral system 1951 onwards: Labour and Conservatives enjoy near total dominance of politics. Due in part to the FPTP electoral system effects as well as the insignificance of Liberals, lack of parliamentary support for nationalists, and negligible impact of other smaller parties.

Rise of consensus politics - political gulf between major parties narrower than ever before. Labour moderate and patriotic (not extreme socialism as expected) and key policy makers in Conservatives were 'One Nation Tories' (reformist) keen to build on national cooperation to maintain an essential post war consensus.

ECONOMY

Contradictions: a curious mixture of difficulties and decline versus optimism and growth

Huge difficulties - damaged infrastructure, saddled with massive debts, pre-war markets lost, old staple industries in decline, Britain reliant on US to begin economic recovery, key industries (coal, steel, rail) had been nationalised by Attlee (hopes of faster modernisation), many consumer goods scarce and expensive, rationing only just coming to an end. Britain sliding down the league tables of the world economy 1951-2007 - economic growth slower than competitors, successive attempts by British governments for economic modernisation (improve productivity, competitiveness) were never fully realised.

Optimism - still one of leading economic powers in world, British companies still at forefront of key sectors (oil, Chemicals, shipping), British firms major manufacturers and exporters, other European competitors had suffered more during the war. Living standards were rising, people better dressed, owned more consumer goods. By 2007 'poverty' very different from version in 1951.

SOCIETY

Most towns and cities dominated by heavy industry, female employment restricted to mainly single women, and shortages of consumer goods. Sense of national unity fostered by war years, however class divisions remained clear cut.

NORTH-SOUTH divide easy to recognise with **Establishment** dominating public life

- property owning middle class lived in the suburbs voting Conservative
- areas of heavy industry (e.g. north, West Midlands) saw working classes living in urban areas close to factories, loyal to TU's, generally voting Labour.

Social mobility had been increased by some extent by impact of war but Britain remained very class conscious and deferential society - class system had to break down.

FOREIGN POLICY

Deceptive position in the world

- Outwardly: still a world power: part of the Grand Alliance that had won the war, possession of a great empire, pride of war victory amongst public, 1 of 5 permanent members of the UN Security Council, key ally to US in Cold War (e.g. Korea), vast stretch of Navy, independent nuclear power, British expectation to remain at the 'top table' of international affairs

- Reality: emerged from war weakened and impoverished, role as colonial power declining since WW1 (1947 withdrawal from India symbolised inability to maintain former imperial status), militarily and economically overstretched and could not compete with US/USSR. Idea of Britain as a great power built mainly on illusions which took a long time to die
1951 was a missed opportunity, should have been making a fundamental reassessment of position in the world by scaling down military commitments and accepting the days of imperial grandeur were over → missed EEC 1950-1 formation as eyes were fixed on the world beyond Europe, on the 'special relationship' with the US, on the Empire and Commonwealth.

Two momentous decisions:

- Britain's decision to go ahead with independent nuclear deterrent
- Decision to stand aside from the process that led to the formation of the EEC (1956 Suez Crisis shattered British illusions but by then door to Europe was slammed shut by De Gaulle)

Led to next half century of British foreign policy continuing to revolve around the consequences of these decisions

THE POST WAR CONSENSUS, 1951-1964

POLITICS

1951: not obvious that 13 years of Conservative dominance were about to begin. Churchill looked tired and the Conservatives unlikely to be able to deal with Britain's economic troubles. However, there came a succession of 3 Conservative PM's - Churchill, Eden, and Macmillan.

Not a landmark victory as Labour almost won re-election - Labour vote actually totalled more than the Conservative vote (biggest achieved by Labour) and could have won more had Attlee held off the election until the economy had begun to pick up.

ATTLEE LEGACY:

MAIN ACHIEVEMENTS

- **WELFARE STATE** - using the recommendations of the Beveridge Report, Labour implemented a system of National Insurance, National Assistance, Industrial Injuries, and a National Health Service. This provided for a system of social care for each citizen from the 'cradle to the grave'
- **NATIONALISATION** - Enacted the principle that the government had the right to direct the key aspects of the economy in order to create social justice and efficiency. Government ownership of coal and the Bank of England (1946), road transport and electricity (1947), gas (1948), iron and steel (1949)
- **INDIAN INDEPENDENCE 1947** - Britain accepted that its possession and retention of colonies involved unbearable burdens. India was to be divided into two distinct states: India and Pakistan in 1947.
- **NATO** - GB played a key role in the formation of NATO (North Atlantic Treaty Organisation) in 1949. A defensive alliance consisting of 10 Western European countries as a safeguard against Soviet expansion. The US eagerly accepted the invitation to join.
- **NUCLEAR POWER** - started the programme which turned Britain into a nuclear power. In 1947 the Labour government initiated research that led to the detonation of a British atom bomb in 1952 and Hydrogen bomb in 1957.
- **HOUSING** - initiated a major housing programme, resulting in a million new homes being built.

PROBLEMS/WHY WERE THEY DEFEATED IN 1951?

- **Attlee's government was worn down** - heavy economic and financial difficulties coupled with serious divisions between the right and left of the party over introduction of prescription costs and nuclear weapons. Economic problems included: wartime debts, balance of payments crisis, declining exports, dollar gap, defence expenditure and heavy demands on fuel and power supplies. Labour's response to these problems > image of a party of rationing and high taxation - it had rationed essential items, introduced financial controls, introduced wage freezes and devalued the £.
- **Industrial concerns** - Trade Union resentment at Labour's policies. Angry at Labour's slowness to respond to worker's demands.

- **Entry into the 1950 Korean War** - angered the left within the Labour Party. Left argued that the party should be independent in foreign affairs and act with the UN and this event showed that Britain was becoming too pro-American (sheepishly following the US in a Cold War engagement), especially as it was dependent on the US financially (Marshall Aid). Right fought back saying that without US \$'s Britain and Europe would not be sustained.
- **Bevanite Rebellion 1951** - forced by financial difficulties to make savings in public expenditure, Attlee imposed charges on dental treatment, spectacles and prescriptions. Bevan (constructed NHS) led number of ministers into resigning from the Cabinet > 'death knell' of Attlee's government.
- **Conservative recovery of morale** - Labour divisions stimulated the Conservatives into action and sharpened their attacks. They reorganized the party under Lord Woolton and younger Tory MP's such as Butler began to bring new ideas and confidence to the party, especially after the 1950 election. The nationalisation issue (especially of iron and steel) gave them a cause round which they could rally and on which they could attack the government (strong platform for opposition attacks).

CONCLUSIONS

The explanation of Attlee's losing office in 1951 is not so much Labour decline as Conservative recovery. While Labour had gained an added 2 million votes between 1945 and 1951, the Conservatives had added nearly 4 million. Yet, they only just squeezed into power. What benefited them was the Liberal Party's decision to put up only 109 candidates, a drop of 366 compared with 1950. The nearly 2 million ex-Liberal votes that became available went largely to the Conservatives.

KEY QUESTION: How could Labour lose the October 1951 election, yet win more of the popular vote?

Ratio of votes: Labour 47,283 : 1 Conservatives 42,733 : 1

1951 election saw Labour gain the highest aggregate vote ever achieved by any party up to that point. Yet, in British electoral politics it is still possible for a party to poll more votes than its opponents yet still be defeated as shown when Labour gained nearly 1% more of the vote than the Tories > due to 'First Past the Post' electoral system used by Britain:

Means that to become an MP, all a candidate has to do is to gain more votes than any rival in that constituency. There is no requirement for a candidate to win a majority of the votes cast, which is the case in some electoral system

LABOUR'S LEGACY

While there may be some legitimate criticisms of the Labour government regarding some policies there is a broader significance to this period. In governing during that period, Labour laid down the policies that were to be followed in all essentials by successive Labour and Conservative governments during the next 35 years. Until Thatcher came into power in 1979 and deliberately challenged this CONSENSUS, there was a BROAD LEVEL OF AGREEMENT on what were the major domestic and foreign issues and how they were to be handled.

Britain of 1951 was shaped by its recent history:

1. **GREAT DEPRESSION OF 1930'S** - regarded in 1951 as awful time of misery and mass unemployment, never to be repeated
2. **WORLD WAR** - 'good war' where nation had come together to defeat the forces of evil by heroic national effort. Victory must lead to a fairer, better Britain
3. **REBUILDING OF BRITAIN UNDER ATTLEE'S GOVERNMENTS AND ESTABLISHMENT OF WELFARE STATE**

Pushed Britain towards a period of consensus politics in:

- **ECONOMICS** - Keynesian principles of public expenditure and state direction, never more than 2% unemployment
- **WELFARE** - based on the implementation of the Beveridge Report.
- **EDUCATION** - based on the notion of creating equal opportunity for all.
- **FOREIGN AFFAIRS** - pro-American and anti-Soviet stance
- **IMPERIAL POLICIES** - principle of independence for Britain's former colonies.

Why was there a post-war consensus?

- Legacy of national unity
- 'Big government' - Conservatives convinced of need
- Full employment - post WW2 fears and didn't want to be seen as party of unemployment



- Importance of trade unions - Conservatives wanted a cooperative relationship
- Welfare State - implementation of Beveridge Report. NHS iconic and Conservatives had warmed to it
- Conservative majority was slender in Parliament - did not feel strong enough to dismantle Attlee legacy
- Mixed Economy - left most of Labour's nationalisations alone

Why did the Conservatives continue Labour policies?

- There could be no outright rejection of the welfare state
- There could be no total reversal of nationalisation
- Experience of war had meant that people were far more ready to accept the need for state intervention and planning - attitudes towards industry, the trade unions and social policy were going to have to be very different from that of the 1930's
- NHS had already become iconic

Just as Labour had moved to the right by accepting capitalism and the mixed economy, so the Conservatives moved to the left by accepting Keynesianism and the managed economy.

Consensus is rather difficult to define - there were sharp policy differences, but also broad lines of convergence

Was there a post-war consensus?

Supports consensus

- Addison - soil was right for coalition. There was a collective age of politics due to a shared experience of World War One.
- Seldon - broad agreement on the fundamentals of economic, social and foreign policies

Against consensus

- Pimlott - "we need to consider the possibility that the consensus is a mirage, an illusion that rapidly fades the closer one gets to it."

Evidence includes: Conservatives denationalised the steel industry and road transport, Conservatives were dealing with the evils of poverty as opposed to seeking consensus with Labour

Historical opinions on post-war consensus:

- **Hennessey** - Attlee set foundation stone of all that is best about post war Britain 'the fusion of myriad hospitals and private practices into a National Health Service, the transfer of a workforce of 2.3 million people into nationalised industries, the Attlee government also took the first steps towards changing an empire into a Commonwealth
- **Lawson** - 'Attlee government of 1945-51 set the political agenda for the next quarter century. The two key principles which informed its actions and for which it stood, big government and the drive towards equality, remained virtually unchallenged for more than a generation, the very heart of the post-war consensus.'
- **Coates** - Attlee failed to bring about true socialism and lost an opportunity.
- **Barnett** - post war consensus was a mistaken policy, Conservatives should have broken from it sooner as it produced a 'nanny state' Britain overly dependent on welfarism. Thatcherism was a necessary correction of this problem. 'Illusion and the dreams of 1945 faded away one by one - the imperial and the Commonwealth role, the world power role, British industrial genius and the New Jerusalem itself, a dream turned to the dank reality of a segregated, sub-literate, unskilled, unhealthy and institutionalised working class, hanging on the nipple of state paternalism'

POTENTIAL EXAM QUESTION: Explain why there was a post-war consensus

This is only a *suggested* idea of how you could approach the question

Introduction: outline key words and period, list factors to be discussed

Paragraph One: Attlee's legacy and the feeling of national unity

- Popularity of NHS - couldn't revoke it (political suicide), One Nation Conservatism meant that it was more acceptable to Tory ideology - acceptance of popularity and ability to weave it into their own policies, less hostile to it
- Could not be an outright rejection, and instead some tinkling like nationalisation
- Tories recognised that the experiences of war had made people want state intervention and planning

Paragraph Two: Reorganisation of Conservatives post 1945 election

- Rise of One Nation Conservatism - more pragmatic and willing to accept realities of politics post WW2 - Nigel Lawson's 'big government'
- Change in composition of Tory Party by Butler and Woolton saw younger, dynamic characters
- Realised the importance of positive trade union relations

Paragraph Three: Election result of 1951 (slim majority)

- British politics is prone to a pendulum effect - fear that any changes would swing the electorate back towards Labour, did not feel strong enough to dismantle the legacy
- Commitment to full employment came as a result - keen to avoid a repeat of 1945 when they were seen as the party of unemployment and lost the election

Paragraph Four: Was there a post-war consensus?

- Kerr - a 'mirage' versus Addison 'there was real consensus'
- Denationalisation of steel shows that this was necessity rather than conviction?
- Attempts to chase the electorate following 1951 slim majority rather than agreement?

Conclusion - outline key points, and most significant reason

CONSERVATIVE DOMINANCE - WHY DID IT OCCUR 1951-64?

1. Reorganisation of the party machine led by Lord Woolton after the dislocation caused by the war and shock defeat of 1945 (new Conservative MPs with new ideas)
2. Conservatives recognised the extent of public approval for the legacy of the Attlee governments (post-war consensus politics)
3. 1951 marked the end of 'austerity' and the start of the long post-war boom
4. The role of individuals in power - 'SuperMac'!
5. Infighting between the Bevanites and Gaitskellites which weakened the Labour Party

To repeat then: themes the Conservatives continued during 1951-1964 as part of the post-war consensus

- Mixed economy (Labour accept private enterprise and capitalist, Conservatives left most nationalisations alone although they did denationalise steel and road transport 1951)
- Legacy of national unity
- 'Big government' - Conservatives convinced of need government intervention in social and economic policies
- Full employment - post WW2 fears and didn't want to be seen as party of unemployment
- Importance of trade unions - Conservatives wanted a cooperative relationship due to their power and influence
- Welfare State - implementation of Beveridge Report. NHS iconic and Conservatives had warmed to it
- Conservative majority was slender in Parliament - did not feel strong enough to dismantle Attlee legacy

ROLE OF PERSONALITIES

Churchill: PM from 1951-55. Not considered to be the greatest post-war PM. Some people argue that the man who really led the Conservatives was Anthony Eden (acting PM) and key ministers such as Butler and MacMillan. Inactive in politics but visions of himself as an international statesman. However, Hennessey argues: *One has to be careful not to overdo the depiction of the old warrior in his premiership as a kind of walking off licence-cum-pharmacy*

Day to day running of government left to key ministers.

Eden: 1951-1955 roles as acting PM, actual PM 1955-57.

Butler: 'best PM Britain never had'

Macmillan: Successful housing minister under Churchill > achieved ambitious target of 300,000 houses per year. 1957 became PM. Tensions existed between Butler and Macmillan, as well as between Eden and Churchill.

AGE OF AFFLUENCE

Conservatives lucky in timing as they came to power at time of beginning of economic recovery: men's weekly wages were going up (£8.30 1951 → £15.35 1961), massive increases in personal savings, boom in car ownership and home ownership, Macmillan achieved

300,000 homes target, arrival of new towns such as Corby in 1940's saw them expand in 1950's, farmers did well (state subsidies), end of rationing 1954.

Surge in ownership of consumer goods > TVs, white goods, furniture. Symbol of affluence.

1955 GENERAL ELECTION - Why did the Tories win? Win by healthy majority: 68 seats (Conservative 49.7% vote, Labour 46.4%)

- Butler boosted Conservative election prospects with a **'give-away' budget** that provided the middle class with £134 million in tax cuts
- **Affluence** - 'feel good factor' most voters were happy with their rising living standards.
- Eden **called the election immediately** after Churchill retired - relaxed and low key and gave Eden the chance to get a mandate to govern before the electorate could judge him on actual performance as a PM.
- **Support of national press and media**
- **Continued splits within Labour** - conflict between Gaitskellites and Bevanites from 1951 continued to cause trauma (long running split)

Attlee retires as Labour Leader, they hadn't expected to win. However, 1955 not a crushing defeat of Labour as they still held up their share of the vote.

EDEN TO MACMILLAN

EDEN BECOMES PM IN 1955 > high sense of optimism. Hailsham - 'a real post-war government, led by a PM who represented contemporary manhood, rather than the pre-First World War generation.' Optimism about: progressive ideas in domestic affairs, his belief in property owning democracy and industrial partnership. However, all Eden's career had been foreign affairs and not domestic politics.

Ironically his downfall was foreign affairs! > Suez Crisis 1956. Ends in disaster, military operation called off in humiliating circumstances as Britain withdraws due to American pressure due to economic reasons. Outcomes:

- Diplomatic and military fiasco > turning point for Britain's illusions of imperial power.
- Political crisis - Eden seemed weak, lost in a policy he was supposed to be the master of. Came under heavy attack from Labour in parliament and sections of national press e.g. Manchester Guardian. By lying to Parliament about collusion with France and Israel, Eden had tarnished his image and prestige.
- Split the Conservative party: Nutting (Colonial Minister) resigned from cabinet, rebellion of 40 MPs. Heath (chief whip) was responsible for keeping the party in line but even he was strongly opposed to Eden's actions. Government weaknesses unveiled by pressure from US as it exposed Britain's financial weakness and started a run on the £
- Economic - run on the £ (rapid fall in value of £), Britain exposed as financially weak > Chancellor Macmillan leading the campaign with Eden's cabinet for Britain to abort Suez
- Demise of Eden - never recovered from Suez (though resigns due to poor health in 1957). Replaced by Macmillan.

MACMILLAN TAKES OVER AS PM 1957 > Conservative survive Suez although Eden doesn't. Macmillan takes strong grip. Why?

- Conservative Party recovers quickly from Suez Crisis. Macmillan emerged as PM and party unity was restored without lasting splits.
- Economic prosperity continued to gain approval from voters - continuing affluence kept voters happy
- Reputation of Macmillan - nicknamed 'Supermac', success as housing minister (300,000 new homes as promised during 1951 election manifesto)
- Labour Party under Gaitskell had problems of its own
- Remarkable ability of Conservatives to manage changes of leadership without too much blood being split in power struggles. Macmillan was a safe choice, especially compared to the alternative Butler, and so with few enemies the party stayed united.
- Eden, the main cause of the crisis, had disappeared and so did the crisis with him. Suez hung over British foreign policy for another 50 years, but did not really dent Conservative political dominance at home.

Wins election comfortably in 1959 - key reason for this was a rise in consumer prosperity.....

MACMILLAN 1957-63

Initial period of confidence and political master leading to 5 years where Supermac appeared to be in control of affairs:

- Post war economic boom was continuing
 - Labour party in disarray, increasingly concerned with internal battles
 - Media seemed to be in palm of his hand, used TV with flair
 - Theatrical style, elegance and calm.
 - Post war consensus politician - 'one of the two most left-wing PMs of my forty years reporting politics' (Margach)
 - Cabinet members (Butler, MacLeod, Boyle) were capable and efficient political managers in tune with political opinion
- 1959 Election - called when the economic situation was favourable. Increased Conservative parliamentary majority of 100 seats.

WHY DID TORIES WIN 1959 ELECTION?

- Age of Affluence continuing > Post war boom and consumer prosperity and confidence
- Supremacy personality and flair, cabinet of efficient managers
- Economic recovery by 1959 coinciding with April tax cuts
- Ineffective opposition - Divisions of Labour (disagreements over character of party, how far the party should push for a socialist agenda like *nationalisation, splits over nukes, uncertainty over EEC applications*, outmanoeuvred by Conservatives during election) and sidelining of Liberal Party (due in part to FPTP electoral system)
- Conservative recovery from Suez and ability to manage splits within the party

LABOUR DIVISIONS

Despite the loss 1951 election, Labour polled 14 million votes > many activists thought return to power was inevitable. Why was Labour so divided?

- 1950's saw intensification of split between Bevan and Gaitskell (prescription charges row) > harmed effectiveness of Labour's opposition to the Conservative government:
- Attlee was becoming a less effective leader and death of Bevin meant that party unity was on decline and there was a growing split in ideology and in personalities
- Disagreements and personal feuds an almost permanent feature of Labour in opposition after 1951 - leadership struggle 1955 caused further tensions between Bevan and Gaitskell factions > Gaitskell becomes leader 1955 exacerbating this as attempts were made to bridge the gap (some Bevanites rejoined the party mainstream e.g. Wilson) but this was papering over the damage, not repairing it.
- Failure to exploit opportunities - Suez Crisis 1956 > Labour back on the attack with an opportunity to benefit from Eden's disgrace, if there had been a general election in 1957 then things may have favoured Labour. However, Suez did not split Conservatives and Labour was left with few opposition targets to hit > Gaitskell struggled to maintain party unity.
- Concerns over ideology of Labour - stance on nuclear weapons (some voters disliked some left wing Labour's strong UD stance), Europe, and Clause IV.
 - *Nuclear weapons*: led to trade unions challenging Labour leadership with Cousins leading fierce opposition to Gaitskell. 1959 Blackpool and Scarborough Party Conferences (held just before 1959 election) - battles fought over direction of party. Gaitskell famously promised to "fight and fight again to save the party we love" after which he was defeated over nuclear disarmament.
 - Missed the opportunity to modernise at Party conferences
 - *Clause IV*: Gaitskell puts forward the idea of abolishing Clause IV (constitution of the party which commits them to nationalisation) > forced to back down for fear of left wing/TU backlash and potential splits.

Did enter the 1959 election with some optimism and so defeat was a crushing event.

> splits increased after this election loss due to

(1) growing opposition to the party leadership from the TUs

(2) simmering divisions over Britain's nuclear weapons > many Labour left wingers joining in with CND campaigns for Unilateral Disarmament (CND an anti-nuclear weapon pressure group popular with middle class and intellectuals, best known for Aldermaston March 1959 which attracted 8000 supporters)

1960 - Labour's position slowly improved > cultural shift in the country which meant public opinion was less satisfied with affluence and more critical of government (rise of satire - Private Eye).

Summary of Labour 1951-64

Problem of party unity

- Gaitskell succeeded by Attlee after defeating Bevan for leadership
- Gaitskell led the party from a centre-right position

Opposed internally

- Bevanite left
- Unilaterists and CND

Why Labour lost in 1959

- Weakened by internal divisions
- Disadvantaged by rising UK's prosperity
- Mounted a poor election campaign

Election defeat intensified internal wrangles

- 1960 Conference saw victory of left
- TU block vote forced unilateralism as official policy
- Gaitskell's 'fight and fight and fight again' speech rallied party
- 1961 Conference rejected unilateralism

ECONOMICS

Conservative Party continues to survive and dominate in 1957 despite Suez Crisis due to rising living standards and the age of affluence. Macmillan aware couldn't last > double message in his 'Never had it so good' speech - pleased about spread of affluence & consumer prosperity (Cons given credit for it!). Also a stern warning about inflation and '**nightmare of unemployment**'

MACMILLAN AND EARLY ECONOMICS

- Summer 1957 - Financial Crisis > inflation was rising due to wages running ahead of productivity, run on £ (danger of devaluation)
- Two opinions over how to resolve problem: Thorneycroft wanted to introduce form of monetarism (limit wage increases, cut money supply) whereas MacLeod et al opposed to this as it would lead to increased unemployment and cutbacks in housing.
- Row was symbolized the problems of 'STOP-GO' economics (go phase: expanding economy with low interest rates and rising consumer spending > economy overheats with wages and imports exceeding productivity and exports > stop phase: need for slowing down or deflation through higher interest rates and spending cuts)
- Macmillan sided with expansionist economic policies and continuation of post-war consensus economic policies > led to resignation Thorneycroft, Powell and Birch which Macmillan shrugged off as a 'little local difficulty'

Problems of economic modernisation:

Age of Affluence did not come to an end in the early 1960's but government faced difficulty and frustration in its economic policies

1. Hopes of modernisation not fulfilled
2. Intended transformation of Britain's infrastructure made stuttering progress
3. 1950's - comparisons with West Germany showed Britain was being left behind and that trade with Empire/Commonwealth was not sufficient to keep it up

CONSERVATIVE RECORD

A period of 'affluence'?

Economy picked up after 1950 as world trade improved - but Britain falling behind competitors. STOP-GO economics had not been broken.

- 1951-1964 - Britain's economy grew 40% (but France 50%, West Germany 250%, Japan 400%)
- Share of world exports of manufactures goods: Britain's share fell from 20% (1954) to 15% (1960) while Germany's rose from 15% to 19%.

We have slithered from one crisis to another. Sometimes it has been the **balance of payments** crisis and sometimes it has been an **exchange crisis**. It is a picture of a nation in full retreat from its responsibilities. It is the road to ruin. I do not believe that the question is whether we should use a bank rate or physical controls; to tell the truth, neither of them works very well. **The simple truth is that we have been spending beyond our means.**
Thorneycroft (Chancellor), 1958

- All exports rose between 1952 and 1962: Britain +29%, France +86%, Germany +247%, Japan +378%!
- Britain falls behind in productivity per person.
- 1961 - concerns about over-heated economy led to 'pay pause' to hold down wage inflation and to ask for loan from IMF
- 1962 saw BALANCE OF PAYMENTS PROBLEM, economics of stop-go > Macmillan sets up NEDC (National Economic Development Council) in attempt to get economic cooperation between government, employers and unions.
- 1962 also saw the Night of the Long Knives reshuffle of 1962 > Lloyd replaced with Maudling as Chancellor. Maudling attempts to avoid rising unemployment through tax concessions and a policy of 'expansion without inflation' = BALANCE OF PAYMENTS continued to deteriorate with imports running ahead of exports and rising inflation.

EUROPEAN OUTLOOK

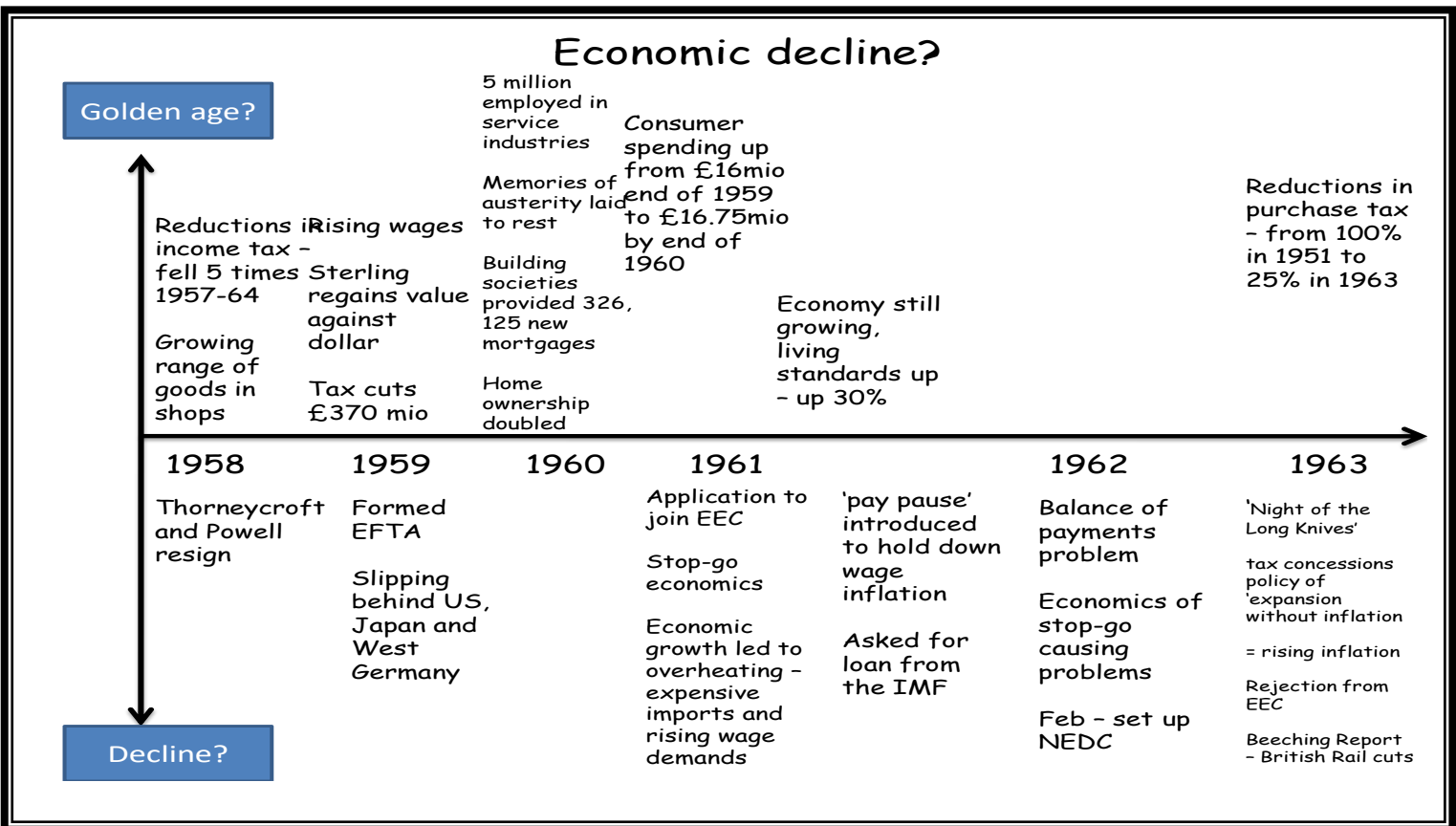
1959 - Britain took the lead in forming the European Free Trade Area (EFTA) > No match for the EEC!

1961 - Macmillan does a British volte-face and submitted Britain's application.

Why?

1. Hope of boosting industrial production for a large-scale export market
 2. Hope that industrial efficiency would be increased by competition
 3. Hope that economic growth would be stimulated by the rapid economic expansion already racing ahead in the EEC
- = 1961 application seen as failure in bringing about economic modernisation

Government no longer surfing on a wave of prosperity and economic success



CONSERVATIVE ECONOMICS - GOLDEN AGE OR PERIOD OF ECONOMIC DECLINE?

Barnett - Economic Decline!

- 1970's inevitable culmination of long term economic decline
- Failed to control spending or face down wage demands from unions
- British industry failed to modernise
- Britain's world trade - $\frac{1}{4}$ 1951 to $\frac{1}{10}$ 1975
- Technical education neglected
- Low productivity vs. US, Japan and W. Germany
- Nationalisation a mistake
- Too much emphasis on full employment which had led to problems with inflation

Hennessey - Golden Age!

- Golden age did exist and progress was made
- Living standards rose steadily
- Rate of economic growth was consistently higher than it had been between 1900-1939
- Unemployment 2%
- Year by year, more prosperous and equal
- Comparisons with other countries misleading - Germany and Japan had no choice in completing restructuring their economy and infrastructure and had not been allowed to spend on defence (Britain spent 7% of GDP on this)

THE FALL OF MACMILLAN

Command over government faltered from 1962

- 1) **Night of the Long Knives 1962** - Cabinet reshuffle. Macmillan's purge of the cabinet was intended to rejuvenate the government but actually weakened it. Macmillan appeared clumsy and out of touch but damage was not fatal.
- 2) **Profumo Affair 1963** - scandal which was a personal disaster for Macmillan. Given sensational treatment by the press. Political impact of the affair was actually short lived but the image of Macmillan as old and out of touch was reinforced
- 3) **Serious illness 1963** - Macmillan had not paved the way for anyone to succeed him > strong opposition between two most obvious candidates ensued - Butler and Hailsham. DOUGLAS-HOME, compromise candidate, selected. Whole process made Conservatives appear to be trapped in a bygone era > sharply contrasted with the new Labour leader and his promises to take Britain into the 'White heat of technology'.

Summary: Macmillan's government 1957-63

Macmillan's characteristics as Leader: Supermac image

Conservative Economic Policy

Methods

- maintaining the mixed economy
- operating mild Keynesian policies

Target

- attack on inflation

Results

- stop-go
- stagflation
- budgetary politics
- spreading affluence

Persistent Problems

- slow growth of GNP
- high defence costs
- limited R & D

Living Standards

- Never had it so good years
- Consumer boom
- Housing boom
- Property-owning democracy
- Unemployment
- Education
- Class shifts

Social tensions

- Immigration
- Riots 1958-9
- Youth subculture

Macmillan and Empire

- Acceptance of 'wind of change'
- Decolonisation 1957-68

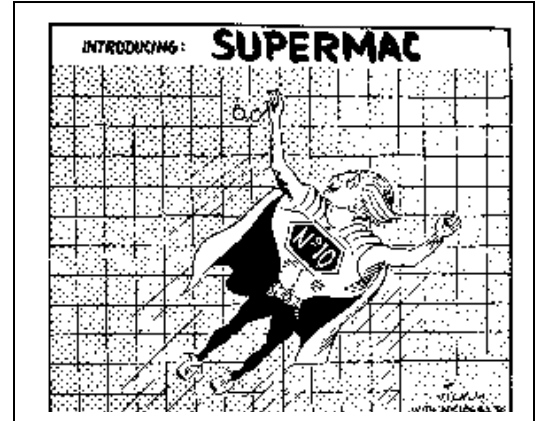
GENERAL ELECTION 1964

Close run contest with Labour squeezing to victory by 4 seats. Why?

- Run of scandals and 'events' 1962-3 e.g. Profumo, Vassall affair, spy scandals
- Government embarrassed by French rejection of EEC application
- Sense of a power vacuum following the resignation of Macmillan and doubts over choosing a successor
- Sense of growing impatience with the old 'Establishment' and desire for generational change > showed through Private Eye and That Was The Week That Was.
- Increased support for Labour. Wilson was a strong campaigner > confident in dealing with media and more focused than Gaitskell
- Split between Bevanites and Gaitskellites was over, both key personalities dead
- Labour could exploit the powerful public mood that it was 'time for a change' - Labour election slogan "Thirteen years of Tory misrule" proved very effective
- 'Liberal revival' - seemed dead with only 2.5% vote through post-war era. However, in 1960 there were signs of life under Grimond's guidance. Won 11.2% vote/9 seats in 1964 > evidence of softening of Conservative vote and pre-echo to the revival post 1964. It is possible that votes taken by the Liberals from the Conservative candidates may have just tipped the balance in such a close election race.

WHY DID THE CONSERVATIVES DOMINATE BRITISH POLITICS 1951-1964?

- 1) Age of affluence and consumer confidence
- 2) Labour divisions
- 3) Post-war consensus politics and continuation of popular policies
- 4) Supermac
- 5) Ability of Conservatives to survive splits and leadership struggles
- 6) Good election timing and campaigning



SOCIETY

Post War Legacy > Britain in 1950's still country moulded by WW2. Still widespread visible signs of war damage, national service, regional and class loyalties still strong. Class and geographical attitudes were reinforced by films of the time.

However, British society 1951 not static or frozen in time > war had caused significant social change, as had the welfare state. The Festival of Britain 1951 showed people that they were on the verge of a new, modern world and in the years to 1964 there would be significant social shifts, population changes and growing social tensions.

DEMOGRAPHIC CHANGE, 1951-64

Three key factors created demographic change in the UK.

1. Health and Life expectancy. Birth rates outstripped death rates, medical improvements were seen under the welfare state.
2. Inward Migration. Continuing influx of immigrants from Irish Republic > 1948, 250,000 arrived. Although many countries sent immigrants to the UK, we also lost many as there was a steady flow of immigrants to North America and Australia. 1950's Britain received 676,000 immigrants but lost 1.32 million people. In the 1960's the inward migration was 1.25 million but outward, 1.92 million.
3. The difference between town and country was now much sharper. Countryside still dominated by agriculture. Rural areas had not yet been threatened by creeping urbanisation that is eventually seen. Most people lived in strong, small communities. This situation was about to change > mass car ownership and social mobility, people began to move away from city centres.

INFRASTRUCTURE:

Britain's infrastructure was badly run down, desperate need for housing to replace war damaged ones. 1951 > Conservative government set ambitious target of building 300,000 new homes every year > local government spent millions on clearing pre-war slums and building new towns such as Harlow and Kirby.

Effect of migration: What people did not appreciate was that inner cities had changed forever. Inner cities now found themselves separated from the suburbs by ring of dereliction. Mass ownership of car changed attitudes to road building, distances to work and holidays = inner cities began to die.

Cars > Construction of M1 between London and Birmingham began 1958 > work on M6 after. 1957-1963 1,200 miles new roads or upgraded main roads completed = Roads were in railways were out.

Demise of railways > Beeching Report 1963 recommended closure of more than 30% of rail network. Argued road offered a cheaper and more flexible alternative > small branch lines and stations serving small communities were gone. Remains a matter of controversy between Romantics and Realists. Whichever is right, it cut off many rural areas and affected real social change

VIOLENCE, CRIME AND HOOLIGANISM

Immigration > public anxieties were often aroused by unfair and inaccurate reports of criminal behaviour by immigrants.

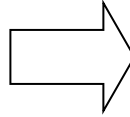
But! This violent crime was mostly home grown

→ Mid 1950's Teddy Boys had become part of social fabric

→ Previous norms of law abiding behaviour were breaking down

1950's

- Law abiding
- Slight blip during the war but proved to be only minor
- Total offences: 461,400



Mid 1950's

- Crime wave
- 1955-1965 - Criminal offences doubled
- Kray twins
- Clashes between the Mods and the Rockers
- Total offences: 1,133,900 by 1965

Kray Twins: empire of clubs and 'property development'. Outwardly respectable - associated with celebrities. Despite peak in criminal behaviour 1964 > REFLECTED THE CHANGING ATTITUDES TO CRIME AMONG SOME SECTIONS OF SOCIETY

Mods and Rockers: Not organised criminals. Result of new, aggressive youth culture - disrespectful of authority, fight culture.

Young men fighting in the street was hardly new:

→ usual scene on a Saturday night

→ 1960's saw rise of football hooliganism (football grounds and vandalising trains)

Due to their emphasis on style that attracted a lot of attention - clashes in early 1960's > Clacton, Margate and Brighton May 1964. MORAL PANIC reaction from the public. Politicians, churchmen and the media went OTT - tried to convey images of knife wielding hooligans undermining the foundations of society. Exaggeration!

Why did this occur?

Why was this occurring during a time of affluence and personal prosperity?

Why did it occur during a time of national service (supposed to instil discipline)?

= Britain had to get slowly accustomed to the emergence of a youth culture

Education and Class

11+ and Butler Act 1944 - Decided whether a child's education would be in a grammar school (30%) or a secondary modern (60%).

Aimed to produce a 'tripartite system' giving equal status to grammar schools, technical schools and secondary moderns - never materialised in practice. Only handful of technical schools were established and secondary moderns came to be quickly regarded as receptacles for children who failed the eleven plus.

Problems > Middle class upset, many saw the test as unfair and inefficient, waste of talent and human potential? Psychological strain on students and parents.

Rowe argues that society in 1951 was deferential and conformist - ingrained respect for authority, class distinctions obvious - dress, speech and class loyalties strong within parties.

How did attitudes change?

- Gradual breakdown of old social restrictions and a loss of defence
- **Suez crisis 1956** exposed blatant lying and manipulation by the government
- Rise of CND encouraged the tendency to challenge authority

- New trends in culture and the media opened the way for a more individualist and less conformist society, less willing to follow the '**Establishment**' > Importance of background and connections

Labour and class

- Long battle against class system - wanted Attlee to abolish private schools, along with House of Lords
- Moderates believed in opening up the route to the top levels of society
- Middle class discontent with Establishment despite being from the same background and education

PROFUMO AFFAIR 1963

Satire boom of 1960's - dramatic deference to authority. Profumo Affair symbolises shifting attitude towards class and privilege. Barometer of social change, suggested that Britain was becoming less deferential, and less class-ridden society.

Significance:

- Ideal excuse for press to go after every detail
- Press became less deferential, more intrusive > previous tactics used by government to prevent publication of sensitive or embarrassing information no longer worked
- Booker - "after years of uneasy indulgence, the people were restless and dissatisfied...wild rumours of strange and wild happenings in the country villas, of orgies and philandering.....brought the capital into a frenzy of speculation and contempt aroused by the Government in the hearts of the great mass of the people"

CHANGING ATTITUDES IN CULTURE AND THE MEDIA 1951-64

Simmering social tensions reflected in the media and culture.

- > 1950's deference prevailed and cosy/reassuring TV from BBC and ITV (1955+), e.g. *The Archers*, films such as *The Cruel Sea*,
- > reinforced existing attitudes to class (although cinema going into decline due to TV) > 1960's culture began to reflect current society with gang violence (*A Clockwork Orange*), alienation of young working class males (*Saturday Night and Sunday Morning*), racial tension (*Sapphire*) and gritty realism of towns (e.g. Merseyside shown in *Z Cars*).
- > Drive to break down censorship and social taboos e.g. homosexuality, Lady Chatterley's Lover court case under Obscenity Act.
- > Rise of satire - mix of scandalizing the nation and delighting the other half.

Middle class backlash against new 'immorality and depravity' led by prig Mary Whitehouse and parts of national press.

On whole, majority opinion in Britain was socially conservative and remained in same old groove > class system may have been dented by the shifts in social attitudes but it certainly was not broken.

SOCIAL PRESSURES 1951-64

1. Immigration - inward and outward, Notting Hill Riots, political party confusion as to how to legislate immigration
2. Demographic changes - increases in population, immigration, differences between the towns and countryside, social mobility - drain of population from key areas (hollowing out of city centres)
3. Pressures on Britain's infrastructure - housing
4. Criminality - increase in crime and changes in attitude towards criminals
5. Hooliganism and violence - riots and radicalisation of youth e.g. Mods and Rockers, Brighton and Margate
6. Class tensions within the education system in tandem with the opening up of opportunities
7. Changing attitudes towards class - rejection and challenging of the Establishment, decreasing deference towards authority, satire boom
8. Changes in culture and the media - drive to break down censorship and social taboos, satire, dispersion of ideas via media

FOREIGN

Three spheres of influence that sum up British foreign policy: **Commonwealth, Europe, America**

EMPIRE/COMMONWEALTH

Historians disagree about **how** and **why** Britain's empire declined and ended. However, most agree factors like war and changing world economy played a key role in the decline of the British Empire.

- Pre WW1 > one of richest countries in world. Strong finance and industry - everyone owed Britain money! After 4 years of fighting, Britain's wealth was virtually all gone. Most of Britain's debts were with the USA. Britain was greatly weakened by the war.
- Bankrupted by end of WW2. Debts were even greater > needed huge loans and grants from USA. Empire and its peoples played crucial role in Britain's survival and victory in both world wars.
- End of WW2 - most British people felt that rebuilding their own country was more important than holding on to distant lands. At same time, Britain's economy was changing. Trade with Europe and America became more important than its trade with the empire.
- Britain did not lose all links with former colonies. British empire became BRITISH COMMONWEALTH. All former members of empire invited to become members of Commonwealth. Majority did (Ireland didn't and South Africa left Commonwealth later) The Commonwealth was voluntary organisation mainly aimed at promoting friendship and harmony between the nations of the former empire. However, were other benefits such as sporting and cultural links, and special agreements in terms of trade and security.

5 KEY REASONS FOR DECLINE OF EMPIRE

- **Rise of Superpowers** - Britain affected economically, strategically (fall of Singapore) and politically by WW2. USA, USSR and China all took on more important roles and economic miracles that occurred in Japan and Germany impacted upon Britain's economy.
- **Growth of Independence Movements** - Throughout WW2 there were significant developments in the independence movements in India and African territories. Strikes, boycotts, individuals and political protests all moved countries towards independence.
- **Economic decline** - Cost of two world wars and damage caused to British overseas trade took their toll. By 1945 Britain was reliant upon the USA for support.
- **Change in political opinion in GB** - Labour government elected in 1945 focused upon improving conditions in Britain - going on to establish WELFARE STATE. Attlee allowed Indian independence and moved towards African decolonization because British attitudes had changed. The British left some areas because they felt the country was ready to rule itself democratically, for example India.
- **Reduced strategic role** - Britain no longer had financial or military strength to dominate territory within Asia. The British wanted to leave some countries because the area was causing them problems.

Britain and empire post 1945.....GLOBAL DECLINE.

- By 1951, Britain had to accept that imperial decline was inevitable.
- WW1 had started decline, WW2 and the emergence of two superpowers sped up the process.
- 1947, Britain had to inform the US that she was close to bankruptcy. Britain had to relinquish its commitments in Greece, Turkey and Palestine. The same year independence was granted to India and Pakistan.
- Illusions > long time to die and political and public opinion was slow to recognise the UK's demise. Nor did they see implications for the future. Britain continued to "punch above it's weight". Delayed British integration in Europe until 1973, when it could easily happened twenty years earlier as a result of imperial illusions.
- SUEZ that showed British people that Britain was no longer a global superpower.
- Imperial illusions also held back decolonization. Only in Harold Macmillan's WIND OF CHANGE speech in 1960 did people come to terms with losing overseas colonies. Even after 1960, these illusions kept Britain's defence spending high by holding a nuclear deterrent. Also the 'special relationship' with the USA was exaggerated as was Britain's role in the Cold War.
- By 1964 however, most of these myths of British importance had been blown out of the water.

ADJUSTING TO THE POST-WAR WORLD

- 1951 Britain's retreat from Empire well under way.

- 1950's, pressure from colonies wanting independence got too much to cope with > British forces found themselves fighting against independence movements in Malaya, Kenya and Cyprus. Other ex-colonial powers were facing the same issues, France and Belgium fought wars in former colonies.
- In the early 1950's Britain's rulers felt they could move from Empire to Commonwealth.
- Nobody saw the sudden rush for independence that would follow e.g. Malaya, Kenya

THE SUEZ CRISIS, 1956 (EDEN)

- Importance? Suez Canal a key stone of Britain's overseas empire and trade routes > Main artery connecting trade routes from the Mediterranean to countries even beyond Asia. Vital route for oil shipments > 80% Western oil imports passed through the canal.
- Response to threat of Nasser's nationalism and independence = military action rather than diplomacy. WHY?
 - Response fuelled by Eden's personality (a man who prided himself on mastery of foreign policy) and belief that Britain was still an imperial power. Saw Nasser as 'an evil dictator who could not be allowed to get away with unprovoked aggression.'
 - Eden had little faith in diplomacy
 - Need to act quickly as they felt Nasser threatened African stability
 - Most of Eden's cabinet, including Macmillan, were minded to take drastic action and not wait for a slow, diplomatic process. Macmillan, 1956: '*The Suez situation is beginning to slip from our hands. I try not to think that we have missed the bus - it has taken such a long time to get our military arrangements into shape. But we must win this struggle by one means or another. Without oil, and the profits from oil, neither the UK nor Western Europe can survive*'
 - Eden was supposed to be an expert in foreign policy so the Cabinet felt unable to challenge such expertise
- PROBLEM: kept Suez arrangements secret from most of Cabinet and US! > US annoyed at lack of consultation and fear that Nasser may now turn to USSR for help
- Failed! Political protest in Britain but more importantly due to US pressure > Eisenhower shocked at British gunboat diplomacy. Britain was not strong enough to stand up to US pressure due to financial crisis = Macmillan realized it was essential to pull out despite having to accept failure and humiliation.
- Impact?
 - Eden's career finished on a painful anti-climax
 - Britain caught acting like an imperial power in a post-imperial world that would not tolerate it. End of 'world policeman' role - 'last throw of imperial stone'
 - Britain's position in the world now had to go through a fundamental reassessment - illusions of imperial grandeur were lessened and lessons began to be learned.
 - Change in relations between US and Britain
 - Britain now realized the importance of diplomacy rather than military intervention
 - Last independent military intervention by Britain > any future conflict was part of organization or with US > realized it no longer had the power to act alone!
 - Acceptance of Britain that two superpowers now existed - Britain was not one of them.

THE WINDS OF CHANGE 1960 (MACMILLAN)

- Suez fiasco > *reconsidered the position* in Africa. Pre-1960 central aim of British imperial policy was to defeat nationalist revolts and to maintain control over colonies.
- In 1957, Ghana = Britain's first African colony to be granted independence > Rush of others. Nigeria and Cyprus in 1960. Sierra Leone in 1961. Uganda in 1962 and Kenya in 1963.
- Wind of Change Speech 1960. SIGNIFICANT CHANGE IN POLICY! Recognition of independence movements and move to DECOLONISATION.
- Macmillan was addressing a mainly white audience in Cape Town who believed in apartheid, convince them of the need to face reality > main audience however was not present; he was really talking to Heads of state from around the Commonwealth and to public opinion back home.

- Why did he think change was needed?: argument that if the next 20 years were to be spent teaching them democracy and learning administration then it would be best to wait, but in reality they knew this would never happen and the intelligent ones would become frustrated and rebel leading to violence, repression and hatred > they'd better start learning to rule themselves at once. Basically, grant independence (and lead the process) in order to look strong or let empire fester on and have nationalist groups overthrow you making you look weak
Final proof that change was needed.....
- Britain had had a difficult time in containing Mau Mau rebellion > showed Macmillan that wind of change idea was correct.
- Iain Macleod (Macmillan's Colonial Secretary) wanted to speed up this independence procedure.
- In retrospect the policy was very successful.
- The process did not always go to plan, but British decolonisation was completed with a lot less violence than powers such as Belgium or Portugal.
- By 1964, the transition from Empire to Commonwealth was significant achievement.

BRITAIN AND EUROPE

- The vision: EEC > closer ties to prevent future conflict e.g. Schuman Plan of 1950 (proposals for a Coal and Steel Community that would integrate French and German heavy industry) > would promote rapid economic reconstruction and bind the two historic enemies together.

The open door, 1951-1957

- The decision not to enter in this period did reflect a national consensus.
 - Labour Party: suspicious of free-market principles behind the Common Market.
 - Conservatives wanted trade links with countries like Australia, Canada and New Zealand more than Europe.
 - Many people could not get the war out of their heads. We won. Germany were our enemies. The French rolled over and were occupied.
 - Leaders were ex-wartime leaders > many still had the perceived idea that Britain was top of the tree.
- The economic advantages of the EEC were disregarded.
- British foreign policy = encourage European integration from sidelines but not get involved. Liked idea of integration, just not for Britain.
- The agreements made at Messina were solidified in the *Treaty of Rome* in January 1957.
- The **EEC** was born without the UK > Britain not worried. At this time its foreign policy was focused on the Cold War, the Commonwealth and the 'special relationship' with the USA.
- HOWEVER after Suez, British political attitudes began to shift.

Locked outside, 1958-1963 - Missed the European Bus?

- The fundamental reason why Britain changed its mind about the EEC was ECONOMIC
 - realised that the old patterns of trade that had kept Britain at the top of the tree, were no longer as strong
 - nor had they factored in the 'miracle' that was happening in West Germany.
 - 1959 - **EFTA** (European Free Trade Area) Moderate success.... but not the same as EEC
- However, there were FOREIGN POLICY reasons why the British asked to join.
 - The USA keen to see Britain join for as Britain was a vital link between them and Europe (especially with the Berlin Crisis of 1958) - Britain to act as a 'Trojan Horse' for America
 - The shift in British prestige was already seen with Suez and decolonization alongside establishment of EFTA.
- Terms of Entry a problem! EEC had already developed many procedures e.g. Common Agricultural Policy which Britain could not see itself accepting > Heath tried to negotiate special trade exemptions for Imperial nations (e.g. Lamb from NZ)
- De Gaulle used France's veto to block Britain's application, determined to save EEC from 'les Anglo-Saxons' = political bombshell.
- His intervention caused very bad feeling between Britain and France for some considerable time.

BRITAIN HAD 'MISSED THE EUROPEAN BUS'



- France's veto prevented Britain's next application in 1967.

BRITAIN BY 1964

- Key world commitments included: 1949 - part of NATO with troops in West Germany, Douglas Hurd argues this was a prop which allowed Britain to 'punch above its weight in the world', 1951 - involved in Cold War, British troops fighting in Korean War as part of UN

BRITAIN AND AMERICA

- Burgess and Maclean affair (British spies who had given secrets to the Soviets) - 'special relationship' under strain.
- Britain tiring of American pressure to join EEC compounded by the adverse affect the Suez Crisis had on this friendship
- Overall - Britain and US remained close allies in the Cold War
- 1963 Test Ban Treaty (nuclear weapons) showed strength of relations between Wilson and JFK as well as Britain still holding its own at the top table

But!

- Militarily overstretched - problem for Wilson in 1964
- Dependent on US power - shown by dependence on American Polaris submarine weapons system in 1960
- 'Britain punching above its weight' - Douglas Hurd

By 1964

- Rowe argues most significant change in Britain's world role was the Empire and Commonwealth
 - Key steps in disengaging from colonial responsibility
 - Independence to: Ghana to Cyprus to Singapore
 - Commonwealth seemed to be thriving but legacy of imperial past hard to shake off e.g. Falklands, Rhodesia, Hong Kong
- Future Policy Study 1960

Historical opinion:

- 'Britain had lost an empire and not yet found a role' - Dean Acheson

POTENTIAL EXAM QUESTION: 'The foreign policy failures of British governments in the years 1951 to 1964 were due to a lack of realism about Britain's post-war world.' Assess the validity of this view. Again this is only a suggested structure!!!!

Factor 1: Lack of Realism/Opinion within Britain led to foreign policy failures

- Opinion slow to recognise Britain's reduced role within the world - attitude delayed Britain's involvement in European integration until 1973, anti-European sentiment in Britain echoed in Labour and Conservatives
- Failure to apply to EEC until 1961 - arrogance of Britain and anti-European sentiments
- Suez Crisis 1956 - still acting like a colonial power in a modern decade
- Imperial illusions meant failure to change attitudes and decolonise areas such as Africa until the 'Wind of Change' speech
- Involvement in Cold War and money spent on nuclear weapons

Factor 2: Economic and Military Overstretch led to foreign policy failures

- Damage post WW2 meant that it could no longer afford Empire (e.g. Had agreed to pay India it's war costs of £1200 million) Debt of 454 million- Attlee government and welfare state - need to finance recovery at home (shift in emphasis)
- Discuss financial problems in Britain (stop-go, run on the sterling etc) - would have to retreat from Empire and turn to Europe
- Economic miracles that occurred in Japan and Germany impacted upon Britain's economy.
- Suez Crisis - not strong enough to stand to America as it was plunged into a serious financial crisis
- Cost of defence spending and building a nuclear deterrent meant that it could not afford certain policies e.g. Blue Streak project
- De Gaulle knew that Britain was economically declining and so concerned about GB joining the EEC

Factor 3: Rise of nationalist intentions led to foreign policy failure

- Britain found itself fighting colonial independence movements became harder and harder to contain
- Malaya, Kenya, and Cyprus - unexpected rise of groups meant that defence spending continued to escalate e.g. Mau Mau Rebellion 1952

- Suez Crisis 1956 - provocation that Britain could not ignore
- Britain could not afford to control these nationalist forces and so had to enter into the process of decolonisation - common for many imperial powers during this time

Factor 4: Role of individuals led to foreign policy failures

- Eden - personality a key factor in the British response to Nasser. Prided himself on his mastery of foreign policy and still believed that Britain was an imperial power, 'evil dictator who could not be allowed to get away with unprovoked aggression.' little faith in diplomacy and had forced decision upon Cabinet (according to Thorneycroft)
- De Gaulle - did not want another 'cockerel' in the EEC, concerned over US influence and reasons for British application, Britain seen as an 'awkward partner'

Factor 5: NOT 100% UNSUCCESSFUL

- Winds of Change led to a positive series of decolonised countries compared to other countries,
- joined NATO and UN
- Test Ban Treaty 1963



OR!!! You could attempt this question in this way.....

Retreat from Empire

→*lack of realism* - imperial illusions meant no decolonisation in Africa until 1960, Suez Crisis, thought that nationalist groups could be contained leading to rise in defence spending - assumed repressions could be dealt with by force

→*not due to lack of realism*: actions of Nasser, opinion in Britain had not yet adjusted, unexpected rise of nationalist groups in Malaya and Kenya (experienced by all colonial powers - not just GB), decolonisation would have to be a slow and gradual process, Wind of Change showed that despite failures Britain was beginning to adjust

Suez Crisis, 1956

→*lack of realism* - thought that Britain could still act as an imperial power, ignored economic implications, rise of diplomacy which Britain needed to respect, Eden still acting like a colonial leader, thought that it could exclude America

→*not due to lack of realism*: actions of Nasser, opinion in Britain had not yet adjusted, unexpected and so Britain had to act, role of America

Europe and the EEC/EFTA

→*lack of realism* - did not try to join until 1961 after Suez and discontent with US (still thought it was a superpower), tried to create EFTA to rival EEC, did not see short term nature of Commonwealth benefits and ignored West German economic revival, thought it could hold influence in all three spheres, lack of realism of Churchill, Eden and Attlee

→*not due to a lack of realism* - could not abandon Commonwealth and EEC demanded certain restrictions, role of De Gaulle blocking applications, anti-European sentiment of Britain

America/Special Relationship

→*Lack of realism* - thought it was an equal partner in the relationship, money spent on building a nuclear deterrent, involvement in the Cold War

→*not due to lack of realism* - economic reliance on US, isolation from Europe/EEC due to rejected applications, pressure from America to join EEC

NOT 100% UNSUCCESSFUL! Winds of Change led to a positive series of decolonised countries compared to other countries, joined NATO and UN, Test Ban Treaty 1963

THE END OF CONSENSUS, 1964-1975

POLITICS

Why did Labour win in 1964?

- Role of Conservatives and scandals
 - Tired of Establishment
- Douglas-Home no match for Wilson?
- Labour party reunited
- WHITE HEAT OF TECHNOLOGY
- Disillusioned by affluence
- Luck?
- Liberal third party effect?

Why did they win in 1966?

- Heath no match for Wilson
 - Unable to connect with voters
- Wilson an experienced campaigner
- More in tune with popular culture and society
- Had created dept of technology and strengthened science and education - 7 new uni's by 1966
- Scientists employed as gov advisors
- Liberalisation laws under Jenkins
 - Race Relations Act, capital punishment abolished

Many blamed Wilson for indecisive leadership and wasting a golden opportunity

Labour in Power 1964-1970

Wilson into Downing St 1964

Optimism and goodwill - in touch with 1960's social and cultural trends

'White heat of technology' Sense of fresh start

Concerned about small majority and BBC coverage so calls an election to consolidate position 1966

Consolidates position in election victory 47.9% votes/98 seats

Heath no match for Wilson - couldn't connect with voters and Labour played on '13 years of Tory misrule'

Wilson returns to power in 1974
Country is facing huge economic problems and social divisions

1970
Conservatives back in power, Labour in political wilderness

Policy programme became disappointing

Economics in trouble: Devaluation in 1967
Opinion polls: lag behind Conservatives
Frustration - Labour 'blown off course'?

LABOUR'S ECONOMY

- MODERNISATION key focus for Labour 1964 > Britain lagging behind more advanced economies e.g. West Germany, Japan, affluence of post war boom not reflected in productivity or growth rate, trying to break out of cycle and reorganise the economy was key aim of Wilson's government,
- Which economic problems contributed to this focus? Trapped in stop-go cycle, bursts of prosperity always leading to inflation, pressure on the pound and regular crises over the balance of payments, balance of payments crisis awaiting Wilson when he came into power (deficit was **£400 million** - choice of devaluation or deflation)
- Devaluation or deflation?
 - Devaluation: might have been a good idea as the exchange rate in 1964, \$2.80 to the £, was too high but Wilson desperate not to be seen as the party of devaluation - Attlee had to devalue in 1949. Wanted policies for ECONOMIC GROWTH to catch up with foreign competitors
 - Deflation: wanted to escape the old problems of 'stop go'
- Wilson chose not to devalue - he thought modernisation, spending on science and economic management would resolve problems with the economy.....
- DEPARTMENT OF ECONOMIC AFFAIRS created to modernise the economy and resolve economic problems. This failed. WHY?

- DEA overlapped with the Treasury and the role of Chancellor, Callaghan - didn't know which boss to listen to - Brown/DEA in competition with chancellor Callaghan and the treasury
 - Brown - impulsive and lacked consistency (drink problem). Came up with National Plan - created in unison with trade unions and industry but did not have support of united government.
 - Potential third problem: Wilson trying to keep everyone happy rather than pick best team for the job.
 - Prices and incomes policy introduced: aim was to keep down **inflation**. Government intervention to set limits on price rises and to call for wage restraint in negotiations between unions and employers. In 1966, the Wilson government set up the Prices and Incomes Board to implement this.
 - Key events which led from inflationary policies to the decision to **DEVALUE**:
 - Sterling crisis in 1966 - due in part to strike by National Union of Seamen
 - 1967 - major docks strike
 - = Nov 1967 - decision to devalue: pound dropped by 14% to \$2.40, 'POUND IN YOUR POCKET' speech
 - Britain was rejected from the EEC in 1967 on basis of economics > Devaluation crisis damaged Labour's credibility ('pound in your pocket' speech), rejection from EEC by De Gaulle was made on ECONOMIC GROUNDS despite Britain's own lukewarm feelings, rejected after devaluation crisis.
 - Jenkins becomes Chancellor - Used deflationary methods > raised taxes and tightened up government spending of the economy, top priority to improving the balance of payments > Although unpopular measures they achieved a balance of payments surplus and economic situation had improved by 1969 = Labour confident about 1970 election due to improved economic situation.
- Sum up Wilson's economic record in one paragraph: Peaks and troughs - inherited a bad situation but indecisive as to how to deal with it. Concerned with electoral wins as to what was best for the economy - dithered over devaluation.

LABOUR AND TRADE UNIONS

- Trade Unions had come to wield such influence due to post war consensus politics - importance of maintaining full employment
 - Favourable with general public > Opinion polls in the 1960's showed 60% people had favourable view of them
 - Macmillan and Wilson tried to court trade unions > Relied on union cooperation when bringing in prices and incomes policies, Wilson made Cousins (trade unionist) minister of technology > tried to maintain good relations with TUC
 - Wild cat strikes broke out and this presented issues for both governments and trade union bosses
 - 1966-67 > cosy relationship with unions began to decline
 - Strikes showed that union bosses were losing control - wild cat strikes by local activists who would not take orders from the top
 - 'IN PLACE OF STRIFE' 1969 - necessary to curb unions who were getting out of control and for good of British economy.
 - Would strengthen the union in dealing with employers
 - 28 day cooling off period before a strike went ahead
 - Government could impose a settlement when unions were in dispute with each other in 'demarcation disputes'
 - Strike ballots could be imposed
 - Industrial relations court would be able to prosecute people who broke the rules
- = Upset TU's and Labour > storm of protests including the National Union of Mineworkers, Callaghan and Gormley, 50 MPs ready to rebel, concerns over splits. Arguments that IPOS had compromised Labour values.
- One of many setbacks (Rhodesia, Northern Ireland), Wilson gave in after many months by striking a compromise with TUC > humiliating climb down by government
 - Pimlott's perspective on Wilson and his government:
 - Argues that 1964 socialism collapsed - all the hopes and dreams. They had been unrealistic from the off in terms of economic theory and now the reality was kicking in. Abandoning this theory meant that Labour successive leaders could not bring the party back together - too much of an ideological gap.
 - Wilson felt confident at the polls 1970 due to improvements in economy (Jenkins' measures) and the calming of trade unions tensions

STRENGTHS OF LABOUR

- **COMPREHENSIVE SCHOOLS/OPEN UNIVERSITY** - Increase in numbers of comprehensive schools in order to break down class barriers of tripartite system, inauguration of the Open University 1969, increase in number of universities
- **LIBERALISATION OF LAWS** - Abortion Act 1967, Sexual Offences Act 1967, creation of Ombudsman 1967 (protects ordinary citizen), Theatres Act 1968, Abolition of death penalty 1969, Divorce Reform Act 1969
- **ECONOMICS** - by 1970 Jenkins had begun to tame economic problems using deflationary methods=balance of payments surplus by 1970
- **WILSON'S IMAGE** - "one of us", modern breed of politician, in tune with current culture, state school educated, PR first doctor of spin.
- **'WHITE HEAT OF TECHNOLOGY'**
- **1966 GENERAL ELECTION** - decisive victory, majority of 98 seats, % of vote biggest share since 1945

WEAKNESSES OF LABOUR

- **BALANCE OF PAYMENTS** (inherited) - £400 million deficit and cycle of stop-go, manufacturing industries shrinking, service and finance expanding
- **ATTEMPTS TO RESTRUCTURE THE ECONOMY** e.g. National Plan (dropped 1967), creation of DEA (and subsequent failure 1966), growing inflation, rising unemployment
- **DEVALUATION** - failed to take initiative and devalue in 1964 when this measure could have been passed off as a necessary hiccup resulting from inherited problem. Stalling meant that by 1967 devaluation was seen as failure, "pound in your pocket"
- **CRITICISM AND PARANOIA OF BBC** - led to him calling 1966 election
- **PERMISSIVE SOCIETY** - age of Jenkins and Liberalisation laws ushers in criticism of a permissive society
- **SOCIAL UNREST** - government responds to racial violence with restrictive Commonwealth Immigration Act 1968 (immigration controls)
- **CRITICISM WITHIN THE PARTY** - leadership, Europe, direction of party, kitchen cabinet (reinforced Wilson's suspicions of party rivalries and prevented ministers from having access to him)
- **FAILURE TO ASSERT AUTHORITY**
- **TRADE UNIONS** - Seaman's and Dockers strikes, In Place of Strife 1969, humiliating climb down compromise with TUC
- **FAILURE TO GET INTO EEC** - devaluation and economic situation led to veto by De Gaulle
- **OVERSEAS** - costs and changing attitude to policeman role leads to abandoning of Britain's East of Suez position

LABOUR'S DEFEAT 1970

Shock result - Wilson government had seemed like it had overcome its difficulties of 1967-69

→Jenkins had improved the economy producing financial stability

→Labour had chosen the time to call the election (thought it was a ripe time)

→Wilson a master campaigner compared to inexperienced Heath

However.....

- Heath had greater strengths than expected
- Labour's position in 1970 was actually quite fragile

→setbacks 1966-69 (Trade Unions, devaluation, empire, EEC) - Labour also did not produce distinguished economic policies

→Conservatives ahead in opinion polls despite a rise in ratings for Labour in Spring of 1970

→Conservatives did well in local government elections

- Special polls showed a narrow Conservative lead in 1970
- Heath did not include immigration in campaign (sacked Powell 1968 following rivers of blood speech) and refused to have Powell in the campaign despite his popularity in certain constituencies

= Heath came to power expecting a strong government committed to modernising Britain. Did not foresee the economic and political earthquake about to hit Britain 1973-74



ELECTIONS ARE LOST AS WELL AS WON..... Conservative strength or Labour weakness that led to their defeat?

Reasons why Conservatives won:

- Heath had greater strengths than accounted for and was not Establishment (new face of Tories?)
- Refusal to include immigration in campaign
- Conservative record 1951-1963 - positive party record
- Best of a bad punch? Knee jerk reaction away from Labour?
- Decrease in Liberal share of the vote - voters return to Tories?

Reasons why Labour lost

- Trade unions - series of wildcat strikes and in place of strife
- Balance of payments, attempts to restructure the economy
- Devaluation
- EEC 1967 rejection
- Disillusionment with Labour failure to deliver on promises of 1964 - Labour blown off course
- Wilson magic worn off - indecisive leadership
- Tension within party continued over trade union stance and ideology (Clause IV ghost)



Heath 1970-74

3 issues that Hennessey argues

Heath had by the time of 1973

1. ECONOMIC VITALITY - expansion and modernisation to compete with other countries
2. ENDING OF THE POST-WAR CONSENSUS - had held Britain back

1. ILLUSIONS

3. The need to show that Britain had

Heath's reputation takes a battering from Thatcher supporters who questioned his legacy
Heath's 'Long sulk' 1975-1990

1975
Victory for 'yes' vote in the referendum
Heath replaced by Thatcher as party leader

1970
New Conservative government under Heath

1971
Decimalisation of the currency

Rowe argues that:

Heath was a formidable politician.

PM with a clear and detailed programme of policies for the modernisation of Britain and he came close to securing a political solution in Northern Ireland

However,

Bad luck of **TIMING** - PM at the end of post-war boom in 1973 and the political and economic crisis which ensued.

1970-1975 period of transition from era of Attlee/Macmillan post war consensus politics to that of Thatcher and Blair

Heath: an overview

1973-75 key period for Heath
Success in Europe
Failure in political and economic policies

1973
Opec oil crisis
British entry into the EEC
Miner's Strike and 3 day week

1972
'Bloody Sunday' in Northern Ireland

1974
Feb election and fall of Heath
Collapse of Sunningdale
Agreement for Northern Ireland
Inconclusive October general election

Heath:

- Leader of the opposition for 5 years
- New breed of Conservative - state school educated, different social background
- Perceived to be prickly when dealing with people
- Wilson seemed to overshadow him in political skills - never seen as devious, too honest for his own good?

- Rowe argues Heath was 'good at policies, not at politics'!
- Cabinet - able politicians though not known for their loyalty to Heath
- Supporters = Barber (Chancellor), Whitelaw (N.I. Sec), Prior (Employment)
- Lukewarm = Joseph and Thatcher (Education)
- Well prepared for government - time in opposition meant he had prepared detailed policies on industrialisation and economic modernisation
- EEC experienced - chief negotiator in 1961-3 which meant he knew Europe inside and out
- Jan 1970 Selsdon Park Conference outlined Heath's policy programme - tough approach to economics - if an inefficient business was to go bust then tough luck! They would get **no aid** from the government.

Heath's aims:

- | | | |
|--|------------------------------|--|
| 1. EEC entry | } Two main priorities | } Government ended up being decided by these economic and industrial issues |
| 2. Resolving 'troubles' in Ireland | | |
| 3. Resolving economic problems and modernising the economy | | |
| 4. Avoiding trade union tension and industrial disputes when trying to modernise | | |

Where did it all go wrong?

Setback one: 'U-turn' 1971-1972 - retreat from free market principles he had outlined

maintain full employment (Consensus and One Nation Tory man!) led him to give state aid to key industries e.g. Rolls Royce = Powell, Thatcher and Joseph criticised this move as they opposed state intervention in industry. 'U-turn' of 1972 = Heath seen as too willing to give up on his aims and objectives, that he lacked a clear sense of direction.

Not the case! Blown off course by economic problems. He stayed true to One Nation Conservatism and Consensus politics

Selsdon Park programme had never meant to be a rejection of consensus politics

Setback two: 1973 OPEC oil crisis

Setback three: Miner's Strike 1974

Priority 1: Europe

- Terms of entry into Europe no big issue, getting parliamentary approval was the task.
 - Conservatives - some holding onto Commonwealth and sceptical of Europe, others supported European entry
 - Labour divided - pro-marketeers like Jenkins vs. Labour left hostile vs. Party leadership preoccupied with unifying party
- In the end entry to EEC got parliamentary approval as 69 rebel Labour MPs helped the Conservative government to win decisive Commons vote
- = Labour divisions increased - idea of party unity was blown out of water = Wilson had to promise that if Labour came back to power there would be a **national referendum** on the EEC entry question
- Heath had taken us into Europe but there was a cloud of uncertainty which followed

Priority 2: Ireland

- Inherited long standing problem
- Explosion of sectarian violence - Civil rights of 1960's saw British army struggling to keep peace and Belfast was going into breakdown. Groups challenged Stormont Ascendancy (wanted better education, allocation of public housing, a "one man one vote" system, fair employment practices)
- BLOODY SUNDAY: Attempt to control a demonstration against policy of internment in Derry. Started off as a protest movement, became a day of violence. Inquiry in 1972 was largely rejected by the Catholic community (reinvestigated under Blair in 1998).
 - = Provoked counter reaction from the Catholic nationalist communities and acted as the single greatest source of recruitment for the Provisional IRA. For the catholic community in Northern Ireland it was now not so much about civil rights as the need to defend their communities against loyalist and British army violence
 - = Heath suspended the Stormont Parliament and brought in direct rule from Westminster. Wanted to try to defeat the IRA but also bring about a peaceful solution to tensions.
- Attempts to resolve issues:

SUNNINGDALE AGREEMENT 1973 (complex plan for power sharing parliament) FAILED! Heath preoccupied by economic and political crisis at home (Miner's Strike, Emergency Measures). Heath's persistent negotiating style, could have resolved problem had it not been for the economy

ECONOMICS

Why did the British economy face such difficulties in the early 1970's? SUMMARY

- End of post war boom during Heath's premiership - rapid inflation made holding down prices impossible
- Left out of Europe and collapse of EFTA
- Decline of Empire and failure of Commonwealth to yield enough trade
- Growing power and tensions of TU - 3 day week = people thought government had lost control
- Strikes had led to decline in productivity
- Unemployment reached new levels
- Britain had not modernised - out of date
- No decisive action had been taken in Macmillan's/Wilson's years = culmination of dithering and indecisiveness
- OPEC oil crisis

Problems of Economic modernisation under Heath:

- Politics and economics Heath's strengths, yet they were the problems that led to his demise
- Well prepared and experienced
 - genuine commitment to economic modernisation and had formulated detailed plans

Problems from the start.....

Problem One

Hoped that his first choice for chancellor McLeod would be the equivalent of Jenkins to Wilson. McLeod's sudden death in 1970 = key asset had been removed from Heath's team

Problem Two

The new chancellor Barber introduced tax cuts and cuts in public spending including the end of free school milk. Thatcher threw herself to the fore in this disagreement and came to be known in the public eye

Problem Three

The 'Barber boom' began with a rapid rise in wage inflation (steep rise in wages)

Problem Four

Many blamed steep rise in wages on the power of the trade unions and their willingness to hold the government to ransom through strike action

Problem Five

Inflation was not accompanied by economic growth. Unemployment went up, unusual during times of inflation. This led to '**STAGFLATION**' - unusual combination of inflation and stagnant economic growth (often produces unemployment) occurring at this time.

= This led to Heath's famous 'U-turn' - the government had wanted to reduce state intervention in industry but now felt compelled to take action e.g. Rolls Royce nationalised in 1971, government financial aid to Upper Clyde Shipbuilders

Problem Six

Industrial Relations Act 1971 (similar to Castle's *In Place of Strife*)

- Set up Industrial Relations Court (Ineffective at settling disputes)
- Strike ballots
- 'Cooling off period' before official strikes began

Trade Unions Congress (TUC) and Confederation of British Industry (CBI) were opposed to it

Problem Seven

1971 Unemployment rose above 1 million - first time since 1930's

Problem Eight

- 1972 - major strikes

- Miners strike. Virtually stopped movement of coal around the country. Industry nationwide placed on a 3 day week to conserve energy supplies
- NUM leader Gormley negotiated a generous wage settlement accompanied by other concessions
= looked like victory for miners against employers and government encouraging left wingers to see industrial action as a political weapon, not just a way of bargaining for better pay and conditions
- Right wing backlash against excessive union power
- Railway workers strike in April

1972 was a write off but 1973 looked better

Jeffrey's argues that:

- There was wide support for stages one and two of his prices and incomes policy: limits on wage increases imposed by the government's pay board in line with rises in cost of living
- The number of working days lost through strike action was cut in half compared to 1972
- There was a lot of government investment to boost the economy
- Unemployment dropped sharply, to about 500,000
- North Sea oil was due to come on stream in the next few years
- The government started to become more popular, drawing about level with Labour in the opinion polls

1973 confirmed the 'FAILURE OF CONSENSUS'

- FOR: couldn't control unemployment, challenged post-war Keynesianism at Selsdon speech - going against idea of 'big government', trade union traumas - end of positive relationships, returned to wage bargaining and market forces
- AGAINST: Heath nationalised Rolls Royce and allowed state to intervene, Heath a consensus PM
- *No choice in end of consensus?* Heath was a consensus man. Lack of choice? Didn't want high unemployment or trade union trauma!

END OF POST-WAR BOOM:

OPEC Oil Crisis 1973

- OPEC A Saudi Arabia cartel to protect the interests of oil exporting countries from the power of advanced industrial economies. Fixed levels of oil production
- October 1973 - Yom Kippur War
- War prompted OPEC to declare an oil embargo
→ exports suddenly stopped
→ price rocketed to 4 times usual price
→ long queues outside petrol stations
- NUM then demanded a huge pay rise in November 1973

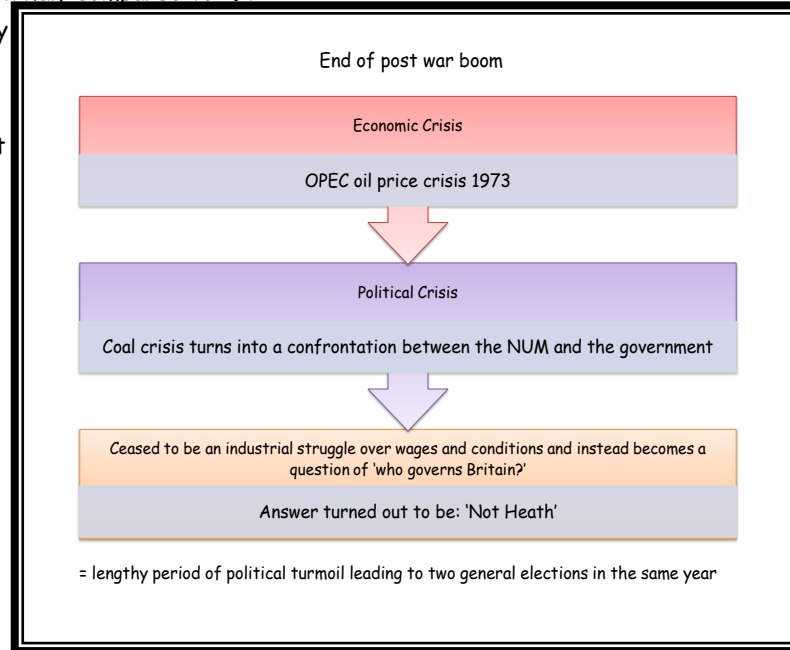
By 1973 Heath was faced with:

1. Oil supply concerns
2. Economic concerns - STAGFLATION and unemployment
3. Concerns over prices and incomes policy
4. Attempts at a political settlement in Northern Ireland
5. Imposition of a 3 day week

= Dramatic struggle between NUM and the government

'Who governs Britain?' - Heath, 1974

- 1972 victory in strike convinced many in the NUM that its industrial muscle was strong enough to get its own way against government and employers - fuelled by moderate Gormley, communist McGahey, and radical Yorkshire miner Scargill



- Government was equally determined - sense the unions were challenging a democratically elected government and so moved Whitelaw into position as minister of employment to make use of his 'powers of persuasion' on Gormley
→ *this failed*
- = Jan 1974 the NUM called a national strike
- Massive support for the strike among miners but Heath wouldn't budge - wanting to impose stage 3 of the prices and incomes policy
- Oil Crisis and shortage of coal = balance of payments crisis
- = Heath calls general election Feb 1974 ' WHO GOVERNS BRITAIN?'

1974 February Election

For most of the campaign the polls favoured the Conservatives BUT the final result showed small swing against them - Labour won by 5 more seats,

Indirectly, the Miners Strike had brought down the government
Inconclusive outcome - '**hung parliament**' (no party had an overall majority)
= reinforced idea that 1974 was political as well as economic crisis
Labour biggest single party but by only 5 seats

What happened?

- Increase in representation for other parties:
Liberals back from political dead 14 seats
Nationalist parties (Scot, Wales, Ireland) 23 seats
- Heath needed support of other parties to stay as PM -
had the Ulster Unionists supported Conservatives they would have won anyway but Powell had joined the Unionists and campaigned against Heath

Heath attempts to forge a deal with Liberals but fails

Was Heath a disaster?

YES:

- The attempt to abandon an incomes policy and his big 'U-turn'.
- The outcry over the withdrawal of free school milk
- The problems with trade unions: the miners' strike and the 3 day week
- The apparent 'lack of control' by 1974 and Heath's election loss

NO:

- The local government reforms
- Britain's entry into Europe

= **Labour back in government in March 1974**. Won only a 5 seat majority. No 1964 optimism:

- Much less promising position than in 1964
- Little chance of free hand in Parliament because Labour had to depend on support from other parties to get legislation through parliament due to 5 seat majority
- Economic situation was poor (end of post war boom)
- Labour Party less united than ever (ideology, Europe)
- Wilson older and less energetic and less certain of the way he wanted to govern - planned to have less personalised style

= anxious to call another election as soon as possible in order to obtain a working majority

Wilson : 'No presidential nonsense this time, not first one hundred days, and no beer and sandwiches in No 10 to solve crises - sweeper in defence, not striker in attack' - government was not about survival and 'sweeper in defence', not dynamism and 'striker in attack'

- Wilson decides not to strike a deal with Liberals in March 1974 to obtain a working majority - didn't want to compromise or make a coalition
- Economic problems meant he needed to act quickly > Industrial Relations Act and pay board abolished

Party	Seats	Votes %
Labour	301	37.1
Conservatives	297	37.9
Liberal	14	19.3



- TU's sent a message that government was not looking for confrontations - Annan however identifies that the unions "now faced Wilson, a general they had once defeated before commanding an army that was divided and under siege. Miners won another 22% pay rise, wages nationally rose 33% by 1975"



OCTOBER 1974 ELECTION

- Wilson felt safe enough to call another election
- Voters still associated Heath with 3 day week and conflict with miners
= Wilson achieves working majority, just > Labour gained 18 seats
- Obvious that Wilson's main aim for his second term was self preservation and avoidance of disasters rather than innovation.

EUROPEAN REFERENDUM 1975 - obsession with domestic politics and party unity showed through, referendum went ahead more as a device to stop splits in the Labour Party than because of Wilson's commitment to Europe > Britain votes YES! WHY?

- Economic mess of the country seemed to prove Britain needed to be in
 - Press strongly in favour
 - 'Yes' campaign was well financed by business supporters
 - Politicians at head of 'yes' campaign made bigger impression on public opinion (Heath, Jenkins)
- = 17 million vote yes, 8 million vote no
- Wilson had avoided a split in Labour, Europe less of an issue in the upcoming years for the party



EMERGENCE OF THATCHER

- Unexpected
- Seemed like little chance of toppling Heath. Limited experience in cabinet, but many supported her as there was no one else in the frame ('anyone but Ted') and due to effective campaigning by Neave who exploited sense things were going wrong with party and country. Teamed with Heath's inability to win over voters, Heath underestimating Thatcher, self confidence and conviction of Thatcher = Thatcher becomes leader after winning second ballot.
- Thatcher got support of most of party afterwards > Willie Whitelaw become deputy PM securing support, most of Heath's shadow cabinet stayed on > Heath started "long sulk" and Thatcher era about to begin

SOCIETY

Wilson's Britain 1964-1970:

- Britain getting used to 'affluent society'
- Labour determined to break away from 'Establishment' → new beginnings and the 'white heat of technological revolution'
- Society: 1950's time of social changes → 1964 continuity rather than any change
- *What changes existed?*
 1. Young people
 2. Women

} mainly middle class, educated
- 3. Respectful, deferential society of post-war Britain was becoming more open and concerned with individual freedoms and took part in demonstrations
- 4. Backlash against social conservatives who disapproved of the 'breakdown in morality'

How did this impact?

- Two party system found all this difficult to cope with:
→ divisions within the parties widened in the 1970's
→ more and more people turned away from traditional loyalties
→ increased support for other parties (Liberals, nationalist parties) and extra-parliamentary pressure groups (Shelter and Oxfam came to prominence, demonstrations, environmental movement took off)
= impact on harder edges of culture



Demographic change - Three key changes affected population growth and movement

1. Continued influx of immigrants
 2. Accelerated shift of population to new housing developments and council estates that were replacing old urban areas affected by slum clearance and urban redevelopment
 3. Road transport and private car ownership - fragmented established communities and led to the 'FLIGHT TO THE SUBURBS' resulting in urban blight in the cities
- = population increased 50 million 1951 > 56 million 1975 (increase not steady or consistent, varies on social and economic background of the year)

Social trends 1964-75

1. **The impact of immigration** - continuing influx from New Commonwealth = social tensions 1950's that by 1960's had not faded. Labour put forward further controls on immigration and set up RACE RELATIONS BOARD to implement controls and changes.
 - Sudden influx of Kenyan Asians led to introduction of COMMONWEALTH IMMIGRATION ACT (limited the right of return to Britain for non-white Commonwealth citizens).
 - 1968 > Powell's 'Rivers of Blood' inflammatory speech, sentimental imperialist who was concerned social tensions as a result of immigration seen in America would occur in Britain, pandered to racists > Liberal establishment and party saw him sacked but public supported him: strikes by dockers, march to Downing Street, and Gallup poll found 75% supported what Powell had said.
 - Immigration remained a contentious social and political issue with Conservative's introducing new IMMIGRATION ACT in 1972 further restricting immigration (of mainly non-whites). However, political leaders remained committed to managing immigration and maintaining social cohesion > ASSIMILIATION (Ugandans and Indians especially) and increased immigration proved to Britain that they needed the economic contribution of new migrants and was able to cope with social consequences (began to see limited benefits of immigrants but not willing to admit it)

2. **Impact on communities of industrial disputes** - traditional union leaders part of post war consensus and had achieved improvements in pay/conditions by collective bargaining and invites to No 10.

BUT two trends began to emerge 1964-74: government became more involved (strikes more 'political') and union leaders began to lose control of the local memberships.

- 1970's > nature of industrial disputes **change** > increase wildcat strikes, increases in number of working days lost through strikes (1964: less than 5 million, 1972: 24 million, 1974: 15 million, 1979: 29 million).
- Many strikes reactions against long-term industrial change and nature of industrial disputes began to change e.g. miners facing contraction of coal industry > 1972-74 miners involved in series of confrontations with employers and government, younger and more radical union leaders used more radical tactics e.g. flying pickets
- Impact of 1973 OPEC Oil Crisis > polarisation of society, working class communities felt way of life was threatened
- **3 day week** - nation felt combination of oil crisis and major industrial disputes (engineers, dockers, firemen, looming coal strike threat). Imposed to conserve energy > fuel rationing, speed limit of 30 mph, cuts in lighting > surge in industries laying off workers and number of people signing up for temporary employment payments.
 - = 3 day week led to change of government and public attitudes - union militancy strengthened and public opinion against it
- 3. **The birth of environmentalism** - 1950's > CND as forerunner of movements that worked outside traditional framework of politics encouraging direct action. 1968 > Battle of Grosvenor Sq (anti-war protests) > all provided background for emergence of environmentalism.
 - Environmentalism: industrial pollution, protection of wildlife, organic farming, dangers of radiation/nuclear waste
 - Increased interest in 'ecology' - *Silent Spring* 1962 (book on decline in birds etc due to pesticides), Hunt Saboteurs 1963 (direct action against foxhunting), 1967 *Torrey Canyon* oil tanker spill
 - 1970's > disparate environmental protests began to coalesce into organised campaigns > emergence of pressure groups e.g. Friends of the Earth (1971), British Ecology Party 1973 (later Green Party), Greenpeace (1971 > Greenpeace UK by 1977)
 - Splits over what type of action to take e.g. direct action by animal protestors saw violent attacks from 1973, Animal Liberation Front (1976) adopted extreme violence and letter bombs (incl. to Thatcher 1984!!)

In what ways did environmental issues influence society in Britain between 1964 and 1975?

- Growth of demonstrations e.g. CND
- Development of pressure groups
- General increase in the natural environment and the need for conservation
- Culture - TV programmes (BBC Natural History, Attenborough's Life on Earth)
- Carved a place on the political scene by end of 1970's- parties now had to consider and discuss environmental issues
- Creation of the word 'ecology' - change in attitude of society and questioning of traditions such as fox hunting as well as energy creation and consumption



5 key aspects of economic change caused social tensions in the later 1960's and early 1970's

1. Rising inflation and the decline of affluence - end of post war boom under Heath
2. Growing unemployment
3. Change in nature of TU movement (union militancy) - Unions collective industrial power and disputes which took on a political nature
4. Modernisation - clearing of slums and urban redevelopment, new roads
5. Oil crisis and strikes leading to 3 day week

Summary:

- 1975 - post war consensus was breaking down
- Age of affluence had (temporarily) come to an end
- Britain seemed to be losing its social cohesion
- Rising crime levels
- Sociologists studying the ills of society
- Increased militancy of trade unions due to new breed of union activists looking for Arthur Scargill type political confrontation



1964-1975

FOREIGN POLICY

Situation in Britain at time:

→ Wilson's Labour government - attempt to focus on modernisation of Britain, pro-American but did not want to be drawn into conflict in Vietnam, realised the economic potential of European entry but dogged by a party disunited on EEC issue

→ Heath's Conservative government - wanted to continue economic reform but struck by trade union tensions and a series of economic problems.

Wanted to resolve Irish issue and to gain EEC entry

- Decolonisation was a process which began post WW1 and more noticeably after WW2 - this process could not be abandoned following success in India, crisis in Suez, and Macmillan's Wind of Change speech
- Economics - Britain still reliant on US loans and had to ask for IMF loans
= dawning realisation that it was no longer the leading power in the world
- Attitudes were beginning to change - Britain wanted to focus on resolving issues at home (Welfare state, new housing), no longer wanted to be seen as an old fashioned colonial power being caught acting imperially in a modern, democratic era

EMPIRE	EUROPE	AMERICA	NUCLEAR WEAPONS
• 'Winds of Change' speech of 1960 had the result that by 1964, 18 New Commonwealth states had been granted independence. • Had been a relatively smooth process so far and Wilson hoped to continue this retreat peacefully. • This would involve: granting independence to colonial persons who had not yet achieved it, and reducing military responsibilities e.g. East of Suez • However, political and public opinion still clung to the illusion that Britain had an important world role.	• attempted to join 1961-63 - vetoed • Wilson wanted to attempt again 1967	- Reliant on US loans - Suez Crisis scars - Johnson urging Britain to get involved militarily in Vietnam	- Labour confused over nuclear stance - some rifts had been mended - CND marches
Britain disengaged from overseas	De Gaulle left the political scene in 1969 Britain's accession to the EEC	Britain had avoided involvement in Vietnam	Influence of CND waned and Labour continued its acceptance of nuclear deterrents

Britain's objectives 1964-1975

1. Continue decolonisation - gradual process to those countries 'responsible' enough to be independent
2. Gain entry into the EEC
3. Try to ensure Britain was still a prominent power on the world stage
4. Continue presence in NATO and UN
5. Maintain special relationship
6. Ensure Commonwealth success

Britain's concerns

1. Nationalist intentions and the economic impact of granting independence to countries
2. Economic conditions in Britain
3. Position in the Atlantic Alliance - bond of trust had been affected by Suez
4. The future of British foreign policy - America or Europe?
5. How to maintain Commonwealth and would it be successful?



Britain and Rhodesia, 1964-75

- Biggest challenge during this time was not De Gaulle or Johnson, but Ian Smith in Southern Rhodesia
 - 'Winds of Change' speech - seen as a challenge to south > Main target was white minority regimes who were resistant to change
- They weren't persuaded!
- = 1961 South Africa left Commonwealth and moved faster towards apartheid.

Causes of tension in Southern Rhodesia:

- Rise of white nationalism
- Britain's attempted withdrawal
- Britain's intervention efforts
- Intrinsic problems within the country

Empire and Commonwealth:

Britain and Rhodesia, 1964-75

EVENT	HOW DID BRITAIN ATTEMPT TO RESOLVE THE SITUATION?	IMPACT AND OUTCOME?
Britain and Rhodesia • 1961 S.A. left the British Commonwealth moving closer to apartheid. • 1964 - Zambia and Malawi independent but not S. Rhodesia due to political domination of the white. • Ian Smith becomes PM → 1965 Smith rushed into UDI (Unilateral Declaration of Independence) for Rhodesia (commitment to white rule) • Direct challenge to Wilson's government who had other priorities. Thought it would be resolved in weeks not months → shouldered on for 14 years at Lancaster House Conference 1980	• DIPLOMACY! Wilson met Smith HMS Tiger 1966 - seemed to make progress but Smith disavowed everything he said as soon as he got back home. • SANCTIONS! Oil sanctions - no effect (got supplies elsewhere - Mozambique and oil companies disregarding sanction) • HMS Fearless 1968 - talks again but Smith feeling stronger rather than weaker and felt he could rely on Conservatives (wait for Britain to give in) • Diplomacy got Wilson nowhere	• Diplomacy got Wilson nowhere - upset Commonwealth and many on Labour left and Britain looked weak • Other countries had shown a lack of respect for British authority by flouting sanctions and ignoring diplomacy > underlined Britain's position in the world at this time • Small farmer able to hold country to ransom • Britain unwilling to risk upsetting America and UN like Suez • But, showed that Britain was changing and becoming more responsible by using diplomacy, a big change from Suez in 1956
Biafra Crisis 1967 • Ibo people tried to create independent state in own right in Nigeria in place called Biafra = bitter civil war • Press and public opinion supported Biafra and Colonel Ojukwu	• Britain felt bound to support the official government of Nigeria and the idea of territorial integrity	• Defeat for Biafra • Wilson on wrong side of press and public opinion • Difficult time during difficult government
South African relations 1970 • Relations deteriorating	• Heath continued sanctions despite being ineffectual and being opposed by many on the Conservative right	• Heath saw divides in party • Britain continues to look weak

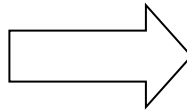
- SA cricket tour of Britain abandoned due to threat of anti-apartheid activists such as Hain → SA moving towards sporting isolation - SA giving support to Smith's Rhodesia	- such as the Monday Club and big business and trade interests in SA. - Douglas-Home sent to Rhodesia in 1971 for unofficial talks – pessimistic report without any signs of resolution.	- Smith's position strengthened by a surge in white immigration to Rhodesia in 1960's - Rhodesia issue stagnated - Britain looked ineffective and did not try to effectively end apartheid
Bush War 1972 - Marxists insurgents started a guerilla war - Smith's regime could cope with this as long as they had support from SA but SA had opted for a less confrontational approach to its black neighbours in 1974 = reduced flow of oil and armaments into Rhodesia	1976 Smith accepted the Kissinger Plan drawn up by US and approved by SA and Britain – set out the steps for majority rule.	- Pressure from SA and US had done what British diplomacy and sanctions had failed to do. 1979 – Zimbabwe-Rhodesia held multi-racial elections - For 15 years the British government had been made to look futile by Smith and his ability to defy them.
OUTCOME What impact did African tensions have on Britain? - Divided parties - Made PMs and Britain look weak - Split governments from press and public opinion - Distracted parties from other events in Britain - Continued to be a drain on money and effort Why does Rowe argue that Smith endured the biggest failure? - Had he negotiated a reasonable settlement in 1966 then the later history of Zimbabwe under Mugabe might have taken a less disastrous course than it did		

Withdrawal East of Suez

Wilson's overseas commitments

1964: 'slow and long term'

- Would have to be reduction in military commitments
- Denis Healey (Minister of Defence) started a process of spending cuts to bring defence budget below £2million by 1970
- 1967 White Paper (Healey) – timetable for troop withdrawals from Aden, the Middle East, Malaysia and Singapore
- Criticised for not going far or fast enough due to his beliefs in the Atlantic alliance and Britain having a continuing world role.
- No real debate over giving up the expensive British nuclear deterrent. Would continue to deploy its Polaris missiles with a commitment in 1967 to upgrade at great expense



January 1968: 'acceleration due to costs'

- Roy Jenkins' spending cuts after 1967 devaluation crisis – withdrawal from east of Suez was accelerated rapidly
- troops to be pulled from Aden, the Arabian Gulf and Malaysia by 1971
- development of new high-tech warplane, the F111 abandoned due to cost

Heath as PM 1970 > Discussion about delaying or reversing some withdrawals especially Gulf due to oil ties. Withdrawal of troops not complete by 1971, not occur until late 1970's. No more far-flung chains of British bases – Europe and the Med would now be the furthest reach.

Arguments for and against Heath reversing Wilson's policies when he came to power in 1970

- FOR: needed oil supplies, prestige, unsure economic situation, lack of speed in process so far, having to finish what predecessor had started
- AGAINST: military costs, process was already underway and could not be halted, economic situation of Britain, what was the alternative?

HISTORICAL OPINION ON EMPIRE.....

Marr argues by 1975 the 'Empire was formally over.' WHY?

- Sweep of countries that had become independent
- Britain had accepted it was over – end of illusions

- Commonwealth not yielding financial benefits - reliance on EEC and US
- Couldn't control countries e.g. Rhodesia
- Only reason some areas were still under control was because they were too small and weak to plump for independence
- Loss of control and meaningless outposts and colonial governor roles
- Commonwealth was a 'half life' empire - straddled the word but there was no logic or sense behind it. Problem was that in its sweep of decolonization and creation of an attempt to control these countries still to some degree, they had embraced despotisms and democracies, some admirers and some opponents.
- Potential hot spot for trouble

'The last pretence of being a world power was being stripped away' K. Morgan > Pulling out of the Gulf in the later 1970's - signaled end of Empire in Middle East and limits of Britain's finances

Crisis of the Special Relationship

- 1964 Vietnam War - LBJ desperate for support and approval - wanted a 'coalition of the willing' > Australia sent in support, Britain did not

WHY?

- **Wilson** could have provided a token force
→ But, 1966 saw the Vietnam War become incredibly unpopular in Britain - anti-war demonstrations outside the American Embassy in 1968 = gives diplomatic support but not financial or military support
- **Heath** → Orientated towards Europe
→ Rejected attempts by Kissinger (American Secretary) to use Britain as link to Europe - must negotiate with all 9 states not just Britain as a go-between = STANDING UP TO AMERICAN INFLUENCE
→ Relations with US deteriorated especially after 1973 Yom Kippur War > Britain and Europe refused to allow NATO bases to be used to airlift supplies to Israel by the US

Relationship recovers during Thatcher-Reagan era in response to feelings that the Cold War was being lost and that NATO may be falling apart - sense they must reverse military weaknesses and start winning the 'Cold War' again

	1951-1964	1964-1975	1964-1975	What situation was Britain in by 1975?
	Summary of key events and developments	How had these situations changed by this period	What had remained the same?	
S P E C I A L R E L A T I O N S H I P	• Deeply embroiled in Cold War - involved in Korean War as part of UN • Founding member of NATO 1949 • Close cooperation with US on nuclear weapons • British/US relations strained - Burgess and Maclean spy affair, Suez Crisis 1956, Britain resentful of US pushing them towards Europe • Remained close allies in the Cold War - good relations with JFK, Test Ban Treaty 1963, still at 'top table' in some respects • Dependent on US power - abandoned Blue Streak for American Polaris weapons	• Vietnam War so Britain move away from US	• US relationship still strained and in question by 1964 • Wilson still believed in the Atlantic Alliance and Britain having a world role • Use Polaris missiles	• Strained: Britain had not helped US during Vietnam War nor Yom Kippur War • Came back closer to US due to concerns in path of Cold War and NATO by 1981 • Still reliant on US for some power but now had European club upon which it could not seek support economically, politically and in foreign policy

EUROPE	- Schuman Plan 1950 - proposals for coal and steel community for rapid economic reconstruction - supported by GB but European integration not for Britain 1959 - EFTA created by Britain 1961 - first EEC application and negotiations began, rejected in 1963 - some economic considerations but foreign policy aims were key (wanted to be in all 3 spheres of influence) - determined to keep links with Commonwealth - British public, press and most politicians not in favour of European integration - France had lost the war, Germany had started it, and Labour suspicious of free-market principles behind the Common Market - preserving links with Canada and Australia more important. Economic advantages of EEC disregarded	- EEC entry now essential for ECONOMIC reasons rather than foreign policy reasons - Achieved entry 1973 - Moved closer to Europe - De Gaulle had left the political scene in 1969 - Edward Heath was pro-Europe	- Continuation in applications - Labour still unsure about entry into EEC - divides between pro-marketeters such as Jenkins and those skeptical. Needed referendum to unite them. 1967 - Britain still clinging to US relationship over Europe - Wilson says he would not give into De Gaulle's assurances for Britain to detach themselves from US	In European Club but not fully engulfed, still unsure of role - fact that a referendum had to be held was a worrying sign
EMPIRE	- Realisation of imperial decline post-ww2 - debts, superpowers - public opinion slow to adjust (defense costs high and nuclear weapons involvement) 'retreat from empire' - India - Nationalist movements uprising - Malaya, Kenya, Cyprus, Mau Mau - Suez Crisis 1956 - Eden little faith in long process of diplomacy, drastic military action was key. Forced to retreat due to US - Wings of change 1960 - rush to independence in Africa - process followed by Macmillan and McLeod was successful (compared to other countries) - Had gone a long way by 1964 - Commonwealth seemingly thriving organization - Sentimental myths about Britain's glorious imperial past were hard to shake off - By 1964 - 18 New Commonwealth states	1964 - British public still hung to the idea that Britain had an important world role - Rhodesia - used diplomacy and sanctions instead of military action (HMS Fearless and Tiger, oil sanctions) - change in tactics from Suez - Importance of economics in Britain - spending cuts designed to bring defence budget to below £2 million	- Desire to continue to decolonize by granting independence and reducing military responsibilities - Rhodesia still an issue - Change in speed of decolonization from 1968 - from slow and long term to more rapid following devaluation and announcement of defence cuts	- Empire was over - Andrew Marr - Britain disengaged from bases abroad - Idea of far flung bases British bases was finished - Attitudes had change - no longer colonial illusion - Process not complete as envisaged

Why was Britain in decline by 1975?

- Retreat from empire
 - Impact of economic crisis at home – end of post war boom, trade union tensions,
 - US perceived to be weakened by Vietnam War and special relationship was under strain as Britain had not helped US during this conflict and in the Middle East of 1973
-

THE THATCHER REVOLUTION, 1975-

1990

POLITICS

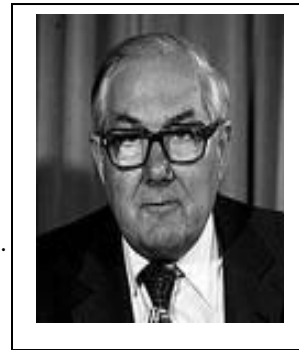
The Labour Government, 1975-79

Emergence of Thatcher did not help Conservative chances of beating Labour in short term. Tories linked with industrial unrest and three day week. Wilson and his government seemed to be in a strong position.

However, the years 1975 – 79 began a slow Labour decline that resulted in 18 years of Tory rule.

Problem 1: Economics

- There was a surge in inflation due to the increase in wages needed to sort out the industrial disputes.
- Some settlements as high as 30%, government was in no position to barter.
- Overall inflation running at 20% – consequence of oil price rise of 1973
- Decline in value of money and growing debit in its trade balance threatened to make Britain bankrupt
- Healey decided that inflation had to be brought under control and that public spending had to be curtailed.
- 1975 budget imposed large tax rises > 1976 budget tried to limit wage rises to 3%.
- March 1976 – £ dropped below \$2 in exchange value



Problem 2: Divisions

- Left wingers in Labour like Foot and Benn did want so much pressure put on the unions.
- Government caused controversy by nationalising British Leyland > accused of saving 'lame-duck' industries.
- STAGFLATION was also back again.

Problem 3: Trade Unions

- Cuts in public expenditure and rise in unemployment that followed the IMF agreement embittered the TU's and weakened their traditional loyalty to Labour
- Credit gained by repealing Heath's Industrial Relation's Act in 1974
- Hopes of positive relations: Wilson on good terms with Jones (TGWU leader) and talk of a 'social contract' (wage restraint policy in return for pro-worker industrial policies)
- However, few examples of unions actually restricting wages and seemed to be a repeat of problems that had plagued Heath

Problem 4: Change in Leadership

- 1976 Wilson resigned
- Callaghan was seen as a safe pair of hands to take over: good links to the unions and was seen as perfect to unify the party, even though they were losing by-elections > had to deal, quite quickly, with the Irish issue and the economy.

CALLAGHAN AS PM – WHAT DID HE ENCOUNTER?

The IMF loan

- 1976 Healey had to go to IMF for emergency loan > £3 billion.
- Terms of the loan: the country had to cut public spending.

- Labour Conference 1976 - Healey gets rough reception. Showed long running feud between left (thought they were Conservative policies) and centre right (claimed party looked feeble when dealing with TU's and were losing power) of party was as fierce as ever > seen by opponents as a humiliation.
 - However, Callaghan handled the IMF crisis well, but it did reinforce that the UK was in economic decline.
 - Arguments from Tories that it was giving away Britain's independence & from Labour that capitalism was being given in to.
- Callaghan began to see a growth of left wing union militancy, but was able to deal with this.

THE LIB LAB PACT

- Overall majority throughout 5 years in government was never more than 3 seats
 - To strengthen position > Callaghan made Lib-Lab Pact. By this deal, 12 Liberal MP's voted for the government in parliament and in return Callaghan would go ahead with devolution for Scotland and Wales.
- = Gave the Liberal Party influence
- The economic situation also got better as North Sea Oil came on stream (1978 - 9 oilfields in production)
- Inflation fell **but** at cost of increased unemployment (1.6 million by 1978)
- Some economic historians see this as a genuine improvement, others see it as a blip on an economic decline.
- 1978 - economic recovery took the heat out of the agonising about Britain's role as the 'economic sick man of Europe'
- But 5% ceiling on wage rises had angered TU's leading to strikes in 1977 (firemen), 1979 (Ford Motors, lorry drivers)

DEVOLUTION

- Liberals demanded this issue to be dealt with as part of the Lib-Lab pact agreement
- Referendum - Wales voted 4:1 against devolution.
- In Scotland more people voted for rather than against devolution. Nowhere near the 40% of all those eligible to vote.
- People too distracted by the 'Winter of Discontent' of 1978-79

To sum up...

UNDERLYING PROBLEMS

- Small Labour majority in the Commons
- The grim effects of the oil price crisis of 1973
- The struggle with the combative trade unions

1975 EEC referendum confirmed UK's membership of EEC

LABOUR'S WINTER OF DISCONTENT 1979

- Industrial disputes 1978-79 were not serious challenge to government of the day.
 - But the psychological effect of the winter of discontent had a devastating effect on the public mood, and thus on James Callaghan's government.
 - Wave of industrial action by all spheres of the work force including lorry and train drivers, refuse workers, and grave diggers
- = Fuelled the idea that 'Labour isn't working'

CALLAGHAN SUCCEEDED WILSON IN 1976, BUT...

- 1976 IMF crisis deepened divisions in government and party
- Growing number of strikes 1977-79
- Industrial action by the public sector unions led to 'winter of discontent'
- Labour government badly weakened by its failures to control the crisis
- End of Lib-Lab pact proved disastrous for Labour
- Door opened to Mrs Thatcher's Conservatives

Consequences: Thatcher led Conservatives in outright condemnation of devolution which in the long run, this policy had a dramatic effect on the Tory party > 1970 they had 36 seats in Scotland, by 1997 they had none.

RISE OF THATCHER:

Many people saw a different Thatcher between 1975-79. She had not yet fully moulded her political beliefs or her political style. There were four key factors that helped her do this during her time in opposition:

Factor 1: Personality

- Force of personality, drive and confidence in her party and own abilities (contrast to pessimism of party and country at time)
- Cultivated political presentation skills - worked hard at how to present herself and used the PR firm Saatchi & Saatchi to help her with this.
- She gave off positive vibes throughout the period.

Factor 2: Deputy Leader Willie Whitelaw

- Keen to impress on the party the importance of unity.
- He was totally loyal and he was key in winning over Heath's supporters to the new leader.

Factor 3: Economic Policy

- Her natural instincts were against 'big government' and consensus politics.
- She was influenced by people like Powell and Joseph > began to adopt a policy of MONETARISM (not at forefront until after 1979 election) Monetarism - control inflation by reducing spending and borrowing including, most importantly, strict curbs on the money supply
- Advocated a low level of spending and a close control of money supply to the country.

Factor 4: Political Savvy and Skill

- Keep your options open.
- As they moved towards the election, the Conservative policies were deliberately vague so that she could decide on the best course of action at any given time.

Conclusion: It is wrong to think that Thatcher swept into power with massive public support. Most of 1975 - 79 she was behind Callaghan in ratings. Genuine fear. she said to a friend, 'I shall be remembered as the woman who was allowed one go - to lead the party to defeat.'

1979 ELECTION

The mistake: One key historical question about the 1979 election is why didn't it happen in 1978? During that year, before the winter of discontent, Labour was doing fine, Thatcher was behind in the polls and seemingly unlikely to have her turning point election.

By time Callaghan belatedly called the election in 1979, his government had been damaged by:

- Economic and financial crises
- Rising unemployment 1.6 million
- Belligerent trade unions - lowest ebb since war
- Political misjudgements (mistreatment of minority parties upon whom their continuation in office depended on - 1978 Lib-Lab pact lapsed, SNP walks away after devolution is abandoned) and the impact of the Winter of Discontent



Then, in March 1979, the government lost a vote of no confidence in parliament.

- The government was forced to resign (first time since 1924 that a government had been forced to do this)
- It now meant that a general election would happen in mid 1979 - just when he didn't want one > entered the election campaign in a low state of morale.

Even with all of these negative vibes, the outcome for Labour was not a foregone conclusion.

- The Conservatives main tactic was to hammer away at unpopularity of government - "LABOUR ISN'T WORKING" campaign poster playing on unemployment and law and order
- In reality, the popular vote for Labour held up quite well, dipping by only 3%.
- However, the Conservatives benefited greatly from a drop in support for the Liberals and the SNP.
= The result was by no means a landslide, but gave Thatcher a workable majority.
- Con: 339 seats. Lab: 269 seats. Others: 27 seats (majority of 43) Con % share: 43.9%. Lab % share: 36.9%. Others % share: 19.2%

POTENTIAL EXAM QUESTION: 'Industrial Discontent was the main reason why Labour lost the 1979 election' Assess the validity of this view

- **Factor 1: Winter of Discontent** - psychological impact, idea that Labour was ahead in the opinion polls in Autumn 1978, showed Labour was unable to curb TU power due to their left/trade union roots
- **Factor 2: Divisions within Labour** - IMF loan, ideology and direction of the party, what relationship they should have with TU's, here were begin to see how divisions would lead to later breakaways
- **Factor 3: Loss of the Lib Lab pact and the impact of devolution** - loss of Liberal coalition over devolution issue meant they lost working majority in government > struggle to get majority in parliament = weak government. Failure to get devolution on the go meant rise in voters supporting nationalist parties such as SNP

- **Factor 4: Economics.** There was a surge in inflation due to the increase in wages needed to sort out the industrial disputes. Overall inflation was running at 20% - consequence of the oil price rise of 1973. Decline in value of money and growing debit in its trade balance threatened to make Britain bankrupt. Nationalisation of lame duck industries. Healey decided that inflation had to be brought under control and that public spending had to be curtailed. 1975 budget imposed large tax rises and 1976 his budget tried to limit wage rises to 3%. March 1976 - £ dropped below \$2 in exchange value. IMF loan is result > party split
- **Factor 5: Emergence of Thatcher** - contrast of her optimism with countries pessimism, force of personality, PR of Thatcher (Saatchi and Saatchi) and effective campaign electioneering (Labour isn't working poster), vague policies such as economics meant she could bandwagon popular policies when necessary, united party (thanks to Whitelaw) in comparison to Labour

THATCHER IN POWER 1979

First cabinet

- Not able to put her stamp on the new Conservative government right from the start - took time for her to establish complete dominance over party.
- First cabinet contained several **WETS**, (Heathites who still believed in 'One Nation' politics) and **DRIES**, who were more in tune with her right-wing instincts.
- Willie Whitelaw was home secretary with Lord Carrington as foreign secretary. Michael Heseltine was minister for the environment.

At first.....

- Thatcher had no desire to have a confrontation with the unions (not ready for her 1984 battle yet)
- Pay settlements 1980-81 still generous > 1981, the government intervened in a dispute between NUM and the National Coal Board - and came down in support of the miners!!! Pit closures were scrapped and jobs secured.
- Monetarism: determined to push forward with radical reforms in taxation and government spending.
- 1979 budget (Howe) - reduce government spending and to cut high levels of taxation inherited by Labour: taxation on what you earned (income/property) was a disincentive to effort and so income tax cut 33%>30%. Taxed instead on goods and services: VAT increased

= increased unemployment and sharp contraction of industrial production

- 1980 economy gripped by recession: inflation 15% and unemployment 2 million + STAGFLATION back - Britain saved by North Sea Oil which prevented balance of payment crisis and run on the pound
- 1981 budget - monetarism applied more stringently aiming to eliminate inflation by control of the money supply. Taxes on petrol, cigarette and alcohol increased. Government borrowing went down > grants to local councils cut.

= short run these policies made the recession worse. Went against post-war consensus of full employment by seeing unemployment as a 'price worth paying' to tackle the greater evil of inflation and to force British industry to be more competitive > steel production cut by 30%, some industrial plants closed permanently, impact felt Midlands, north, central Scotland.

DEINDUSTRIALISATION OF BRITAIN?

= major rioting in British inner cities (Bristol 1981, Liverpool, Moss Side, Brixton) > breakdown of social cohesion?

= party divisions opened wider and several 'wets' were sacked or driven to resign > Gilmour left stating Thatcher was 'steering the ship of the state straight on to the rocks'

→Government became hugely unpopular > April 1981 opinion polls Thatcher dropped to 27% > unpopularity carried on until 1982



THE FALKLANDS FACTOR

Thatcher was one of the most unpopular PM's ever in 1982 (27% opinion polls) > Unemployment at 3 million, disturbances rumbled in inner cities, and Thatcher's attacks on local councils were causing concern

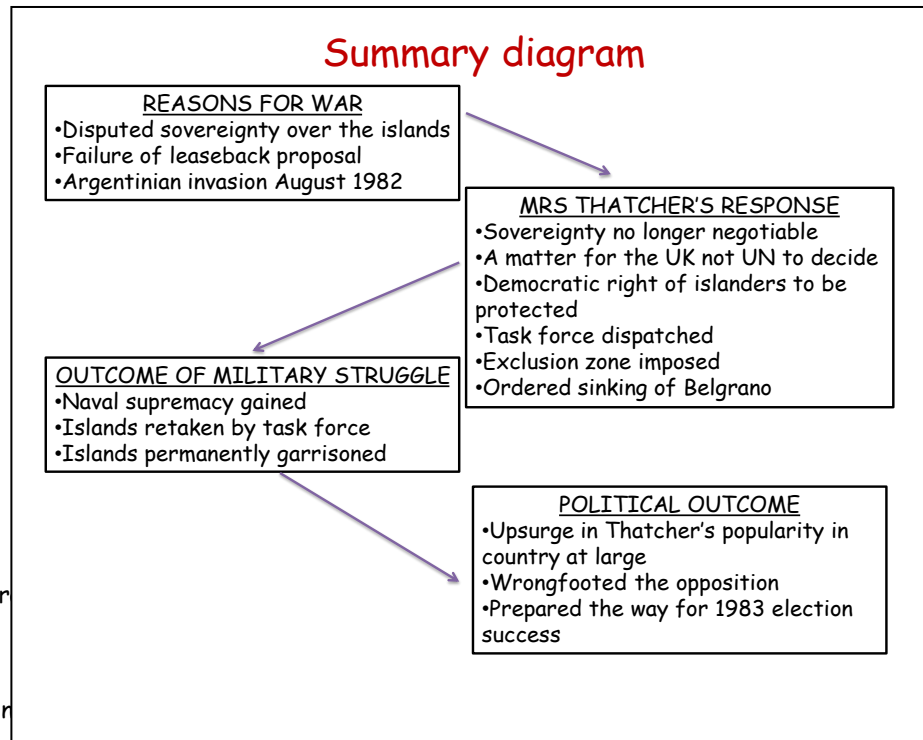
SDP Liberal Alliance popularity was increasing and a genuine fear existed that they could defeat Thatcher in 1983

TURNING POINT.....

The political landscape of 1982 was then transformed by the Falklands victory

Outcome:

1. Domestic politics, Thatcher's previously unpopular government soared in opinion polls - it was the springboard to her 1983 election victory
2. Grass root Conservative activists were galvanised
3. Thatcher gained self confidence and began to dominate the party in a way she had never done before
4. Gained support of press
5. Patriotic national mood took must people, including press > 'The Empire strikes back'. This was in contr to feelings in the 1970's that Britain international position was in miserable decline.
6. The Special Relationship was strengthened - Britain could not fight a war 8000 miles away without the use of US bases. The Americans gave the green light and the personal ties between Thatcher and Reagan became even stronger.
7. Negatively, it was suggested the Falklands diminished relationships with Europe and Thatcher attracted criticism for trying to make out that the Falklands was a WW2 style victory



DIVISIONS IN THE LABOUR PARTY

- Between 1979 and 1983, the Labour Party came close to political oblivion. Internal divisions kept in check by Wilson and Callaghan spilled over.
 - Press coverage of the party was almost universally hostile.
 - Thatcher proved to be a stronger PM than anyone thought.
 - The rise of the Liberals again meant there was another option to the voters.
 - Whole sections of Labour's traditional political support began to leak away.
 - Some Labour voters became 'Thatcher Conservatives', while some voted Liberal.
 - Some became apathetic and this cost Labour dearly in 1983.
 - Key personalities broke away to found a new SDP PARTY IN 1981.
- = led to a massive defeat in 1983, much worse than 1979 > share of the vote plunged to only 27%, 10% down on 1979.
- Only the first past the post system saved Labour losing massive numbers of seats > People were still talking of further decline.



EMERGENCE OF THE SDP:

- The Social Democratic Party 1981 founded by a gang of leading Labour politicians (these MP's seen as traitors)
- They were: Owen, Jenkins, Williams and Rodgers.
- **View:** felt they had been driven out of the Labour Party and that it was now run by extremists. They wanted to find the centre ground (based on Limehouse Declaration). BBC Dimbleby lecture, Jenkins put forward the idea of a new centre party that would break away from the mainstream.

= led to infighting in Labour (did not start immediately). Callaghan did not resign until 1980 so the party stayed strong > new leader emerged as Bevanite MICHAEL FOOT, a strong leftist Labour politician > showed a Labour tendency to turn inwards and ignore the issue that might stop them winning the next election,

SDP LIBERAL ALLIANCE

- Revival of Liberals began under Thorpe > increases in voting % Liberal 1970 and 1974 did not result in more seats in Westminster (due to FPTP system) but monopoly of two leading parties was loosened
- Liberals and other nationalist parties did well > Scotland, parts of Wales, south-west England - voters rejecting Conservatives and Labour?
- Thorpe replaced by STEEL > modest revival of Liberals continued
- Collapse of support for Labour after 1979 gave Liberals biggest political opportunity for 50 years
 - successful strategies for fighting by-elections and local council elections
 - good at pavement politics (local issues)
- **Rise in Liberal vote came in tandem with steep decline in Labour vote.** However, FPTP system worked against the Liberals, whose increased share of the total vote was not matched by any increase in seats in parliament
- SDP and Liberals formed SDP LIBERAL ALLIANCE.
- Relations between the Liberals and SDP were often tense 1) personality differences between the Two Davids 2) differences in ideology (dislike of Thatcher was not enough of a uniting factor) 3) Some within both parties had not wanted a merger at all
- *But!* Still possible to argue they took over from Labour as the credible opposition to Thatcher....until the Falklands

1983 ELECTION

- Falklands > increased self confidence and grasp of the party, led to Conservative rise in opinion polls and a patriotic mood washing through Britain.
- She had, however, the economic record of 1979-82 threatening to derail her success. She had however slackened monetarist policies 1982-3 softening unemployment hardship (at 3 million)
- Labour was experiencing political wilderness as a result of internal divisions and the break away of the SDP.
- The SDP-Liberal alliance was gaining support and experiencing small successes, even becoming the official opposition party in some areas of Britain

Outcome:

1951

Labour 48.8% vote (14 million)
 Liberal 2.5% vote (less than 1 million)
 Conservatives 48% (but still won!! FPTP system)
 Conservatives secured a 144 seat majority.

1983

Labour 27.6% vote (8.4 million)
 Liberal 25.4% vote
 Conservatives 42.4% vote

Labour looked less and less like a party of government than before.

SDP Liberal Alliance experienced a rise in support, but not as much as they had expected in 1982

1983 election was another example of the distorting effect of the FPTP system

- The Alliance had only got $\frac{1}{2}$ million votes less than Labour but were 186 fewer seats than them in parliament
- The amount of non-Conservative votes was 16 million compared to the total of Conservative votes at 13 million

Why did they win the 1983 Election?

1. **Falklands factor** - rise of patriotism and support of the government. However this must not be overstated and is often used by Labour sympathisers as an alibi. Conservative success was not due to mass approval of Thatcher.
2. **Splintering of political opposition**
3. **Labour lacked credibility** - Foot acted as a principled opposition party but no one could imagine

If you look, the Conservatives % of vote is actually less than 1951 so it's not that they are the more popular party. It's that Labour has lost 20% of their vote to Liberals.

Did the Conservatives only win because Labour was so unpopular?



him actually being the leader of the government of the day.

4. **Labour's election manifesto** - 'the longest suicide note in history' - a mish mash of left-wing promises including UND and the abolition of foxhunting.
5. **First past the post voting system** - distorting effect on results including the Alliance's lack of seats in Parliament and the total non-Tory vote exceeding the total Tory vote by 3 million

POTENTIAL EXAM QUESTION:

'Success in the Falkland's War ensured Margaret Thatcher's election victory of 1983'

A successful answer to this question will balance the effects of the Falklands War against other factors contributing to Thatcher's electoral victory of 1983.

Factor Importance of the Falklands War

- Overwhelming victory increased her popularity with the public and press
- The victory weakened the position of those who opposed r
- Victory undermined the authority of Kinnock and Foot who appeared pacifist and unpatriotic
- Victory derailed the SDP Liberal Alliance successes

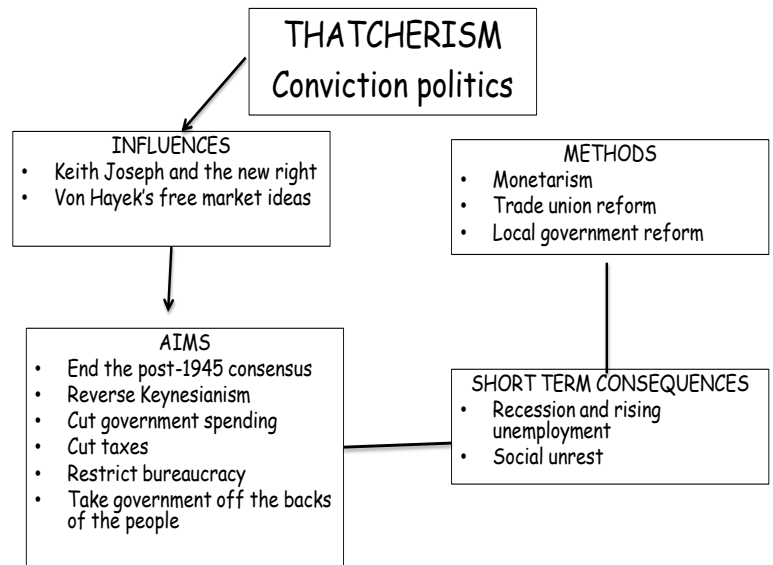
Other factors (each factor will need a paragraph) which may have contributed to Thatcher's success at the polls:

- Divisions of Labour - internal disputes over direction of the party regarding nationalisation and UND, SDP break away
- Labour leadership - unable to inspire party or engage public, lurch to left and socialist objectives, 'longest suicide note in history' compounded by loss of traditional support bases, haunted by previous government's failures
- Thatcher's ending of the post war consensus
- 'Thatcher's economic revolution'
- Conservative party unity and presentation
- FPTP Electoral system

POTENTIAL EXAM QUESTION: Use a combination of strengths and weaknesses to answer these questions!

1. Reasons why the conservatives were so politically dominant 1979-87?
2. why was political opposition towards thatcher so ineffective?

The Thatcher Revolution Stage 1: 1979-86



Thatcher's aims for 1979-87

- End the post war consensus
- Reverse Keynesianism
- Cut government spending
- Cut taxes (on income/housing)
- Restrict bureaucracy and big government

<u>THE FALKLANDS FACTOR</u> • Turning point in Thatcher/Conservative popularity - saw opinion polls alter • Gained support of press e.g. The Sun • Led to increase in Thatcher's self confidence and grasp on the party - began to dominate • 'forgiven?' for earlier economic traumas • Unleashed a wave of patriotism • Seen as a bold leader • Galvanised grass root Conservative supporters • Springboard for election victory of 1983	<u>PARTY UNITY AND PRESENTATION</u> • Whitelaw as deputy - won over Heathites and ensured party unity. Different in background, style and policy ideas • Use of Saatchi and Saatchi for PR and campaigns - 'Labour isn't working'. • Mastery of the press using Bernard Ingham • Cabinet composed of 'wets' and 'dries' . When party divisions opened wider and several 'wets' were sacked or driven to resign Thatcher still managed to maintain party unity and marginalized wets • Secured grip and control of the Party post-Falklands ensured party unity • Momentum - Thatcher had built up momentum and became an unstoppable chuggernaut	<u>ENDING OF THE POST WAR CONSENSUS</u> • End consensus which had allowed Britain to slip into harmful social and economic habits • It was false economic and bad social practice • The state had played too large a part in peoples lives and there needed to be a return to the principle of individual accountability • Labour glorified in planning, regulation and controls and subsidies, trying o forge a third way between European collectivism and American capitalism. The Tory party had been more abivalent and at the level of principle had opposed these doctrines. But in the fine print of policy, the Tory Party merely pitched camp in the long march to the left. It never really tried to reverse it. • Thatcher arrived and outwardly rejected this, including criticising Heath. This heralded a change that the electorate needed.
<u>THATCHER'S ECONOMIC REVOLUTION</u> • 3 policies: reverse economic decline, cost all policies and if they could not be accommodated within public expenditure plans they would not be approved, and to introduce a new change in direction no matter the costs along the way - offered a new approach: stimulation of free enterprise through tax cuts and regulation • Restoration of free market principles to replace Keynesianism -deregulation of financial markets • Tackle inflation through monetarism leading to government spending cuts. Unpopular and led to unemployment of nearly 3 million, but successful in it's primary objective to cut inflation: 19% in 1979 to 5% in 1983 • Trade union reform - Miner's strikes saw her smash unions and Scargill • Local government reform and 'taking on' of left wing local councils - Local Government Act 1986 • Privatisation of industry - "rolling back the frontiers of the state' BP 1979, British Telecom 1984 • Sale of council houses - Housing Act 1980 'right to buy'		<u>OTHER POTENTIAL FACTORS.....</u> • FPTP system • Rise of nationalist parties and SDP which split votes

THESE FACTORS
SUGGEST IT WAS
CONSERVATIVE
STRENGTHS THAT
LED TO
DOMINATION!

INTERNAL DIVISIONS AND THE SDP BREAKAWAY

- Led them close to political oblivion - divisions simmering in 1970's e.g. IMF loan but spilled over after 1979
- Groups had been forming during the 1970's - Militant Tendency and Manifesto Group
- Division spurred by the resignation of Callaghan in 1980 and the selection of Foot as successor
- Blackpool party conference in 1981 - Leadership succession showed Labour's tendency to selfishly turn in on itself instead of focusing on the electorate's issues of the day - more concerned with internal wrangles
- Gang of four and formation of Alliance - effective opposition to government and won limited successes. SDP had been driven out by extremists in the party and wanted to offer a centrist approach

SDP ALLIANCE WEAKNESSES

- FPTP system distorting effects meant that they couldn't acquire the proportionate seats in Westminster - 1983 election $\frac{1}{2}$ million fewer votes than Labour but 186 seats fewer in Parliament
- Lack of unity - 'two Davids' sharp difference in personality and approach. Ideological differences - opposition to Thatcher was not enough for unity.
- 1983 Labour's new leader Kinnock was determined to reunite the party and claw back credibility. The revival of Labour was matched by a loss of momentum of the Alliance. More centrist approach of Labour under Kinnock meant the SDP had no real identity or purpose

SOCIALIST OBJECTIVES - THE LURCH TO THE LEFT

- Left wing influence increasing in the party during the 1970's with growing support for Benn and the emergence of the hard left e.g. Militant tendency
- 1979 was seen by Benn as Labour not being left enough - urged party to embrace genuinely socialist ideals instead of tinkering with capitalist ideas.
- Wanted to change party's constitution - led to reselection of Labour MP's by constituencies
- 1980 emergence of Foot as leader (Bevanite) saw the party lurch further to the left
- 1983 election manifesto was a mish mash of leftist policies including UND, desire to bring back nationalisation and the abolition of fox hunting - longest suicide note in history. Party was regarded as out of touch with the electorate

THESE FACTORS SUGGEST IT WAS THE
FAILINGS OF THE OPPOSITION THAT LED TO
DOMINANCE!

LABOUR LEADERSHIP

- Led Labour further to the left
- Led to the emergence of the SDP in response
- Foot was seen as a disappointment as leader - unable to inspire the party or engage the electorate
- Led the party and the campaign in 1983 in a doddering uninspiring way
- Party came out badly in the Falklands War in 1982 - it's objection to military intervention was read by the electorate as lack of support for those fighting in the war. Perceived as pacifism and unpatriotic attitude during a time of national crisis.

LOSS OF TRADITIONAL SUPPORT BASE

- Some Labour voters became 'Thatcher Conservatives'
- Some voted Liberal
- Demographic change loosened class based loyalties of the working class
- Unions no longer such a source of strength
- Winter of discontent saw strong reactions from the middle class and skilled and unskilled workers who began to switch away from Labour

GHOSTS OF PREVIOUS GOVERNMENTAL FAILURES

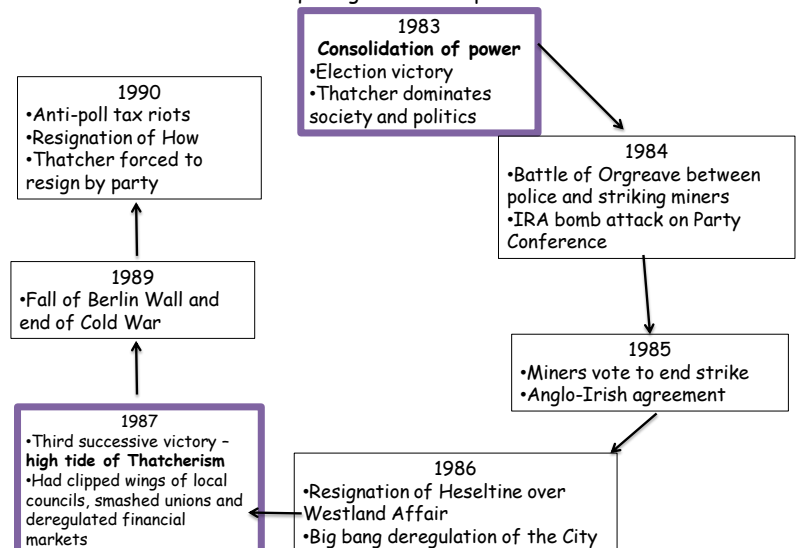
- Press hostile
- Winter of discontent
- IMF loans
- Return of stagflation
- Unemployment
- Labour's strong links with the unions were seen by voters as a contributory factor to industrial strife and Labour's inability to govern
- No longer seen as the party of government by the electorate

THE HIGH TIDE OF THATCHERISM, 1983-1987

1983 Election

- First term in office (1979-83) - untried leader surrounded by more experienced colleagues to whom some concessions were made and a spate of policies which made her unpopular
- Falklands turning point 1982 to saw her boosted to win the 1983 election
- Thatcher was **liberated**:
→ personal prestige was boosted

A quick guide to the period



→ 'wets' in her party marginalized

→ she was now a commanding leader at the head of a team of Thatcherites

- Thatcher also mastered the press using Bernard Ingham to great effect. She secured favourable press through informal contacts and leaks.

Thatcher had now consolidated her position and felt strong enough to act.....

KEY AIMS:

1. Privatisation of key industries
2. Stimulation of free enterprise through tax cuts and regulation

Thatcher took on and defeated 3 enemies:

Enemy 1: Left Wing Councils

Why a problem?

- Regarded as enemies both in terms of ideology and for wasting resources
- Fiercest battle: Greater London Council (GLC) headed by Livingstone who was demonised as the face of the 'loony left'

Action taken?

- 1986 Local Government Act abolishing the big metropolitan local authorities that had been set up by the Heath government
- Powers of the central government were greatly increased at the expense of the local government

Success?

- Clear victory against the 'loony left' but, in the longer term, created problems for central government. Central government was now in the firing line dealing with issues it previously had not needed to worry about.
- Jenkins terms it: "Nationalisation of blame"

Enemy 2: Trade Unions

Why a problem?

- Concerned about power of trade unions, in particular NUM and its leader Scargill
- 1981 previous dispute had been settled by compromise as it was still wary of the experience of 1973-4

Action taken

- 1982 - new laws passed making strike ballots compulsory and banned mass picketing
- Huge stocks of coal was built up and the North Sea reserves helped to protect the government from a repeat of the 3 day week of 1973
- 1984 Thatcher's government were prepared and confident for the 'enemy within'
- 1984-5 - Thatcher smashed the unions and took this as an opportunity to strengthen her leadership and prevent the unions from being an effective opposition to governments in the future

Success?

- Far reaching impact, beyond the realms of the coal industry
- Seen as defining point of Thatcher's reign and dominated the press for over a year, consolidating her position, popularity and authority (as seen by 1987 election). She ensured she made comparisons between her bold leadership when dealing with unions in contrast to Heath's failures in 1973-4 and Callaghan's winter of discontent
- Process had split the NUM badly
- Thatcher "smashed the unions" by March 1985 witnessing their new inability to intimidate governments > TU power was dramatically > by 1990 TU membership only 2/3 of 1979
- Process had caused many traditional mining communities to suffer severe hardship
- Other industries were reorganised: British Steel, British Airways (job losses)
- Thatcher continued to benefit from the weaknesses and divisions of the opposition parties.
- Police faced criticism for being too politicised



Miner's strike 1984-5

Scargill refused to hold a strike ballot. This meant he did not gain total support for a national strike and weakened his case in tandem with a failure to overcome the historic regional divisions amongst the miners (Nottingham formed their own a breakaway UDM union and some disapproving miners returned to work)

Why did the miners lose?

→ **Police** were a key factor (experienced due to 1981 social unrest and using new tactics and equipment) resulting in Battle of Orgreave. Critics argued police were politicised by attacking miners instead of being impartial protectors of the law

→ **Scargill** - he alienated moderates and failed to get support of Labour leadership.

→ **Thatcher demonised Scargill** by using her contacts in the press. Although many felt sympathy for the miners Thatcher presented Scargill as a dangerous revolutionary challenging the democratically elected government

→ **'All or nothing' tactics** - pit closures would have happened anyway but more pits were closed as a result of the politically motivated strikes than would have been had they negotiated with the NCB

Enemy 3: State Controlled Industry

Why a problem?

- Thatcher regarded state owned/public sector industry as inefficient and costly
- Thatcher thought: 'private good, public bad'

Action taken? > DEREGULATION AND PRIVATISATION

1. DENATIONALISATION

Denationalisation key aim of Thatcherite economic policy - "pulling back the frontiers of the state" by privatisation of state controlled enterprises. Over 50 enterprises sold off!

- Privatisation driven by anti-socialist ideology. Most privatised industries were sold off cheaply to ensure all shares were taken up. The government acquired huge amounts of money from this

- First term - some steps taken

→ 1979 BP nationalised, 1980 British aerospace

- Momentum picked up with the sale of British Telecom in 1984. This was followed by...

→ British Airports Authority, National Bus Company, British Gas and British Airways (1986), Rolls Royce (1987), British Steel (1988), regional electricity and water boards

- Plans were thought up to privatise parts of the NHS but were not pursued until 1990s

2. HOUSING ACT 1980

- Sale of council houses and a tenants 'RIGHT TO BUY' homes and shares to try to make Britain a 'property owning democracy' and foster a **shareholder mentality**

3. FINANCIAL DEREGULATION

- City of London and financial markets freed from the tight controls regulated by Bank of England
- '**Big Bang**' 1986 - blew away old traditions and internationalised the stock market
- New breed of dealers and speculators (yuppies!!) - City became place of bigger risks and bigger fortunes made faster
- Education: schools could not opt out of the state sector

Success?

- Marked a significant shift in the British economy - signalled end of the post war consensus about economic management
- Thousands of people took advantage of the 'right to buy' scheme and bought their homes
- 1979-1990 shareholder numbers rose from 3 million > 9 million
- However, shares in privatised industries were mainly bought by big commercial concerns, not the "little people" as government advertising had predicted.

Other economic steps taken:

- Shift in emphasis of economics - Monetarism sidelined in place of 'supply side economics'. This involved curbing TU power, encouraging competition to lower prices, and cutting wasteful welfare payments
- Thatcherite agenda also included lower taxes and more incentives for people to generate wealth (reduced income tax provided employees with an incentive to work)
- Lawson's budget 1987 - basic rate of income tax cut from 29% to 27% (cut to 25% by 1988)
- Personal pensions launched encouraging people to save for themselves rather than rely on state or company pensions
- North Sea Oil sold off - Labour had established BNOC as a means of keeping North Sea oil under public control.



Government revenue derived from privatisation:

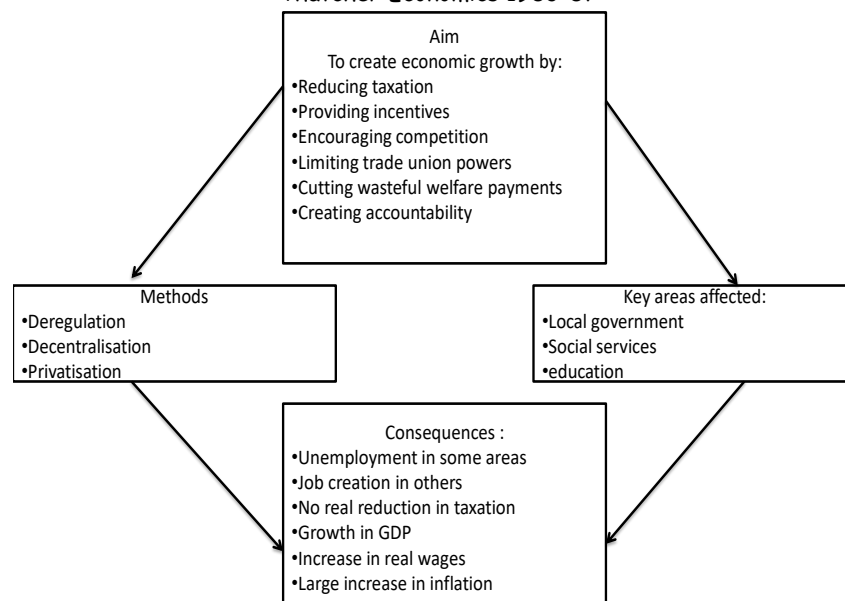
1979-80 £377 million

1985-6 £2600 million

1988-9 £7000 million

SUMMARY

Thatcher Economics 1983-87



However, in 1982 Thatcher sold majority shares to the private sector arguing that world oil prices were in long term decline. Critics argued the government had squandered a national asset for short term gain and were destroying Britain's industrial economy.

THE DIVIDED OPPOSITION 1983-1987

RECAP: Callaghan PM until 1979 (lost election to Thatcher) and Labour leader until 1980. In November 1980, however, Foot became leader > "lurch to the left" ('Loony Left') including the "longest suicide note in history" election manifesto of 1983. A gang of four had broken away with other key members of Labour to form SDP in 1981 as they wanted a more centrist party, enjoying some by-election successes e.g. Warrington. They formed an initial informal alliance with the Liberals, which then became formal > SDP LIBERAL ALLIANCE. This enjoyed limited success at local and by-election level, however infighting between two leaders of the SDP and Liberals (Two Davids), ideological differences (disliking Thatcher not enough to unite them), and the Falklands derailed their success.....

Labour's Difficulties

1. Took time to live down the memory of the 'Winter of Discontent'
2. Internal divisions between left and right a continual source of weakness
3. Foot a disappointment as leader - unable to inspire the party or engage the electorate
4. Angered by the prevailing influence of CND, Militant Tendency and the unions, which had caused the SDP split 1981
5. Party came out badly from Falklands War - objection to military intervention was read by the electorate as a lack of support for those fighting in the war
6. Disastrous performance in 1983 - party out of touch

> KINNOCK BECOMES LABOUR LEADER 1983

Beliefs:

- Changed mind on key left-wing causes e.g. unilateralism, nationalisation, Europe (criticised for abandoning principles)

Aims:

- To silence the hard left of Labour
- Move the Labour Party back towards the political middle ground
- Modernise the Labour Party organisations and improve party discipline

Outcome:

- Lost elections 1987, 1992
- Did much to restore Labour's political credibility
- 1985 speech was landmark in the evolution of New Labour

What problems did Kinnock face during his time as leader?

Problem One: Left Wing Activists in unions and local government who had great prevailing influence

- Hard left Militant Tendency group infiltrated many local councils
- Livingstone, left wing leader of GLC, engaged in running political battles against the government
- Scargill's leadership of miner's strike fuelled a lot of anti-Thatcherite radicalism

How did Kinnock attempt to solve the problem?

- Post 1985 Miner's Strike Kinnock attempted to assert control over the party and to regain the initiative from hard left activists
- 1985 Bournemouth party conference - outspoken attack on the actions of the Militant Tendency and on the leaders of the city council in Liverpool for their policies
- Less directly, Kinnock distanced himself from the supporters of Benn and Scargill

Problem Two: Labour's lack of credibility and series of defeats

- Parliamentary party had been weakened by its heavy defeat in 1983
- 1987 Kinnock had already done a lot to restore party discipline and to make the party organisation more efficient but still lost heavily in 1987 election

How did Kinnock attempt to solve the problem?

- From 1987 modernisation of the party was given top priority



- Labour's image became much more moderate (using reassuring shadow chancellor Smith and by recruiting talented younger politicians such as Mandelson, Blair and Brown)
- 1990 - Labour revival progressed far enough for the party to have serious hopes of winning the next election

SDP LIBERAL ALLIANCE

1981-1982

Enjoyed moderate levels of success in by elections due to pavement politics and local council election strategies

40% vote pre-Falklands War

What went wrong?

1987 - dropped to 24% vote

The SDP began to shrink

Why did it go wrong?

1. 1983 - Loss of momentum meant that they found it hard to maintain the same levels of support

2. Two Davids infighting

- partly due to ideological differences; opposition to Thatcher was not enough to provide unity by itself
- partly due to personal differences

3. Revival of Labour - the only reason the SDP formed was because Labour was a political basket case in 1981. As Kinnock established his grip on the Labour party, it seemed that moderate socialism was back in business and the SDP had no real identity or purpose. Former Labour MP's that had deserted began to turn back to the party.

Outcome:

- Many Labour MPs switched their allegiance back to Labour
- SDP Liberal Alliance merged to form the Liberal Democrats in 1988 and remained a force in politics through their slick campaigning in by-elections but the hopes of 'breaking the mould' melted away

Year	Election Result
1979	Conservative 43.9% Labour 36.9% Liberal 13.8%
1983	Conservative 42.4% Labour 27.6% SDP Liberal 25.4%
1987	Conservative 42.4% Labour 30.8% SDP Liberal 22.6%

Recap: Why were the Conservatives so dominant during the period 1979-1987?

1. The Falklands War
2. Divisions in Labour and lack of political credibility
3. Ideological and personality differences between SDP Alliance
4. Leadership of Thatcher
5. Removal of Thatcher's economic and trade union enemies
6. Economic policies of Thatcher
7. First Past the Post Electoral System

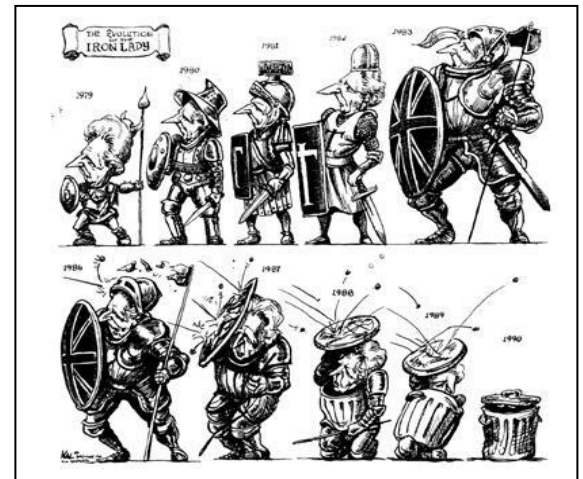
THE DOWNFALL OF THATCHER

Reason 1: Economics (long term factor)

- Economic recession of 1987 began to bite by 1990
- Great stock market crash 1987 - came a year after the Big Bang deregulation of the London Stock Exchange in 1986 which saw the advent of computer screen trading in tandem with free competition replacing the 'old boys' network
- Lawson boom - Thatcher's new chancellor Lawson (especially in the 1988 budget) introduced policies resulting in the rapid expansion of the economy (Lawson boom). However, this also resulted in a balance of payments problem.
- Inflation - 1990 had risen to 10.9%, higher than in 1980. An important reason why Britain entered the Exchange rate mechanism

Reason 2: Political

- After 11 years in office Thatcher was losing her political touch
- Westland Affair 1986 - resignation of Heseltine drew disaffected MP's to his cause.
- Came at a time when many previously loyal MP's felt pushed to the sidelines so began to turn away from Thatcher, leading to her increasing isolation.



- Loss of Willie Whitelaw - resigned 1987. 'Every PM needs a Willie' referring to the invaluable common sense that Whitelaw applied to all issues.
- Poor governmental position decisions and disputes over Europe and the economy:
 - Thatcher's use of Prof Walters in 1989 as an economic advisor infuriated Chancellor Lawson
 - Thatcher alienated Howe by moving him from the foreign office to a lesser position
 - loss of Nicholas Ridley due to forced resignation in 1990
 - use of inexperienced and young Major in 3 great cabinet posts within 18 months (home sec, foreign sec, chancellor) was an indicator of the turbulence in the government
- Howe's revenge 1990 - provocation of Howe led to his resignation. Howe's resignation statement (in the House of Commons, broadcast on TV) was full of criticism of Thatcher's autocratic ways and backtracking on the European question. The impact that this speech had was sensational

Reason 3: Poll Tax

- Intention was to replace system (financing local government through homeowners paying rates) with community charge. This was to encourage accountability in local government.
- Layman's terms: tax people not property
- Described as a hubris and 'a reform too far'
- Led to fall as it alienated the public and press as well as some of the Conservative's staunchest supporters (middle class): Proved to be bitterly unpopular with public opinion and press - saw Tories as a 'grasping government intent on trapping everyone in the same net' (Lynch)
- Alienated members of government: Thatcher advised to drop scheme. Ignored this and pressed on despite backbench rebellions 1988. Angered 'One Nation Conservatives' ('wets') who argued they should use redistributive taxation instead to help disadvantaged members of society
- Anti-poll tax demonstrations occurred in London (200,000 people) resulting in serious rioting, hundreds of injuries, and millions of pounds of damage
- Government's popularity in the opinion polls dropped dramatically
- Led to fall as it gave her opponents a cause around which to rally - opposition came from all across the political spectrum e.g. SNP's 'can't pay, won't pay' campaign

Community charge/Poll Tax
administered using the electoral roll
to identify those required to pay.

Meant to *rationalise* system and
introduce a fairer system than
charging people according to the
value of their house

Well organised opposition a key
reason for its failure to be

Reason 4: Revival and success of the opposition

- Role of Kinnock and Smith - Labour recovery was evident by 1990.
- Conservative loss of 'safe' seats to opposition parties
 - Eastbourne lost to Liberals (ultra safe seat). If they lost here they could lose anywhere
- Many Conservative MP's now genuinely feared defeat at next election - these fears contributed to downfall of Thatcher as without fears for their own survival among Conservative MP's there would not have been a challenge to leadership in first place

Reason 5: Running out of enemies to attack and a short supply of friends

- Premiership was marked by battles against opponents whom she demonised and then defeated:
 - 'wets' in party, Galtieri (Falklands), Foot (Labour leader 1980-83), Scargill (Miner's Strikes), Livingstone (last leader of GLC)
- After 1987 Thatcher's main target Europe - not an easy battlefield as it threatened to cause serious damage to party unity
- Enemies provided a cause around which Thatcher could rally support within the government or amongst the public, she could galvanise the party faithful, and demonstrate her bold leadership skills. It gave her a cause around which to focus her attention and a loss of opponents meant she lost direction
- Lack of friends by 1990 through resignations and dismissals compounded this as without loyal support she was unable to effectively lead the government against any potential opponents

Reason 6: Regicide (cabinet mutiny) - The final spark

- Conservatives lost all 4 by elections 1989-1990
- April 1990 - Labour had 20 point lead in opinion polls over Tories at Thatcher's personal popularity at lowest point in her premiership

- Leading Conservatives believed they could not win the next election with Thatcher as leader
- Heseltine announced his candidacy for leadership of the party. First ballot – Thatcher 204 votes vs. Heseltine 152
Margin of victory was not large enough to rule out a second ballot as Thatcher had lost support of 2/5th of party
- Thatcher's initial intentions to fight on ended following individual discussions with her ministers. Consultations found that most of them advised her to resign – the most direct and blunt coming from Ken Clarke (Education Sec)
- Thatcher resigned two days later – of the regicide she said 'It is something I will never forget and never forgive'

SOCIAL

WHAT FACTORS CAUSED SOCIAL CHANGE 1975-1990?

Combination of political pressures from above, and social and economic changes from below resulting in recurrent social upheavals.

- End of post-war consensus impacted greatly on society
- Economic rises of 1970's and the prolonged period of unemployment in the 1980's put a strain on **social cohesion** – social tensions were intensified and attitudes polarised.
- Ideology of Thatcherism (emphasis on individualism and her claim 'there is no such thing as society') seemed to be a direct attack on the ideas of the welfare state and civic responsibility
- Long term economic trends were changing Britain's industrial society. The old, labour intensive industries were facing challenges from foreign competitors and from technological innovation = foundations of working class and of communities they lived in were crumbling.
- Thatcher's desire for Britain to avoid the 'poverty trap' and tackle the 'Why work?' problem

'There is no such thing as society'

- Victorian Liberal approach to society – wish to restrict the powers of the state and to prevent irresponsible spending of public money
- Thatcher's economic policies generated wealth and led to the creation of a more individualist society which was part of Thatcher's ultimate goal > 'As you know, there is no such thing as society. There are individual men and women and there are families. Government can do anything except through people, and people must look to themselves first. It is our duty to look after ourselves, and then to our neighbour.'

THATCHER, 1987

- 'Selfishness' and lack of compassion of Thatcher?
- Anti-Thatcherite press jumped on this quote e.g. Guardian newspaper
- Reflective of the yuppie generation and the increasing gap between the rich financiers of Britain and the poor old industrial families.

What events caused social upheaval 1975-1990?

- Winter of discontent 1978-9
- Serious urban **rioting** in inner cities (Toxteth and Moss Side 1981, anti-poll tax riots London 1990)
- Great Miner's Strike 1984-5 (including the Battle of Orgreave)
- Emergence of radical extra-parliamentary opposition

Demographic change

Three key factors which caused demographic change:

1. **Immigration** – continued to be a cause for concern
 - Steady flow of immigrants from sub-continent
 - Indians tended to assimilate more easily as they came from an urban background compared to Pakistani's who came from a rural background
 - Rush of immigrants from Bangladesh (1974) > Brick Lane known
 - Negative

Period	Start population	End population	Difference
1951-1964	51.3 million	52.4 million	+ 1.1 million
1964-75	52.4 million	56 million	+ 3.6 million
1975-1990	56 million	58 million	+ 2million

1975-1990

- Periods of stagnation
- 1975-8 saw the population fall
- Fluctuations reflect the social and economic background of the time
- Population in cities such as London (+600,000 grew) whilst it decreased in areas such as Birmingham (-112,000) and Liverpool (-118,000)

- National Front became very active in parts of London where immigrants had settled e.g. Brick Lane, Southall
- Key factor (alongside unemployment) for urban violence 1981-1985
- Thatcher government of the opinion that immigration was a growing problem
- → Immigration Act (1981)

➤ Realistic:

- Clear that British life could not function without contribution of migrants (needed for transport system, hotel industry, as well as communities needing restaurants and corner shops)

2. **Continuing shift of population from rural to urban areas**

3. **Sharpening of the north-south divide** (inaccurate view of prosperous south and less prosperous north)

SOCIAL TRENDS, 1975-1990

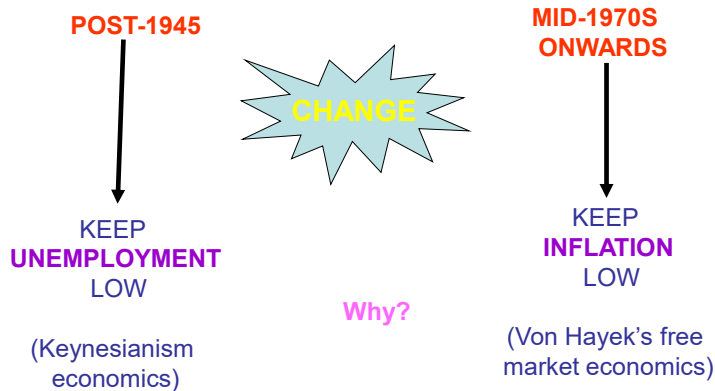
By the 1970s - massive decline in demand for British goods

- Reasons?
 - Cost (cheaper elsewhere)
 - Inefficiency
- Decline continues into 1980s



Changes in government policy

Main aim.....



Look at the statistics below:

- What do these statistics reveal?

	1979	1988
Percentage of total national income earned by top 20% of wage earners:	37%	44%
Percentage of total national income earned by poorest 20% of wage earners:	9.5%	6.9%

• During 1980s:

• Poor became poorer

• widening gulf between rich and poor

Actions taken by Thatcher (1979-90)

- Top income tax rate reduced
- > *Benefits rich, not poor; widens gulf between rich & poor*
- Unemployment benefits for 16-18 yr olds stopped
- > *Disaffected, unemployed youth*
- Level of unemployment benefits linked to prices & not wages
- > *Low prices would mean low benefits*
- Privatisation of industry
- > *Private companies - may close down/reduce workforce*
- Child benefit payments frozen for a no. of years
- > *Women/families less income*
- National insurance payments increased
- > *Poorest working classes most affected*

Overall Impact

Positives

- Taxes reduced
- Inflation reduced

Negatives

- Poverty & unemployment leading to
- Homelessness
- higher rates of divorce; suicide & mental illness
- Very high crime rates
- Riots
- Conflict:
 - North vs South
 - Rich vs poor
 - Socialism vs conservatism

- VAT (paid on consumer goods) reduced
- > Easy for rich, difficult for poor
- Cut in government expenditure in order to control inflation
- > Less money spent on welfare = detrimental to poor



Sale of Council Houses

The social impact of Thatcherism – Impact of privatisation and the sale of council houses

Key aim:

Turn Britain into a property owning democracy in order to "roll back the state" and place emphasis on self-reliance and the private sector

Action:

Intensive public campaigns designed to increase share ownership by ordinary people 1979-1990 – individuals owning stocks and shares rose from 3 to 9 million

POSITIVE IMPACT

- Privatisation = lot of revenue for the government and popular with middle class
- Housing Act (1980) giving people the right to buy was enormously successful with huge numbers opting to buy their home. Due to generous discounts (purchase price lower than on open market)
- 'Right to Buy' considered to be key success of Thatcher – step towards social mobility and 'property owning democracy'
- Labour forced to drop opposition due to popularity of scheme with public

NEGATIVE IMPACT

- Life less secure to employees – some lost jobs as the privatised industries cut back on staff whilst others could no longer rely on long term job provision and pension provision
- Enterprise culture aroused hostility amongst working class in the public sector > unions become more militant as a result (COHSE and NUPE) including teachers union in 1980's
- Right to Buy – sale of council houses was in predominantly better off areas and so did not have big impact in less desirable estates
- Money gained from selling council houses was used by councils to reduce debts, not build new council housing and the number and quality of homes for rent was greatly reduced. With no programme to rebuild the stock of council housing, waiting lists for rented homes got longer
- Result was many had to live in emergency B&B accommodation which was expensive for councils to provide and not always suitable for families

Impact on communities of industrial disputes

Recap: Miner's Strike 1984

LONG TERM CAUSE:

- Scargill launched miner's strike in a bid to prevent the downsizing of the coal industry (not only taking on Thatcher but the forces of history!)
- 1979 coal industry employed 200,000
→ 1980's King Coal was supplying only 20% of Britain's energy needs (far less than oil or gas) → 1990 down to 60,000 and still falling

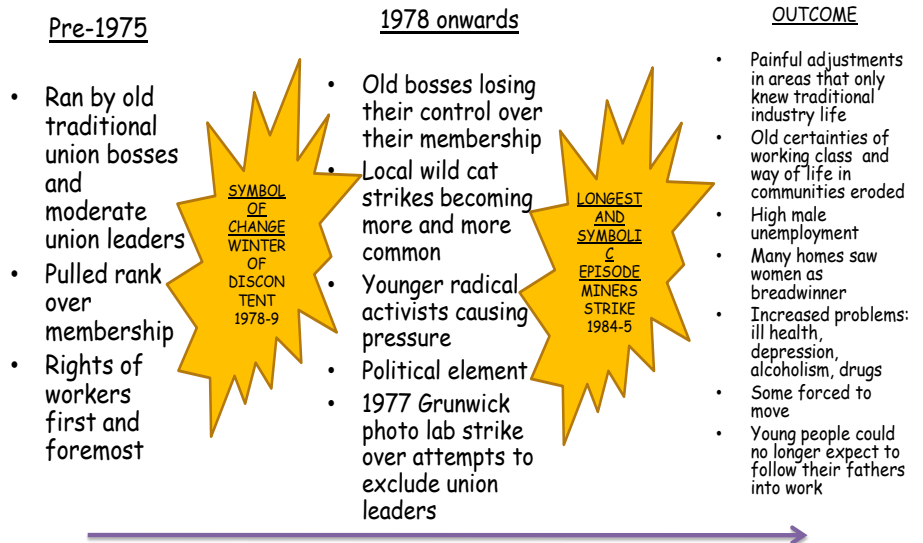
CENTRAL QUESTION:

- Did British coal have a future?
- Future was 'clean' nuclear power, not 'dirty' coal
- Strike was highly politicised with numerous confrontations between miners and police e.g. Battle of Orgreave

Outcome:

Industrial Action

TRENDS INTENSIFIED AS THE SOCIAL IMPACT OF THATCHERISM WAS FELT AFTER 1979.



WORKERS FOUND THEIR TRADITIONAL SKILLS WERE NOT IN DEMAND – RENDERED OUT OF DATE BY MECHANISATION OR BY FLEXIBLE WORKING PRACTICES

- Failure for Scargill and the miners as the strikes led to a greater number of mines closing than had been previously planned at the outbreak of the strike.



Demanding social issue....

- Painful adjustments in areas that only knew coal mining as life
- Old certainties of working class and way of life in communities eroded
- High male unemployment
- Many homes saw women as breadwinner
- Increased problems: ill health, depression, alcoholism, drugs
- Some forced to move
- Young people could no longer expect to follow their fathers into work

Urban Crisis

- Industrial changes fed into social trends in the 1980's
- Urban decay of many inner city areas
- Intensification of social problems e.g. Youth violence
- Problems exacerbated by high unemployment
- Miner's Strike came during a period of many violent urban disturbances which had seemed to indicate social cohesion was breaking down
- Crisis in relations between the police and the communities they served

Society versus the police and government

- 1980-1981 serious riots in Bristol, Liverpool, London
- Public enquiry produced Scarman Report: criticised both police and government >highlighted the issue of race relations

→need for more community policing!

- 1985 - Further outbreaks of violence against police (Brixton, Tottenham) including the murder of PC Blakelock
- Football hooliganism (Birmingham, Brussels 1985, Hillsbrough 1989) a major national issue in the media leading to calls for police intervention

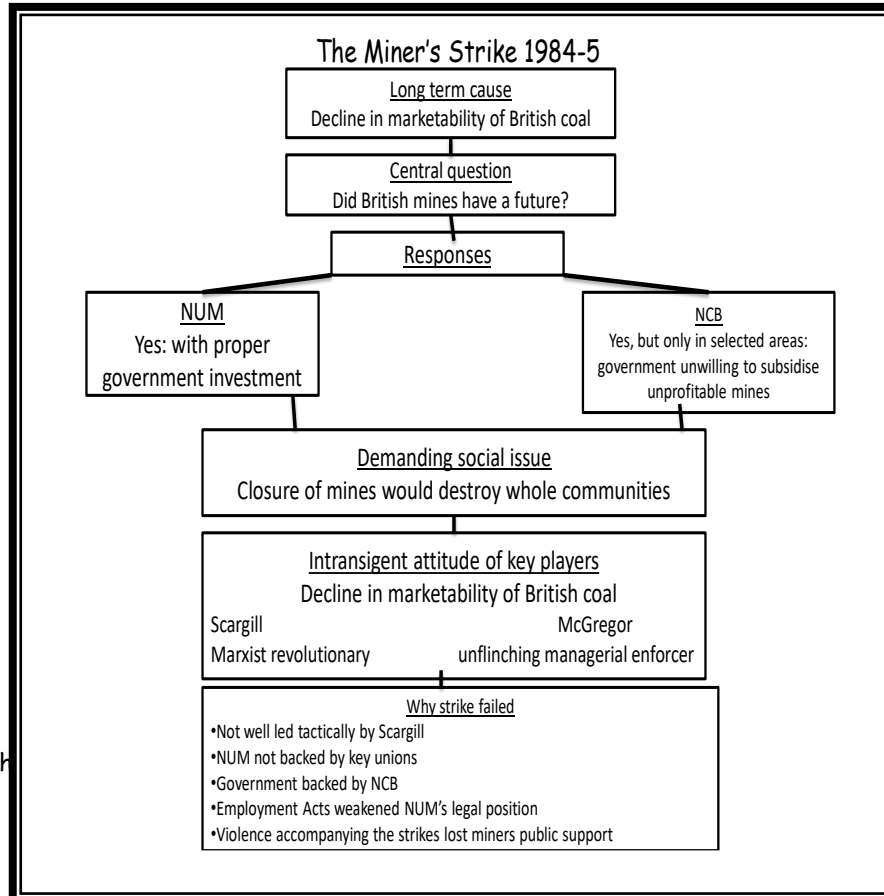
THE EMERGENCE OF EXTRA-PARLIAMENTARY PROTEST MOVEMENTS

- CND > had been most significant protest movement since 1958. Attracted a lot of support and new lease of life during Thatcher's backing for the policy of deterrence and stepping up the arms race against the USSR in the New Cold War.
- 1980's saw growth in Charities > (Shelter, Age Concern), Church of England ('interfering in politics' and intervenes in public debate over social breakdown, *Faith and the City*), Catholic and Anglican Church (Worlock and Sheppard active in campaigning for more action to help the poor)

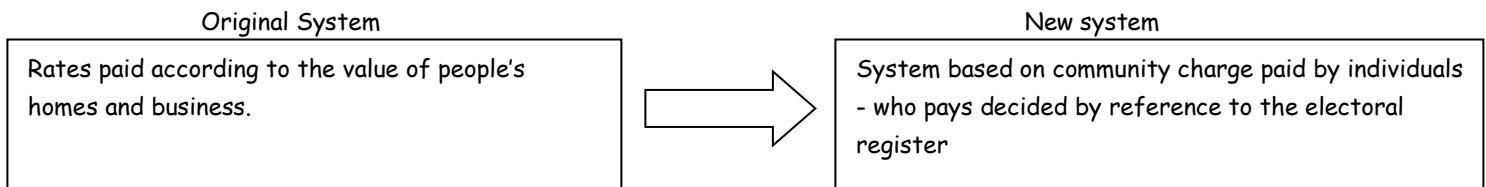
Protest movements began to spring up that worked outside traditional framework of parliamentary politics and tried to involve people in direct action.

Some of this reflected the polarization of attitudes in response to Thatcher; perception that the weakness of the position of political parties had left a void that needed to be filled by direct action.

- Animal Liberation Front non violence switched to 'ecoterrorism' in 1982 (arson, letterbombs)
- Environmental groups (Greenpeace, Friends of the Earth) saw increases in support



- Greenham women >RAF Greenham Common saw American Cruise missiles based there in 1979 with CND organizing a mass protest in response. 1981 group of women protestors set up a camp at Greenham > focal point for feminism and pacifism > remained in place for 19 years. 1983 > arrival of cruise missiles a 14 mile human chain created from Greenham to Aldermaston. Attracted a lot of publicity, dramatizing role of feminism in protest, and perseverance (returning even after eviction and demolition). Stayed in place even after end of Cold War, fall of Berlin Wall, and 1991 removal of weapons > became symbol during 1980's and direct action by women had become a cause in itself, bigger in the eyes of the Greenham women than the issue of nuclear disarmament
- Anti-poll tax demonstrators



Arguments for the Poll Tax

- System would be fairer e.g. Pensioners prevented from paying high rates because they happened to live in a big house
- Disincentive to effort by charging people on income and property
- Modernisation of economy

Arguments against the Poll Tax

- System would be less fair. Everyone liable to pay would pay the same, no matter how wealthy they were
- Disadvantageous to poorer in society and likely to exacerbate rich/poor divide > social tensions
- Didn't take into account regional variations
- Key members of cabinet disapproved and warned against system

Events

- Expected 60,000 > Turn out 200,000-250,000 (Too many for Trafalgar Sq > streets were choked with crowds resulting in fights and scuffles)
 - Riot broke out: →5,000 people injured (rioters and police) →cars overturned and set on fire →300+ arrests made
- = Loss of police control?

Who was to blame?

Why are they to blame?

Impact on groups?

Police	Had only expected and planned for 60,000 when 200,000 turned up. Allowed overcrowding to lead to scuffles and fights through ineffective policing and heavy handed approach?	Criticized for becoming politicized as they had done during the Miner's Strike. Meant to uphold the law (protect status quo), not enforce political will of government/ruling class. Concerns over policing of public demonstrations and methodology of police. Seen as having lost control. Divide between the people and the police.
Thatcher	Introduced the offending tax which caused problems despite cabinet and public discontent. Did not ensure the police were effectively organised nor prepare for such an event.	Contributed to downfall of Thatcher and final straw to convince cabinet that if Conservatives were to remain in power Thatcher would have to go.
Militant tendency	Set up Anti-Poll Tax Federation 1989 and planned Trafalgar Square demonstration on weekend of poll tax introduction 1990 which culminated in riots. Irresponsible attitude and improper planning? Had only expected 60,000 and 200,000 turned out, wrong location to select for demonstration. Naive?	
Rioters/anarchists/unemployed miners	Fomented violence, part of the situation of overcrowding and attitude led to scuffles and fights. Windows smashed, cars overturned > made peaceful demonstration into a violent riot. Naivety? Self defence of provocation?	300 arrests and 5000 injured. More radical were scorned for their violence but in general many supported the issues which they fought for. Concern amongst middle/upper classes of violence of the rabble

Media	Took advantage of situation to report violence and did not broadcast details of peaceful demonstrations pushing anarchist organizations to foment violence as a way of achieving change	Victors - violence sells. No blame but instead people bought the papers and watched the news.
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Thatcher: Summary of Society

Method of protest	Grievance and aims	Major events	Outcome and Impact
STRIKE	Arthur Scargill launched miner's strike in a bid to prevent the downsizing of the coal industry. Planned closures detailed by the NCB in order led to demands by miner's to keep pits open and invest in order to save Britain's coal industry.	Miner's Strike 1984-5 (Battle of Orgreave)	Failure for Scargill and the miners ›strikes led to a greater number of mines closing than had been previously planned. High levels of unemployment, decline/breakdown of industrial communities, decay of inner cities, increase in alcoholism/drugs in those areas, social unrest, decline in relations between police and people
RIOT	Prevent introduction of poll-tax as it was widely regarded as unfair	31 st March 1990 Poll Tax Riot (300 arrests, 5000 injured, looting, vandalization)	Culminated in downfall of Thatcher. Increased gulf between police and people due to questions over politicization of police. Media furor fueled benefits of direct action. Social cohesion breakdown? Radicalization of some classes?
EXTRA PARLIAMENTARY PROTEST	CND: nuclear disarmament Shelter: homelessness Age concern: rights and needs of elderly ALF: animal rights and testing Church groups: more action to help poor, maintain social cohesion, criticism of selfishness of Thatcher Aims were basically to fill the gaps that Thatcherism left or mend the tears her societal visions caused.	Charities: Shelter, Age Concern, Church of England's 'Faith and the City' Direct action: ALF letter bombs, arson	Provided an alternative forum via which to receive help or filled void that Thatcherism left. Idea of unselfish society, community ethos. Long standing nature of such charities suggest they were needed and helped to counter balance idea of "no such thing as society"
MEDIA AND CULTURE	Sense that opposition to Thatcher in parliament was so ineffectual that culture had to fill the gap instead. Tried to attack culture of selfishness and greed engendered by Thatcherism. Mostly but not always critical of Thatcher.	David Hare, Howard Brenton, Alan Bleasdale <i>Boys from the Black Stuff</i> , <i>Private Eye</i> , <i>Spitting Image</i>	Entertainment rather than political influence? Perhaps persuasive in terms of public opinion and venting of public frustrations, more so towards the time of Thatcher's downfall but unlikely to have had more of an impact
PACIFISM AND FEMINISM	Greenham Women - nuclear disarmament and removal of American Cruise missiles from GB › morphed into issue of feminism	Greenham Common camp 1981, 1983 14 mile human chain	Direction action by women had become a cause in itself. Gained much publicity.

FOREIGN POLICY

Empire and Commonwealth

Triumph 1: Rhodesia

When Thatcher came to power she was lucky in her enemies - Ian Smith (had frustrated British governments for 15 years) was on the point of giving up fight in Rhodesia.

- 1976- Smith had accepted the Kissinger Plan which set steps leading to majority rule in Rhodesia.
- Lord Carrington (Thatcher's foreign sec) brought about a final settlement at Lancaster House conference in London in 1980.
- Smith was forced to accept defeat

BUT! Settling of Rhodesia question did not remove all concerns about southern Africa.

Negative

- Issue of what to do with the apartheid regime in South Africa caused many rows in the Commonwealth
- Thatcher frequently accused of failing to put enough pressure on South Africa.

Positive

- Resolving of Rhodesia represented a big step towards finally disposing of Britain's legacy of empire

Triumph 2: The Falklands War

- Gamble that paid off and was seen as a vindication of Thatcher's bold leadership and had unleashed wave of patriotism across Britain
- Contrasting opinions:
 - some disliked the vulgarity of gloating seen by Thatcher and the press
 - some see this as her defining moment - bold and decisive leadership

How and why did Britain react?

Thatcher decided to immediately announce that a naval task force would be sent to remove the Argentine forces and assert the Islanders right to self determination.

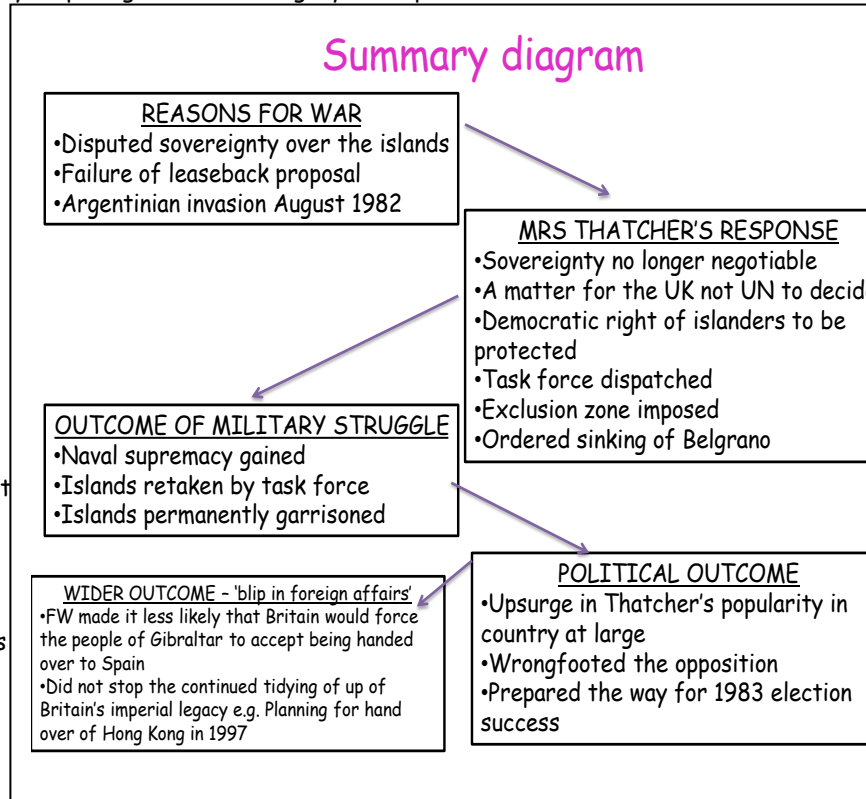
"Our men risked their lives for the British way of life, to defend British sovereignty"

Making of Thatcher and she successfully avoided the Falklands turning into another Suez

GOTCHA!

- While the task force was on route to South Atlantic, there was frantic diplomatic activity - attempts to get Argentina to accept UN Resolution 502 and to pull troops back - SHOWED BRITAIN BEING REASONABLE AND DIPLOMATIC
- Also need to get US support assurance - given green light which strengthened relations between US and UK, Reagan and Thatcher
- 2nd May last chance of peace disappeared when a British sub sank the Argentinian ship General Belgrano - **CONTROVERSIAL!!**
- Victory was quick but close run
- Argentina was only 400 miles from battle zone, not 8000
- Exocet missile destroyed British warship HMS Sheffield -had Argentina owned a few more Exocets the rest of the task force could have gone the same way
- American diplomatic intervention was crucial in preventing them from obtaining more missiles
- British troops hit shore and the Argentine forces surrendered 14th June

Summary diagram



What was the impact?

POSITIVE

1. In domestic politics, Thatcher's previously unpopular government soared in the opinion polls - it was the springboard to her 1983 election victory
2. Grass root Conservative activists were galvanised
3. Thatcher gained self confidence and began to dominate the party in a way she had never done before
4. Rolling television coverage showed huge and enthusiastic crowds giving the fleets emotional send offs
5. Patriotic national mood took most people, including the press, completely by surprise - 'The Empire strikes back'. This was in contrast to feelings in the 1970's that Britain international position was in miserable decline.
6. The Special Relationship was strengthened - Britain could not fight a war 8000 miles away without the use of US bases. The Americans gave the green light and the personal ties between Thatcher and Reagan became even stronger.

NEGATIVE

- Suggested the Falklands diminished relationships with Europe
- Thatcher attracted criticism for trying to make out that the Falklands was a WW2 style victory
- Critics argued that Britain would have to sign a deal with Argentina sooner or later so why fight a war now?
- Objection to the gloating in the tabloids



EUROPE 1975-1990

Overview: An awkward partner?

- Confirmation of accession came as part of 1975 referendum on Europe.
- Referendum designed to resolve issues over Europe. It had really been arranged in order to resolve Labour's internal divisions over the European question rather than Britain's relations with Europe.
- Poor economic performance of 1970's had been caused in part by adjustments that had to be made on entering the EEC

Thatcher:

- 1979 - Thatcher's personality and political style began to ruffle the feathers of consensual politics favoured by European leaders.

Her concerns included:

1. Protectionism - principle on which Europe operated, was outmoded in an age of economic globalisation
 2. Europe was obsessed with a dated concept of centralisation when this policy was clearly collapsing elsewhere (e.g. USSR). This idea ran counter to her attempted revolution in Britain
 3. Disparity between the budget payments made by the separate member states rewarded the inefficient nations and penalised the efficient and productive ones
 - late 1980's (esp. speech in Bruges in 1988) Thatcher was increasingly reluctant to see further moves towards political integration
 - fears of federal Europe and pooling British sovereignty. She also disliked the inefficiency of Brussels bureaucracy
- 1990 - circumstances of Thatcher's fall and state of relations with EEC meant that relationship with Europe was unsettled

A positive start?

Thatcher's priority:

Secure a better deal for Britain over financial contributions to the EEC. Britain was paying in much more to the EEC than was being returned in benefits e.g. Common Agricultural Policy (subsidies for farmers, whilst Britain was an economy less dependent on agriculture)

→ Campaign for rebate was **successful** by 1984

Outcome:

- Played well with supporters at home
- Irritated European partners
- European relations generally remained good with Thatcher enthusiastic about the Single European Market when it was negotiated 1985-86

- Established a good working relationship with the French president – Francois Mitterand.
- Cooperated with France over complexities of the Channel Tunnel project (agreed 1986, opened 1994). Sharing in the creation of a symbolic link between France and Britain is evidence that Thatcher was not all out anti-European
- Most of her cabinet were strongly pro-Europe
- Thatcher enthusiastically in favour of expanding the EEC to include the new states in Eastern Europe (though her main motive here was the idea that this would weaken the power of the European Commission in Brussels)

Thatcher: Anti-Europe?

Problem 1: Anti-Federalism

- Last years of power, Thatcher did seem to associate herself with negative perceptions of Europe and attacked the notions of Jacques Delors
- Was is Thatcher or Europe that changed?

TURNING POINT: Bruges speech 1988 'erosion of democracy by centralisation and bureaucracy'

- Speech was intended to be positive and set out her vision for Europe
 - However it contained a number of provocative statements that infuriated many European leaders and raised doubts about Britain's commitment to further European integration > Speech emphasised that the EEC was a trade association with sovereign states
 - Resolutely opposed to FEDERALISM and the idea of 'ever closer political union' (especially with young European institutions not pre-dating 1945) > Opposed to pooling sovereignty and creating a federal super-state
 - Each country must retain its own customs, traditions and identity and not try to fit them into an identikit European personality. There must not be a Europe with a central power overseeing other countries, USSR collapse had shown the problems of centralised power so why try to introduce it into Europe?
 - Attempt at populism - rally cry to ordinary Brits, Germans and French people
 - = Jacques Delors (European Commission president) thought the EEC should adopt federalism, leading to clashes with Thatcher
- This was egged on by British tabloids – "UP YOURS DELORS!" (1990)



Problem 2: The German Issue

- Fractious relationship with German chancellor Kohl.
- In theory they should have got on well as they agreed on many policy areas. However, personality matters more than policy:
 - > Difference in style
 - > Thatcher's anti-German view of European history and her tendency to point out the past ('What is wrong with the Germans')
- German reunification was coming close from 1988 and Thatcher feared a united Germany dominating Europe. She wanted Gorbachev's vision of a neutral federal Germany to succeed compared to the idea of the old German Democratic Republic (East Germany) being swallowed by up West Germany
- The latter idea occurred, and Thatcher was denied an invite to the 10th anniversary of the fall of the Berlin Wall in 1999

PARADOX

Despite all this, it was Thatcher who presided over the process by which Britain was drawn even closer to Europe

Single European Act (accepted 1986)

(biggest step towards a centralised Europe that had yet been taken).

This included:

- Signatory countries committed themselves to closer monetary and political union
- The principle of supra-nationality (subordination of individual member states to the EU) was established
- The right of individual member states to veto majority decisions was abolished

Exchange Rate Mechanism (1990)

- Precursor to monetary union with the EU
- Thought it would be a means by which to fight inflation (in the event it did the opposite by 1992)
- Did not want a single European currency however, "No, no, no!" (Oct, 1990)

Importance of Europe to Thatcher

- Thatcher claimed she was misled into the ERM by former Chancellor Lawson and Foreign Secretary Howe.



- By later taking more notice of Alan Walters than either Howe or Lawson, Lawson ended up resigning. Howe claimed Thatcher's aggressive anti-Europeanism was distorting his attempts as Foreign Sec to smooth Britain's entry into the ERM.
- In the wake of this, Howe resigned as well. His resignation speech in 1990 revealed serious divisions within the Conservative party over Europe.
- Speech amounted to a devastating criticism of Thatcher for her obstructive attitude towards European development, and her undermining of his position.
- It was this speech which was the prelude to her leadership struggle that led to her resignation in Nov 1990

BRITAIN AND THE END OF THE COLD WAR

Why get involved?

Thatcher's foreign policy was founded on reviving the special relationship with the US

- Attempts to repair relations:
 - In the 1970's relations were strained because the Americans felt that Britain had failed to provide enough active support in either Vietnam or in the *Middle East Crisis 1973* (Yom Kippur War)
 - The mood changed when Reagan was inaugurated as president in 1981
- Strong relations with Reagan
 - Personal and ideological bond.

New Cold War Overview

1970's

- Following the Vietnam War, the West seemed to be losing the Cold War
- When Soviet forces invaded Afghanistan in 1979, the West saw this as a dangerous threat to Western interests (in reality this led to Soviet powers militarily and financially over stretching themselves but this was not known by either side at this time).

1980's

1979-1981 three new 'Cold War warriors' emerged:

- Thatcher
- Pope John Paul II (staunch anti-communist)
- Reagan (US president).

Each were determined to challenge Soviet power, both militarily and ideologically.

The new Cold War had begun....

1990

By 1990 the Berlin Wall had fallen, German reunification was a fact and the supposed Soviet superpower was disintegrating.

The West had won

Walker argues they shared 3 bonds:

1. Belief in Free Markets as the path to prosperity and as the buttress against socialism
2. Thatcher's strategic loyalty rooted in the Atlantic Alliance and the 1940's perception of the world
3. Thatcher shared a key aspect of Reagan's temperament - belief in the importance of moral in public life and in the bracing effect of freedom on the moral fibre of the nation

Key events

Tough rhetoric and many confrontations

- 1983 - major war scare over NATO military exercises in the North Atlantic
 - Soviet jets shot down KAL 007 Korean passenger airliner which had strayed into Soviet territory killing all those on board
 - Cruise missiles were stationed in Europe e.g. Greenham Common (1983)
 - Reagan admin stepped up plans for a 'Star Wars' anti-missile shield
- = caused serious tensions

Britain's role

Thatcher took a two pillar approach:

1. Combative style and determination to confront USSR early 1980's (Thatcher's strong support for deterrence and winning the arms race an important factor)
2. Willingness to negotiate with the new reformist Soviet leader, Gorbachev

There are varying interpretations as to her role and the credit she deserves for the ending of the Cold War....

- **Britain and Thatcher's role was extremely significant**
 - Outcome of Cold War was ultimately decided by Western firmness (cruise missiles and anti-missile shield)

- Second to this, the high levels of defence spending that the USSR simply could not match meant that Thatcher must be credited with an important contribution
- **Britain and Thatcher were insignificant compared to the role that Mikhail Gorbachev played**
 - Established his authority 1985-87 > Realist who knew things could not go on as they were
 - Made a remarkable impression on Thatcher and Reagan (hard line Conservatives)
 - Thatcher does deserve credit for this too: Both Thatcher and Reagan were willing to move fast and gamble on Gorbachev's ability to carry through negotiations and bring the CW to an end.

Outcome:

- Germany: 1989 - 'Year of Miracles' - sudden rush to unity in Germany, by takeover of the East by the West. There was no big peace settlement to negotiate a shared future for the two Germanies.
- Helmut Kohl became the hero of the hour - head of a new unified Germany
- Reagan - left scene in 1988
- Gorbachev - overtaken by events as the Soviet Union and Communist system fell apart in 1991
- Thatcher - fell from power in 1990. Newly independent states of Eastern and Central Europe gave her nothing but admiration.

THATCHER LEGACY

Thatcherism:

'A mixture of free markets, monetary control, privatisation and cuts in both spending and taxes, combined with a liberal dose of self help and nationalism.

> Involved strong leadership, a rejection of consensus and underpinned by a clear anti-socialist ideology

- To curtail Keynesian economics, post war consensus and to promote the ideas of monetarism > later Supply Side economics
- To curtail the 'nanny state' and promote self help
- To curtail the power of the trade unions - '*no more 1979s*'
- To curtail state intervention and promote industrial competition and introduce privatisation on a large scale
- To keep Europe as an 'economic' union and not a 'political' one
- To develop a share owning democracy and home ownership

Lasting Impact

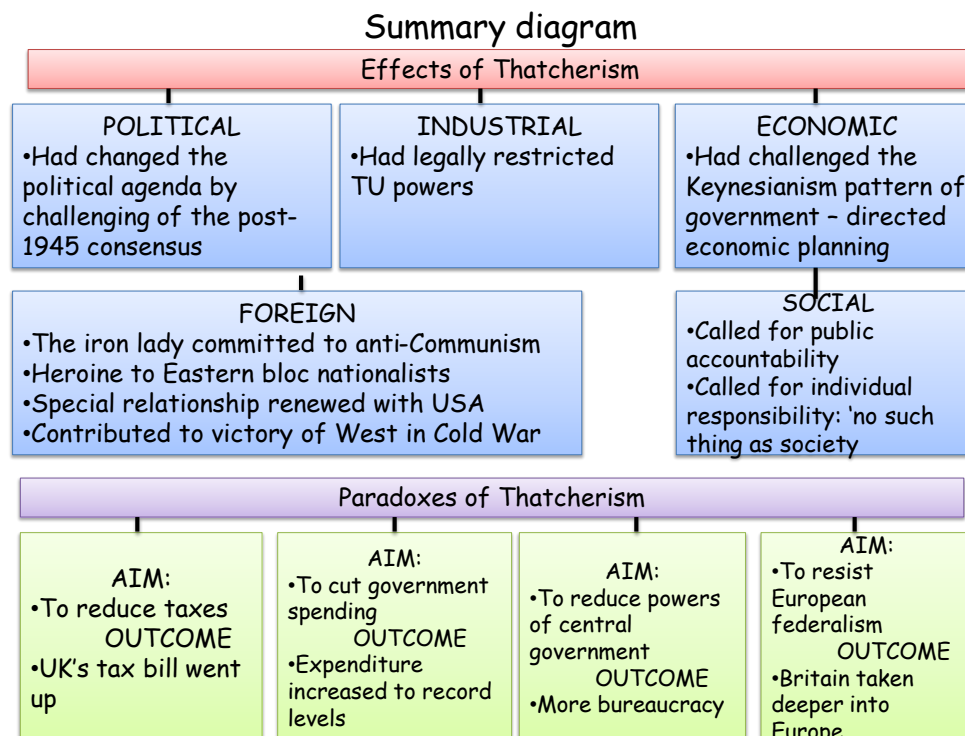
The governments which have succeeded Thatcher have been profoundly affected by what she had done.

List of policies either continuation or reaction against Thatcherism:

- The abandonment of consensus politics
- Replacing Keynesianism with the free market
- Reducing the power of the state and giving greater opportunity for people to live their lives without government interference
- Limiting the powers of the TUs
- Making local government answer more directly to people's needs
- Restoring the notion of social accountability, the idea that effort should be rewarded and lack of effort penalised

The Difficulties

- Policies often seemed more divisive than actually were. There were continuities in the Thatcher years: welfare spending kept going up and the government held back from privatising public services. However, Thatcher's political style meant that



she had a polarising effect on politics, rather than her policies.

- Memory of Thatcher haunted the party for another 15 years after her fall - she did not disappear quietly and there were plenty of times when she would tell Major how to steer the government
- Remember! Thatcher never got more than 44% of the popular vote (1979); she did not notably increase the Conservative vote; and in fact only gained 42% in 1983 and 1987 despite a very weak opposition

There are 3 opinions regarding the legacy of Thatcher:

1. A period of 'revolution' - beneficial and basically needed to bring Britain out of an economic 'malaise'
2. Time of social and political upheaval which damaged British manufacturing and gave rise to Delboy/Loadsofmoney deregulatory culture which is impacting so badly on 2009/2010 Britain?
3. No 'revolution' at all - just a period of failure to transform Britain

Conclusions and paradoxes.....

- On entering power, Thatcher intended to bring harmony. There was plenty of change but it involved confrontation not harmony - there were riots at the start, middle and end.
- A survey by the LSE showed that expenditure on the Welfare State was 1/3 higher in real terms 1987-8 than it had been in 1973-4 - ironic for someone who wanted to cut back government expenditure
- She left Britain more of a welfare state than an enterprise culture
- Even though she was a Conservative she attacked most of the traditional values and institutions
- She was destroyed partly by her own party - an ironic "enemy within"
- Her Bruges speech could not hide the fact that Britain had become more attached to Europe than at any other time
- Her unyielding style was to keep the Conservatives out of power for another 12 (13?) years
- Instead of a slimmer state she interfered and local government finances were virtually centralised
- There was little or no industrial recovery, north-south divide remained
- Instead of proper investment for economic modernisation, much of the profits from the North Sea Oil went on fuelling the consumer boom
- Despite years of a radical doctrine, the result was John Major - a centrist and conciliator - and the arrival of New Labour

ASSESSING THE LEGACY

Was Thatcher a great PM?

Yes: transformational leader who 'changed everything, a great PM who saved the nation from disaster at home and restored Britain's pride abroad

POLITICAL

- Never more than 44% popular vote, did not notably increase total Tory vote, 42% 1983&1987 despite weak opposition
- Minimised the political threat of trade unions during the Miner's Strike which had been holding governments to ransom since Wilson. Ability for TU's to intimidate government had gone forever
- Opened the door for females in politics
- End consensus which had allowed Britain to slip into harmful social and economic habits. It was false economic and bad social practice Thatcher arrived and outwardly rejected this, including criticising Heath. This heralded a change that the electorate needed.
- Clipped the wings of leftist local councils - 1986 Local Government Act abolished big metropolitan local authorities increasing central power
- Conservatives enjoyed power for 18 years
- Successive governments continued her policies - Major and Blair
- Centralisation: talked about too much government at 1986 conference but Thatcher could not resist interfering in all aspects of government

HISTORICAL OPINION TO SUPPORT THIS VIEW

- Sergeant: Lady Thatcher had a strong power of veto over whether any Conservative party policy fitted in with the most powerful myth in British politics. She had become a personality cult.
- Blair: Thatcher had a very defined political philosophy - rolling back the state, curbing TU power and putting the emphasis on the individual. It was an inevitable reaction against the welfare state and a public sector which had become very large - a vested interest that was out of touch
- Denis Thatcher: The whole situation in the Conservative Party today springs from that night when they dismissed the best PM Britain had had since Churchill
- Howe: Thatcher was beyond argument a great PM
- Thatcher: Well, there's not much point being a weak and floppy thing in the chair is there?'
- Thatcher: As PM I could not waste time having any internal arguments
- Waldegrave: That it was not clear in 1979 manifesto how radical she intended to be simply reflects the fact that it took her time to establish complete dominance. That only came after the Falklands, after the 1983 election victory, and finally after the defeat of the miners
- Clarke: her real contempt was for those Conservatives whom she called 'wet'

SOCIAL POLICY

- Cut taxation with income and housing
- Right to Buy - property owning democracy, stake holder mentality, 1000's took advantage of the scheme to buy their Thatcher had a very defined political philosophy - rolling back the state, curbing TU power and putting the emphasis on the individual. It homes
- Launch of personal pensions
- Tried to roll back the frontiers of the state to prevent a welfare dependency culture, "toughen" Britain up
- Britain turned into even more middle class society

HISTORICAL OPINION TO SUPPORT THIS VIEW

- Blair: Thatcher had a very defined political philosophy - rolling back the state, curbing TU power and putting the emphasis on the individual. It was an inevitable reaction against the welfare state and a public sector which had become very large - a vested interest that was out of touch
- Portillo: Because she liked to create enemies, a lot of people made her the source of ills in their lives. So they think she destroyed manufacturing industry; she was cruel to the miners' families; she belived in no social benefits and destroyed the health service. It's all nonsense but that's the myth that has been built up around her. The rhetoric and the reality were so different. Welfare spending and health spending went up; spending on the armed forces and the police went down.

FOREIGN POLICY

- Falklands - united country, galvanised Tory Party, brought relations closer with US, helped to boost British confidence in the face of decline from Empire, optimism amongst country and restoration of national pride
- Continued to dismantle Britain's empire
- Achieved CAP rebate & Channel Tunnel project with Mitterand
- Resolution of Ian Smith Rhodesian problem - elections held 1980
- Ireland and Brooke 1990 - government must act imaginavately if the IRA offered a ceasefire. Paved the wat for the later 'peace process' of the 1990's
- Played key role in the ending of the Cold War

ECONOMICS

- 3 policies: reverse economic decline, cost all policies and if they could not be accommodated within public expenditure plans they would not be approved, and to introduce a new change in direction no matter the costs along the way - offered a new approach: stimulation of free enterprise through tax cuts and regulation
- Restoration of free market principles to replace Keynesianism - deregulation of financial markets
- Tackle inflation through monetarism leading to government spending cuts. Unpopular and led to unemployment of nearly 3 million, but successful in it's primary objective to cut inflation: 19% in 1979 to 5% in 1983. Abandoned monetary targets after 1985
- Unemployment rose from 1.09 million 1979 >3.13 million 1986, sank to 1.66million 1990 but new recession led to 2.9million by 1993
- Tax cuts central >income tax cut, Thatcher boom with freer banking = personal debt doubled 1980-88, VAT doubled 1979 from 8%>15% and 17.5% post poll tax fiasco. Earners above £30,000 benefitted.
- Trade union reform - Miner's strikes saw her smash unions and Scargill
- Local government reform and 'taking on' of left wing local councils - Local Government Act 1986
- Privatisation of industry - "rolling back the frontiers of the state' BP 1979, British Telecom 1984, brought in huge amounts of money for the government
- Sale of council houses - Housing Act 1980 'right to buy' - property owning democracy
- Deregulation of financial markets and modernisation of City of London (Big Bang 1986) which internationalised the stock market
- Income tax cut e.g. 1987 budget 29%-->27%
- 1988 Lawson Boom - rapid expansion of economy

HISTORICAL OPINION TO SUPPORT THIS VIEW

- Hennessey: No other PM would have pushed these policies so far, so firmly or swiftly. Here was the undoing of substantial slices of the Attlee nationalisations

ASSESSING THE LEGACY

Was Thatcher a great PM?

NO: worst PM of our time, responsible for intensifying social divisions, and responsible for her own downfall.

FOREIGN POLICY

- Alienated Britain's partners in Europe with her 'handbagging' and Bruges Speech 1988 whcih warned against federalism
- Poor relations with Kohl
- Meant to resist European Federalism but actually led us further into it
- Not invited to the 10th anniversary of fall of Berlin Wall. Gorbachev the reason for end of Cold War rather than Thatcher?
- Rhodesian solution saw the rise of Mugabe to power
- Did not put enough pressure on South Africa and the apartheid issue

HISTORICAL OPINIONS ON THIS VIEW

- She succumbed, in her dealing with her colleagues, on European questions especially, to the language of the battlefield rather than the language of partnership
- Hennessey: Had she fallen with the Falkland Islands, her brief 3 year premiership would have featured in a book as 'a study in failure'

ECONOMICS

- Monetarism initial impact - by 1981 there was steeply rising unemployment, social upheaval and massive unpopularity for Thatcher. Forced to slacken monetarist policies by 1982-3.
- 1982 - unemployment 3 million
- Taxation cuts income tax or property saw tax raised on services and goods (VAT) - led to increases in unemployment and a contraction of industrial production
- 1980 serious recession and stagflation made worse by deflationary policies
- 'unemployment a price worth paying' in order to curb inflation and to force British industry to become more competitive - steel production cut by 30%, plants closed permanently. Unnecessary damage to industrial base?
- Deregulation and freeing up of City of London led to higher risks - coe home to roost in 2009-2010? Led to stock market crash in 1987 leading to balance of payments problem post 'Lawson Boom'. 1990 saw inflation at 10.9%, higher than it had been in 1980

POLITICAL

- 1980's unrest saw party divisions between wets and drys - Thatcher seen as 'steering the ship of state straight onto the rocks'
- 27% approval in 1981
- Centralisation of power away from local councils meant that central government was now in the firing line dealing with issues it had not needed to previously worry about, Jenkins 'nationalisation of blame'
- Polarising effect of Thatcher - policies actually seemed more divisive than they were due to her influence
- Continued to impact on Major's government despite promising to be a 'good back street driver'
- Alienated female voters "a woman but not a sister" - Tories no longer gained the majority of the female vote
- Enabled the Labour Party to have 13 years in power from 1997
- Meant to reduce bureaucracy but actually increased it

HISTORICAL OPINIONS ON THIS VIEW

- Watkins: large claims were made of Thatcher as a great PM, they are letting before our eyes. My prediction is that history will judge her as just above average
- Hurd: The main reason for Thatcher's loss of leadership was her failure over the years to make the best of the cabinet system which depends on mutual tolerance and mutual respect
- Gilmour: her belief was that dialogue was a waste of time
- Lawson: she treated Geoffrey Howe as a cross between a doormat and a punchbag
- Ridley: she was PM, she knew what she wanted to do, and she didn't believe her policies should be subject to being voted down by a group she had selected to advise and assist her
- Critchley: she cannot see an institution without hitting it with her handbag
- Wyatt: She is not a Conservative...she is a radical making a revolution which horrifies many Conservatives
- Patten: The price she paid for her style of government was to wreck the Conservative party for ten years, fifteen, or whatever. She encouraged the suicidal tendencies in the party and in the media. The curiosity about Thatcher is that she became more radical and fundamentalist out of office than she ever had been in

SOCIAL POLICY

- Taxation cuts benefitted the rich exacerbating the rich poor divide - cuts on income tax or property saw tax raised on services and goods (VAT) - led to increases in unemployment and a contraction of industrial production
- Cuts in grants to local councils as part of 1981 budget
- Contraction of traditional industries led to unemployment most noticeable in Midlands, North, central Scotland and South Wales. Led to social unrest especially in city centres e.g. Bristol 1980
- Fear of breakdown of social cohesion.
- Politicisation of police - Miner's Strike, Anti-poll tax riots
- Right to Buy - houses and privatised industries mainly bought up by big commercial concerns rather than the 'little people', emergency B&B, lack of homes to rent
- Rioting (anti-poll tax), rise in hooliganism (Hillsborough)
- Polarised society and decay of inner cities
- Growth of juvenile crime and despairing underclass
- Private greed at the expense of public good
- Individualistic and selfish society - "no such thing as society" - attack on welfare state system and civic responsibility
- Emergence of radical extra-parliamentary groups
- Sharpening of north-south divide
- Enterprise culture aroused hostility in society and amongst TU's
- Miner's strike impact
- Industrial areas saw unemployment - communities broke down, increase in mental health, alcoholism, drug taking, depression, radicalism, women as bread winners

HISTORICAL OPINIONS ON THIS VIEW

- Clarke: There is more than one paradox in the fact that the first woman PM did so little for other women

POTENTIAL ESSAY QUESTION: 'Margaret Thatcher did not 'turn Britain around' despite her claims to have done so' How convincing is this view of the record of the Conservative governments 1979-1990

- **Political changes**

- What politically did Thatcher do that turned Britain around? E.g. Ending of post war consensus politics, rolling back the frontiers of the state
- What politically did Thatcher do that did not turn Britain around? E.g. A
- **Economic**
- What economically did Thatcher do that turned Britain around? Industrial dispute resolutions: curbing of TU power, employment acts impact, Privatisation, modernisation of City of London (Big Bang), economic planning
- What economically did Thatcher do that didn't turn Britain around? E.g. High unemployment, initial impact of monetarism
- **Social**
- What socially did Thatcher do that turned Britain around? E.g. property owning democracy, call for public accountability
- What socially did Thatcher do that didn't turn Britain around? E.g. 'no such thing as society', 'woman but not a sister', politicisation of police, riots, strikes, politicisation of the police, decline of industrial communities, north south divide, rich poor divide
- **Foreign**
- What in terms of foreign affairs did Thatcher do to turn Britain around - Europe: Single European Act, CAP rebate, Cold War: helped to bring it to an end (?), closer relations with US, Empire: Falklands
- What in terms of foreign affairs did Thatcher which didn't turn Britain around - Europe: handbagging and ruffling of feathers, ERM complications, Cold War: Gorbachev not Thatcher?, Commonwealth: Falklands an anomaly on a continued downward spiral

CONSERVATIVE DECLINE AND THE TRIUMPH OF NEW LABOUR, 1990-2007

POLITICS

THE RISE OF MAJOR TO POWER

- Major was a surprising choice for successor of Thatcher in 1990
- = Thatcherites saw Major was one of them - the leader most likely to be loyal to the Thatcher legacy
-this was not entirely accurate, his main aim was to unify the party

The Honeymoon period

- Major's main assets included: calm temperament and the capacity to avoid making enemies
- With an election to be called within 18 months, Major made very little attempt to modify the Thatcherite policies he inherited
- Wanted a country that was 'at ease with itself'
- Made careful choices about his cabinet in order as part of desire for party unity - Hurd and Clarke kept their jobs (foreign office, education), Lamont was put into place as Chancellor, Patten as party chairman, and Heseltine as environment secretary
- Conservatives jumped ahead in the opinion polls
- Tone of national press was positive

SUMMARY

1990's

Conservatives win 1992 election but become increasingly torn apart by 'civil war' which is argued to have been the result of the 'betrayal' of Thatcher as well as the impact of Black Wednesday, exit from the ERM, and Maastricht Treaty rebellion. Labour began their revival as 'New Labour', gaining momentum from 1992. Resurgence of Liberal Democrats seemed to reflect fundamental changes in British society, 'breaking the mould of British politics'

1997

Collapse of Conservatives at the polls - divided party challenged by New Labour. New Labour gained massive majority - Blair comes to power in favourable circumstances

2005 and 2007

Further defeats of the Conservative Party suggesting that they may have lost their traditional place in British politics as the 'natural party of government'

- Reflected the intensity of feeling towards Thatcher by 1990

Not everyone won over by Major

- Major was not of the same mould as Thatcher, not intriguing, did not evoke a strong feeling. For some time this was his attraction.
- However, he did not have the abrasive, combative character of Thatcher and though personally likeable he was not an inspiring figure > Spitting Image as grey figure, boringly consumed with the unimportant details of life > Keegan described his government as 'one of the dreariest administrations of the century'

Task 1: Gulf War 1991

- Saddam suffered defeat but did not fall from power
- Major's decision to keep the opposition leaders, Kinnock and Ashdown, informed on the key moves won him respect

Task 2: Europe > Agreed Dec 1991, signed Feb 1992

- Wanted to place Britain at 'the very heart of Europe' - received well by pro-Europeans > different from Thatcher and her handbagging/ruffling of feathers approach
- Reform the structures of European Community (full European integration, common European foreign policy, a European Central Bank, single European Currency, EEC to become EU)
- Had to side step potential problems > Pooling of sovereignty/federalism would have upset many including hard line Conservatives and sceptical political and public opinion - 'awkward neighbours' in Europe, island mentality
- OPT OUTS for Britain from plans for a single currency and from the Social Chapter > Won over doubters in the Conservative Party but opposition had not all gone = One of the reasons Major delayed calling election until 1992

Task 3: Domestic politics

- Poll tax scrapping > Concerns over whether to scrap immediately as could split the party > Finally abandoned in favour of council tax
(-) Admitted that £1.5 billion had been wasted on trying to implement the tax
(+) Allowed Major to get away from an unpopular policy that could be blamed on his predecessor

1992 ELECTION

Background

- Major's government inherited difficult economic situation at end of 1990 (known to Major due to role as Chancellor under Thatcher) as a result of Lawson Boom of the late 1980's
- Recession - declining manufacturing output, high interest rates, a steep rise in unemployment and a serious slump in house prices
- Most painful aspects of recession
 - **collapse of the housing market**: many homeowners trapped in negative equity with many homes repossessed
 - **unemployment**: mid 1991 1.6million → early 1992 2.6 million
- Conservatives began to worry about the 1990's recession was impacting the Tory middle classes, especially in the south, whereas earlier recessions had impacted the industrial north.
- Election imminent = Major forced to resort to high public spending due in part to unemployment (NHS, transport)
- 1991-1992 there was a high possibility of Tory's being defeated.....the revival of Labour meant for the first time since 1979 the election was going to be very close
- **Contenders:**

Major - Conservatives

- Displaced Thatcher
- High public spending 1992 on NHS and subsidies on transport
- Major had ensured party unity through a carefully selected cabinet
- Successful conclusion of First Gulf War 1991 during his premiership

Kinnock - Labour....

- Gained a political momentum, revival had been on the cards since 1987
- Kinnock's leadership had restored party discipline and curbed the loony hard left
- Kinnock's shadow chancellor John Smith gave Labour a reassuring image of moderation and competence
- Party organisation had been overhauled and was more professional in policy presentation
- 1992 Labour was winning back any of the voters who had deserted them in the 1980's

- Longer than usual electoral campaign saw the polls swing back towards the Conservatives (due in part to role of The Sun according to Lynch)
- **Eve of election predictions:**
Cons: 303 Labour: 298
- **Actual outcome:**
Cons: 336 Labour: 271
51.6% 41.6%



'Elections are always lost as well as won' (Rowe) - Tory strength or Labour weakness?

Labour Weakness

- Labour expectations set high e.g. American style rally in Sheffield - over confidence! Set themselves up as the caring party and assumed from the opinion polls they would win
- Smith made commitments on taxation via a shadow budget that allowed the Conservatives to scare off middle class voters
- Labour loyalists claim the right wing press wrecked their chances - headlines such as "It was The Sun what won it!" Main leaders and shapers of popular opinion was now against Labour.
- Many did not feel Labour had reformed enough, memories of the 1980's were still too strong

Conservative Strength

- Ran a good campaign
 - Patten was an effective party chairman
 - Major won a lot of respect for his old fashioned 'soapbox' politics, making impromptu speeches on the street e.g. Luton
- Although people blamed the Conservatives for the economic recession, they were seen as the party best able to get the country out of the mess

THE BRITISH ECONOMY 1992-1997

Rowe argues there were two factors which took the glow off Major's election victory in 1992.

- Black Wednesday
- Europe

The mixture of a financial crisis and internal divisions meant that Major never really recovered.

1. Black Wednesday 1992

The build-up....

- **ERM** - Joined 1990 with Thatcher. Devised as a system for reducing inflation. Britain's inflation at 10.9% 1990 when it joined, higher than in 1980 > ERM required Britain to be at a fixed rate of exchange by pegging them to the value of the Deutschmark, with a narrow band allowed for fluctuations.
- September 1992 British currency (along with other ERM currencies) coming under pressure from foreign exchange speculators:
 - £ was trading at a low level (close to minimum of 2.77 marks)
 - The exchange value of the £ was unrealistically high and caused British exports to become overpriced
 - international bankers sensed overvaluation > began speculating against it on money markets - £ BEGAN TO FALL ALARMINGLY!
- = Crisis of 16th September 1992

The events....

Wave of speculative selling of £ on financial markets. Major forced to undertake panic measures taken to avoid devaluing £ and to remain with ERM.

1. Chancellor Lamont announced an increase in interest rates (already high at 10%) to 12%, sold off £30 billion worth of foreign reserves
 2. Dealers continued to sell pounds = Lamont pushed interest rates to 15%
 3. Bank of England spent high amounts from its reserves in buying up the pounds
- = all these desperate measures failed.....

Major and Lamont summoned key members of the cabinet > emergency meeting Admiralty House.

- accepted decision to give up the struggle and withdraw from ERM

- interest rates fixed at 12%, down from the 15% earlier in the day

Impact of Black Wednesday

- Humiliating defeat > withdrawal from ERM
- Effects of BW proved to be less catastrophic than feared - within a short amount of time economy stabilised and it could be seen that coming out of the ERM had as many positive as negative points - 'White Wednesday'
- Major's popularity took a hammering from right wing press who had done so much to get him re-elected during the election. He was also hammered by opposition leaders, Brown (Labour), Ashdown (Liberals). Authority as PM being undermined.
- Conservatives reputation for economic competence and expertise destroyed
- Steep drop in opinion polls > Labour gained 15 point lead
- Divisions within party about personalities and Europe widened. Cabinet split between Eurosceptics (Lilley, Portillo, Howard) and pro-Europeans (Clarke, Heseltine, Hurd) began a spate of infighting
- The Eurosceptic wing of the Tories was strengthened, happy to see moves towards European integration suffer such a setback.
- Public opinion turned against Conservatives just as the Labour Party was reinventing itself as party of moderation and economic competence.
- Lamont's position as chancellor was badly weakened (did not lose post until 7 months later)

ECONOMY 1992-1997

- Leaving ERM - **Positives** > Prevented Britain from having to keep high interest rates to protect stability of sterling, allowed exchange rates to float downwards, which helped British exporters
- General economic conditions improving - unemployment slowed down, housing market began to pick up = 1993-1997 economic recovery accelerated and government borrowing reduced as inflation came under control
- Why recovery?:
 1. Clarke as Chancellor 1994 - good communicator, air of confidence, lucky. Took over when US economy coming out of recession
 2. American economy coming out of recession > world trade expanding
 3. British practices - Britain doing better than foreign competitors due in part to benefits from financial deregulation and flexible working practices (compared to German economy > sluggish growth rates, huge costs of reunification)
 4. Privatization - coal industry privatized 1994, railways 1996, tried to privatise Post Office (abandoned) > many people acquired shares in the new privatized industries and the stock market was buoyed up
- = 1997 > economic indicators positive > unemployment was down, productivity up (though not by much), consumer spending up, car ownership increased, house prices rose sharply and negative equity thing of past, business was supportive of government policies
- BUT!** Despite promising situation of 1997 people were surprisingly reluctant to give Major's government credit for this > 'Feel good factor' missing

Rowe argues there were two factors which took the glow off Major's election victory in 1992.

- Black Wednesday
- Europe

The mixture of a **financial crisis** and **internal divisions** meant that Major never really recovered.

The Maastricht Treaty (joined 1992 to show that he was a good European and unlike his predecessor)

Declared aim of the Treaty was '*to create an ever closer union among the peoples of Europe*'

Main terms included:

- Full European integration
- A European Central Bank
- A single European currency, the euro, to be adopted by 1999: Britain obtained an opt-out clause, which it exercised in 1999
- The Treaty to come into effect in November 1993

For Treaty to become binding on Britain it had to be ratified by Parliament - the ERM fiasco made this problematical.

- Many in Major's own party, and a significant number of Labour MP's, were so concerned over the loss of sovereignty entailed by the treaty that they voted against ratifying bills when they were introduced.

- Climax 1993 when organised resistance by **Eurorebels** defeated key Bill necessary for the Treaty to come into effect in 1993

- Having committed his government to Maastricht, Major was not prepared to accept the verdict of the Commons.....

Major Moves

- Major reintroduced proposal to accept Maastricht Treaty > made it part of a formal vote of confidence in the government > proposal forced through = desperate means Major had used gave strength to the growing number of Eurosceptics within and outside Parliament who claimed that Britain was being RAILROADED INTO EUROPEAN INTEGRATION.
- Calls for referendum rejected on the grounds of being "unconstitutional" - really it was because they knew they would lose
- Opposition from within own party caused Major to be so offended he was accidentally recorded as describing his critics within the party as 'bastards' = PM who does not have full support of his Cabinet and party is in a very difficult position and this was the case for Major throughout the period of his office

Growing internal divisions in the Conservative Party after 1992

Major - an 'unlucky PM'?

Exhausting battles began to drown out the positive achievements in a sea of party infighting and political setbacks.

Achievements of his premiership include:

- Substantial economic recovery
- Shared in a freeing of Kuwait
- Signing of Maastricht Treaty
- Winning of 1992 election
- Substantial progress on Northern Ireland

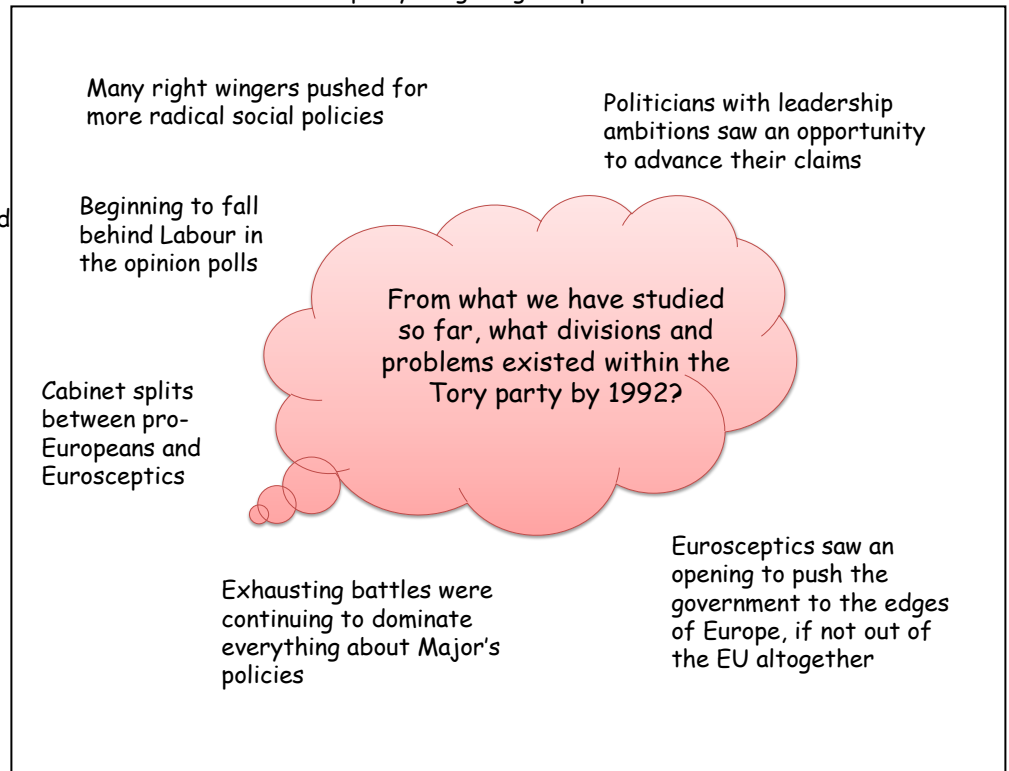
However, Major did not win popularity or political support > Blair that claimed credit for what Major had begun.

Between Black Wednesday and the 1997 election, Major suffered a slow political death.

Major's tribulations can be summed up as:

1. **Satire** - Easy target for satirists and cartoonists: Private Eye, Rory Bremner, Spitting Image's grey man. None of this Satire vicious and Major remained personally more popular than his party, but the image of Major as a well-meaning but bumbling and inadequate leader stuck to him

2. **Sabotage** - Blatant actions by anti-Europe elements in own party > 1993 Maastricht Treaty was initially blocked by rebel MP's. Major won the vote in the end but authority was damaged. "Do we want 3 more of the bastards" accidentally recorded = press, e.g. Daily Mail, speculating as to whom Major was referring to > speculation as to whether a leadership challenge would occur. It did not but the threat was damaging enough. Major tried to reshuffle his cabinet in 1994 with little impact → Eurosceptics Cash and Duncan-Smith felt free to express active opposition, rebel backbenchers e.g. Gorman continued to make provocative statements, Press speculation continued about possible challengers for leadership from disaffected cabinet members = 1995 Major called for leadership election so that he could be re-elected to do his own job (Back me or sack me)



Successes of 1995 Party leader election

- Heseltine - loyal and effective ally, good at defending the government in media interviews
- Had won in spite of national press, Daily Telegraph 'inflicted a spell of humility on the scribblers'

Failures of 1995 Party leader election

- 89 had voted against him (time when his government only had a small majority)
- Press as hostile as ever e.g. The Times 'Yesterday, Conservative MPs threw away their last best opportunity to win the next election'
- Opposition to Major within the party continued almost as intensively as before his re-election
- Did not have support of Thatcher. Back seat driving of Thatcher who encouraged Maastricht rebels to call for a referendum, gave support to Redwood in 1995, and continued to draw parallels between her dynamic

3. **Sleaze** - press coverage key here: sensationalist and intrusive and a contrast with Major's 'Back to Basics' campaign 1993 (call for return to traditional moral values). Examples include Yeo and Mellor (sex scandal, resigned), Scott Enquiry 1994 (illegal selling of arms investigation, Tory's 'economical with truth'), Archer and Aitken (perjury), CASH FOR QUESTIONS (long term sleaze and all the way up to 1997 election)

Although many suffer these 3 problems, it was massively damaging due to role of press who had abandoned the Tories and the revival of Labour!

MAJOR SUMMARY:

PROBLEMS WHICH HE INHERITED:

- Recession - High inflation (10.9%), high unemployment, high house prices. BUT! Major was chancellor through this so takes some of blame
- European tensions within party and also reputation as 'awkward neighbour' in Europe due to Bruges Speech 1988 and handbagging
- Involvement in ERM
- Social tensions: post anti-poll tax riots, high unemployment, breakdown of industrial communities, rich/poor divide, individualism
- Political problems: loss of female vote, party willing to oust a leader

AIMS AND OBJECTIVES

- Sound European relations - place Britain at 'very heart of Europe'
- Solve recession
- Escape negativity towards Thatcherism
- Ensure party unity
- Remain in power despite Labour's revival
- Help resolve Irish issue
- Heal social rifts

FAILURE ONE: Economics

POINT: Inheritance of recession, due in part to his own chancellorship, saw the credibility of Conservatives as party of economic competence undermined and encouraged party divisions over European economic policies.

EVIDENCE: Black Wednesday 1992 → £ trading low level close to minimum 2.77 marks, wave of speculative selling → interest rates hit 12.5% and 15%, humiliating withdrawal from ERM, scrapping of poll tax - £1.5 billion had been wasted trying to implement when scrapped.

EXPLANATION: Led to loss of support of press and opposition used Black Wednesday to target major → 15 Labour lead in opinion polls, destroyed Conservative reputation as party of economic competence, splits in party and cabinet over European integration question deepened, came at bad time as Labour was reviving. Despite promising situation of 1997 people were surprisingly reluctant to give Major's government credit for this > 'Feel good factor' missing

HISTORICAL OPINION: Lynch: governments enforced withdrawal from the ERM undermined the Conservatives reputation for responsible financial management

FAILURE TWO: Internal Divisions and Sabotage

POINT: Failure to introduce new policies during first 18 months of power and an attempt to emulate Thatcherism saw him unable to stamp authority as a leader on the party, allowing gulfs in the party to deepen,

EVIDENCE: Attempt at party unity during first cabinet (Hurd, Clarke, Heseltine) and reshuffles in 1994 unsuccessful resulting in 'Back me or sack me' 1995 → 87 voted against him despite victory.

EXPLANATION: 1995 party leader election perceived by some as weak, press and opposition able to exploit open divisions which impacted on reputation as being united party or party able to see Britain through difficult time - party leadership election fuelled press hostility as showed how ineffective Tory's had become, Eurosceptics Cash and Duncan-Smith felt free to express active opposition - attacks coming from own party, rebel backbenchers e.g. Gorman continued to make provocative statements which meant Conservative gov was attacked from all angles: press, party and opposition. Unable to unite cabinet to introduce effective policy. Loss of support of Thatcher

HISTORICAL OPINION: The Times '*Yesterday, Conservative MPs threw away their last best opportunity to win the next election*', Lynch: 'it was a tired and self-doubting party by 1997', Lynch: Major's uninspiring leadership meant he was never able to win the total loyalty of the party and public

FAILURE THREE: Sleaze and Scandal

POINT: combination of sleaze and scandal undermined the authority of Major as well as the morality and respect of Tory's from both press and public.

EVIDENCE: Spitting image's 'grey man', Yeo and Mellor (sex scandal) Scott Enquiry 1994 (illegal selling of arms investigation, Tory's 'economical with truth'), Archer and Aitken (perjury), cash for questions

EXPLANATION: mocking meant that Major became easy target, respect declined - gave press fuel. Sleaze similar impact as Profumo Affair on Macmillan 1962 → seen as out of touch, untrustworthy, too preoccupied with own traumas than those of Britain in comparison to a reinvigorated Labour. Further press & opposition hostility due to ammunition - easy target. Sleaze ran all way to 1997 election - factor in Labour's victory?

HISTORICAL OPINION: Keegan 'one of the dreariest administrations of the century', Lynch: cumulative destructive effect of a long series of sexual and financial scandals involving government ministers and Conservative MP's

FAILURE FOUR: Europe

POINT: Conflict over ratification of Maastricht led to desperate measures to get party support.

EVIDENCE: July 1993 organised resistance by the **Eurorebels** (large group of Tory MP's led by Bill Cash) defeated a key Bill necessary for the Treaty to come into effect in November 1993. Forced to use desperate tactics: reintroduced the proposal to accept the Maastricht Treaty and made it part of a formal vote of confidence, 'Bastards' comment

EXPLANATION: highlighted divisions within party and lack of respect for/authority of Major - lack of support from cabinet caused problems for premiership, came at time of ERM fiasco which fuelled tensions (economic and political crisis all at once), ammunition for the opposition party

HISTORICAL OPINION: Lynch 'public distaste for unseemly squabbles over the undemocratic ratification of the Maastricht Treaty'

SUCCESS ONE: Foreign Policy

POINT: Major successfully led Britain through a positive conclusion to the First Gulf War culminating in the freeing of Kuwait which helped to bolster Britain's international position and strengthen the Tory's 1992 re-election hopes.

EVIDENCE: Gulf War 1991 (swift victory against Saddam Hussain using sound diplomacy and UN, kept the opposition leaders, Kinnock and Ashdown, informed on the key moves won him respect), progress in Northern Ireland peace process

EXPLANATION: ensured Britain still seen at top table of international affairs helping to alleviate pain of decline from Empire (sense of national pride) and Britain's fall from international policeman role), had used diplomacy and UN (seen as acting as a 'goody'), strengthened relations with US, positive event needed to unite party and give Major respect, support of press and public, easing of Irish tensions helped to improve tensions in Great Britain

HISTORICAL OPINION: Lynch: 'an impressive debut, his conduct was statesmanlike and he cooperated effectively with the US in creating a coalition invasion force'

SUCCESS TWO: Maastricht Treaty

POINT: Desire for Major to place Britain at the 'very heart of Europe' saw him employ tact to avoid handbagging approach of Thatcher and instead use diplomacy to secure key successes. Important for public opinion as well as to appease hardline Conservatives who were causing rifts

EVIDENCE: opt outs for Britain from plans for a single currency (euro, to be adopted by 1999: opt-out exercised in 1999) and from the Social Chapter

EXPLANATION: Won over doubters in the party (opposition not silenced however), showed Major as a skilful negotiator, closer relations with Europe (still not open to full integration but more acquiescing than Thatcher and diplomatic), secured opt-outs which later gave Britain choice in 1999

HISTORICAL OPINION: Rowe: 'skilful diplomacy of Major which won over doubters'

SUCCESS THREE: 1992 Election/7 years in power

POINT: Major led party to victory achieving more electoral % (51.6%) than Blair achieved in 1997 election (42%) despite internal divisions, the ghost of Thatcher, and the revival of Labour

EVIDENCE: Major resorted to high public spending due in part to unemployment. Huge government borrowing spent on transport /NHS, party unity through carefully selected cabinet (Heseltine, Lamont), riding off wave 1991 Gulf War victory, Patten ran a good campaign, 'soapbox' tactics by Major in Luton

EXPLANATION: despite many inherited problems, Major able to successful side step memories of Thatcher to achieve conclusive victory 1992. Through careful electioneering tactics, as employed during the 1955/1959 pre-election tax cuts, Major able to effectively woo electorate and overcome many crises' in Britain and own party to lead the party through 7 years of power. BUT!!! Would it have been better to have lost 1992 so that it could have concentrated on reinventing itself earlier? (Lynch)

HISTORICAL OPINION: won despite 'these are the least favourable circumstances for re-electing a sitting government since 1964' (The Guardian)

SUCCESS FOUR: Economics

POINT: Major inherited disturbing economic circumstances (recession, high inflation, unemployment 2.6million)) and despite events of 1990-1992 managed to ensure by 1997 Britain experienced a pleasing level of economic recovery.

EVIDENCE: abandonment poll tax>council tax, left ERM prevented Britain from having to keep high interest rates, unemployment slowed, housing market picked up = 1993-1997 economic recovery accelerated, government borrowing reduced as inflation came under control. Clarke as Chancellor 1994. By 1997 economic indicators positive > unemployment down, productivity&consumer spending up, car ownership increased, house prices rose sharply, negative equity thing of past, business supportive of government policies

EXPLANATION: able to blame poll tax on Maggie, seen as turning party around, ensuring still seen as party best able to get Britain out of the mess. Leaving ERM stabilised sterling, allowing exchange rates to float downwards > helped British exporters, by 1997 economic indicators positive due to Major and Clarke's careful management of the economy

HISTORICAL OPINION: 'Britains growth rate out performed that of its European partners and Major's record of poor economic management was not entirely justified'

REVIVAL OF LABOUR

Labour danger of being marginalised by Thatcherism and rise of the SDP, Foot played key role as leader in taking Labour to left of political spectrum = lack of credibility, 'longest suicide note in history'

THEN! Needed change occurred....

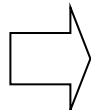
Loss of the election = Kinnock replacing Foot as party leader. must be credited for leaving behind a party infinitely stronger than it had been in 1983

Objectives:

- Drag Labour back into the political mainstream
- Marginalize leftist elements in the party and ensure party discipline by centralisation of power around leadership- 'iron grip'
- Move the party back to the centre ground

Actions

- Took on the extreme left (Militant Tendency and the 'Bennites')
- After 1987 election defeat, reorganisation of the party
- Consideration of the party's ideology and more centrist policy proposals



John Smith helped to further reinvigorate the Labour party before his death →too cautious to have achieved what Blair did?

Tony Blair

Revival of the party in 1990's seemed to be dominated by ideas and personality of Blair

Objectives:

- Use great skill to remodel the Labour 'brand'
- The promotion of 'New Labour' to live down his party's extremism in the 1980's when seemed unelectable
- Convince Middle England that Labour had fundamentally changed, ideologically and in party unity. Intended to appeal to middle class Britain (bulk of vote)
- Capture uncertain Conservative voters and floating voters
- Get elected (!) sometime in the next 3 years

How did Blair turn the Labour party around? Avoid extremes and adopt progressive ideas....

1. Curbing trade union influence on party - One Member One Vote 1993, break from past, avoid Winter of Discontent

2. Abolition of Clause IV - wiped out socialism from party constitution, embrace modern capitalist economy, woo city and businesses as well as middle class, stop talking socialism to avoid scaring electorate!
3. Party unity and discipline - Blair-Brown deal and partnership, role of Gould and Mandelson to coordinate party → 'on message'
4. 'Spin' - schmoozing of the press - Campbell's relations with press, New Labour slogan, buzz words (third way, 'cool Britannia' (fashionable and in touch, 'inclusiveness' - society where nobody was left out (no 'social exclusion'), 'stakeholder society' - ordinary persons having state protected investments and pensions (feel they belong collectively to a society), Welfare to work, Joined up government, Economic prudence

Key ideology:

Communitarism

Individualistic philosophies had influenced Britain too much and led to the breakdown of family and traditional mores. Need to reassert the notion of communities and responsibility

Stakeholding (Hutton)

Thatcherism had led to decline in industrial base so stakeholder society was needed. Strengthening of welfare state and people having a stake in societies future. Socially excluded need to be reincorporated into one unit (respect between top and bottom)

Third Way Defining concept (Giddens)

End of tradition is good! > Changing status of women, people being more reflexive.

= Left/centre must respond by restructuring public institutions, rejuvenation of civil society (pressure groups), infrastructural investment, and restructuring of welfare state to meet demands of modern society.

REASONS FOR THE OUTCOME OF THE 1997 ELECTION *Conservative failings or Labour skill?*

- Labour : 419 seats (63.6% of total seats); 43.2% of popular vote. Gained 146 seats from 1992; lost no seats from 1992 results
- Tories : 165 seats (25.1% of total seats); 30.7% of popular vote. Gained 0 seats from 1992; lost 178 seats from 1992 results.
- Liberal Democrats : 46 seats (7% of total seats); 16.8% of popular vote. Gained 28 seats from 1992; lost 2 seats from 1992 results.

DOWNFALL OF CONSERVATISM SINCE

1979

(GRAY)

- Erosion of institutions and cultural traditions that had always underpinned Conservatism
- Time for a change - widely held public sentiment
- Thatcherism had moved away from old Tory party values and from traditional supporters in rural and suburban areas

TRANSFORMATION OF LABOUR

- Abandonment traditional socialist/social democratic principles, acceptance of market economics, low inflation and interest rates, cuts in taxation, spending and welfare. Pre-election commitment to maintain existing tax levels for a five-year term and present spending levels for two years, 'welfare to work', tough law and order especially for juvenile offenders. Difficult for the Conservatives to criticise what were, largely, their own policies
- Desire for power, combined with growing party discipline, largely silenced left-wing Labour dissidents. Campaign hit by no major blows from extreme left which could have de-stabilised the election effort. Europe was not an obviously contentious issue as it was for the Tories.
- Labour Party no longer an easy target to attack but was a formidable fighting force. The usual Tory tactics of frightening voters away from Labour's 'socialist extremism' simply didn't work anymore
- Labour was longer the party of 'tax and spend' economic policies. Brown done lot to convince people that Labour was the party of prudence and economic competence
- Internal reforms of Labour > some reduction in TU power; One Member One Vote
- Smith's death 1994 allowed creation of New Labour by more modernising Blair - notably, abandonment of Clause IV in 1995

CAMPAIGNING AND ELECTIONEERING OF LABOUR

- Rapid centralisation of Labour party and presentation around leader, spin-doctors and highly polished campaign including Wilson-esque celebrity endorsement
- Newspapers that had always strongly supported the Conservatives (e.g. The Sun) were now lukewarm or had even gone over to support for Labour
- Blair skilful communicator, particularly effective in presenting an air of moderation and winning over 'Middle England'. Blair did especially well with women and young voters
- The Labour campaign was run by disciplined 'spin machine'. Effective in dealing with the media and press, both in refuting Conservative attacks and in selling Labour policies. Labour spokesmen were always 'on message' with access to up-to-date information. Long election campaign backfired on Tory's (further sleaze) as well as their use of poster (Blair, a stated Christian, shown with demonic eyes)

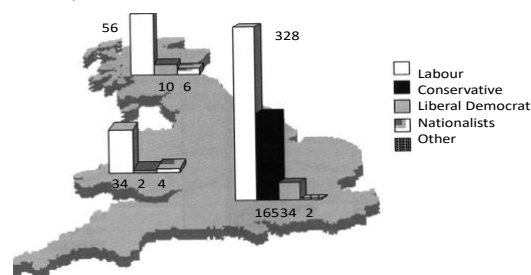
DAMAGE TO CONSERVATIVE PARTY DURING MAJOR ERA

- Accusations of 'Tory sleaze' damaging. Bell's campaign against Hamilton dominated news > adverse effects on wider Conservative campaign. Refusal of MP's to take responsibility and resign
- Traditional Conservative image of party unity shattered by Eurosceptic rebellions. (had survived before e.g. Accession of Macmillan). 'Wait and see' approach of single currency caused discontent, not helped by defections by pro-Europeans Howarth and Nicolson
- Economic situation had improved by 1997, but was no 'feel good factor' or approval for Conservative economic policies. Blame for Black Wednesday and forced withdrawal from ERM still loomed over Major's government
- Lamont: 'Party in office but not in power'. Minority government by end of 1996. Government dependent in Commons on Unionists; abandonment of IRA ceasefire early in 1996.

ROLE OF THIRD PARTIES

- Referendum Party, lavishly funded by Goldsmith, won no seats but attracted enough voters to cause Conservative defeats in some marginal seats e.g. Mellor in Putney. Compounded by Sked's Independence Party.
- Lack of 'clear blue water' between two main parties threatened to squeeze the Liberal Democrats but - despite lower vote than 1992 - they won over twice as many seats due to careful targeting of their limited resources and there was widespread tactical voting, with Labour supporters voting Liberal (and vice versa) according to how the anti-Conservative vote could be maximized = election of new Liberal MP's. It also secured the defeat of many Conservative candidates by their Labour opponents

National distribution of MPs after 1997 election



What is Blairism? - goal had not changed but the means of achieving the goal did!

- Renewed type of social democracy, or a 'third way' (Giddens, 1998) Labour needed coherent message to take on Thatcherism. Blair and his 'big tent' government dominated to 1997. Wanted to incorporate talents from other parties and offer Britain a consensus he called.....THE THIRD WAY: New Labour term promising to get away from the divisive and out-of-date ideas of the old Labour left, dominated by trade unions and Marxism, and from the old right, dominated by selfish capitalism. Idea of communal endeavour (combine individualism and collectivism). Economic efficiency AND social justice
- Continuation of Thatcherism/neo-liberalism (Hay, 1999) accepted new economic settlement that Thatcher had established, but believed it could be made more sustainable if it was tempered with a concern for social justice (variation on One Nation Toryism?) Significant constitutional reforms in first term, but privatization and the injection of market mechanisms into hitherto autonomous institutions has remained the central thrust of policy. Blair committed to modernizing Britain, but his conception of modernization was a variation on Thatcher's. More Thatcherite than Thatcher e.g. privatisation of post-office
- Continuation of 'Old Labour' style politics (Allender, 2001) British social democracy realised it needed to change with the modern time. Labour reflects these changes but the core values still exist. New Labour is the continuation of old traditional Labour. New Labour is different from the post-1945 Labour of Wilson

Arrival into office:

POSITIVE

- Blair could rely on huge majority in parliament
- Labour appeared most united since 1945
- Led a group of talented politicians
- Spent 3 years preparing for power
- 'Blair project' - clear idea of direction
- Conservative opposition demoralised
- Economic situation favourable
- Basked in glow of goodwill from public and press

TOO GOOD TO BE TRUE?

- Extent of Labour support was deceptive - massive parliamentary majority did not reflect a massive surge in the Labour vote
- 43% of vote but still low turn out - fewer voted for Labour in 1997 than in any 1945-1966 and less than Major's victory in 1992
- Landslide based on Tory voters staying at home, tactical voting for Liberals, and FPTP system?

Labour's Expectations - 1997 Manifesto

ECONOMICS

PLEDGE IN THE MANIFESTO	PURPOSE?	MET? PARTIALLY MET? OR NOT MET?	Third way? Thatcherism? Or Old Labour?



"We are pledged not to raise the basic or top rates of income tax throughout the next Parliament."	Ensure taxation is not burdensome and applicable to Britain's economics at that given time. Avoid being the party of taxation.	The top-rate has remained at 40% since 1997. The basic rate was actually reduced from 23% to 22% in 2000. The total tax burden under Labour has risen as the government has increased indirect taxation.	Third Way - remove shackles of Old Labour taxation policies yet ensure social justice to avoid being too Thatcherite
"Our long-term objective is a lower starting rate of income tax of ten pence in the pound."	Avoid being the party of taxation. Ensure taxation of income is not a disincentive to effort	The measure was introduced in the 1999 budget.	Thatcherism - do not tax too heavily on income as it is a disincentive to effort
"We will match the current target for low and stable inflation of 2.5 per cent or less."	Establish itself as able to be the party of economics after Conservatives lost their traditional placing.	Labour's policy is 2.5% target for underlying inflation, with margin of error of plus or minus 1%. Inflation has stayed within this band virtually throughout Labour's time in government.	Third Way
"We will reform the Bank of England to ensure that decision-making on monetary policy is more effective, open, accountable and free from short-term political manipulation."	Ensure that British economics are stabilized through independent safeguarding and not subject to the fluctuations of whomever may be in power. Give it to the experts	The Bank of England was given independence and control over interest rates in 1997.	Thatcherism

EDUCATION

PLEDGE IN THE MANIFESTO	Purpose?	MET? PARTIALLY MET? OR NOT MET?	Third way? Thatcherism? Or Old Labour?
"Over the course of a five-year Parliament we will raise the proportion of national income spent on education."	Improve educational standards and create a new Britain	Subject to decisions by the Scottish Parliament, the Welsh Assembly and the Northern Ireland Assembly, education spending is projected to be rise to 5.3 per cent by 2003-04, compared with 4.7 per cent in 1996-97.	Old Labour
"We must recognise the three 'r's for what they are - building blocks of all learning that must be taught better. We will achieve this by ... piloting literacy summer schools"	Improve literacy of Britain	In 2001 the government earmarked £22m for summer schemes aimed at helping children who had failed to reach national literacy and numeracy levels by the end of their primary education.	Old Labour

CONSTITUTION

PLEDGE IN THE MANIFESTO	Purpose?	MET? PARTIALLY MET? OR NOT MET?	Third way? Thatcherism? Or Old Labour?
"As an initial, self-contained reform, not dependent on further reform in the future, the right of hereditary peers to sit and vote in the House of Lords will be ended..."	Modernize British political system and make it more democratic	The House of Lords Act 1999 disqualified all hereditary peers for membership of the House, but allowed 90 hereditary peers and the holders of the offices of Earl Marshal and Lord Great Chamberlain to say on to ensure there were enough peers to conduct business. The remaining hereditary peers will	Old Labour

		be excluded when the much postponed 'second stage' of Lords reform takes place.	
"A sovereign Westminster Parliament will devolve power to Scotland ... and Wales."	Allow nationalities greater independence in the running of their own country and to create laws relevant to their nation.	The Scotland Act gained Royal Assent on 19 November 1998. The Scottish Parliament met for the first time on 12 May 1999. The Government of Wales Act was passed in 1998 and the new assembly took up powers in July 1999.	Old Labour
"We are pledged to a Freedom of Information Act, leading to more open government."	More transparent Britain and political system	The Freedom of Information Act received Royal Assent on 30 November 2000.	Third Way

HEALTH

PLEDGE IN THE MANIFESTO	Purpose?	MET? PARTIALLY MET? OR NOT MET?	Third way? Thatcherism? Or Old Labour?
A greater proportion of every pound spent will go on patient care not bureaucracy."	Ensure that money is being spent on primary focus not managers	While the parties can argue over whether there is actually more red tape or not, figures in February 2000 revealed that the number of administrators relative to NHS beds had actually increased to an all-time high.	Attempt at Thatcherism
"We will raise spending on the NHS in real terms every year"	Improve patient care and ensure welfare state is fit for purpose	NHS spending in 2002-03 will increase by £5.7bn to £68.9bn. This is an annual real increase of 5.7% up to the end of the current spending round in 2003/04.	Old Labour

EDUCATION

PLEDGE IN THE MANIFESTO	Purpose?	MET? PARTIALLY MET? OR NOT MET?	Third way? Thatcherism? Or Old Labour?
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BLAIR AND BROWN

Partnership heart of New Labour - Blair to be PM and Brown to be given free reign as chancellor, later to take over as PM, as decided at Granita meeting.

Successes: One concentrated on flair and personality, the other on ensuring a sound economy. Ensured party unity (to an acceptable degree), cultivated idea of professionalism and economic management.

Failures: speculation and mockery of partnership (e.g. Bremner) questions of succession became wearisome → disenchanted the electorate

BLAIR'S FIRST GOVERNMENT 1997-2001

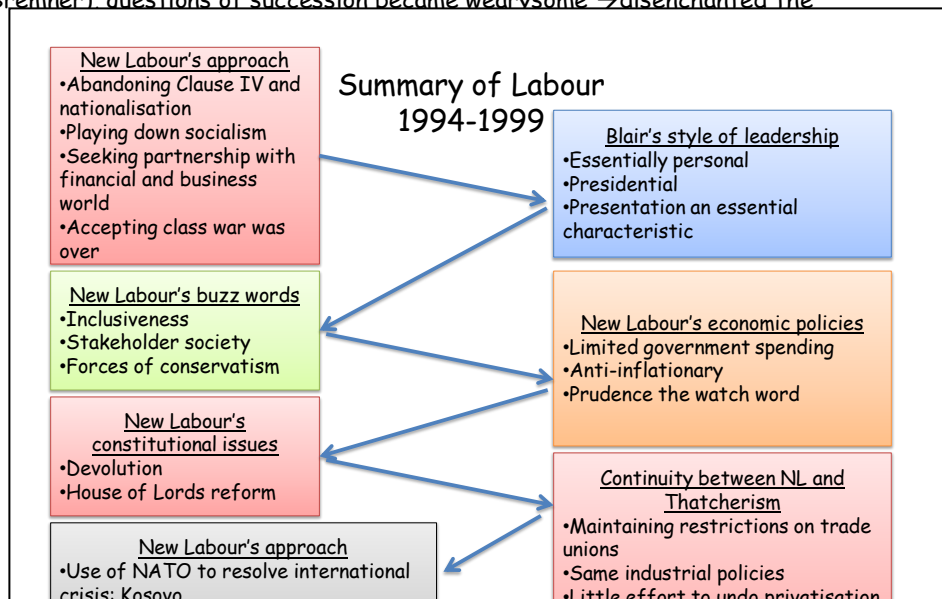
Three key successes:

1. ECONOMY

- government borrowing led to consumer credit boom
- Independence of Bank of England
- Inflation down, employment up
- moved away from image of 'tax and spend' party
- reassurance of industrialists and financiers
- living standards of middle class rising along with housing boom

2. FOREIGN POLICY

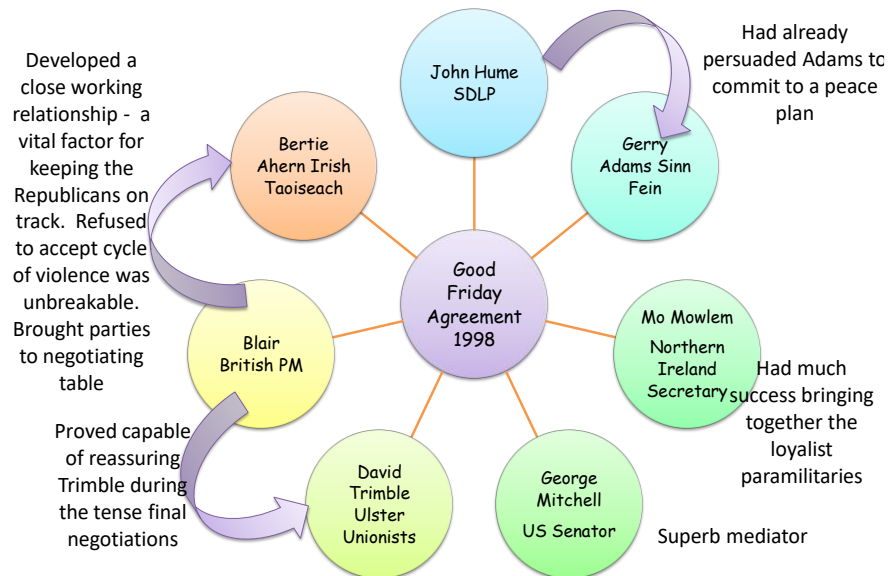
- NATO intervention in Kosovo to resolve international crisis. "goodies" had defeated the "baddies" and Blair had secured US help



3. NORTHERN IRELAND

- Close working relationship Ahern (vital on keeping the Republicans on track)
 - Proved capable of reassuring Trimble and Ulster Unionists during final negotiations
 - **Good Friday Agreement 1998** Blair's greatest achievement? Hands on involvement and detailed negotiations during first term. Peace process had been pushed a long way before Blair and there were other contributing factors that led to GFA, BUT Blair's personal commitment was vital. Opposition to Good Friday Agreement came from both sides
 - SINN FEIN (Adams, McGuinness) nervous of Republican backlash against them "selling out" e.g. Omagh bombing 1998 (killed 30)
 - ULSTER UNIONISTS (Trimble) feared the powerful negative influence of Paisley leader of the hard-line Democratic Unionist Party (DUP)
- BUT STILL OVERALL SUCCESSFUL.....

Contributors to the Peace



CONSTITUTIONAL REFORM

Conservatives side stepped constitutional reform 1992-1997 → 1997 election manifesto opposed devolution but supported parliamentary reform, strongly against a European federal super state, and committed to wait and see approach.

Labour → speech 1994, Blair stated party's programme of constitutional reform was 'the biggest programme of change to democracy ever proposed' = introduced 12 constitutional bills 1st parliamentary session after 1997.

There were four main themes:

1. **THE MODERNISATION OF POLITICAL INSTITUTIONS** - Houses of Parliament (stage 1 removal of all but 92 peers, Wakeham Committee proposed combination of partly elected and partly appointed peers) → ran out of steam, civil service and local government (largely unrealised - decentralisation to local governments has occurred to a degree but at same time as centralisation of PM's office).
2. **GREATER DEMOCRATISATION OF THE POLITICAL SYSTEM** - been directed at increased popular participation in institutions and decision-making process. Acceptance of use of referendums, but there has also been some movement towards electoral reform and number of other, less heralded, proposals. England now the only system not using PR voting system due to concerns that adoption of the system may affect the Labour majority in future elections.
3. **DEVOLUTION** - decentralisation of powers from Westminster and Whitehall. Talk of greater powers for local government and even the introduction of regional government in England. SNP has been strengthened as a result (opposite to intention)
4. **IMPROVING AND SAFEGUARDING INDIVIDUAL AND MINORITY RIGHTS** - Human Rights Act 2000 (however this depends on interpretation of judges), Freedom of Information Act (still possible to block information if it threatens 'national interest')

SUCCESSSES

- Vast, far-reaching programme of change, meeting most of the demands of the majority of ardent reformers, and representing the biggest changes in our system of government since 1911.
- In a purely constitutional sense, the Britain pre-Blair was a foreign country. There was no Edinburgh Parliament or Cardiff Assembly, no London elected mayor or the promise of more mayors to come in towns and cities. Hereditary peers held balance of power in House of Lords. Proportional representation was something they did on the Continent, like the European Convention on Human Rights. Most of the heavyweight constitutional changes figured in the first Queen's Speech
- Tony Blair boasts that 100 years after the creation of the Labour Party, he has delivered three of Keir Hardie's historic benchmarks for a Labour Government: the minimum wage, devolution and abolition of the hereditary peers. It was what Labour wanted

WEAKNESSES

- Largely overshadowed by shady deals and political fixes through which it has been introduced, and the lack of any real desire by Labour to make Parliament more effective.
- many voters failed to understand why the first Labour Government for 20 years took up so much parliamentary time on reforms when there were far more pressing problems such as the NHS.
- constitutional settlement has been handed has almost torn the party apart, earned Blair the title of 'control freak' and at times come at a heavy cost to his standing in the Labour ranks

NEW LABOUR ECONOMICS

Objectives:

- Need to escape boom-bust cycle
- Need to cut national debt
- Keep inflation low
- Avoid reputation for increasing public spending when in power and having to reverse policy when a crisis arose
- Gain economic credibility including proving to Middle England that they were pro-business
- Try to merge economic strategy with welfare strategy (first ensure economic stability through economic prudence, then use the money saved to fund welfare provision)

PHASE ONE: 1997-2001

Mainly about achieving economic efficiency and social justice

Macro-economic: Stability and flexibility in labour market, free from electoral changes

'Rules based' economic management: Rules to be held to in hope of creating stability

- GOLDEN RULE (stopping spending more than it can afford on public services)
- Inflation rate of 2.5%

This stabilises expectations of the market

Bank of England independence: Set interest rates to acquire credibility, symbol of commitment to low inflation

Pro-business, pro-competition: Appealing to business, Middle England and industrialists!!!

- Cuts in corporation tax
- More deregulation freeing employers from red tape bureaucracy
- Private Finance Initiative (PFI) business encouraged to invest in public sector e.g. Schooling, hospitals. Started by Conservatives, expanded by Labour

Microlevel redistribution: Series of measures to redistribute wealth to poorest in the country (end social exclusion)

- National minimum wage
- Working families tax credit.

Overall...successful

- Replaced Conservatives as 'party of economic competence'
- Appealed to Middle England, industrialists and financiers
- Brown's prudent budgets swelled British reserve funds whilst keeping inflation down

But!!!

- This began to change after 2001

Do not overstate Labour's economics in 1997! Despite the 1992 fiasco, sound economics were largely the result of Major's government and pulling out of the ERM!

CAUTIOUS....

SUCCESSFUL!!



New Labour's Economic Strategy

2001-2007

- Big injection of money into public services
 - into new schools and pay rises in NHS
 - apparently catching up for years of neglect
- Critics argued that
 - public spending and government borrowing was too high
 - funding of new projects through PFI got buildings completed quickly but resulted in large debts stored up for the future



	POLICY	RESULT
Income and expenditure	From 2001 the prudence of earlier Brown-Blair years gave way to high public spending	High inflation
Pensions	Government raid on pensions fund	Rapid £8million fall in pension values. Decline of British pensions industry. Savings ratio fell
Employment	To reduce unemployment	2.5million more in work 2007 than 1997 5.4million people of working age still living on unemployment benefit 37% of increase in jobs were in unproductive public sector
Borrowing	To borrow in order to fund expansion of public services	Costs of services outran revenue returns = increased borrowing. Government borrowing encouraged a consumer credit boom. Britain not prepared for international economic downturn by end of 2007
Golden Brown	To sell off half of Britain's gold reserves since gold prices were falling	Subsequent recovery of gold market meant Britain had sold at a heavy loss amounting to £3 billion

POLITICAL IMPACT OF IRAQ

Iraq War and Blair-Bush relationship is argued to be the defining issue of Blair's second term.

Why?

- It aroused bitter opposition to Blair, including previously enthusiastic supporters. People were concerned about protecting civil liberties.
- The controversies of the war in Iraq and the War on Terror shaped domestic politics
- Blair's links with Bush aroused intense hostility due to unpopularity of Bush in both Europe and Britain.

= Blair had to fight two wars over Iraq > One against Saddam Hussein > One to win over political and public opinion at home
Both went badly.....

Why get involved?

- September 11th had a profound impact on both Blair and Britain.
- Blair convinced that global terrorism was a deadly danger and that special measures were needed to provide greater security.
- Blair's links with Bush

Who was opposed to the war?

- Within the party - Cook and Short resigned
 - Public - most supportive but were those who were against war in principle/morally and due to lack of backing from UN (large and vocal minority)
 - Media: initially supportive. Continually supportive of "our lads" but not of the governments/countries who led Britain into Iraq
- Opposition mainly came from methods used to excuse going to war rather than the actual war itself:

Method: Intelligence dossier on WEAPONS OF MASS DESTRUCTION (2002) > idea Hussein had biological and nuclear weapons.

Backfired! Why was it questioned?

- Failed to convince those who thought WMD had been exaggerated/overrated
- Questions over why Campbell (Press Sec) played such a large role in drafting dossier - 'sexed up dossier' (Gilligan, 2003) to exaggerate the threat from Saddam and that it was intended for political purposes
- accusations dossier was about political presentation rather than hard evidence

Impact of WMD: No WMD were found!

- Blair's opponents claimed that this proved deliberate deception - 'BLIAR' - consistently lied in pursuit of his warmongering policies.
- Death of Dr David Kelly (weapons expert at MoD) further damaged the governments reputation as the case dominated the national news, rocked the government, and put the doubt into the British publics mind about whether this dossier had indeed been exaggerated.
- Many now began to question the evidence on which Blair had led Britain into the war on and his intentions for having done so - public mood of cynicism and condemnation
- The role of critical and *sensationalist* press had a profound effect

But!! Blair and intelligence community did genuinely believe there were WMD - they had evidence which they felt indicated this.

LORD HUTTON'S ENQUIRY - absolved the government from blame and criticised the BBC but the damage was done.

- Course of the war dragged on. Despite Saddam being overthrown it did not end neatly - forces bogged down in a WAR OF OCCUPATION
- Despite improvements in 2006 the unpopularity still remained
- Government blamed for human rights abuses carried out by US/British soldiers (photos of torture)
- Government blamed for not providing the troops with sufficient resources to fight the war
- Many questioned integrity of Labour
- Splits within party - resignations, criticisms, rallying around Brown?
- Media backlash
- Decline in credibility of Blair
- Impact on domestic policies as result of war
- Decline in Britain's international prestige and reputation
- Britain's very own Vietnam? Failure to win the hearts and minds of the Iraqi population post-Saddam honeymoon period
- What now? Elections? Peace? Democracy? IS THIS POSSIBLE??



2005 ELECTION

The 'Wobble' 2004 - Blair's authority looked in danger

- Impact of Iraq
- Hutton Inquiry had reported back on Kelly = more press speculation and attention
- Backbench revolt against the introduction of top up fees for university students
- Brown/Blair marriage was strained
- Press speculation about Blair resigning



However, despite this, the wobble was nothing more than that....

- May 2005 election won relatively easily (although with a significantly reduced majority, cut by half from 166 to 71)
 - Showed underlying strengths of Labour
- Was this because the Conservatives were still undergoing recovery and had not yet mounted a strong challenge in 2004-2005?

WHY DID LABOUR WIN IN 2001?

- Splits and questions of unity in the party
- Media backlash
- Decline in credibility of Blair
- Questions over integrity of the Labour party
- Contribution to the 'wobble' 2004 - challenge of Blair's authority
- Britain's and Labour's international integrity
- Consequences on domestic policies



WHY DID LABOUR WIN IN 2005?

- Although Blair's involvement in the Iraq war lost him some popularity, still regarded by electorate as outstanding choice among party leaders
- Conservatives had supported the government's decision on Iraq = unlikely to gain from the mounting criticism of the war
- Knowledge of economic and financial difficulties that were beginning to face Britain had not become widespread for it to count as a factor.
- Despite Conservatives maintaining vote and slightly increasing aggregate support, they were still not able to make significant inroads into Labour's lead
- Conservative Party 3 different leaders within 2 years > did not sit well with public, regarded the Conservatives divided party lacking in confidence and unlikely to govern well. The leaders they chose did not entice the electorate.
- Role of spin doctors. Blair by 2005 was experienced political operator who knew how to project his image. Howard was a competent leader but he was no real match for Blair in the presidential-style campaign that the PM conducted
- Brown had established the party as one of economic competence with a consumer boom and rising house prices and was still utilising this to gain popularity with financiers and the middle class.
- Howard made a bad choice of issues on which to fight the election. His emphasis on immigration and law and order, concerns on which his own record of dealing with them as Home Secretary in Major's government was not impressive, proved something of an embarrassment.

CONTINUED SPLITS IN THE CONSERVATIVE PARTY 1997-2007

- Still fighting a 'civil war'
- Missing key voters - lost middle ground
- Thatcher still impacting on party
- Sidelined and ineffective:
NL had incorporated many Tory policies > hard to attack NL and occupied the traditional Tory stance
- Outmoded - Stigmatised as a 'nasty party' out of touch with modern Britain
- Hague as leader: only won because of few enemies and was Maggie's preferred choice despite being inexperienced and no power base.

Tory's made mistake of not appointing best person to revive party, instead one least likely to cause rifts → hadn't realised they needed to change as a party so Hague had to drop his attempts at social inclusiveness and stay right wing

LOST 2001 ELECTION >

(a) **Weaknesses of the Conservative Party** - done nothing to appeal to middle ground, leader chosen backed down and not driven forward needed changes due to splits and tensions in the party, leader chosen was unknown to the public and lacked the charisma of Blair, average party member was 63 and male (in comparison Labour's 'youthful' image and Blair's Babes), failed to use the opportunity of being in opposition to modernise the party, main line was opposition to the Euro which failed to attract floating voters

(b) **Role of Blair (especially in comparison to other leaders)** - Blair's continued personal popularity with the voters, laid stress on the improvements in the public services

(c) **Successes of the Labour government** - perception that the government was handling the economy and foreign affairs effectively, trust in Brown as a prudent Chancellor of the Exchequer

- Duncan Smith as leader: unknown. Won because of negative voting against Clarke and Portillo (could have made party more centrist and electable), not because of any belief in his ability to lead the Conservatives back to power > same stagnation and death as Labour 1979-1983. Ousted. Conservatives finally realise they need to change party not just leader to win voters back.

- Howard as leader: chosen because he was able, experienced > chosen on merit (despite unpopularity) instead of likelihood to cause splits - a new attitude for the Conservative This change in attitude and therefore leader led to Howard performing strongly against Blair in the Commons, as well as improving party organisation and morale.

= positive development with regard to criteria for choosing a leader BUT had not changed their attitudes in other, equally important ways > Party was still obsessed with Europe and still disunited

Attitudes towards the Conservative Party, 1997

Statement	% respondents who agree
A party that does not have a bright future	74
A party with very few new ideas	84
A party without a clear sense of direction	75
A party that lacks strong leaders	81
An out of date party	77

Sacking of Duncan Smith a turning point!

= They again lost the 2005 election

- (a) **Weaknesses of Conservative Party** - Conservatives had supported the government's decision to go to Iraq = unlikely to gain from mounting criticism of war, had 3 different leaders in 2 years which did not sit well with public who regarded the Conservatives as a divided party lacking in confidence and unlikely to govern well. Howard competent leader but he was no match for Blair in presidential-style campaign that PM conducted. Howard made a bad choice of issues on which to fight (immigration, law and order) concerns on which his own record of dealing with them as Home Secretary in Major's government was not impressive, proved something of an embarrassment.
- (b) **Role of Blair** - Although Blair's involvement in the Iraq war lost him some popularity still regarded by the electorate as the outstanding choice among party leaders, backed by wily team of spin doctors. Blair by 2005 was an experienced political operator who knew how to project his image.
- (c) **Successes of Labour gov** - Knowledge of economic and financial difficulties that were beginning to face Britain had not become widespread for it to count as factor against government. Brown had established party as one of economic competence with a consumer boom and rising house prices, still utilising this to gain popularity with financiers and the middle class.
- Cameron as leader: committed to modernising party (role in 2005 manifesto), new breed of Conservative/MP. Camerons 'decontaminated the Conservative brand' > reached out beyond narrow core supporters by making party more inclusive and not hostile to ethnic minorities, single mothers, homosexuals and the young
= This worked to his advantage as Labour were unable to accuse him of being 'smooth but superficial' due to his similarities with Blair and the same when for being vague in party policies (same tactic as NL since 1994)
Rowe: first time since 1997, the Conservatives offered a credible alternative to Labour recovering much of the ground lost by 1997 and opinion polls suggest that seats lost to the Liberals in 1997 could be won back.

SOCIETY

1990

- Population rising but uneven
- Ethnic mix simpler: Ethnic mix → largest non-whites were Indian, then Caribbean, Pakistani
- No political concern about integration
- Largest white immigration was Ireland
- Any Polish/Russian immigration were diplomats or communist refugees
- 'Bogus asylum seeker' unknown term
- Britain not really penetrated by foreign culture

2007

- Population 3 million more
- Increased non-white immigration
- Largest white immigration is Poland and immigration is now increasingly white rather than trend post 1948 which was from Commonwealth, now EU countries. Come in search of jobs and better prospects rather than as refugee
- 'Bogus asylum seeker' term often used to attack government policies on immigration
- Britain's culture has not changed reflecting new immigration

IMPACT of changes:

- Population (size/shape)
- Social Attitudes
- Culture
- Media

DEMOGRAPHIC CHANGE came as a result of 3 reasons:

- **IMMIGRATION 2007** Immigration argued by pressure groups, blogs, newspapers to be problem needing urgent attention to protect 'social cohesion' and 'British way of life' and stop Britain from being overpopulated (2001 election 3% considered immigration important, 2007 30% considered it important)
- **GREYING OF BRITAIN** - people living longer due to better health care provision and living standards
 - 1997 average 37, 2007 average age 39
 - 2007 more people of retirement age than under 16 (result of 1960's baby boomers growing up and retiring)
 - % population over 80 had doubled in 20 years

NEGATIVE SOCIAL CONSEQUENCES = surge in demand for medical treatments for elderly, NHS and LA nursing homes struggled to cope in need for long term care (e.g. dementia), increasing costs of pensions become political issue > pension schemes skyrocket. Those dependent wholly on state pensions suffered > fuel poverty

POSITIVE SOCIAL CONSEQUENCES = 'grey pound'/disposable income led to new generation of active retired people (second homes, holidays, new markets in property, shopping and leisure), change in advertising

- **END OF COUNTRYSIDE?** - changes in where people lived and shopped. Traced back to before 1945 but 1990's saw impact on society become cause of public concern. Had been happening for while but culminated so they all became noticed at once
 - Rise in out-of-town shopping centers and housing estates = swallowing up of countryside
 - Increase in 'single occupiers'
 - London and south-east growing rapidly including housing, social services and transport stretch on services and provisions. Scotland and old industrial north population declining, urban decline and depressed house prices.
 - Government tried to stop this > regeneration funds, relocation of departments out of London, regeneration projects (Glasgow, Leeds, Gateshead > successful) BUT London still lion share of economic growth during prosperity years 1990-2007
 - 1951 $\frac{1}{2}$ population lived in rural/semi-rural > 2000 only 3% employed in agriculture, many farmers out of business, had to try to exploit EU grants instead of producing food.
 - Alienation of countryside as result of decline of agriculture: Impact of BSE/CJD scare in cattle and ban on beef exports (1990's) and foot and mouth which caused mass slaughter of livestock (2001) meant much of Britain's countryside closed down > rural communities faced economic hardship coupled with discontent over fuel costs (end up joining in fuel blockade 2002) and fox hunting (Countryside Alliance deeply opposed to ban pushed through by Labour) = countryside rebellion?
 - Intensive farming changed landscape of Britain and country life hollowed out > villages now without school, shop, post office or pub
 - Young people forced to leave as couldn't afford house prices due to 2nd homes/commuters
- Labour urban orientated and unsympathetic but did try to help = subsidies for diversification, for rural public transport, schemes to create affordable local housing, push of farmer's markets and organic farming to counter supermarkets
- ONLY MARGINAL DIFFERENCE!!!! Britain now a more urban country than ever.

MIGRATION - been happening since 1951 changing communities

- 1989-2007 - immigration increasingly a central social and political issue
- Increases came due to traditional migration, relatives joining families established, foreign students, skilled workers filling skills shortages, impact of globalisation, famine and regional conflicts, expansion of EU (A8 countries) opened up Eastern European immigration, big increase in asylum seekers in 1990's = sometimes strain on local authorities and community relations
- Asylum seekers some genuine, some associated with economic migrants using the system as a means of entry - 'bogus' asylum seekers = massive public controversy, weight of numbers meant authorities unable to process so many claims
- Increase in outward migration - went abroad for employment opportunities, retire to sunnier locations
- A8 country migrants (those who had just joined EU 2004-2007 e.g. Poland) not technically immigrants! Moving within EU system but press lumped them together as incomers under label 'immigrants'
- **NEGATIVE REACTION** - press reaction e.g. Daily Express > focus on criminal behaviour, taking jobs, driving down wage levels, pressure groups e.g. Migrationwatch > focus on impact of sudden surge of large numbers on public services like health/education, overstretch and social cohesion concerns. Genuine as well as alarmist reaction.
- **POSITIVE REACTION** - economists claim nation benefitted positively from migrants (filled labour shortage, valuable skills, small businesses = net gain to economy), most migrants young/healthy so didn't strain social services. Migration did not flow one way, many returned home (1/3) and many British people were leaving.
- Hard to analyse due to sheer numbers and hard to predict long term trends due to fluctuations as a result of changing economic conditions (migrants return home during difficult times)

BRITAIN A MULTICULTURAL SOCIETY?

- Ethnic diversity issue since 1951 but more noticeable by 2007
- Key questions: 'Was white Britain failing to do enough to ensure the equality of respect and opportunities for ethnic minorities?' VERSUS 'Were ethnic minorities doing enough to adapt to the British way of life and was the identity of traditional working class communities being unfairly neglected?'
- **YES**

- ☺ Mosques, other religious/cultural buildings throughout Britain
- ☺ Schools, local government and corporations launched initiatives to assimilate and celebrate different cultures
- ☺ Cuisine, radio stations, TV programmes all changed to incorporate or reflect multicultural nature
- NO
 - ☹ Police accused of being 'institutionally racist' MacPherson Report > Murder of Stephen Lawrence (1993) by white racist youths and failings of police to find sufficient evidence to convict accused. National issue and landmark in race relations
 - ☹ 7/7 2005 Jihadist terrorist attacks in London brought suicide bombing to British soil. Later shooting of an innocent Brazilian mistaken for a suicide bomber caused further race tensions = attacks caused much soul searching about security issues and community relations as bombers had been British citizens who had seemingly been assimilated into society. Why had they become alienated? How could community relations be improved to make ethnic minorities feel more British?
 - ☹ Impact of war in Iraq > alienated some British Muslims
 - ☹ BBC director Greg Dyke called his workforce 'hideously white'
- 7/7 bombings led to divide: greater security through border controls and ID cards versus arguments IRA had carried out similar attacks in 1970-1990s and that it was important not to overreact and impinge on civil liberties

MEDIA AND CULTURE

- Increasing technological change > 1990-2007 faster than ever, 'age of the gadget'
- Already in use pre-1990 but by 2007 technologies had advanced massively e.g. mobile phones, laptops, internet > personal communication now by text, email and phone, decrease in CD sales due to MP3, DVD replaces VHS, laptops affordable, impact on politics and education, convenience of many different digital TV channels
- Impact of globalisation transforming culture, leisure and world economy:
- Increase in individualism and isolation
- Increase in communication in one sense but decline in personal approach
- Rapid growth in key information industries
- 24/7 immediate press culture
- More accessible to some, but others left behind due to age or economic situation
- Cultural pursuits: decline in cinema and communal endeavours outdoors but rise in those engaging in online communal endeavours, change in TV programmes, shopping patterns/methods

FOREIGN

EUROPE

IMPACT OF END OF COLD WAR

- Europe's centre of gravity began to shift eastwards as previous Communist countries moved towards the EU
 - NATO needed to find a new role post Cold War
 - Post-Soviet Russia, weak economically and politically
 - US now unchallenged
 - Britain and US special relationship stronger than ever
- = EU hoped that as it expanded it could play a greater role in world affairs by setting up new collective security and resolving disputes

BRITAIN'S AIMS: focus on....

- Maintaining special relationship **AND** use special relationship to build diplomatic bridge between US and Europe
- Governments of expanding EU
- Continued focus on Irish Republic
- Governments of expanding UN

CHANGING NATURE OF EU

Accession of many new member states

1990 EEC 12 members

> 1997 EU 27 states with discussions with further nations

= Impact:

- Changed nature of EU
 - Changed decision making process
 - Becoming a political union rather than economic community
 - States of 'New Europe' were bound to play a prominent role in EU > challenge to authority and prestige of Britain?
- = new challenges to British foreign policy

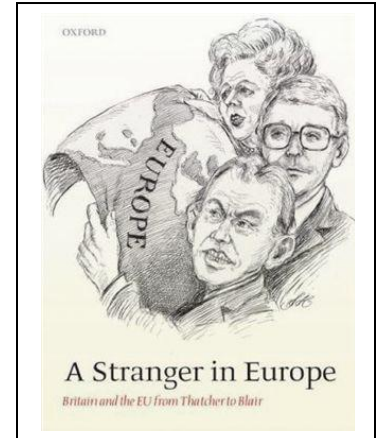


MAJOR AND EUROPE

- Less confrontational than Thatcher
- Success on Maastricht Treaty 1992 - wins allies and drove a hard bargain
- ensured good relations with heads of other governments e.g. Kohl
- secured opt-outs for Britain in order to stop 'federalist' impacting on British sovereignty
- Sold the deal to Conservative policy (to some degree!)

HOWEVER, handicapped by.....

- Anti-European attitudes in Conservative Party
 - Sceptical British public
 - European challenges to British foreign policy e.g. Disintegration of Yugoslavia
- = no prospect of joining single currency



BLAIR AND EUROPE - 'Under my leadership I will never allow this country to be isolated or left behind' Blair 1994

BUT! Not listed in Labour's top 50 achievements in 2008

On arrival he withdrew Britain's previous objections to European authority over:

- The environment
- Regional policies
- Criminal justice
- Social Chapter

= show goodwill of new government

'Began as a tiger, ended up as a doormat'?

Positive impacts on Blair:

- Played a prominent personal role in European affairs
 - high personal standing and used powers of persuasion to carve himself a role
- Took key role in Treaty of Nice - enthusiastic and seen as a key powerful person helping to drive through enlargement
- Again adopted a strong role in attempts to bridge gap between Europe and US, in Iraq, and peace process between Israel and Palestinians
- Lead in initiatives (make poverty history, climate change, G7, G8) personal triumph for Blair's diplomacy
- 2007 Blair appointed Middle East special envoy

= Personal prestige in Europe was high by 2007 and excellent diplomatic relations with key countries and statesman e.g. Merkel and Sarkozy

BUT! Few concrete achievements....

Blair deeply committed at a personal level to the European ideal.
Wanted Britain at the heart of Europe

ENLARGEMENT OF EU

- Treaty of Nice 2001 to help reform institutions
 - 2004 expansion from 15 to 25 states
- 2007 expansion to 27, Treaty of Lisbon to increase efficiency and democracy

VETO

- Loss of veto and adoption of majority voting

EURO

- Britain declined to join Euro-zone
- Blair and Brown divided over issue

BRITAIN'S BUDGETARY CONTRIBUTIONS

- GB paying disproportionately large contributions
- Blair tried to negotiate retention of Britain's rebate
- 2006 Blair gave into Europe on the rebate issue

CAP

- Britain a net loser under CAP regulations
- Blair unable to obtain satisfactory reform of CAP

EU DIRECTIVES

- In one year Europe imposed 3000 new directives on Britain - gov/parliament accepted without debate

EUROPEAN CONSTITUTION

- Refused to hold referendum on issue

Negative impacts on Blair

- Relations with Bush/Iraq War undermined many efforts to build bridges between US and Europe
- Few achievements: Make Poverty History, climate change frustratingly slow (promised a lot but achieved little?)
- Attempts to reform workings of EU ended in Britain rejecting proposed new constitution - amended Treaty of Lisbon watered down but still aroused controversy, still unratified
- Idea of 'Third Way' notion made little impact on EU ministers who despite Britain making concessions to them felt no need to make concessions back = Didn't actually wield power shown by CAP fiasco (agreed to drop veto in return for CAP reform but France and Germany blocked this)
- Euro question was a source of tension between Brown (economic concerns) and Blair (political hopes) leading to further fractures in relationship and possible divides in cabinet
- Rebate issue - Blair had argued against this but when Europe closed ranks in 2005 and demanded increases in contributions, Britain backed down and Blair's negotiations eventually lost UK rebate leading to contributions rising to £7million
- Played according to rules too much, most (e.g. France) ignored EU laws and this amuses counterparts = 80% new European laws imposed on Britain occurred during Blair's years
- 'Began as a tiger, ended up as a doormat' (German newspaper)

Positive impact on Britain

- Foreign intervention as part of NATO - Yugoslavia, Serbia, Afghanistan - Britain at top table and adopting new power position within international organisation
- Launch of Euro - Britain had established her position and stuck to her guns
- Blair's key role in events e.g. Treaty of Nice helped to make Britain look strong, like she was pushing forward these reforms as an instigator and leader rather than being forced.
- Britain at centre of efforts to develop a common European strategy against the threat of global terrorism after 9/11
- Lead in initiatives (make poverty history, climate change, G7, G8 held in Gleneagles) gave Britain a key role in Europe and seemed to be leading the pack
- Most compliant member of EU - despite odd man out image Britain adopts directives with speed and commitment

Negative impact on Britain

- Position in Europe still remained ambivalent despite efforts
- Ending of veto and introduction of majority voting
- Rapid enlargement meant that policies introduced assisted new countries at the detriment of Britain - e.g. Rebate issue - Blair had argued against this but when Europe closed ranks in 2005 and demanded increases in contributions, Britain backed down and eventually lost UK rebate (£7 million)
- Britain paid more into Europe than it got out - in net terms they had never received funding from EEC/EU
- Missed out on Euro 1999 - 'awkward neighbour'
- National press still hostile to Europe
- Deep divisions between Britain and other EU countries deepened by Iraq War
- Political organisation rather than economic community - challenge to British sovereignty
- Europe would not make concessions to Britain - there was not really anything up for discussion despite show events, the EU was simply waiting for Britain to catch up and start conforming to the rules already drawn up - CAP fiasco proved this!
- Too compliant - whilst most others take advantage of Europe and ignore EU regulations when they choose Britain has never adopted this relaxed attitude and allowed 3000 new directives to be imposed in 2006 alone

BRITAIN, NATO AND BALKANS, 1991-1999

- End of Cold War, growth of EU = hope Europe will play large role in world affairs SHATTERED by Yugoslavia problems
- EU and UN 1991 > diplomatic efforts to maintain peace but little progress

- Britain confident they could make a major contribution during constitutional arrangements > efforts of European diplomats fail due to range of aims and ideas = Major 1992 organises joint EU and UN peace conference in London > creates Vance-Owen plan
- Major praised for efforts, no concerted effort from Europe and US reluctant to intervene = mediation ineffectual while war continues including Srebrenica massacre 1995 > UN peacekeeping mission had not intervened = impact on British, European and American foreign policy
- UN peacekeeping and EU diplomacy seen as weak/failed = Britain turns to America and NATO persuading Clinton to intervene
- Following air strikes a conference is achieved guaranteeing Bosnian independence 1995
- 1997 Blair continues Major's policy of involving US and NATO and persuades Clinton to back military action against Serbia = Milosevic overthrown and Yugoslavia collapses creating new states.
- Blair: seen as a big success and strengthens belief in LIBERAL INTERVENTIONISM and importance of special relationship with the US and need to bring American and European policy closer together. Shapes Blair's future policies.

SPECIAL RELATIONSHIP

Post-Yugoslavia (1999), Blair's aims regarding Britain's allies and international role changed focus:

- America in, Europe out: Blair decided that Yugoslavia had shown in terms of foreign policy Europe and the UN were not to be relied upon, and using America had been far more effective
- Keep America informed of European affairs
- Make full use of NATO to defend new world order
- Liberal interventionism - needed to prevent the recurrence of massacres
- Blair 1999 onwards: '**NO MORE SREBRENICAS**'
- Lynch: 'he was an anti-appeaser; best way to defeat tyranny was not simply by using diplomacy. Of course, diplomacy should be tried first, but if this did not work, it was legitimate to use force to oblige aggressor states to conform to internationally agreed standards of conduct'

Impact of 9/11

US had previously felt invulnerable. This came as a shock and so result was reactionary and drastic. Why?

IMPACT....

1. Led to US led coalition/NATO invasion of Afghanistan Oct 2001

2. Led to WAR ON TERROR:

- = widened divisions between Western world and Muslims
- = widened divisions between West itself



AFGHANISTAN - 9/11 led to US led coalition/NATO invasion of Afghanistan Oct 2001

- Taliban was disliked and so initially this was an accepted move as part of liberal interventionism.
 - Inability to capture targets such as Bin Laden and disillusionment with the establishment of a 'MODERN DEMOCRATIC STATE' have had serious negative implications including the loss of support of European governments.
 - Economic and political development has been slow, realisation 'quick fix democracy' has not been successful however has been a much quicker realisation.
 - Attention turned to Iraq 2002, Afghanistan neglected as a result
- = August 2007 renewed threat from Taliban in Afghanistan

Impact of Afghanistan

- Disillusionment with outcomes of war and the establishment of 'modern democratic state'
 - Focus on Iraq from 2002 meant the Afghan government struggled to cope with complex political situation left in Kabul
- = Taliban regrouped and fighting has continued, security situation at low 2006-2007 leading to increase in troops
- Continued death toll - Afghan, coalition forces
 - Detention of 'enemy combatants' at Guantanamo Bay and torture techniques as part of 'special interrogations' (waterboarding, taken to Egypt)
- = criticism of Bush-Blair

- Ideals of liberal interventionism were discredited
- Media backlash
- Moral backlash from within countries and other countries

IRAQ - Shortcomings and failures of Afghanistan reconstruction came as price of focus on Iraq?

- Bush's **neo-conservatism** saw him want to deal with 'unfinished business' of Iraq - 'containing' Saddam had failed and so intervention was necessary
- Concerns:
 - (a) Saddam might team up with al-Qaeda
 - (b) WMD development - fuelled by genuine fear following expulsion of UN weapons inspectors 1997
- Diplomatic efforts 2002 > Oct 2002 failure to agree 2nd UN resolution > Invasion and overthrow of Saddam 2003 > 2007 Brown announces withdrawal from Iraq

Outcomes of Iraq

- Liberal interventionism discredited
- Saddam overthrown but no neat, decisive end to war
- No WMD found!
- Cost of war: financial and loss of life
- Democracy in place but political and economic progress is again slow and flawed - growth of extremist groups, suicide bombings
- Failure to win 'hearts and minds' of Iraqi's
- Backlash against Bush-Blair
 - what evidence was there to support intervening in Iraq?
 - Was this a war of imperialism/oil rather than humanitarian/democratic good?
 - 'Blair's War' to further political career
- Britain regarded as American lapdog
- Divisions amongst Western nations
- Divisions in America and Britain themselves e.g. Protests, questions over legality of war



IMPACT ON BLAIR

CRITICS OF BLAIR

- Blair's War' to further political career
- Knew that Bush was going to invade Iraq anyway and was simply using UN resolutions as a way of bringing Europe round
- Efforts to be bridge between US and Europe was flawed as he was so closely linked to Bush he had no power to influence either American nor European policy
- No WMD found despite dossier
- Blair was Bush's 'poodle'
- Removing Saddam was not enough of a reason to justify war
- Tactics and targets had encouraged the very forces of terrorism that they were trying to defeat - extremist jihadists

IMPACT ON BRITAIN: NEGATIVE

- Britain regarded as American lap dog
- Iraq war was a failure, question only remains as to how much of a failure it was
- Had not achieved goals/expectations of 2003
- Not able to 'bring the boys home' - sent to stabilise Afghanistan once withdrawn from Iraq
- Loss of lives, expense and diplomatic effort
- 7/7 bombings the result of Iraq?
- Rather than being a war on terror, this had spread terror
- West had lost moral high ground

DEFENDERS OF BLAIR

- Convinced WMD threat was real
- Tried to use diplomatic actions through UN to try to prevent splits between Europe and US, as shown by attempt at 2nd UN resolution
- Correct in his analysis that US was needed to resolve situation, as they had done in Yugoslavia, and that 'leave it to the UN' and 'the Europeans are right' may result in another Srebrenica
- His judgement may be faulted but it should not be denied that throughout he was his own man driven by conviction and a sense of mission - special relationship was one of equals
- Jihadist terror pre-dates Iraq War

IMPACT ON BRITAIN: POSITIVE

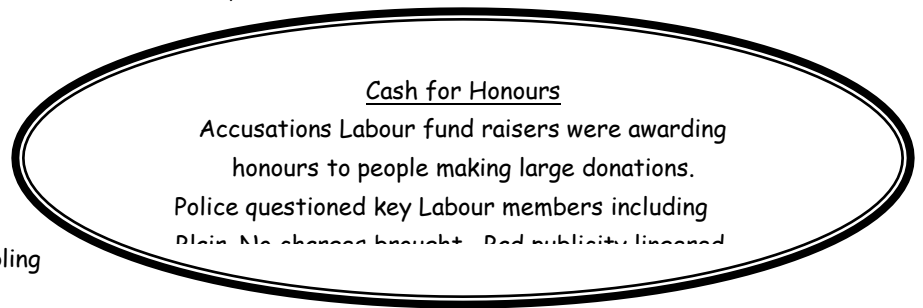
- Had used UN and diplomacy
- Had tried to forge bridges between US and Europe
- Liberal interventionism fuelled by positive outcome in Yugoslavia
- Had ended a dictatorship in Iraq - still hope of a stable future
- Anglo-American military campaigns since 1990s has been undertaken largely to protect Muslims: Kuwait 1991, Bosnia 1995, Kosovo 1999
- Greater number of Muslim deaths were caused by other Muslims
- Saddam had money and will to produce WMD - better to defeat him in 2003 than face a nuclear-weaponed Iraq later

ASSESSING BLAIR

- Blair always wanted to choose to leave, not be shoved like Thatcher, with Brown as successor
- 2006 mounting pressure to leave.

Why?

- (a) Brown and co becoming impatient
- (b) Fall out of Iraq War
- (c) Honeymoon with press losing glow
- (d) 'Cash for honours' scandal looming
- (e) Calls for return to 'Old Labour' values bubbling
- (f) Jump ship before shoved?



Blair and his supporters wanted to stay longer as they felt he was only getting started, 'last two years most productive' but times had changed since 2007

- Despite September 2006 coup never occurring, civil war and speculation led to his announcement to step down as party leader and an MP within a year (June 2007)
- = Blair set about on a furious round of activity at home and abroad, determined to make the most of the Blair legacy

SUCCESS

- Won three elections, unmatched by any other Labour PM
- Sustained economic prosperity and stability
- Dominated British politics and forced the Conservatives to undergo massive change
- Achieved historic peace settlement in NI
- Played an important leadership role in Europe
- Strong lead in 'war against terror'
- World statesman, strong lead on Africa and climate change
- Policy of 'liberal interventionism' helped bring stability to Balkans

AGAINST

- Achieved less in power than he could have done. Attlee's 1951 legacy was greater
- Blair and Brown were lucky to inherit such as favourable situation in 1997; government debt high by 2007
- Alienated many traditional Labour supporters by moving away from traditional values and being pro-business
- Later attempts to mediate peace in the Middle East failed
- Failed to secure British entry into Euro by ceding influence to Brown and national press
- Drive for identity cards and greater powers for police undermined civil liberties
- Strengths were in presentation - practical results did not match up
- Invasion of Iraq was a massive error

THE SYNOPTIC APPROACH



- An examination of approx 50 years assessing change and continuity
- What was the situation in the beginning > what was the situation in the end
- During this time a) what changed? b) what stayed the same?
- There must have been some periods of success and some periods of decline e.g. 1950s versus 1970's
- Identify KEY TURNING POINTS/ISSUES/EVENTS between the years and assess the ones promoting change (e.g. arrival of North Sea Oil) and those promoting continuity (e.g. role of 'boom and bust')
- DONT just offer a list of factors - there needs to be central argument with balance
- I STRONGLY SUGGEST AVOIDING CHRONOLOGICAL APPROACH!!!! Instead identify the success/failures, changes/continuities e.g. social revolution: ethnic/immigration changes as one factor, class as another factor, rural/urban Britain as another factor.

POLITICS

1951	2007	Change	Continuity
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Predictions that two-party system would give way to a 'fundamental realignment of British politics'	Sum total of changes less than revolutionary! Two party system has shown great tenacity! Only Labour or Conservative governments since 1951	1980s Labour came close to disintegration due to SDP/Liberals eating into traditional support. 1990s growth of support for alternatives such as UKIP, BNP saw Conservative position challenged. Rise of support for nationalist parties in Wales, Scotland, Ireland, and rise of pressure groups/extra parliamentary groups ate away at Labour/Conservative support	Two party trench continued: Labour revived in the 1990's, Conservatives have again recovered and clawing back ground. Liberals challenged at key points including 2005 election but FPTP system and drop in support has not led to victory. Nationalist parties have had successes but not enough to become a dominant force.
1951 part time occupation. News was slower - take a few days before it hit Sunday papers. Politics regarded as upper class/establishment composition. Labour was working class, Conservatives were upper class.	2007 -few have had a career outside politics. Sole occupation. News is instant as the speed of response. Social revolution in politics more open to different classes/genders/races but inequalities still prevail	Role of press: 24 hour news culture meant that it was necessary to respond every day and immediately to events as they occur - no longer time to mull things over! Accession of Blair saw daily response to news stories, by departure response given at morning, lunch and noon! State school educated Heath and Wilson as PMs. Thatcher moved Tories further away from 'knights of the shire' image, Blair doing the opposite from Labour. Approach of leaders became more informal and conversational to convey classlessness.	Continue elitist/class nature of politics despite efforts - key politicians e.g. Blair (Oxford), Cameron and Boris Johnson (Eton, Oxford) are not reflective of this 'social revolution' in politics
Monarchy - Queen Elizabeth II regent 1952. No desire to reform House of Lords.	Queen Elizabeth II as regent. Continued desire to make the second chamber more democratic.	Divorce and scandal within the royal family as well as increased speculation and scrutiny by press/public e.g. Diana/Charles. Stage 1 of HoL saw removal of all but 92 hereditary peers. Wakeham Committee set forward recommendations but these are yet to be endorsed.	Continued position and stance of monarchy a symbol of tradition - unchanged role, no lasting damage from scandals, still held in high regard shown by 2002 jubilee celebrations. HoL reforms little more than tinkering with 92 hereditary peers still in place. State trooping of colour looks the same as previous generations.

ECONOMIC - period trying too hard to go up a downward moving escalator?

1951	2007	Change	Continuity
Labour intensive factories. Old industries important but beginning a stage of terminal decline. Source of income and community for many traditional areas.	Decline and end of many old industries and communities e.g. central belt of Scotland with no more collieries, steel plants and car factories that had dominated since pre-1980's. Decline of seaport activity	Impact of deindustrialization: landscape changed (mines closed) and closure of old industries . Increase in mechanization and computer operated machinery > change in production techniques, quicker and less labour intensive = decline in employment. More emphasis on financial services than industry	Decline of economy throughout the whole period, unable to escape demise of industry and its consequences. North/south divide
Local shops in villages.	Rise of supermarkets, online shopping.	Change in retail and shopping > globalization, online shopping, supermarkets, out of town shopping centres.	

Lower living standards, consumer goods a luxury	Consumer goods common and necessity	Increase in living standards and expectations - our necessities were our grandparents luxuries. Change in what constitutes poverty.	North/south divide
			Same economic problems throughout period: pace of economic modernization slow and uneven, under investment, failure to compete, low productivity, worries about skills shortages, inflation and balance of payments problem. Golden era of war ended with crisis/bust of 1970's-1980's >despite new affluence 1990-2007 suggesting end of 'boom and bust' saw this crash in 2007 again with Northern Rock/2008 'great crash'

e.g. Britain's industrial performance 1951-2007 a period of continuous decline?

DECLINE

- ⊕ Britain never recovered from the debt incurred during WW2 and underlying weaknesses of the British economy were never tackled satisfactorily
- ⊕ Britain continued to overstretch herself in an attempt to remain as a world power
- ⊕ Britain spent too much on defence and too little in investment in the overall economy
- ⊕ Too much state spending and a lack of private enterprise and competition

SUCCESS

- ⊕ 'Golden Age of Prosperity' 1951-73 and it was external events which held Britain back
- ⊕ Britain under Thatcherite policies returned the country to prosperity
- ⊕ Once the unions were 'dealt with' then Britain could move forward
- ⊕ Joining Europe was essential to future sustained prosperity via increased trade with Europe
- ⊕ The role and importance of North Sea oil

There are counter arguments to each of the views expressed here e.g. Historians might say Thatcher was saviour and Labour governments in 1970's for the decline as opposed to external events of the policies of the previous Heath government.

Others may counter by suggesting Thatcher's policies created major difficulties for industry and there were 2 recessions during her period.

SOCIETY

1951	2007	Change	
		Periods of increased social change with different focuses e.g. 1960s sex, drugs and rock and roll, 1980's Thatcher revolution, 1990's rise of multicultural society	period but with bursts of progression during some time frames
Rural Britain with $\frac{1}{2}$ population living in rural/semi-rural locations	Rise of urban centres, only 3% employed in agriculture, towns/villages contain many commuters to big cities/towns. Housing developments	Environment: landscape altered, cleaner environment, more urban development	Some towns look much the same as in 1951 e.g. Appleby, Lincoln, or villages in rural areas
		More ethnic and cultural development. Different minorities/cultures emigrating	Immigration continues
Class divisions: 'Establishment' compared to	More upwardly mobile society: chance for progression through greater opportunities e.g. education	Education less class based: attempts to create equal opportunities in university intake and provision of education.	BBC still national institution funded by licence fee. Large parts of 'Establishment' still intact.

traditional working class families		Attempts in government to have mix of classes, ethnicities and genders > politicians try to take relaxed approach to be more in tune with the common people.	Oxbridge still the elite universities opening doors to top with private schools providing 50% intake. Private eye part of the furniture > now more Establishment than fiery revolutionary?
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BRITAIN'S POSITION IN THE WORLD

Although there are specific conflicts such as Suez and Iraq, you need to focus on the bigger picture. Do not write an essay which covers the different crises/events! E.g. decline in position by looking at Suez, Rhodesia, Falklands and Iraq, INSTEAD > decline in empire role (Suez, Rhodesia but success of peaceful decolonisation), decline in Europe (rejection but then success in Balkans), special relationship (nuclear weapons but success in Ireland), decline world stage (Suez but then success with UN/NATO)

- ⊕ Reasons for decolonization in the light of changing British and world circumstances
- ⊕ Decision to join Europe: reasons for and against
- ⊕ Britain's special relationship with USA
- ⊕ Britain's changing priorities post Cold War: Europe, Special Relationship, relations between Europe and US, Balkans, Ireland, Middle East
- ⊕ How far Britain's role has changed since 1951

Some key areas:

1951-64: time of adjustment and search for a new role

- ⊕ Britain already in retreat from empire but a public brought up on imperial illusions found realism difficult to accept. Commonwealth an acceptable substitute?
- ⊕ Britain misunderstood the speed of independence and ramifications
- ⊕ Suez a defining moment and showed Britain's dependence on the US
- ⊕ Britain economically overstretched - defence spending and independent nuclear deterrent
- ⊕ Links with USA seemed more relevant than joining European movement
- ⊕ By 1964 Winds of Change was blowing for Britain and there had been some successes in providing independence

1964-1975: a change in direction and antagonism with US

- ⊕ Decision to join Europe had an impact on relations with US, especially in light of Vietnam
- ⊕ Wilson's relations with Rhodesia and ramifications for foreign policy
- ⊕ Britain's need to cut military commitments and the withdrawal from 'east of Suez' after 1967 devaluation crisis
- ⊕ By 1975 Britain's focus seemed to be Europe and the Mediterranean > form of realism finally taking place
- ⊕ Heath's focus on Europe caused a rift in relations with US

1975-1990: time of hubris

- ⊕ Resolution of the issue of Rhodesia but continued controversy with the Commonwealth over South Africa and apartheid
- ⊕ Falkland - remnant of Empire, a second Suez or a change to make Thatcher?
- ⊕ Post Falklands, resurgence in nationalism and pride
- ⊕ Europe central focus for Thatcher yet caused immense problems with Europe and the British government
- ⊕ Thatcher as cold war warrior > admiration for Atlantic Alliance and Reagan, contribution to end of Cold War

1990-2007: chance to forge new relationships

- ⊕ Britain's continued dialogue with, and ambivalence towards, Europe and the promotion of an enlarged Europe
- ⊕ Blair's attempts to bridge the European-American divide
- ⊕ Britain's involvement with NATO and its ramifications in Balkans, Iraq and Afghanistan: principled or opportunistic?
- ⊕ How far had Blair damaged Britain's reputation in the world by 2007?

1951	2007	Change	Continuity
Empire still vast and considered to be main focus of attention and future of Britain	Long retreat from Empire over (Hong Kong 1997) - no longer an imperial power in the C19 th notion	Shift in focus towards Europe in 1970's following disillusionment with outcomes of Commonwealth.	Long process of decolonization started earlier than 1951. Attitudes of Empire and what it represents persisted - Queen

economically and strategically		Acceptance to some degree of decline from Empire	head of Commonwealth, role in solving problems such as Africa, Blair's 'gunboat diplomacy' as part of 'liberal interventionism' showed grandeur illusions still continue. Continue hark backs to Britain's empire ruling world
Britain as an island focused on Empire, happy to aid creation of European community but not to integrate themselves	Integrated into EU and most compliant country in terms of introducing laws/doctrines into our customs under Blair	EEC/EU member 1973 saw integration into Europe. Willingness to pool some level of sovereignty by accepting European laws/regulations e.g. Human Rights	European attitude: Unsure concept of where we belong in Europe, 'awkward neighbour', still unsure of how involved we want to be and whether we are British or European e.g. euro currency, constitution
Reliant on US loans and their support in key issues. Notion that perhaps we don't need to negotiate with them on everything (e.g. Suez) which is shown as naive and impossible in later years	Cold War over 1989. Close relationship with presidents and work with US during key events - realise need to negotiate with US in order to maximise success	Perhaps more equal in the special relationship - e.g. Clinton being coerced into Balkan intervention, Iraq saw Blair playing a lead role. Equals at some points?	Special relationship dominates foreign policy coupled with Cold War - constant preoccupation with attempts to maintain relationship (except Heath's) Close working relationship with President and attempts to work at top table with them to secure global influence.

EXAM QUESTIONS!

- All questions are 45 marks each, you will answer 2 questions from a choice of 3
- One question will be SYNOPSIS, the other two questions will usually, **but not necessarily**, be set on political events, issues and personalities and will be set from two of the 4 areas > 1951-64, 1964-75, 1975-1990 and 1990-2007 (they may cut across two time periods where appropriate)
- You must be **BALANCED!** This does not mean 50/50 but that more than one viewpoint has been considered e.g. a success as well as all the failures
- Historical opinion. There must be understanding (by arguing/supporting) not just a list of different opinions

NARROW PERIOD

There will **not** be a direct question on the 1960's as this is left to the Sixties module you did last year.

- ⊕ 'The post-war consensus was a mirage.' To what extent do you agree with this view?
- ⊕ **'During the period 1951-1964 Britain experienced economic decline as a result of a failure to invest and restructure.'** How accurate is this view?
- ⊕ Why did the Conservatives dominate British politics 1951-1964?
- ⊕ To what extent was the impact of immigration on demographic change the cause of social change and tensions 1951-1964?
- ⊕ In what ways did post-war prosperity bring social change in Britain between 1951-1964?
- ⊕ **'Social degeneration rather than social revolution occurred 1951-1964'. How valid is this view?**
- ⊕ 'De Gaulle was the single most important factor in Britain's exclusion from the process of European integration between 1951-1963.' How accurate is this view?
- ⊕ 'The foreign policy failures of British governments in the years 1951-1964 were due to a lack of realism about Britain's position in the post-war world.' Assess the validity of this view.
- ⊕ In what ways did environmental issues influence society in Britain 1964-1975?

- ⊕ 'The record of the Labour governments in the years 1964-1979 was one of continuous failure.' Assess the validity of this view.
- ⊕ For what reasons did the Conservatives win in 1979 but not 1974?
- ⊕ 'The Winter of Discontent lost Labour their government in 1979'. To what extent do you agree with this view?
- ⊕ Why was political opposition towards Thatcher so ineffectual during the 1980's?
- ⊕ 'The Falklands Factor saved Thatcher from defeat in 1983.' How valid is this view?
- ⊕ 'Thatcher toughened and enabled British society to adapt to changing circumstances.' To what extent do you agree?
- ⊕ 'Thatcher failed to achieve any lasting social or economic transformation of Britain despite her claims to have done so.' How convincing is this view of her record in power in the years 1979-1990?
- ⊕ 'Thatcher did not turn Britain around despite her claims to have done so.' How convincing is this view of the record of the Conservative governments in the years 1979-1990?
- ⊕ In what ways did class loyalties change in Britain 1975-1990?
- ⊕ 'Margaret Thatcher's legacy was deep divisions in British society.' With reference to the years 1975-1990, assess the validity of this view.
- ⊕ Assess the importance of Thatcher's personality and prejudices in influencing Britain's relations with her European partners
- ⊕ 'Far from damaging the Labour Party, the formation of the SDP in 1981 paved the way for Labour's recovery.' How valid is this view?
- ⊕ To what extent was the decline of the Conservative Party in the 1990's due to economic factors?
- ⊕ 'During his first term, Blair promised much but delivered little.' To what extent is this true?
- ⊕ 'Between 1997-2005, the Conservative Party made itself unelectable.' How valid is this view?
- ⊕ To what extent was Blair 'all spin and no Labour'?
- ⊕ 'The mismanagement of Britain's foreign policies in the years 1990-2007 did lasting harm to Britain's position in the world.' Assess the validity of this view.

SYNOPTIC

- For ECONOMIC, SOCIAL and FOREIGN it would be a very good idea to do a list of successes and failures.
- I STRONGLY ADVISE AGAINST A CHRONOLOGICAL APPROACH TO THE SYNOPTIC!!! This will tempt you to tell the story rather than analyse factors. I would instead identify themes e.g. successes/failures, changes/continuities
- They will be based on mainstream themes e.g. economic, social or international position
- Require demonstration of breadth of period but must also be selective and concise - don't kitchen sink it!
- Assess the change **and** continuity between the state and the people during those years.
- Needs judgement based on debate and evaluation

Political

- ⊕ Between 1964 and 2007, the Conservative Party ceased to be the natural party of government in Britain.' Assess the validity of this view.

Economic

- ⊕ How far is it true to say that Britain was in economic decline between 1951 and 2007?
- ⊕ How beneficial actually was the post-war boom 1951-2007?
- ⊕ How accurate is it to see the period 1951-1997 as just a series of 'booms and busts'?
- ⊕ How economically important was Britain's entry into Europe compared to the years outside?
- ⊕ How true is it to talk of a post-war consensus and its ramifications for the economy?
- ⊕ How complicit are politicians from both major parties in Britain's decline?

Social

- ⊕ To what extent had Britain experienced a social revolution 1951-2007?
- ⊕ To what extent was Britain a multicultural society by 2007?

Foreign

- ⊕ How far has Britain's role in the world changed from 1951-1990?
- ⊕ Was Britain still punching above her weight in terms of foreign affairs after 1951?
- ⊕ From grandeur to decline. To what extent is this an accurate view of Britain's international position 1951-2007?



- ⊕ How important had Thatcher and Blair been in creating a new image of Britain abroad and has it been successful?
- ⊕ How well had Britain adjusted to changing circumstances 1951-2007?