

THE STATE OF THE NATION

1960

On the home front the years of reconstruction after the war have often been referred to as the 'Golden Years'. The economy went from strength to strength. It was the most rapid period of growth Britain had ever experienced. There was near full employment and the workers who were traditionally poorly paid – the semi-skilled and unskilled, saw a marked improvement in wages and standard of living. Demand was stimulated both by the relaxation of hire-purchase controls in 1954 and by lower taxation. The Unions were quiet and confidence grew. In a national poll 52% of the population professed to be 'happy'. Reconstruction demonstrated the miracles that could be achieved with borrowed money. The public were not slow to follow. 'Live now, pay later' became a mantra of British culture and people began to acquire the things hitherto beyond their reach. Harold MacMillan famously commented that 'the luxuries of the rich have become the necessities of the poor'. Unfortunately, paying later has consequences and in the latter years of the 50's cracks in the edifice began to appear, leading to further economic woes in the years to come.

Traditionally Britain's wealth was based upon manufacturing. In 1952 manufacturing produced 33% of the national output, employed 40% of the workforce and made up 25% of the world's manufacturing exports. Now, in 2020, it produces 11%, employs 8% and sells 2% of manufactured exports. By 1960 this trend was advancing apace. As immigrant workers flooded into Britain's services and food processing sectors, manufacturing workers flooded out. Britain lost its competitive edge. Beneath the calm seas of 'boom' there were dangerous and developing undercurrents of 'bust'.

In 1950 the total value of British manufactured goods was double that of Germany and France combined. By the late 50's, the economies of France, Germany, Japan and Italy had recovered from war-time infrastructure damage and huge investment had been made in state-of-the-art machinery and production methods. In Britain the emphasis was upon output, not modernisation. The Conservative Government pursued policies of benign neglect. There was no effort to up-grade and innovate, long term aims were sacrificed for short-term financial gain, projects were abandoned when they became too expensive and thinking vacillated. The result was never-ending uncertainty exacerbated by over-valuation of the Pound Sterling which made British goods more expensive abroad. By 1960 the economies of both Germany and France were surpassing the U.K. for the first time since 1915.

The collapse of the British Empire accelerated in the post-war period with the independence of India and Pakistan, followed by most of Britain's African and Caribbean colonies. This dealt a further blow to Britain's economy. Britain had enjoyed a virtual monopoly of the consumer markets within the Empire – it was the bread and butter of many British companies. This disintegrated as the territories gained independence. The weakening pace of economic growth presented a new dilemma for both Government and Trade Unions. Manufacturing employers became increasingly unwilling to concede wage increases or

improve conditions at work. With inflation running at an average of 4% per year and with the additional calls on household incomes from credit and rising standards of living, the Unions began to rattle the cage. Strikes for higher pay in the Shipbuilding and engineering industries in 1957 were, with pressure from the government, conceded. It heralded a change of mood amongst workers and a rapid reversal of government policy followed to fend off a stampede of claims and damaging strikes across the country. When in 1958 London Transport bus drivers struck, therefore, the government stood firm. The relative amity between government and unions which had held throughout much of the 50's was broken. Relations became ever more fractious as step-by-step more draconian wage and pay freezes were introduced to curb inflation. The happiness index began to take a seriously negative turn!

Britain was also weighed by its imperial responsibilities. Although the conflagration that was the 2nd World War was over, there remained smouldering discontent in several areas of the world where cultural and political tensions erupted into skirmishes and wars. In the Far East the fight against Communism in Korea and Vietnam claimed many lives. 100,000 British troops were sent to Korea alone. There was also trouble in Africa, particularly Kenya, the Congo, Algeria and South Africa where anti-colonial sentiment reached violent proportions. Britain yielded to its responsibility to keep the peace and provide aid. Defence spending was huge: 16% of GDP in 1947; 6% in 1950; 11.2% in 1952 and 7% in 1958. This was a considerable weight on the Treasury (not least because in the same period Germany spent zero!) Further calls on the Defence Budget came in the wake of Nuclear Armament and the escalating tensions between Russia and the Free World. A tit for tat arms race dominated relations during the 1950's 'Cold War'. So serious did the antagonism become that nuclear war seemed a real possibility and panicked preparations were made to construct nuclear bunkers. All of this created serious distractions to economic reconstruction, competitiveness and trade,

At the domestic level things felt more peaceful and normal. The surge of youthful exuberance and opportunity a-plenty continued to provide positivity and confidence. With the help of a burgeoning media industry with global reach there was a general slackening of moral values. Many of the taboos and strictures were challenged and subjects hitherto suppressed were opened up and publicly debated. Fashion became risqué, the media became more sexualised with sex symbols in the Cinema and Page 3 girls in the Press. By 1960 concerns of declining moral standards reached Parliament where both 'Teddy Boys' and the publication of D.H. Lawrence's 'Lady Chattersley Lover' came under scrutiny. The battle between media and politicians began in earnest. Media creations, like Pop Stars, acquired the power to seduce the masses, especially the young whose influence grew beyond measure. The media also stirred the conscience by whipping up fears for national and global issues like Nuclear Disarmament. As a result, the public 'Demonstration' with emphasis upon disruption became a more central feature of our democracy.

By 1960 the surge in population became more noticeable. It had grown from 50 million in 1950 to 52.5 million. House building did not keep pace. Home ownership was out of reach for those on average and below average salaries. Mortgage loans were generally limited to 3 times the annual salary for the main wage earner of the household. With house prices averaging around, £2,500 and average wages running at about £520 per year, large deposits

were required to get a foot on the housing ladder. The rental market was therefore hard pressed. Council house waiting lists were long and private rentals were inflated by demand. The result was an upsurge in the division of houses into flats and bed-sits providing much more limited living space. In large cities high density brought its own problems.

Problems in the cities were also emerging on the streets. Between 1950 and 1960 vehicle ownership doubled from 4 million to over 8 million. By 1960 the convenience of vehicle ownership was beginning to win out over public transport in the daily commute. Distance from work became less of an issue and traffic volumes escalated. Britain's historic cities suffered the strain creating serious problems for planners. The growing population also put a strain on the NHS. As early as 1950 it became evident that the original funding estimates were inadequate and unsustainable. The demand on services was beyond expectation. Step by step, therefore, charges were introduced for prescriptions, dental and optician services in an attempt to stave off problems and ensure that the core value of the service – free health care for everyone' were maintained at all cost.

The period between 1945 and 1960 was, then, characterised by fast, initially panicked, change. On almost every front life changed irrevocably. It was an exciting time. Few people then realised, however, that rapid change was to become a permanent feature of their lives. No one expected that the pace of change would continue and certainly, no one could have foreseen that it would accelerate. No one expected the visions of the Sci-fi writers of the time to actually come true! A great deal more excitement was around the corner!