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History-Geography essay

“To what extent were the Attlee governments successful 1945-51?”

After the horrors of the 2nd World War, the United Kingdom found itself in a dire need to reconstruct and transform: houses were on shortage, the industry was still going in the style of a wartime economy, and the UK was still experiencing the backlash of the pre-war depression. In the 1945 election, thanks to a powerful campaign, Labour was elected, and Clement Attlee was chosen as Prime Minister. He was faced with a task of bringing UK from the brink of bankruptcy and have the UK lose it's status as a global power. In order to pull the UK out of the pit, Attlee needed to take some radical steps. But what were these steps, and how successful were these measures.

Attlee's first step to fix the Great Britain was to secure it's funding: in 1945 Attlee found the national reserves practically empty, and if that wasn't enough, the US ended the Lend-Lease programme and demanded that the UK starts paying back: UK owed about 3000 millions British Pounds to the USA. Attlee knew if the USA pulled the plug now, the country would go immediately bankrupt: UK's mercantile position has been entirely destroyed. The majority of the merchant fleet was lost, two-thirds of the export trade had disappeared, the economy still struggled after the war, and there was absolutely no money to start reforming the UK and bring the “New Jerusalem”, as Attlee called his plan of reforms aiming on creating a welfare state. To deal with that, he sent Keynes to Washington, DC to negotiate with the USA's National Reserve. Attlee's and Keynes' goal was to obtain a new loan from the US so Britain can pull itself up from the depression and so Attlee can start the reforms. After a couple of months of hard negotiations, Great Britain finally obtained their loan, but they received only a fraction of the initial demand, and after few years the British government would need to release the price of the GBP. These were harsh terms for Attlee, but it was “take it or leave it”, so he needed to accept the US offer. With a money flow secured, he could start reforming the UK.

One of the biggest reforms during Attlee's government was the creation of the National Health Service. The Labour government initially wanted to solve the issues from the 1942's “Beveridge Report”. This report exposed many issues in the UK's social policies and general problems across the whole country, and summed them up with a picture of “5 giants who block the way to reconstruction: Want, Ignorance, Disease, Squalor, Idleness”. The NHS was created by Attlee's Minister of Health, Aneurin Bevan, in order to tackle the “3rd giant: Disease”. Many thought that this task will be beyond his capabilities, but after closely analysing the situation of hospitals in the UK, Bevan came up with a plan. Starting on 5th July 1948, Bevan's system entitled everyone in the UK to free medical care, starting with general healthcare, moving through specialists, dentists, as well as hospital and ophthalmic treatment: from spectacles, false teeth, medicines and drugs, to midwifery, maternity and child welfare services. The entire system would be financed from taxation, but a part would come from National Insurance contributions. And Bevan decided that this system wasn't enough: to ensure the same standard of treatment, he nationalised all healthcare in the UK. Whole country was divided into a number of medical boards, each appointed by the Minister himself to control general policy, while the normal day-to-day issues would be treated by local management committees. Initially, Bevan faced very strong opposition from family doctors, who didn't want to be treated as civil servants, but he quickly surpassed their opposition and the NHS was introduced on 5th July 1948. Immediately it turned out that the service will be more expensive that initially thought, costing 400 million GBP in the first year. Now healthcare was free so everyone wanted to profit from it: prescriptions doubled in 1948, 5 million pairs of spectacles were given out in the 1st year, and demand for false teeth was double than the expected value. Soon the government needed to give up at least a part of “free” in “free healthcare”, and began charging adults half-price of spectacles and false teeth, after which Bevan resigned because his principle of free healthcare was violated. In the end, the NHS greatly improved the health condition of the working class, making wonders in the fight against the giant of Disease. For the historians Alan Sked and Chris Cook, the NHS quickly became “the social institution of which the British would feel most proud.”. Even if it's introduction was quite difficult, as well as ending up costing vastly more than expected, the NHS became a “standard of living”, an institution that no government has even tried to remove.

But the NHS was only one step on “fixing Britain”, next was the issue of the crumbling economy. After the war, the British economy could be described as anything but successful: the UK was losing it's power on the global market with declining exports, what impacted the balance of payments and caused the UK economy go in the red. Already crawling in debt, the UK needed to do something to avoid going bankrupt. This is why Labour did a bold move: nationalisation on a quite big scale. Over the course of the Labour government, 20% of the industry in the UK fell into the government's control, including ineffective and key industries of the British economy: banking, air transport, coal-mining, telecoms and other communication, public transport, generation and supply of electricity, gas, and the most controversial, steel and iron industries. Labour's goal was to improve the effectiveness of these industries, as well as standardise their service across the whole country. Although this goal was perfectly understandable for all of the industries that weren't performing very well, steel and iron were doing perfectly fine, they were even the “commanding heights” of the British economy. The Conservatives dully opposed the nationalisation of other industries, but they wouldn't let steel and iron pass under government control. In order for Labour to have it their way, they needed to also silence the opposition in the House of Lords, effectively reducing their power. The nationalisation of weak industries was a good move on Labour's behalf, but the effort to nationalise the strongest industries of the country was completely illogical and was just missing the point.

Another point to fix was “Squalor”: after the war, there was a huge housing deficit, and Labour needed to do something about that. During the war, around 700,000 houses had been destroyed. In 1945, Churchill announced that around 750,000 houses will need to be built to compensate for the deficit. This issue was given Bevan as well, even if he was preoccupied with the NHS. The economic conditions of the UK were not very helping Bevan: raw supplies were rare and expensive, and importing them would result in even more costs. Nevertheless, Bevan did his job, and in 1947 140,000 houses were built, and that number increased to 284,000 in 1948. At the end of their government, Labour averaged 200,000 houses a year, most of which were council houses. But it turned out that Churchill's estimation was an understatement: no one has expected a demographical growth on an enormous scale. Labour finally left the office still with a deficit in housing, that would need to be fixed by another government.

But there was still a good couple of giants to tackle: “Ignorance, Idleness and Want”. The first one was taken on with “Buttler Education Act of 1944”. This act made secondary education obligatory and free until the age of 15, and providing meals, milk and medical services in schools. The act also created a new path of education: at the age of 11, children would take a test to determine if they are suitable for the grammar school or if they should go into the secondary modern schools. From one side, this reform was a major success, giving an opportunity to many children from the working class to advance on the educational ladder, going even as high as university. But the act had 2 main criticisms: education varied vastly from one area to the other, often restricting the paths which the children could take, and the secondary modern schools were quickly taken as second-rate schools where the “11-plus failures” go. It is arguable that Labour should have created a more comprehensive school system, free of class distinction, instead of rushing along with Buttler's act. As for the giants of “Idleness and Want”, it was decided to create jobs in the nationalised industries, so people could stop wasting their time and start doing something productive, as well as increase their standard of living and help out the British economy get going again: the UK needed to export again, and start making money. For that, the government needed to keep up rationing to ensure that the maximum would go for exports. The continuation of the wartime policy, sometimes even harsher than before, has quickly annoyed the British citizens, who were dissatisfied with the state of things. During the 1946-47 winter the situation drasticly worsened, practically bringing the whole country to a standstill, creating a sort of an emergency situation in whole UK. The rents, profits, interest rates and imports were controlled so the British would import little, export a lot, and try to bring as much money to the UK. In August 1949, the government needed to devalue the pound, in answer to a recession in the US.

During his government Attlee tried to build a new welfare state, a “New Jerusalem” for the British people, but his dream was impossible given the state in which the UK was after the war. Despite that, Attlee's government laid foundations to further reconstruction of the UK, and it could be argued that they were largely successful, given what they needed to work with. Attlee didn't achieve fully what he wanted to build, but during the 6 years of his government he prepared the UK for a drastic change: a post-war world where UK is no more a colonial super-power (UK needed to give India independence right after the war), and where the British would need to work hard to come back to the place they have lost.