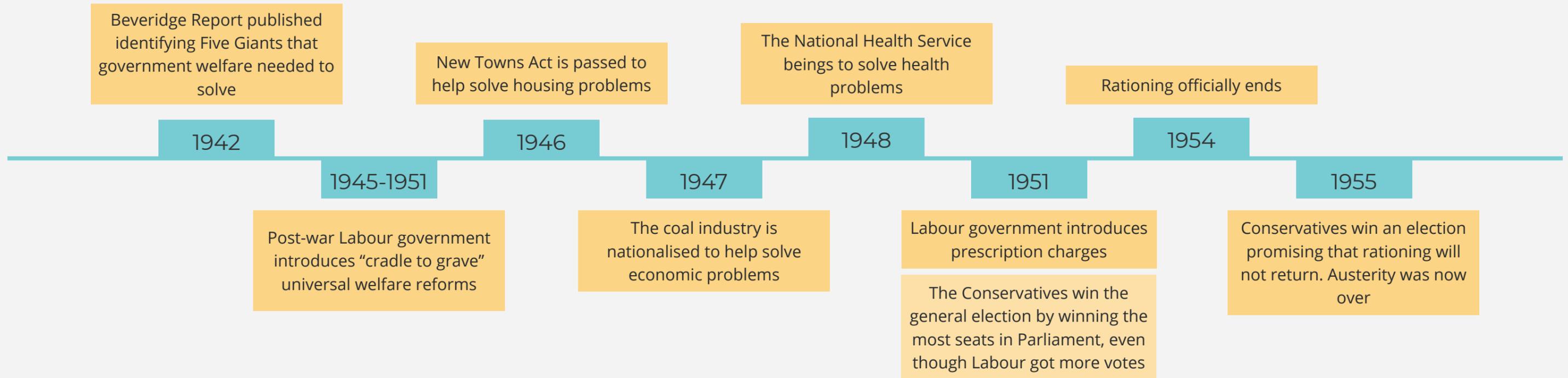


Key Question 1: What were the main issues facing the people of the UK in the early 1950s?

Timeline of events



Political key words

Rationing	restrictions on what people could buy
Prefabs	quick to build, houses made in pieces in factories
National Debt	when the government spends more than it earns
Nationalisation	the government takes direct control of industries
Welfare	government services to look after its people
Social security	making sure no one is living in poverty
Exports	selling a country's products to other countries
Productivity	how much a worker makes
Inflation	rising prices

The UK economy in 1951: austerity and rationing

Britain lost 30% of its wealth in the war which resulted in austerity and rationing

Austerity = restrictions on what the government can spend

Rationing = restrictions on what people could buy

Reasons for post-war austerity and rationing:

- Britain had huge debts from the war (£3,500 million in 1945).
- Britain had to export (sell in other countries) more than it imported.
- Limited materials were available for rebuilding after the war.

Some rationing facts:

- After 1945 rationing extended to include bread and potatoes.
- Rationing came to an end in 1954.
- The Conservatives won the 1955 election promising not to return to rationing.
- A rationed diet was far better than people had eaten before the war.

The Labour government nationalised some industries to improve conditions for workers and make the businesses more efficient e.g. COAL (1947), ELECTRICITY (1947), GAS (1948), TRANSPORT (1948) including railways and road haulage. By 1951 1 in 10 people worked for a newly nationalised industry.

1955 Conservative election slogan:
"Rationing, queues, control – don't risk it again. Vote Conservative!"

Important concept

Austerity – to solve the UK's debt problems from the war the government had to bring more money into the country, while at the same time spending less money itself. They did this but selling British food and materials to other countries to make money. This meant that there were less in the UK which led to more rationing.

Key Question 1: What were the main issues facing the people of the UK in the early 1950s?

Cost of Welfare

The 1942 Beveridge Report identified 'Five Giants' [problems]

The 1945 Labour government promised to solve them:

- **WANT** - 1945 Family Allowances Act; 1946 National Insurance Act; 1948 National Assistance Act
- **IGNORANCE** - 1944 Education Act
- **DISEASE** - 1946 National Health Service Act
- **SQUALOR** - 1946 New Towns Act
- **IDLENESS** - full employment (everyone has a job).

These reforms were universal (for everyone), from 'cradle to grave'. Case study: The NHS –

- expected 50 million prescriptions by 1951 but got 227 million so Labour introduced a prescription charge in 1951
- death rates dropped 28% by the end of 1970s.

Increased spending on welfare meant increasing taxes. Rising unemployment, rising prices, improved medical technology, an ageing population, etc. all increased the cost of welfare.

Housing problems

War time bombing of UK homes –

- 1/2 million destroyed
- 3 million badly damaged
- Aneurin Bevan promised 200,000 new houses a year
- prefabs were quickly built as temporary housing.

Demand for houses increased because

- rise in marriages and divorces
- baby boom – one million children born between 1945 and 1950
- demobilisation of 4 million British servicemen
- appalling condition of the poorest housing across the UK.

New laws were introduced to help improve the housing situation:

- New Towns Act 1946 – to provide large numbers of new houses with businesses and services; included Cwmbran in Wales, Stevenage in England.
- Town and Country Planning Act 1947 - gave local councils power to purchase land for building.

Industrial decline

In 1951 UK made 25% of all products in the world. By 1979 it was 9%.

Reasons for the UK's industrial decline since 1951 –

- government spending on nuclear weapons and welfare
- failure to invest in the UK economy which was mostly Victorian
- not increasing exports e.g. not building ships customers wanted
- high taxes and too many regulations
- poor productivity [how much workers make]
- workers resisted new technology and ways of working.

Problems in Wales :

1. **COAL** - 1950s mines were modernised but coal exports were falling. Mines were closed in the 1960s and 1970s. Power companies switched from using coal as a fuel to oil and nuclear power.
2. **STEEL** - New steelworks built at Port Talbot in 1951. Welsh steel production rose. The price of Welsh steel undercut by cheap imports. Steelworks at Ebbw Vale and East Moors in South Wales, Shotton in North Wales, closed in the 1970s.