Governing the United Kingdom since 1945

I/ How does the British state work?

A/ A parlementary democracy dominated by two parties

- > The United Kingdom is a "personal" Union: England, Wales, Scotland and Ulster (Northern Ireland). So it means, the monarch is the symbolic link between these nations.
- > The British political system is a parlementary democracy. It means that the power of the monarch is limited by the power of the Parliament. The parliament is divided in two chambers: the House of Commons and the House of the Lords. The relations between the different powers are organised by tradition, not by a text as a constitution, like in France. It's a very flexible system, able to adapt to the evolution of society.

In 1945, the power of the Monarch and of the House of the Lords has been diminished step by step, and since the middle of nineteenth century UK is a real democracy. The essential of the political power is controlled by the House of Commons (in the palace of Westminster) and the government, with the Prime Minister at its head.

B/ A survey of the British political parties

The **westminster model**. Two parties are dominating thanks to the first-past-the-post voting.

> The Conservative Party (also called Tory party, or Tories) is the oldest party of the political system.

This party wants to defend the property, freedom, moral values, family...

They want to maintain the UK as a great power.

But this party is able to adapt itself to social evolutions (decolonisation for instance). In 1945, the Conservative Party ruled the country during the second world war and Winston Churchill embodied the victory, but the CP hadn't got a new project to offer to the British.

> **The Labour Party** is inspired by socialist ideas and based on the rising of working class due to the industrial revolution.

They replaced the Liberal Party as an alternative to the Conservative Party since 1922. Their power is based on a powerful party and on a strong relationship with the Trade Unions.

In 1945, Their new leader, Clement Atllee proposed a "new social contract": it's the Welfare State: the State will protect people from "cradle to grave", against desease, unemployement, retirement...

Between 1945 and 2010 (65 years), the Conservative Pary ruled the country during 38 years and the Labour Party 27 years.

Vocabulary

Westminster model: The two biggest political parties are sharing the power and rule the country one after the other. The conservative and the labour party are dominating the period after 1945.

First-past-the-post voting: voting system where the candidate who gets the biggest number of votes win the seat. It gives a great advantage to the biggest party and leads to a two-party system.

II/ From the Welfare State to the British Disease (1945-1979)

A/ The Welfare State and the post-war consensus (1945-1964)

The Labour Party won the elections in 1945. The new leader, Clement Atlee and his government want to built **a new society based on a "new social contract": it's the Welfare State**: the State will protect people from "cradle to grave", against disease, unemployment, retirement...

The role of the State increased thanks to many nationalisations (10 % of the workers of industries are nationalised in 1951) in banks, transports... The NHS is created and is the greatest achievement of this period (Aneurin Bevan). The Social expenditure increase (8 % of the GDP in 1950 and 16 % in 1959, 20 % in 1967), but real improvements.

The results are real: decline of poverty (3% of the population in 1960, 30 % in the 30ies), low unemployment rate, rise of wages... the middle class and the working class benefit strongly from the welfare state. Improvements in education and health.

The state controls more and more domains: culture, environment, research...

The British state is more and more centralised.

The increasing role of the state transforms the state itself. A key of the new role of the state is wages policy. It leads to meetings where employers and trade unions are discussing under the regard of the state many elements of the economic policy. It leads to a parallel power disconnected from the parliament called the corporate state.

The rising power of the state administration leads to **a new elite** and lead to the **decline of the Parliament**.

The Conservative Party came back to power from 1951 to 1964 (and 1970-74) but they agreed with the Welfare State, it was the **post-war consensus**.

B/ The British disease (1964-1979)

The UK is considered as the "sick man" of Europe for many reasons. It's a period of instability: 6 general elections.

The economic difficulties are more and more important.

The growth is slowing during this period, and, as a reaction, the state is more involved in economy = planification + income policy (stimulate consumption by higher wages) + stimulation by public spending (42 % of the GDP in 1963 and 59 % in 1979).

But it leads to a high inflation (15 % in 1976) and the global crisis of the 70ies is really hard for the UK (unemployment rate is higher).

In 1976, the UK is forced to ask for help of the International Monetary Fund, it's an humiliation.

International decline

As a consequence of the economic difficulties, the UK was the third economic power in 1945 and in 1979, France, Germany and Japan overtaken the UK.

At the same time, the British empire disappeared, the British decolonization is a success (few violence) but some British considered that as a loss.

In 1973, the UK became a member of the European Economic Community (EEC) but after three failures: two rejections of its application (1963 and 1967) and the failure of the European Free Trade Association (EFTA) (created in 1958 by the UK to counter the EEC).

The state: an asset or a burden?

The role of the Unions of workers and employers which rule the economy is more and more criticized.

In 1974, whereas the conservative Prime minister, Heath try to slow down the rise of wages he is forced to dismiss after a wave of strikes. He asked the question "Who governs Britain?"

The post war consensus is in danger in 1979 because more and more conservative (or even labour) are contesting the welfare state.

For them, the international decline of the UK is due to the cost of the welfare state and the way the state works (the corporate state, especially the trade unions).

So they want a « liberal revolution » to reduce the place of the state in the British economy to restore the power of the UK. Margaret Thatcher is their leader.

Vocabulary

Corporate state: A state governed by representatives of corporations of the employers and employees in each profession. This kind of organization leads to a decrease of the Parliament's power.

Post-war consensus: it describes the approbation of the Welfare state by the two major British parties after the second world war. It leads to a rapprochement of the political programs of the conservative and labour parties.

III/ From the Thatcher's revolution to New Labour's revolution (1979-2010)

A/ The Thatcher's government; a revolution? (1979-1997)

- > M. Thatcher's ideology was a mix: liberal in economy / anti-socialist / individualist / defender of a strong UK in the world. In a way, she succeeded because she ruled the country between 1979 and 1990 (and after John Major 1990-1997 who continued her work). Under her rule, the conservatives won 4 general elections. Her movement was called the "New right".
- > **Economy was the centre of her policy**, she wanted to put an end to the post-war consensus. She wanted to strongly decrease the intervention of State in economy (anti-keynesianist):
- decreasing the taxes
- privatisations: public services were sold to private companies: 10 % of the GDP moved from public to private sector (rail, telecom, electricity, water...)
- deregulation: 1986 the "Big Bang", huge diminution of rules for financial services: The City.

> The "Iron Lady"

She didn't hesitate to put an end to state support for sectors she considered as a burden for British economy.

Example: privatisation of coal mines = a hard strike in 1984-85 against A. Scargill the leader of the NUM (National Union of Mineworkers). Because of that, and because of her foreign policy, she was called the "Iron

Lady".

> Decline of welfare and corporate state.

She considered that people had to improve their situation by their "self-help". Ex: That's why she sold social housing in mass: 4 million British became owners. She introduced competition (private culture) in the public services, education or NHS (ex: competition between schools: Education act in 1993).

She was hostile to the Unions and more generally to the corporate state, that's why she suppressed the ministry of public service in 1981 and enforced several laws against the Unions.

> The transformation of state

A smaller state meant a <u>stronger state</u> (bigger police and army).

The way she rules leads to <u>a more centralised state</u>, more and more things are decided in London. Conservatives were hostile to devolution desires in Scotland, Wales or Ulster.

> Results

An economy <u>adapted to globalisation</u> and more specialised in services: the financial services represent one fifth of the GDP. Declining inflation (under 5 %). <u>But: social inequalities</u> rose really fast (in 1979 9 % of the population was living under the poverty line... 24 % in 1997). British industrial power decreased a lot...

M. Thatcher dismissed in 1990 because she went too far and didn't consider the gap between rich and poor (1990 : Pool tax, a local tax per capita, unaccepted by the population). In 1997, the Conservatives are exhausted by power.

B/ The New Labour; a revolution ? (1997-2010)

- > The New Labour (The Third Way): it's a new political ideology inspired by the new Right for economy and by the Labour on the social side. The Labour abandoned the socialist ideas in 1995 (*Clause 4*: idea of rupture with capitalism). Tony Blair (and after Gordon Brown) were the leaders of the New Labour (they won three general elections and ruled the country from 1997 to 2010).
- > The state gives the impulsion but is not the actor as during the "post-war consensus". So privatisations continued.

The reform of Public services too: development of PPP (Private Public Parternship), the number of civil servants decreased but the number of people working indirectly for state was increasing at the same time (1 million more between 1997 and 2009).

> But solidarity is the other axis of the New Labour policy with big investments in education, health, and transports.

The New Labour government fought poverty by decreasing taxes (for the poorest), or creating a minimum salary in 1999.

> Between Devolution and European Union

British state was less powerful because of devolution.

Scotland and Welsh act in 1998 gave more power to the regional governments (regional parliaments, taxation locally decided, education...). It's an answer to the growing nationalist feelings in Scotland and Wales.

Creation of the Greater London Authority in 1998.

The New Labour succeeded to establish peace in Northern Ireland too.

British state is less powerful because of the <u>European Union</u> More and more laws are written in Brussels and just voted by the British parliament. But the British are still suspicious towards the UE: refusal of the Euro in 1997.

> Results

The growth was good, UK was continuing to develop services, and British middle class took advantage of this period.

The image of the UK is improved: attractive model (London Olympic games in 2012).

But, the NL only succeeded to stop the increase of poverty but there are still one fifth (20%) of the British who are poor. The Third way is criticized on its left for that.

Finally, Tony Blair's decision to participate to Irak's war with GW Bush in 2003 was very unpopular and led to the end of the NL.

Devolution: the act of giving power from a central authority or government to an authority or a government in a local region.