The Making of Modern Britain, 1951-2007

Modern Britain 1951-64 – Politics & Economy

Conservative Dominance, 1951-57

* Reorganisation of the party following the shock defeat in 1945 was important to this.
* Labour infighting between Bevanites and Gaitskellites.
* 1951 marked the end of austerity and the start of the post-war boom.
* The Conservatives recognised public approval of the Attlee legacy:
  + NHS was already seen as iconic.
  + Welfare state could not be rejected, nor a total reversal of nationalisations.
* The new government accepted the existence of the post-war consensus.

Age of Affluence

* Conservative government was lucky in its timing – came to power just as economic recovery was beginning.
* Economic indicators pointed upwards from 1952.
* Weekly wages were going up – (£8.30 in 1951 to £15.35 in 1961).
* Boom in car ownership.
* Home ownership increased thanks to cheap mortgages – Harold Macmillan built 300,000 houses as promised as housing minister.
* Food rationing ended completely in 1954.
* Surge in ownership of consumer goods such as TVs, fridges, new furniture.
* Butler gave £134 million tax-cuts in the run-up to the 1955 election.

The 1955 Election

* Churchill had retired after turning 80.
* Eden called a general election immediately, for his own mandate.
* National press was overwhelmingly in favour of the Conservatives.
* Voters were happy with rising living standards.
* Eden won with a majority of 70 – although Labour’s vote still held up fairly well.
* Attlee retired and was replaced by Gaitskell

Eden to Macmillan

* High hopes for Eden – foreign policy specialist with progressive ideas.
* Ruined by Suez Crisis, October 1956.
* Eden was seen as weak – came under attack from Labour and sections of the press.
* He had lied to the House of Commons – his prestige was badly tarnished.
* Suez split the Conservative party – a rebellion from nearly 40 Conservative MPs.
* Pressure from the US exposed British financial weakness – led to a run on the pound.
* Eden resigned on grounds of ill health in early 1957.
* Conservatives recovered with remarkable speed under Macmillan because:
  + Party unity was restored with no lasting splits.
  + Economic prosperity continued to gain approval with the voters.
  + Labour party under Gaitskell was internally divided.
  + Anthony Eden disappeared and the crisis seemingly went with him.

Conservative Government under Macmillan, 1957-63

* Post-war economic boom was continuing.
* Labour party remained divided.
* He seemed to have the media in the palm of his hand.
* He & his senior cabinet (Butler, MacLeod & Boyle) were in tune with public opinion.
* In October 1959, Macmillan called a general election – bigger majority of 100 seats.
* However, in 1957 and 1958, the government faced serious economic problems.
* Summer of 1957 – major financial crisis.
* Inflation was rising because wages were well ahead of productivity.
* Run on the pound – danger of devaluation against the dollar.
* Divisions in the cabinet between Thorneycroft (the Chancellor) and MacLeod.
* Britain in the grip of stop-go economics.
* When Thorneycroft proposed drastic spending cuts, Macmillan overruled him.
* Thorneycroft resigned – the post-war consensus had won.
* This crisis did not do lasting harm to Macmillan.
* The pound regained its value against the dollar.
* The economy expanded greatly – resulted in tax cuts of £370 million in April 1959.

The Labour Party and its Internal Divisions, 1957-63

* Labour had 14 million votes in 1951 – more than any other election including 1997.
* However, deep internal problems intensified during the 1950s.
* Key figures after Attlee retired in 1955 – Bevan and Gaitskell
* Gaitskell was always associated with the right wing of Labour Party – the left were suspicious of him.
* Disagreements between Bevanites and Gaitskellites became common after 1951.
* After 1959 election defeat, splits widened.
* CND (Campaign for Nuclear Disarmament) pressed for unilateral disarmament.
* Many Labour left-wingers joined in with CND protests.
* Also faced opposition from trade unions over nuclear weapons.
* Labour missed chance to modernise by getting rid of a clause that committed the party to nationalisation.
* Gaitskell faced clear opposition from the left, so he backed down.
* Labour political position slowly improved in the 1960s.
* Gaitskell died in 1963 – replaced by Harold Wilson – electoral prospects were better.

The Problems of Economic Modernisation, 1960-63

* Age of Affluence did not come to an end in the early 60s.
* By late 1950s, Europe’s economic growth, especially West Germany, was leaving Britain behind.
* Trade with the Empire and the Commonwealth was not enough to keep up.
* In 1959, Britain took the lead in forming EFTA, but it could not match the EEC.
* In 1961, Britain applied to join the EEC - this was a symbol of the failure of economic modernisation in Britain.
* Economy and living standards were still growing but stop-go economics continued.
* Economic growth often led to over-heating economy.
* Britain continued to fall behind West Germany, Japan and the USA.
* In 1961, worries about over-heating economy led government to introduce a “pay-pause” to stop wage inflation, and to ask the IMF for a loan.
* 1962 problems saw more stop-go economics and balance of payments problem.
* NEDC (National Economic Development Council) was set up in 1962 for better cooperation between government employers and unions.
* The Night of the Long Knives reshuffle in 1962 – balance of payments worsened.
* Rejected application to join EEC in 1963 – there was no longer a wave of prosperity.

Political Problems and the fall of Macmillan, 1962-63

* Night of the Long Knives made Macmillan look clumsy and out-of-touch.
* Profumo Affair reinforced this.
* Serious illness forced Macmillan to resign in 1963 – he had not prepared the way for anyone to succeed him.
* Strong opposition to the two most obvious candidates – Lord Hailsham and Rab Butler – Sir Alec Douglas-Home emerged as a compromise candidate.
* The whole business made the Conservatives seem out-of-touch – contrasted with Harold Wilson promising to take Britain into the ‘white heat of the technological revolution.’

General Election of 1964

* Labour won by just 3 seats.
* Factors against Conservatives:
  + A run of scandals and events in 1962-63
  + Power vacuum following resignation of Macmillan
  + Growing sense of impatience with the old ‘Establishment’ and a desire for generational change
  + Wilson was a strong campaigner, confident with the media
  + Split between Gaitskellites and Bevanites was over – both were dead
  + Labour could exploit the public mood that it was ‘time for change’
* Liberal Revival – only 9 seats won but 1964 election saw the Liberal vote almost double – they took votes from the Conservatives and tipped the balance.

Historical Debate

“We have slithered from one crisis to another…The simple truth is that we have been spending beyond our means.” – Peter Thorneycroft, Chancellor – 1958

Modern Britain 1951-64 – Society

Demographic Change, 1951-64

* Birth rates ran consistently ahead of death rates throughout the post-war era and medical treatment improved under the welfare state.
* Inward migration – particularly from West Indies and parts of the New Commonwealth after 1948.
* However, outward migration was higher in the 1950s and 60s:
  + 1950s – Britain received 676,000 immigrants while 1.32 million left to live elsewhere.
  + 1960s – Total inward migration was 1.25 million whereas outward migration was at 1.92 million.
* British infrastructure was run-down and needed modernising and there was a desperate need for housing to replace war damage.
* Government spent million on housing (300,000 from 1951) and new towns
* Car ownership meant new roads and motorways – people moved further from the cities as they could commute to work

Social Tensions, 1951-64

Immigration

* Immigration became an issue of intense public concern
* By 1958, about 210,000 Commonwealth immigrants had settled in Britain
* Largest number came from the West Indies – numbers from Pakistan and India were beginning to rise
* In urban areas where the immigrants settled, there were instances of friction
* Authorities regarded immigration as economically desirable (immigrants filled low-wage jobs) and hoped social tensions would ease gradually
* In 1958, serious race riots (especially Notting Hill) altered these perceptions
* As immigration sped up, the Commonwealth Immigration Act (1962) was passed to limit immigration through a system of work permits

Violence, Criminality & Hooliganism

* Public anxieties were often aroused by unfair or inaccurate reports on criminal behaviour by immigrant – most crime was in fact home grown.
* Number of criminal offences more than doubled between 1955 and 1965.
* Kray twins became outwardly respectable associating with celebrities like Diana Dors
* Large scale rioting in the early 1960s between Mods & Rockers.
* People could not understand the rise in crime at a time of affluence and with National Service which was supposed to discipline British youths.
* British society was slowly getting accustomed to emergence of a new youth culture.

Debate on Secondary Education

* Eleven Plus test was divisive – seen as unfair and efficient.
* 1944 Education Act aimed to give equal status to grammar schools, technical schools and secondary moderns – this never materialised in practice.
* Secondary modern schools were seen as receptacles for Eleven Plus failures.
* Robbins Report of 1962 led to the expansion of higher education – new universities sprang up in Lancaster, Warwick, York and elsewhere.

Changing Attitudes to Class

* Britain in 1951 was a conformist society with easily recognisable class distinctions.
* By the late 1950s, there were signs of a gradual breakdown of old social restrictions.
* New trends in culture opened the way for a more individualist, less conformist society.
* People began to dislike the idea of ‘the Establishment’.

Profumo Affair

* John Profumo (Defence Secretary) lied about being involved in a sex scandal with Christine Keeler – he resigned in disgrace.
* Keeler was also sleeping with a Russian spy – raised questions about possible leaks of Cold War secrets.
* The press now became much more intrusive.
* It showed British society was changing.

Changing Attitudes in Culture and the Media

* In the early 1950s, mass entertainment (BBC and cinema) was cosy and reassuring.
* As time went on, culture began to reflect society – *A Clockwork Orange* (1962) caused public outrage and was removed from cinemas.
* There was a drive to break down censorship and social taboos – issues like sex, homosexuality or back-street abortions were being portrayed on screen.
* There was a ‘satire boom’ – shows like *Private Eye* and *That Was The Week That Was* disrespected the great and famous.

Historical Debate

“The Notting Hill riots brought to national attention a problem that had been simmering for a long time. Politicians began to intervene in a problem they would have preferred to leave alone.” – Tony Benn

“Working class Britain was getting richer but was still housed in dreadful old homes, excluded from higher education and deprived of any jobs but hard and boring ones. Eventually, the lid would blow off.” – Andrew Marr in 2007

Modern Britain 1951-64 – Foreign Policy

* By 1951, Britain had already had to face up to the prospect of imperial decline.
* WW2 had left Britain badly damaged and in the shadow of the USA and USSR.
* Independence already granted to India and Pakistan in 1947.
* However, the illusion of power took a long time to die and had profound effect – delayed Britain involvement in European integration until 1973.
* It was only after Suez in 1956 that the illusion began to fade.

Britain’s Declining Imperial Role

* During the 1950s, the pressures of colonial independence became harder to contain.
* France, Belgium and Portugal faced these pressures too.
* In the early 1950s, British leaders thought they could manage a gradual transition from Empire to Commonwealth.

The Suez Crisis of 1956

* The Suez Canal was an important trade route – it was the main route connecting the Mediterranean through to Asia, Australia and New Zealand.
* 80% of Western oil imports passed through the canal.
* When Nasser nationalised the canal in 1956, it was seen as a provocation that Britain could neither accept nor ignore.
* Eden prided himself on being a master of foreign policy and he still believed in Britain as an imperial power.
* He had little faith that diplomacy would work and thought Nasser would be a danger to stability in Africa.
* Most of Eden’s cabinet (including Macmillan) wanted to take drastic action.
* A meeting was held with France and Israel – Israel would invade Egypt and Britain and France would intervene as peacemakers – seizing the canal in the process.
* There was great political protest in Britain but it was American pressure that halted Eden – Britain was not strong enough to stand up to American pressure.
* Britain was plunged into a serious financial crisis – Macmillan realised that it was essential to pull out even though it meant accepting failure and humiliation.
* Eden’s career ended in a painful anti-climax.
* Britain’s position in the world now had to be reassessed – people began to realise Britain was no longer an imperial powerhouse.

The Wind of Change

* After Suez, British policymakers began to speed up decolonisation – independence granted to Ghana (1957), West Indies (1958), Nigeria & Cyprus (1960) among others.
* The accelerating pace of the rush towards independence was the subject of Macmillan’s speech in Cape Town, South Africa in 1960.
* He was speaking not just to those in front of him, but to the Commonwealth and the British public, calling for decolonisation and the recognition of independence.
* The difficulty in containing the Mau Mau rebellion in Kenya reinforced this view.
* In retrospect, the policy followed by Macmillan was extremely successful – decolonisation was completely much quicker and with far less violence than with other colonial powers such as Belgium and Portugal.

Britain and Europe, 1955-63

* The Schuman Plan set out the proposals for a Coal and Steel Community promoting rapid economic reconstruction – it was to be the foundation of economic cooperation across Europe, a scheme strongly supported by Britain and the USA.
* At any time up to 1957, Britain could have easily entered the EEC, but Britain saw it as vital for continental Europe, not for Britain – things changed quickly.
* Britain formed EFTA in 1959, but it was moderately successful and Britain applied to join the EEC in 1961.
* There were economic considerations but Britain wanted to keep her position in three world affairs: Europe, the Commonwealth and the USA.
* But French president Charles de Gaulle was determined to protect the French-German partnership from ‘les Anglo-Saxons’.
* The British application was rejected in 1963, as well as the application in 1967.
* Only in 1973, after de Gaulle left the presidency, was Britain able to join.

The Open Door, 1951-57

* Quite why Britain stood aside from European integration is complicated.
* Labour were suspicious of the free-market principles behind the Common Market.
* The Conservatives thought preserving trade links with the Commonwealth was far more important.
* British people remembered the war – Britain had won the war, the Germans had been deadly enemies and France had been overrun and occupied.
* Key political leaders were all of the wartime generation, and many people still had illusions about Britain as a world power.
* In January 1957, when the EEC was formed, British foreign policy was focused on the Cold War, the Empire and Commonwealth, and the special relationship with the US.

Locked Outside, 1958-63

* The main reason Britain changed its mind about the EEC was economic – the Commonwealth and old trade links could not keep pace with continental Europe.
* But there were also important foreign policy issues as to why Britain applied to join.
* The USA was keen to see Britain join the EEC as a link between Europe and America.
* Belief in Britain’s imperial power had been shaken by Suez and the subsequent accelerating pace of decolonisation in Africa.
* When it was clear that EFTA was not an effective alternative, Britain applied to join.
* After applying to join, Macmillan had to negotiate the terms of entry and special exemptions for British Commonwealth trade partners.
* The negotiations finally reached a seemingly successful end in January 1963, until de Gaulle vetoed the application – the other members had all agreed.
* His intervention caused bad relations between Britain and France for some time, and it was his veto that blocked British entry to the EEC in 1967.

Britain’s Position in the World by 1964

* The special relationship had been strained by Suez and Britain resented American pressure to join the EEC.
* However, Britain and America remained close allies in the Cold War – Macmillan established a good relationship with President John F. Kennedy.
* Their partnership had a lot to do with the successful negotiations of the Test Ban Treaty of 1963, limiting the testing of nuclear weapons.
* On the other hand, Britain was militarily overstretched and reliant on American power – shown when Britain abandoned its own nuclear deterrent (Blue Streak) and was replaced by dependence on American Polaris submarine weapons systems.
* The most significant change was Britain’s role in the world and the Empire and Commonwealth.
* Decolonisation had gone a long way and the Commonwealth seemed to be thriving.
* But long-term settlements on issues such as Rhodesia and Hong Kong were hard to reach.

Historical Debate

“Without oil and the profits from oil, neither the UK nor Western Europe can survive.” – Harold Macmillan’s diaries, October 1956

“Britain has lost an empire and has not yet found a role.” – Dean Acheson, US diplomat, 1950

“It’s always difficult to challenge a prime minister, but to challenge a prime minister on foreign policy, if that’s his real strength, well is very difficult indeed.” – Peter Thorneycroft, quoted by Peter Hennessy, 2000

Modern Britain 1964-75 – Politics and the Economy

* Harold Wilson entered the government in 1964, welcomed with considerable optimism and public goodwill.
* Labour seemed to be more in touch with the social and cultural trends of the sixties.
* Wilson promised to take Britain into the ‘white heat of the technological revolution’.

The Labour Government, 1964-70

* Wilson had a classless image much different from the Etonian Eden and Macmillan.
* He was the first prime minister educated at a state secondary school.
* Wilson was a relaxed, skilled performer on TV, as opposed to Edward Heath.
* He was in tune with modern trends.
* He implemented Robbins Report suggestions – 7 new universities up and running by 1966 (including Kent, Leicester and Warwick).
* Liberalisation was promoted – capital punishment was scrapped in 1965 and the Race Relations Act was passed.
* From 1964, Wilson was worried about his small majority and hostile coverage by the BBC and national press – In March 1966, he called a general election to consolidate his position.

The 1966 General Election

* Conservative leader Edward Heath found it difficult to connect with voters and he had a stiff, awkward manner.
* Wilson was a skilled and experienced campaigner and Labour was still seen as a fresh start after 13 years of Conservative rule.
* Labour received a large majority of 98 seats – biggest share of the vote since 1945.
* This clear cut win did not boost Wilson’s confidence – even on election night he would not give an interview to the BBC.
* He also relied heavily on his ‘kitchen cabinet’ of advisers more than on ministers.

The British Economy, 1964-70

* Modernisation of the economy was one of the key priorities of the Labour government – it was widely accepted that Britain was lagging behind others.
* The affluence of the post-war boom was not reflected in productivity or interest rates – the economy was still trapped in the stop-go cycle.
* A serious balance of payments deficit of £400 million was awaiting Labour in 1964.
* Two solutions to this: deflation or devaluation – Wilson did not want to do either.
* Deflation may have been a good idea but he did not want Labour to be the party of devaluation as Attlee devalued in 1949.
* Drive for economic expansion led to the creation of the DEA (department of economic affairs) led by George Brown but this overlapped with the Treasury and the chancellor, James Callaghan – people did not know who to listen to.
* George Brown was impulsive and had a notorious drinking problem – on the other hand he was an able and energetic politician.
* His National Plan was agreed after consultations with industry and the unions but he did not have the support of Callaghan and the Treasury – they were in competition.
* After the 1966 election, Brown was moved to the foreign office and the DEA faded.
* The government brought in a prices and incomes policy (limiting price rises and asking for restraint in wage negotiations between unions and employers) to keep down inflation.
* But there was another sterling crisis in 1966, partially caused by the long and bitter strike by the National Union of Seamen and a major docks strike in 1967.
* In November 1967, the government devalued the pound by 14% to $2.40.
* A few weeks later the second application to join the EEC was rejected, again with de Gaulle playing a decisive role.
* Having the application rejected along with the devaluation crisis made Labour’s economic policies look futile.
* However, the economic situation improved well from this point.
* Roy Jenkins replaced Callaghan as chancellor and used deflationary methods – raised taxes, tightened government spending, priority on improving balance of payments.
* These tough measures made the government unpopular but there was a balance of payments surplus by 1969.

The Labour Government and the Trade Unions

* Since the war all governments wanted to keep the unions happy. In 1966 and 67, the previously cosy relationship between government and the unions began to collapse.
* The big strikes by the seamen and the dockers caused big problems for the government.
* Old union bosses began to lose control – ‘wildcat’ strikes started happening.
* Wilson and employment minister Barbara Castle began planning to use the law to limit unofficial strikes, even though this would cause uproar on the Labour left.
* In January 1969, Castle produced *In Place of Strife*, and many of its proposals would strengthen the unions in negotiations, but 3 aspects of her plan were too radical:
  + There was to be a 28 day cooling off period before a strike went ahead
  + The government could impose a settlement when unions were in dispute with each other in “demarcation disputes” (2 unions claiming to represent the same group of workers)
  + Strike ballots could be imposed
* An industrial relations court could prosecute those that broke the rules.
* Voters liked these proposals and Labour went up in the polls – the Labour left & the unions hated them and there was a storm of protest with 50+ MPs ready to rebel.
* The row lasted for months until Wilson gave in – Mrs. Castle was left high and dry.
* It was a humiliating climb-down by the government.
* Even so, Wilson’s political position looked much stronger in 1970 and he was confident of winning the 1970 election.

Labour’s Defeat in the 1970 General Election

* This was a surprising victory for Heath and the Conservatives.
* Wilson was a master campaigner and Jenkins had stabilised the economy.
* However, between 1966 and 69, Wilson’s government suffered a series of setbacks – the Conservatives were consistently ahead in the opinion polls.
* One feature of Heath’s campaign was that he refused to make immigration an issue – he had sacked Enoch Powell in 1968 after his ‘rivers of blood’ speech.

Political Crisis and the End of the Post-War Boom, 1970-75

* Heath was a formidable politician with detailed policies for British modernisation.
* But his time in office coincided with the end of the post-war boom and the economic and political crisis that followed.

The Conservative Government, 1970-73

* Heath was often perceived to be stiff when dealing with people.
* He was seen as too honest for his own good – good at policies but not at politics.
* Heath was well prepared for government – one of his policies was to allow inefficient businesses to go bankrupt rather than save them with state aid – however, he had a famous U-turn in 1972 when gave state aid to key industries such as Rolls Royce.
* Negotiating entry into the EEC was simple, but he had to gain parliamentary support.
* Neither party was decisive on Europe, but Labour was badly split and in the end, 69 rebel Labour MPs helped Heath win the Commons vote.
* Having promised a referendum on the issue, Heath had brought Britain into Europe.
* Heath’s government had inherited huge problems in Northern Ireland – there was large sectarian violence and the British army could not keep the peace.
* Heath’s government made strenuous attempts to find a solution – these efforts came close to success in the Sunningdale Agreement in 1973, but ultimately failed.

The Problems of Economic Modernisation, 1970-73

* This was the area Heath was most prepared for, yet the one that brought him to political disaster.
* He had a genuine policy of modernisation but ran into economic difficulties instantly.
* Heath’s first choice chancellor, Iain Macleod died suddenly in 1970, removing a key asset from his team.
* As new chancellor, Anthony Barber introduced tax cuts and cuts in public spending.
* The ‘Barber boom’ began, with a rapid rise in wage inflation.
* Many blamed the steep rise in wages on the power of the unions and their willingness to hold the country to ransom through strike action.
* Inflation, unusually, was not accompanied by economic growth, and unemployment actually went up – this led to the invention of a new word – stagflation.
* The government wanted to reduce state intervention in industry but now felt compelled to act – Rolls Royce was nationalised in 1971. This was the famous U-turn.
* In 1971, the government brought in the Industrial Relations Act which had nearly identical proposals to *In Place of Strife* – a cooling off period and strike ballots.
* This did not work – the Trade Union Congress (TUC) and Confederation of British Industry (CBI) were opposed to it and the Industrial Relations Court was ineffective in dealing with disputes.
* Unemployment rose above 1 million for the first time since the 1930s.
* Major strikes in 1972 – the miners in January and the railwaymen 3 months later.
* The miners’ strike lasted 6 weeks during a harsh winter.
* This virtually stopped the movement of coal around the country and nationwide industry was placed on a 3-day week to conserve supplies.
* Then NUM leader, Joe Gormley, negotiated a generous wage settlement.
* It was a clear victory for the miners against the government and convinced many to use strike action as a weapon for better pay and conditions.
* The government did seem to be making a good recovery in 1973:
  + Wide support for first 2 stages of Heath’s prices and incomes policy: limits on wage increases in line with rises in the cost of living
  + Number of working days lost to strike action was halved
  + A lot of government investment to boost the economy
  + Unemployment fell sharply to 500,000
  + Government started to gain popularity – drew level with Labour in polls

The Economic and Political Crisis, 1973-74

* The end of the post-war boom was symbolised by the oil crisis of 1973.
* The following energy crisis then turned into a political crisis when the NUM confronted the government.
* It was no longer a dispute about wages, but now a struggle to decide “Who governs Britain?” – the answer turning out to be “not Edward Heath”.
* The Yom-Kippur War triggered the crisis in October 1973.
* The war prompted OPEC to declare an oil embargo – exports stopped and prices sky-rocketed to 4x the usual levels.
* In November, the NUM demanded a huge pay rise at a time when Heath was worried about oil supplies, his prices & incomes policy and peace in Northern Ireland
* In December, the government announced the imposition of the 3-day week.
* Many people felt the NUM had a case for a pay rise and improved conditions.
* Many in the union had been convinced by the 1972 strike that industrial muscle was strong enough to get its own way against the government.
* There was a sense that the NUM was directly challenging the government.
* In January 1974, the NUM called a strike – the shortage of coal along with rising oil prices led to a balance of payments crisis.
* Heath called a general election – most polls favoured the Conservatives, but the final result saw a small swing towards Labour.
* The election resulted in a hung parliament – Labour won by 5 seats but did not have an overall majority and the Liberals continued their comeback, winning 14 seats.
* On 4th March 1974, Wilson was back in power.

Labour’s Return to Power, 1974

* Wilson was now in a much less promising position than in 1964.
* The economic situation was awful and Labour was less united than ever.
* He wanted another election as soon as possible to obtain a working majority.
* Wilson abolished the Industrial Relations Act, showing he did not want to fight the unions.
* In October 1974, Wilson called another general election.
* Voters still associated Heath with the 3-day week and conflict with the miners.
* Labour won an overall majority of just 3 seats.
* By 1975, most of Britain and the press were in favour of staying in the EEC – the economic mess of the country proved Britain’s need to be in it.
* 17 million voted ‘yes’ in the 1975 referendum; 8 million voted ‘no’.
* Britain’s membership was confirmed and Wilson avoided a Labour split.

The Emergence of Margaret Thatcher as Conservative Leader, 1974-75

* Heath seemed to be in a strong position – none of the shadow cabinet would run against him – however, several backbenchers wanted to force a leadership contest.
* The problem was finding a new candidate – Enoch Powell was no longer a Conservative, Sir Keith Joseph would not run – this left an opportunity for Thatcher.
* She seemed to have little chance of beating Heath with little cabinet experience.
* Thatcher won because she and her campaign manager, Airey Neave, exploited the sense that things were going badly wrong with both the party and the country.
* Heath was also not good at ‘schmoozing’ and winning over the doubters.
* The first ballot gave 130 votes to Thatcher and 119 to Heath, who then resigned.
* She then won the second ballot easily with 146 votes to 79 for the next candidate.
* After her victory, Thatcher now had the support of most of the party.

Historical Debate

“When he went to see the Queen on 4th March 1974, Heath was not alone. The post-war consensus, too, went with him to resign.” – Peter Henessy, 2000

“The success of the Liberals also confirmed the weakening of the two-party system…What began to look like the ‘Golden Age’ in the 1950s and 1960s was fading in the memory.” – Kevin Jefferys, 2002

Modern Britain 1964-75 – Society

* A lot of the social changes now being noticed had already started in the 1950s; in much of the Britain of 1964, continuity was more apparent than change.
* The respectful society of the post-war era was giving way to a more open society, more concerned with freedom of expression.
* There was a backlash against this change from those who disapproved of the ‘breakdown in morality’ – the Sixties was the time of the generation gap.

Demographic Change, 1964-75

* 3 key factors affected the patterns of population growth and movement after 1964:
  + There was a continued influx of immigrants
  + There was an accelerated shift of population to new housing developments and council estates that were replacing old urban areas – this process had begun before 1964 but its effects were becoming more apparent now
  + The third factor was the impact of road transport and private car ownership – this had the effect of fragmenting communities as people could commute
* The population of Britain increased from 50 million (1951) to 56 million (1975).

Social Trends, 1964-75

* Continuing immigration meant the tensions of the 1950s and 60s did not disappear.
* In February 1968, alarm over the sudden influx of Kenyan Asians led the government to pass the Commonwealth Immigration Act, limiting the rights of return to Britain for non-white Commonwealth citizens.
* It was this sudden arrival of Kenyan Asians that prompted Enoch Powell’s speech.
* Heath not only sacked Enoch Powell, but he never spoke to him again.
* The public reaction was very different – a poll found that 75% agreed with Powell.
* Powell was not a racist – more a sentimental imperialist who wanted to turn the clock back.
* He was concerned that Britain was creating race relations problems similar to those that caused great upheaval in the United States.
* But he definitely stirred up powerful racist feelings in parts of Britain.
* Immigration remained a contentious issue over the next few years – Heath introduced a new Immigration Act in 1971.
* On the other hand, political leaders were committed to managing immigration.
* The relatively smooth assimilation of Kenyan and Ugandan Asians as well as Vietnamese showed Britain both needed the economic contributions of new migrants, and could cope with the social consequences.

The Impact on Communities of Industrial Disputes

* By the 1970s, the nature of industrial disputes had begun to change.
* Traditional union leaders were part of the post-war consensus – they achieved pay and conditions improvements by bargaining with employees.
* Two trends emerged though:
  + The government became more involved – strikes were getting more political
  + Union leaders began to lose control of members – wildcat strikes were becoming more common
* Number of working days lost increased sharply: 3 lost in 1964 – 24 lost in 1972
* Between 1972 and 74, the miners were involved in a series of confrontations with their employers and the government.
* Younger, more radical union leaders used more radical tactics like flying pickets (busloads of activists sent to disputes to pressure people into striking).
* This along with the 1973 OPEC oil price crisis led to a major energy crisis.
* A result of this was that many working class people felt like their way of life was under siege.
* For the nation, the oil crisis and industrial disputes meant they had to learn to live with the 3-day week.
* Restrictions included fuel rationing, 50 mph speed limit on all roads and deep cuts in heating and lighting of public buildings and commercial premises.
* Many industries laid off workers, and there was a huge surge in those claiming temporary unemployment benefits.
* The 3-day week brought about a change of government and changed public attitudes
* Union militancy was strengthened, but so was the public reaction against it.

Birth of Environmentalism

* In 1962, *Silent Spring*, a book by biologist Rachel Carson, had an enormous international impact.
* It alerted people to the decline in birds and other wildlife in the farming countryside.
* The root cause was attributed to overuse of chemical pesticides, especially DDT.
* In 1963, the Hunt Saboteurs organisation was formed to carry out direct action against the cruelty of foxhunting.
* In 1967, the wreck of a giant oil tanker caused a huge oil spill and polluted a stretch of the coastline of south-west England.
* After this and other incidents there were passionate calls to clean up the oil industry.
* A new form of anti-nuclear protests began (CND), now against using nuclear energy for electricity because of the long-term dangers of dealing with nuclear waste.
* In the early 70s, these disparate protests became organised campaigns.
* More radical organisations like Greenpeace (1971) were formed, and some like the Animal Liberation Front (1976) adopted extreme violence – letter bombs in this case.
* There was a general increase in the interest of the environment and conservation – TV programmes (mainly BBC ones), did a lot to raise awareness.
* By 1975, the post-war consensus was breaking down and the age of affluence (at least temporarily) had come to an end.
* Britain seemed to be losing social cohesion – rising crime levels and a rise in sociologists analysing the ills of society.
* The debate over immigration intensified.
* Trade unions were more militant – old leaders were increasingly challenged by wildcat strikes and a new breed of activists looking for confrontation (e.g. Arthur Scargill).

Historical Debate

“The social fabric had been kept intact because of high and advancing living standards for the population as a whole … Rising inflation was accompanied by growing unemployment … Britain seemed to have become ‘the new sick man of Europe’. – K. O. Morgan, 1984

Modern Britain 1964-75 – Foreign Policy

* By 1964, the wind of change had brought independence to 18 new Commonwealth states with many more about to follow.
* The Wilson government hoped (with reason) to continue decolonisation smoothly.
* But public and political opinion still clung to the illusion that Britain had an important world role.
* The question of the special relationship became more awkward as Britain moved closer to Europe and the US got bogged down in Vietnam from 1964.

Britain’s World Role

Empire & Commonwealth: Britain and Rhodesia, 1964-75

* Harold Macmillan’s wind of change speech was welcomed throughout most of Africa
* However, in southern Africa, it was seen as a challenge and a threat.
* In 1961, South Africa left the Commonwealth and moved closer towards apartheid.
* In 1963, the Federation of Rhodesia & Nyasaland broke into its 3 separate entities – in 1964, Northern Rhodesia became independent Zambia and Nyasaland became independent Malawi.
* Southern Rhodesia hoped for independence but Britain would not allow it until majority rule replaced white political domination.
* A political row blew up when Iain Smith became prime minister of Southern Rhodesia – he was committed to maintaining white rule.
* This was a direct challenge to Wilson’s government – but he had many priorities more important than Rhodesia – he hoped to find a solution in weeks.
* Wilson met Smith for talks on the HMS Tiger in December 1966 – this meeting seemed to make progress but Smith disavowed all he said when he got back home.
* Wilson’s frustration continued throughout 1967 – oil sanctions had no effect as Rhodesia could get supplies from oil companies that ignored sanctions.
* Wilson tried more talks in October 1968, but again got nowhere.
* Wilson had to face another crisis in Biafra (northern part of Nigeria) in 1967 – Biafra attempted to become an independent nation in its own right.
* There was a bitter civil war and the British government supported the official government of Niagara – public and press supported the people of Biafra.
* Issue gave Wilson a difficult time until the people of Biafra were defeated.
* By 1970, South Africa was giving support to Iain Smith’s regime – Heath continued with sanctions even though they proved ineffectual.
* In 1972, Marxist insurgents started a guerrilla war – because Portuguese colonial rule in Africa was ending, the South African government stopped sending fuel and armaments.
* In 1976, Smith was forced to accept the Kissinger Plan leading to majority rule in Rhodesia. In 1979, multiracial elections were held and the country renamed to Zimbabwe-Rhodesia.
* For 15 years, British governments had been made to look futile by Iain Smith.

Withdrawal from east of Suez

* Labour knew from the start of 1964 that Britain would have to reduce its military commitments.
* Minister of Defence, Denis Healey started spending cuts to bring the defence budget under £2 billion.
* Troop withdrawals were scheduled from Aden, the Middle-East and Singapore.
* But Wilson was criticised for not going far or fast enough.
* The nuclear deterrent was not abandoned and Wilson’s government announced it would continue to deploy Polaris submarines.
* This changed after 1968 and Roy Jenkins’ spending cuts following the 1967 devaluation.
* Troop withdrawal from key areas was to be completed by 1971.
* The development of high-tech warplane F111 was abandoned as it was too costly.
* Heath delayed some of these withdrawals, especially from the Gulf, as most of Britain’s oil came from there.
* The old idea of a chain of far-flung British bases was gone – by 1975, Britain seemed to be becoming a smaller, poorer country.

Britain and Europe, 1964-75

* The Labour government came to power in 1964 not so committed to the policy of joining the EEC as Macmillan and his negotiator, Heath.
* In 1962, Gaitskell had fought passionately against Britain’s first application.
* Wilson was ambivalent on the issue of Europe – he preferred relying on the Atlantic alliance and Commonwealth links but he could see the strength of some of the economic reasons for European entry.
* In 1966, Wilson agreed to back a new application but the prospects of acceptance were not good – de Gaulle was still president of France.
* Wilson and George Brown toured the six EEC countries trying to gain support and they thought it went well.
* But in another meeting with de Gaulle, the French president demanded assurances that Britain would detach itself from the special relationship – Wilson would not go this far.
* In November, de Gaulle used his veto again – Britain was still out in the cold.
* By the time of the 1971 application, things had changed.
* Everyone knew the bid would be accepted – Heath was much more pro-Europe than Wilson and de Gaulle was no longer president of France.
* In January 1963, ‘The Six’ became ‘The Nine’ – British membership was achieved.
* Some thought it was 16 years too late and Britain had missed out since 1957.
* Membership was confirmed in 1975 with decisive ‘Yes’ vote of more than 2:1.

Britain’s Position in the World by 1975

* By 1975, Britain seemed to be in decline – part of this was the retreat from empire abroad; part was the economic crisis at home.
* The special relationship was strained as Britain refused to support the Vietnam War.
  + Wilson resisted any suggestions of direct military involvement – even a small token force would have sufficed.
  + He did not receive credit for this and was criticised for not denouncing the war – Wilson could not do this as USA was Britain’s creditor.
* The relationship was strained further when Heath would not be a go-between for USA and Europe despite pressure from American Secretary, Henry Kissinger.
* During the Yom-Kippur War in 1973, most European states, including Britain, refused to allow America to use NATO bases.
* By the mid-1970s, there was a sense that the West was doing badly in the Cold War.
* Thatcher, and from 1981 Ronald Reagan, were determined to reverse this feeling of weakness and to start ‘winning the Cold War’ again.

Historical Debate

“By 1975, the Empire was formally over. All that was left was a scattering of individual outposts and impoverished islands too weak to enjoy independence…” – Andrew Marr, 2007

Modern Britain 1975-83 – Politics & the Economy

The Labour Government, 1975-79

* When Thatcher became Conservative leader, the prospects of winning back power from Labour were not good – her party was still associated with the 3-day week and industrial unrest.
* But between 1975 and 1979, Labour suffered a long, slow decline in party unity.
* The first major problem was a surge in inflation due to the rush of wage increases used to escape the industrial crisis that brought Heath down.
* Some pay settlements were as high as 30% - the government was in a weak position in standing up to the pressure of the unions – inflation was running at 20%.
* In January 1975, Chancellor Denis Healey warned about the dangers of wage inflation: that it caused unemployment and a need to limit public spending.
* In April 1975, Healey’s budget imposed steep tax rises.
* His next budget in 1976 limited wage increases to a maximum of 3%.
* This intensified party divisions as some left-wingers like Tony Benn and Michael Foot did not want to put so much pressure on the unions.
* The government decision to nationalise failing British Leyland caused controversy about rescuing ‘lame-duck’ industries.
* Stagflation was back again.
* In March 1976, Harold Wilson surprisingly resigned after promising to his wife he would resign after two more years in 1974 – he had been Labour leader for 13 years.
* His successor was James Callaghan, a ‘safe pair of hands’ with long experience and good links to the unions.
* He was seen as an ideal leader to maintain party unity – this was made much harder because by-elections in 1976 reduced Labour’s tiny majority.
* There were difficult problems in the issues over Northern Ireland and the economy.
* In December 1976, Healey had to get an emergency loan of £3 billion from the IMF – he had to make big spending cuts in return – this was seen as a humiliation.
* Callaghan handled the IMF crisis well and the economy recovered but it reinforced the image of Britain in economic decline.
* In 1977, Callaghan strengthened the government with the ‘Lib-Lab Pact – a deal which meant 12 Liberal MPs would vote for the government in parliament in favour of Callaghan pushing ahead with plans for devolution to Wales and Scotland.
* The economic situation began to improve as North Sea oil came in – by 1978 there were 9 oilfields in production there.
* In 1978, the economic recovery reduced views of Britain as the ‘sick man of Europe’.
* Devolution acts for Scotland and Wales were passed, opening the way for referendums – but there was no decisive outcome.
* Wales was 4:1 against; in Scotland, more voted for independence than against, but nowhere near the 40% required for it to happen.
* People were more distracted at this time (1978-79) by the winter of discontent.
* The devolution debate meant Thatcher led the Conservatives into outright opposition for devolution to Wales and Scotland – something which would cost them.
* They went from 36 seats in Scotland (1970) to 0 in Scotland & Wales (1997).

The Triumph of Margaret Thatcher

* There were four key factors to Thatcher’s success as prime minister:
  1. Her force of personality, drive and confidence at a time when the country was very pessimistic. She also worked hard at political presentation – used the public relations firm Saatchi & Saatchi to polish her image.
  2. Her deputy leader, Willie Whitelaw – he was very different from Thatcher in background and policy ideas, but his main concern was keeping party unity – his loyal support was vital in winning over the Heathites in the party.
  3. Economic policy – Thatcher was against big government and consensus politics. She began to adopt policies based on monetarism – these were not given prominence in the 1979 election campaign.
  4. Thatcher’s preference to keep her options open – as the 1979 election approached, the Conservatives offered broad-brush themes rather than the specific, detailed policies such as Heath’s.
* However, she did not sweep into power on a wave of popular enthusiasm – she was lower in the opinion polls than Callaghan, and many expected her to fail.

The 1979 General Election

* It is wondered why Callaghan did not call an election in 1978 – many believed he had made a fatal mistake not to do this.
* The winter of discontent hadn’t yet begun and Thatcher was doing badly in the polls.
* By the spring of 1979, the winter of discontent had changed the political landscape.
* The economic situation deteriorated and the image of the trade unions sank to its lowest since the war.
* In March 1979, the government lost a vote of confidence on Scottish devolution – the government was forced to resign and Callaghan had to call an election.

The Winter of Discontent

* The industrial unrest that gripped Britain in 1978-79 was not on a massive scale, or a serious challenge to the government – the miners’ strike in 1974 was much worse.
* The psychological effect of the winter of discontent had a huge impact on the public.
* Industrial action affected transport – lorry and train drivers went on strike.
* The wave of industrial action by public sector workers such as hospital porters, dustmen and especially grave-diggers caused shock and public outrage.
* Images of mountains of rubbish and postponed funerals dominated the press and media for weeks on end – the opposition fully exploited this.
* Many of the strikes in 1979 showed old union leaders were losing control.
* Many skilled and unskilled workers began to switch away from their traditional loyalty to Labour and vote Conservative.

The First Thatcher Government, 1979-83

* It took time for Thatcher to completely dominate the party – the first cabinet contained several ‘wets’ (Heathites in favour of ‘One Nation’ politics).
* Thatcher did ensure that key posts, especially on the economy, were held by those who were in-tune with her right-wing instincts (‘dries’).
* One exception to this was Minister of Employment Jim Prior – many predicted, correctly, that there would be tensions between Prior and Thatcher.
* In her first government, Thatcher was in no rush to confront the unions.
* Jim Prior was allowed to keep good relations with the unions and generous pay settlements were given in 1980 and 1981.
* Despite her cautious approach to industrial relations, however, Thatcher was determined to push ahead with reforms in taxation and government spending.
* The new economic policies were set according to the principles of monetarism.

Monetarism and its Impact on the British Economy, 1979-83

* From the first budget in 1979, Chancellor Geoffrey Howe set out to reduce government spending and cut high levels of taxation from Labour.
* Basic rate of income tax was reduced from 33% to 30% - the top rate was reduced from 83% to 60%.
* VAT was increased considerably – based on Thatcher’s view that people should not be taxed on their incomes, but on what they choose to spend it on.
* These policies led to increased unemployment and a drop in industrial production.
* In 1980, the economy was already gripped by a serious recession, with inflation at 15% and unemployment at over 2 million – stagflation was back yet again.
* Only the flow of North Sea oil and gas prevented a run on the pound and balance of payments crisis.
* The 1981 budget aimed to eliminate inflation by controlling the money supply – taxes on petrol, cigarettes and alcohol rose – government borrowing went down.
* In the short run, these policies made the recession worse.
* Impact on industry was massive – steel production dropped by 30%, many industrial plants closed down permanently – some called it the ‘deindustrialisation of Britain’.
* Major rioting also broke out in inner cities – London, Liverpool, and Manchester – there were worries about the breakdown of social cohesion.
* Party divisions opened wider and several wets were sacked or driven to resign.
* The government became hugely unpopular – 1981 opinion polls were at just 27%.

The Divisions in the Labour Party

* Divisions that had been kept in check by Wilson and Callaghan now boiled over.
* Press coverage was almost universally hostile.
* The revival of the Liberals meant Labour was no longer the only anti-Conservative option.
* Some Labour voters became ‘Thatcher Conservatives’; some voted Liberal.
* Some became apathetic – stay at home voters cost Labour dearly in 1983.
* Key personalities broke away to form a new party, the SDP in 1981.
* In 1983, Labour’s vote plunged from 37% in 1979 to 27%.
* It seemed that Labour had now become unelectable, in terminal decline.

The Emergence of the SDP

* The Social Democratic Party (SDP) was formed in 1981 when 4 leading Labour politicians, the ‘Gang of Four’, issued the Limehouse Declaration.
* This triggered a storm of controversy – the four deserters were seen as traitors who should have stuck by the party as Gaitskell did in the 1960s.
* The members of the SDP saw it differently – they had been driven from the party by extremists who had now taken over.
* They thought the best way to save the party was not to battle the Bennite left, but to form a new party capable of appealing to the middle ground.
* The real cause of the SDP breakaway was the bitter infighting in Labour from 1980.
* After Callaghan resigned in November, there was a battle for the ‘soul of the party’.
* The obvious choice to succeed him was Denis Healey, but he was rejected.
* Left-wing Michael Foot was chosen – this showed the tendency to focus on internal rivalries rather than who was most likely to win the next election.
* The SDP soon made an impact on national politics, winning key seats at the 1981 by-elections from Labour, such as Warrington.
* The Liberals were also winning seats, claiming they had ‘broken the mould’ of the old two-party system.

The Liberal Revival and the Rise of the Alliance

* The revival of the Liberals had already begun under the leadership of Jeremy Thorpe.
* Voting support had been increasing since 1970.
* They did well in parts of Scotland and Wales and south-west England.
* Thorpe had to resign in 1976 after a scandal and was replaced by David Steel – the revival continued.
* The Liberals were especially good at ‘pavement politics’, tailoring policies to specific local issues.
* Their standing in the opinion polls shot up.
* They hoped to achieve realignment in British politics by changing the voting system, as it favoured the other two parties.
* But there was little chance the other parties would go along with this.
* The Liberals saw an alliance with the SDP as their best way forward.
* Relations between the two parties were often tense – there were differences between the two leaders, David Steel and David Owen.
* Even so, they seemed to have replaced Labour as the main Conservative opposition until mid-1982 and the ‘Falklands Factor’.

The Falklands Factor

* At the beginning of 1982, Thatcher was one of the most unpopular prime ministers in living memory.
* Unemployment was nearing 3 million – violent inner city disturbances caused concern.
* Although Labour was in crisis, support for the SDP-Liberal Alliance was growing fast.
* Conservatives genuinely thought it would be difficult to win the next election.
* Then the military regime in Argentina invaded the Falklands Islands – Thatcher responded with a full-scale military effort to recover the islands.
* This gamble could have gone catastrophically wrong but it was a complete success.
* This decision vindicated Thatcher’s bold leadership.
* A wave of patriotism spread around the country.
* There was lavish approval from most of the press, led by The Sun.
* Even most of Labour approved the recovery of the islands.
* Thatcher gained self-confidence and now began to dominate the Conservative party.
* The Falklands was a huge springboard for her election victory in 1983, but she also benefitted from the terrible weakness of the opposition.

The 1983 General Election

* The 1983 election witnessed the near-total collapse of the Labour party.
* 1951 – 14 million votes (49%) – 1983 – only 8.4 million votes (27%).
* Only 2% ahead of the SDP-Liberal Alliance.
* Conservatives had a landslide majority of 144 seats.
* The crucial factor in Thatcher’s victory was the lack of opposition.
* 1983 Labour election manifesto was just a collection of mostly left-wing promises – unilateral disarmament and abolition of fox-hunting – Labour MP Gerald Kaufman called it, ‘*the longest suicide note in history*’.
* Some of the potential SDP-Liberal support was taken away by the Falklands Factor.
* The result was an example of the distorting effect of the first-past-the-post system.
* The Alliance only got half a million votes less than Labour but 186 fewer seats.
* Anti-Conservative vote totalled 16 million, 3 million more than the pro-Conservative vote, yet Thatcher’s majority was 144.
* This shows that a divided opposition was more important than pro-Thatcherism.

Historical Debate

“The country feels in its bones when it is time for a change. It was just such a mood that determined the result of the 1979 election.” – John Cole, 1995 (BBC political editor)

Modern Britain 1983-90 – Politics & the Economy

The High Tide of Thatcherism

* The 1983 election victory liberated Mrs. Thatcher.
* The Falklands had boosted her prestige and most of the ‘wets’ in her party had now been marginalised – she was now a commanding leader of a team of Thatcherites.
* She had almost complete mastery of the press – her press secretary, Bernard Ingham, was hugely influential in securing favourable press coverage.
* In 1986, the Local Government Act abolished most of the local authorities set up by Heath – powers of the central government were greatly increased at the expense of local government.
* In the short term, this was a victory against the loony-left and Ken Livingstone, but it now meant the government had to deal with issues it usually didn’t have to worry about.
* Thatcher’s most dramatic victory however, was against the unions – this is often regarded as the defining event in her career.
* In 1981, a dispute was settled as the government was not ready for a confrontation.
* Now, in 1984, the government was fully prepared – laws passed in 1982 made strike ballots compulsory, huge stocks of coal had been built up and the flow of North Sea oil and gas made it much less likely that there would be an energy crisis like in 1973.
* Ian McGregor, chairman of the National Coal Board (NCB) had government backing to take a tough line.
* Arthur Scargill was a charismatic leader but did not gain full support for a national strike – his refusal to hold a strike ballot weakened his case.
* Miners who disapproved of his radical tactics started drifting back to work.
* Police played a key role – the disturbances in 1981 had given them a crash course in containing violent protests – they now had new equipment and better tactics.
* Thatcher’s critics blame her for the politicisation of the police – they were no longer impartial protectors of law but used to crush the miners.
* The key factor in the defeat of the NUM was Scargill himself – he did not win over the moderates and never got the support of the Labour leadership.
* Many felt sorry for the miners but it was easy for Thatcher to demonise them in the press for challenging a democratically elected government.
* Scargill’s all or nothing tactics made things worse – there would have been less pit closures if he had negotiated with the NCB.
* The result of the miners’ strike meant union power was drastically reduced.
* The ability of the union to intimidate the government was gone for good.
* The defeat of the miners played a large part in consolidating Thatcher’s popularity and authority.

The Divided Opposition, 1983-87

* After the heavy defeat in 1983, the new Labour leader, Neil Kinnock, was determined to move the party along the road back to political credibility.
* This was difficult as the party was weak and left-wing activists had great influence.
* Scargill’s leadership of the miners’ strike fuelled a lot of anti-Thatcher radicalism.
* After the collapse of the miners’ strike in 1985, Kinnock attempted to regain the initiative from the hard left activists in the party.
* By 1987, he had done a lot to restore party discipline – but even so, the Labour party suffered a heavy defeat.
* From this point, party modernisation was given high priority.
* Labour’s image became much more moderate with talented, younger politicians coming through such as Peter Mandelson, Gordon Brown and Tony Blair.
* By 1990, the party had progressed far enough to have serious hopes of winning the next election.
* The SDP-Liberal Alliance lost momentum – partly due to ideological differences and personal differences between the two Davids.
* They received 24% of the vote in the 1987 election – far from the 40% they achieved just before the Falklands.
* In 1988, the two parties formally merged to create the Liberal Democrats.
* The SDP began to shrink – they existed because Labour was a political mess, but as Kinnock made the party more moderate and modern, the SDP seemed to have no purpose or identity.
* Many MPs switched back to Labour – the Liberal Democrats remained a force in politics but hopes of breaking the mould faded away.

Thatcher and Northern Ireland

* Thatcher also battled against republicanism in Northern Ireland in the 1980s.
* IRA prisoners in the Maze prison in Belfast wanted ‘special category’ status.
* They went on hunger strike, led by Bobby Sands – in 1981, Sands was nominated for a by-election seat and won, but died a few days later.
* 9 more hunger protesters died before the strike was called off in October 1981.
* Thatcher claimed they were a defeat for the IRA as they did not get their goal of special category status.
* Bobby Sands and the other strikers became nationalist heroes and in 1983, Sinn Fein (political wing of IRA) president Gerry Adams won a parliamentary seat.
* This set out the long road that eventually led to the Good Friday Agreement of 1998.
* In 1984, the Brighton Bomb failed to injure Thatcher, but killed 5 others and caused outrage in Britain.
* November 1985 – Anglo-Irish Agreement – permanent intergovernmental cooperation signed.
* Led to a furious backlash on with atrocities on either side.

The British Economy, 1979-90

* A key aim of Thatcherite economic policy was denationalisation by privatisation.
* BP, British Aerospace, British Telecom, British Gas, British Airways, Rolls Royce and British Steel were all privatised between 1979 and 1988.
* It was a core belief of Thatcherism that the private sector was more dynamic and efficient than the public sector.
* Most privatised enterprises were sold off cheaply to ensure all shares were bought, but it still raised huge amounts of money for the government.
* Perhaps more than any other factor, the drive for privatisation marked the end of the post-war consensus about economic management.
* Thatcher was also enthusiastic about turning Britain into a ‘property-owning democracy’ through private ownership of homes.
* The Housing Act of 1980 gave the ‘Right to Buy’ to council house tenants.
* These policies were successful in that thousands bought their homes.
* On the other hand, shares in privatised industries were mostly bought up by big commercial people, rather than the ‘little people’, as the government had predicted.
* There was also deregulation, freeing the financial markets from the tight reigns of the Bank of England, in the form of the Big Bang of October 1986.
* Some blame this deregulation for the financial crisis of 2008, but it did restore London’s position as a world financial centre.
* In Nigel Lawson’s budget of 1987, the basic rate of income tax was cut from 29% to 27%, and down to 25% a year later.
* Personal pensions were introduced, encouraging people to save for themselves rather than rely on the state.

The Downfall of Margaret Thatcher

* The fall of Thatcher can be traced back to 1987, the year of her 3rd election victory.
* One problem was economic; the Big Bang of ’86 led to the stock market crash in ’87.
* Thatcher’s policies led to a rapid expansion of the economy (the ‘Lawson Boom’), but the result was a balance of payments problem.
* By 1990, inflation had risen to 10.9%, higher than it had been in 1980.
* Fear of inflation was one of the reasons Britain entered the Exchange Rate Mechanism (ERM).
* The second problem was political; Thatcher was beginning to become isolated as her most loyal members of government were pushed to the sidelines.
* In 1989, Thatcher’s use of Alan Walters as economic adviser angered Chancellor Nigel Lawson who resigned.
* She alienated Geoffrey Howe by moving him from the foreign office to a lesser post. He later resigned in 1990.
* Government turmoil was personified in the young and relatively inexperienced John Major who filled the 3 great cabinet posts in 18 months: chancellor, home secretary and foreign secretary.
* The third problem was self-inflicted: Thatcher wanted to replace financing local government through homeowners paying rates with the idea of individuals paying a new community charge.
* This proved bitterly unpopular with public opinion and the press.
* Thatcher was strongly advised to drop the scheme – she didn’t.
* There were anti-poll tax riots in London attended by about 200,000, with hundreds of rioters and policemen injured, and millions of pounds worth of damage.
* Government popularity in the opinion polls fell sharply.
* By 1990, the Labour party recovery under Neil Kinnock was evident.
* Conservative MPs were genuinely fearful of losing the next election – this was key as without these fears, no-one would have challenged Thatcher for leadership.
* She won the first ballot by 204 votes to 152 against Michael Heseltine, but this was not enough to rule out a second ballot.
* She was ready to fight on but spoke to her ministers one by one who each advised her to quit.
* Thatcher resigned as prime minister two days later.
* When Thatcher loyalists accused her cabinet of failing to support her, it was hard to ignore the fact that she had thrown away a lot of her loyalty beforehand.

The Thatcher Legacy

* Thatcher’s time in power was highly controversial.
* She polarised opinion then, and still does now.
* In actuality it was often her style that had a polarising effect, rather than her policies.
* She also did not disappear from the political scene immediately, but haunted it for the next 15 years.
* Below is a balance sheet for evaluation on her legacy:

|  |  |
| --- | --- |
| **FOR** | **AGAINST** |
| She enabled the Conservatives to have 18 years in power. | She enabled Labour to have 11 years in power. |
| She broke the excessive power of the unions. | She politicised the police and polarised society. |
| She played a key role in winning the Cold War. | She alienated Britain’s partners in Europe. |
| She restored national pride and prestige. | She caused unnecessary damage to Britain’s industrial base. |
| She made Britain a property-owning democracy. | She encouraged private greed at the expense of the public good. |

Historiography

“The price that was paid for her style of government was to wreck the Conservative party for 15 years.” – Chris Patten, 2004

“Had Labour not been disembowelling itself, and had a desperate dictatorship not taken a nationalistic gamble with some island sheep-farmers, her [Thatcher] government would probably have been destroyed after a single term.” – Andrew Marr, 2007

“The whole situation in the Conservative party today springs from that night when they dismissed the best prime minister Britain had had since Churchill.” – Denis Thatcher, 2005

“The curiosity about Thatcher is that she became more radical and fundamentalist out of office than she ever had been in.” – Chris Patten, 2004HHhHUh

Modern Britain 1975-90 – Society

Demographic Change, 1975-90

* 3 key factors affected demographic change in Britain after 1975:
  1. One was, as always, immigration
  2. The continuing shift of population from rural to urban areas.
  3. Sharpening of the north-south divide, as old, traditional industries contracted, leaving large areas of dereliction.
* Far fewer people were now employed in manufacturing – from 7.1 million (1979) to 5 million (1990).
* Economic activity shifted south and towards London.
* The population rose from 56 million (1975) to 58 million (1990) but growth was not always constant – population actually fell between 1975 and 1978, reflecting the economic and social background of the time.
* Immigration continued to be a source of concern – there was a steady flow of immigrants from the sub-continent (e.g. India and Pakistan).
* Sudden rush of immigrants from Bangladesh after it broke away from Pakistan in ’74.
* By the late 1970s, the Brick Lane area in London became known as ‘Banglatown’.
* The Thatcher government believed immigration was a growing problem and passed the Immigration Act in 1981.
* On the other hand, Britain could not have continued without the migrants’ contribution.
* Transport system, hospitals and hotel industry all heavily recruited workers from abroad.

Social Trends, 1975-90

The Social Impact of Thatcherism

**Impact of Privatisation and Sales of Council Houses**

* Thatcher put an emphasis on turning Britain into a property-owning democracy.
* Between 1979 and 1990, the number of individuals that owned stocks and shares trebled, from 3 million to 9 million.
* Privatisation made jobs less secure, as private enterprises sometimes cut back on staff – now long-term job security could not always be relied on.
* The Housing Act of 1980, giving the ‘Right to Buy’ to council house tenants, was hugely successful – by 1988, around 2 million had taken advantage of the scheme.
* One reason for this was that they were given huge discounts: the purchase price was much lower than on the open market.
* The 1980 Act is regarded as one of the most successful of all of Thatcher’s policies.
* On the other hand, the ‘Right to Buy’ had many consequences.
* The sale of most council housing was in better-off areas and did not have a big impact in less desirable estates.
* Councils were ordered to use profits to reduce debts, not build new houses.
* Subsequently, waiting lists for rented homes got longer – many were housed temporarily in B&Bs which was expensive for the councils.
* Such problems caused ‘Right to Buy’ to be terminated in Scotland in 2005.

**Impact on Communities of Industrial Disputes**

* By 1975, local wildcat strikes became much more common.
* Union bosses were losing control and came under pressure from younger radical activists.
* The public sector strikes in the winter of discontent were a symbol of these changes.
* The role of unions became constrained as employers tried to keep union members out of their workplaces.
* Newspaper proprietors went all out to reduce power of the print unions, led by press baron Rupert Murdoch.
* Workers found their skills not in demand as they were replaced by mechanisation.
* The defeat of the NUM reduced the influence of the whole union movement.
* Old certainties of the working class were being eroded away, as was their way of life in their communities.
* There was high male unemployment; in many homes, women became the main breadwinner.
* There were also increased problems of ill health, depression, alcoholism and drugs.

The Miners’ Strike, 1984-85

* Arthur Scargill launched the miners’ strike to prevent downsizing of the coal industry
* There were numerous confrontations between miners and the police.
* The biggest battle was the Battle of Orgreave in the early phases of the strike.
* The outcome of Scargill’s attempt to prevent pit closures was an utter failure.
* Coal industry employment fell from 200,000 (1979) to 60,000 (1990) and still falling.

**The Social Impact of the Miners’ Strike, 1984-85**

* A myth about the coal industry was the fierce loyalty and solidarity between miners – in fact, there had always been intense regional rivalries within the NUM.
* The strike launched in 1984 was never genuinely a national strike – no national strike ballot was ever held.
* The important Nottinghamshire coalfield with about 30,000 miners refused to join and eventually formed a moderate breakaway union, the Union of Democratic Mineworkers (UDM).
* Scargillites accused the UDM of being traitors; the UDM accused Scargill of caring more about hard-left politics than the interests of the miners he was leading.
* The last months of the strike were particularly demoralising.
* There was a steady drift back to work while hard core strikers relied on charitable handouts.
* The failure of the strike almost certainly made the pit closure programme happen quicker than it would have done.

The Emergence of Extra-Parliamentary Protest Movements

* From 1958, the biggest protest movement in Britain had been the Campaign for Nuclear Disarmament (CND).
* It was given a new lease of life by Thatcher’s policy of deterrence and stepping up the arms race against the USSR.
* But there were many other protest movements that tried to involve people in direct action – this reflected the polarisation of attitudes in response to Thatcher.
* There was also a widespread perception that the lack of political opposition had to be filled by direct action.
* The Church of England, often seen as part of the Establishment, intervened in the public debate over social breakdown.
* The document *Faith and the City* produced in 1985 was seen as a criticism of Thatcher’s government and was seen as ‘interfering in politics’.
* The increase in direct action saw the Animal Liberation Front switch from non-violence to ‘ecoterrorism’ from 1982.
* There were arson attacks on pharmaceutical companies that tested on animals, and letter bombs were sent to public figures, including Thatcher.
* Support for environmental groups like Greenpeace and Friends of the Earth went up.

**Pacifism and Feminism: The Greenham Women**

* In 1979, the decision was taken to put American Cruise missiles at bases in Britain.
* The CND organised a mass protest in reaction to this.
* The epicentre of the protest was RAF Greenham Common in Berkshire.
* In September 1981, a group of women set up a camp outside the Greenham base.
* Other women joined as it became a focal point for feminism as well as pacifism – the camp remained in place for 19 years.
* In April 1983 when the missiles where scheduled to arrive, a 14 mile human chain of protest was set up.
* The Greenham women attracted a lot of publicity and boosted the role of feminism in the protest movement.
* In 1984, the Newbury Council evicted the women and demolished the camp – the women came back after dark and rebuilt it.
* It remained a powerful symbol during the 80s and beyond.
* The Cold War ended with the fall of the Berlin Wall in 1989, and in 1991, the Cruise missiles were shipped back to America – the camp kept going.
* It was finally closed in 2000 – direct action by women now became a cause in itself.

**The Anti-Poll Tax Riots**

* Thatcher was determined to reform the financing of local governments, moving away from rates and towards a community charge paid by individuals.
* It was seen as extremely unfair as everyone was liable to pay the same amount, no matter how wealthy they were.
* Thatcher was determined to push it through despite being advised to drop the policy
* A huge demonstration was planned in 1990 in Trafalgar Square.
* Around 200,000 to 250,000 turned up – only 60,000 were expected to attend.
* The square got overcrowded and fights and scuffles broke out.
* The disturbances escalated into a major riot.
* Nearly 5,000 were injured, mostly rioters, but numerous police officers too.
* Cars were set on fire and shop windows were smashed, followed by mass looting.
* Over 300 were arrested – the police were seen to have lost control.
* There were criticisms about the politicisation of the police.

**Protest in Culture and Media**

* There were new, more aggressive trends in the media.
* There was also a sense that culture had to fill the gap in opposition to Thatcher.
* Plays were produced, attacking the culture of selfishness and greed encouraged by Thatcherism.
* *Spitting Image* and *Private Eye* continued a barrage of satire, mostly (but not quite always) critical of Thatcher.

Historical Debate

“The over-mighty position of the trade unions, which had been encouraged by the Labour governments, was overturned by the fierce anti-union policies of the Conservatives in the 1980s.” – N. Davies, 1996

Modern Britain 1975-90 – Foreign Policy

Empire and Commonwealth, 1975-90

* When Thatcher came to power, Iain Smith was almost ready to give up in Rhodesia.
* He could no longer rely on support from South Africa and Portugal.
* Thatcher’s foreign secretary, Lord Carrington, had the skill to negotiate a settlement.
* Smith was forced to accept defeat and Zimbabwe-Rhodesia was granted independence in 1980, led by nationalist Robert Mugabe.
* The issue of what to do about apartheid in South Africa caused many rows in the Commonwealth and Thatcher was often accused of not having put enough pressure on South Africa.
* Resolving the issue of Rhodesia was a big step towards disposing of Britain’s imperial legacy – the problem had been running on since 1965.

The Falklands War

* Ownership of the islands had been contested with Argentina since 1817.
* It was not of strategic importance and foreign office officials were prepared to negotiate with Argentina over the islands – the islanders were keen to remain British
* In 1981, HMS Endurance was removed from the South Atlantic – there was now no British naval presence guarding the islands.
* In the midst of an economic crisis, and seeking popularity, the military regime in Argentina saw this as a sign Britain would let the islands go, and they invaded.
* The government faced a dilemma – winning back the islands by force would be difficult and dangerous.
* Many governments would have looked for a diplomatic solution.
* Thatcher’s response was to immediately send a naval task force to reclaim the islands and give the islanders the right to self-determination.
* In hindsight, this decision was the making of Thatcher, sending her approval sky high in the opinion polls.
* Rolling TV coverage showed huge and patriotic crowds giving the fleet a send-off.
* The headline in US magazine *Newsweek* was ‘*The Empire Strikes Back*’.
* Efforts were made to get the Argentines to accept UN Resolution 502, but this failed.
* The US gave crucial support (unlike Suez in 1956) in the form of military bases – battles could not be fought 8,000 miles from home without these.
* The Falklands War strengthened the special relationship and personal ties between Thatcher and Reagan.
* On May 2nd, Argentine ship *General Belgrano* was sunk – there was now no chance of a peaceful settlement.
* Shortly after British troops landed on May 21st, Argentine forces surrendered on June 14th.
* Thatcher’s critics argued that the islands would go to Argentina sooner or later, so why fight a war now?
* It had a massive psychological effect – the country now had a lot of national pride.

Britain and Europe, 1975-90

* The 1975 referendum did not settle the issue of Europe.
* By 1990, Britain’s relationship with Europe was still unsettled.
* Thatcher’s political style ruffled the consensus politics of other European leaders.
* Her first priority in Europe was to secure a better deal in contributions to the EEC.
* Britain was paying much more than it was getting back in benefits to the EEC.
* Thatcher’s campaign eventually resulted in a rebate in 1984.
* It played well with her supporters at home but irritated other European leaders.
* Thatcher established a good working relationship with French president Francois Mitterrand – they cooperated closely on the Channel Tunnel project, agreed in 1986.
* In her last years in power, Thatcher seemed to associate herself with negative perceptions of Europe.
* Thatcher’s speech in Bruges in 1988, though it intended to be positive, contained provocative statements that infuriated other European leaders.
* Her speech was opposed to collectivism in Europe but was keen to emphasise trade association between member states.
* Some thought that collectivism was where Europe should have been going.
* Another factor driving a wedge between Thatcher and other European leaders was her bad relationship with German chancellor, Helmut Kohl.
* They had many policy areas that they shared, but personality clashes were an issue.
* Thatcher had a tendency to point out that the Anglo-American alliance had to rescue Europe twice from German aggression.
* As German reunification came closer, Thatcher’s fears of a German dominated Europe intensified.
* In 1999, Thatcher was snubbed and not invited to the anniversary of the fall of the Berlin Wall.

Britain and the End of the Cold War

* In the late 1970s, after the Vietnam War the West seemed to be losing the Cold War.
* When Soviet forces invaded Afghanistan in 1979, it was thought to be a serious threat to Western interests.
* In reality it was a disaster that drained away the last of the Soviet military might – Soviet archives released in 1991 showed them to be hopelessly militarily overstretched from the early 1980s.
* By 1990, the Berlin Wall had fallen and Germany was reunified – the West had won the Cold War.
* Thatcher was widely praised for this in her strong support in the 1980s for deterrence and winning the arms race.
* Thatcher’s foreign policy was founded on reviving the special relationship weakened by the Vietnam and Yom-Kippur wars.
* There was a major war scare in 1983 when Soviet jets shot down a Korean passenger that strayed in Soviet air space.
* Cruise missiles were stationed in Europe and this all caused serious tensions between the Soviet Bloc and the West.
* It has been argued that the outcome of the Cold War was decided by the high levels of defence spending by the West that the USSR simply could not match.
* For this, Thatcher deserves some credit.
* Another view was that Mikhail Gorbachev was important in ending the Cold War.
* He was fast to negotiate and carry through reforms in order to end the Cold War as he knew that it was important to reform the USSR.
* Margaret Thatcher fell from power in 1990 and left a divisive and controversial legacy.
* But for the newly independent states of Eastern and Western Europe, Thatcher deserved nothing but admiration.

Historiography

“We have ceased to be a nation in retreat. We have instead a newfound confidence – born in the economic battles at home and tested and found true 8,000 miles away.” – Margaret Thatcher, June 1982 (after victory in the Falklands).

Modern Britain 1990-97 – Politics and the Economy

The Conservative Government under John Major

* Major’s emergence as Thatcher’s successor in 1990 was a surprise to most of the Conservative party – he was relatively unknown until he succeeded Geoffrey Howe as foreign secretary in 1989.
* The party he led was now in shock – there was hostility, especially towards Michael Heseltine from right-wingers who thought he (and others) had betrayed Thatcher.
* One reason for Major’s rise was that Thatcherites saw him as ‘one of them’, someone most likely to be loyal to the Thatcher legacy.
* This was not especially accurate – his main aim was to unify the party.
* Major’s main assets seemed to be calm temperament and avoiding making enemies.
* The Conservative soon jumped ahead in the opinion polls and the tone of the national press was very positive.
* Major showed his desire for party unity with a careful balance in his cabinet, with people from both sides of the party appointed to key posts.
* His first big tasks were foreign affairs and Europe.
* Britain was fighting the Gulf War, and it reached a successful conclusion in 1991.
* His speech at Bonn, to put Britain ‘at the very heart of Europe’ was well received.
* Major faced an uphill task in negotiating the Maastricht Treaty, designed to reform structures of the European Community.
* It was tough negotiating with the other leaders, but even harder selling the deal to the public and press at home.
* The treaty was signed in February 1992 – Major’s skilful diplomacy secured opt-outs from the single currency and the Social Chapter.
* In domestic politics, the first big issue was the poll tax that badly hurt Thatcher.
* Many wanted Major to scrap it immediately, but this risked splitting the party.
* It was not until November 1991, after lengthy discussions, that the tax was removed.
* This meant admitting that it cost £1.5 billion in attempts to implement the tax which failed, but it meant that he dropped a very unpopular policy.

The British Economy, 1990-92

* Major inherited a difficult economic situation in 1990 – there were problems of a recession following the ‘Lawson boom’ of the late 80s.
* Unemployment and the collapse of the housing market were the most painful parts of the recession.
* Unemployment rose from 1.6 million (mid-1991) to 2.6 million (1992).
* Many homeowners were trapped in negative equity (they had to repay more than their homes were currently worth) – many had their homes repossessed.
* With an election imminent, Major’s government resorted to high public spending.
* Half of this was forced by the huge unemployment, but huge government borrowing was used on transport and increased spending on the NHS.
* Most government are tempted into large spending before an election, especially as in Major’s case, with the Labour revival, there was a high possibility of defeat.

The Conservative Election Victory, 1992

* By 1992, Labour was winning back many of the voters who had deserted them.
* The decision to call an election was left until almost the last possible moment, in March 1992.
* Opinion polls placed the Conservatives at 29%, with Labour ahead at 41% and the Liberals with 15% - most predicted a Labour victory.
* However, towards the end of a very long election campaign, the polls swung back in favour of the Conservatives – a close victory was predicted by 303-298 over Labour.
* The real margin of victory was more decisive: 336 seats to 271 seats.
* In 1992, Labour weaknesses mattered as much as Conservative strengths.
* Kinnock was accused of over-confidence and John Smith was blamed for taxation commitments that scared off the middle class voters.
* Major won a lot of respect for his ‘soapbox politics’ – making impromptu speeches in town centres standing on his soapbox.
* Many still blamed the Conservatives for the recession, but they did not think Labour had yet reformed enough to lead; memories of the 1980s divisions were strong.

‘Black Wednesday’ and its Impact

* In September 1992, Major’s time in power was badly blown off course by a mixture of financial crisis and internal party divisions over Europe from which he never fully recovered.
* The turning point was Black Wednesday, on 16th September 1992.
* Britain had joined the Exchange Rate Mechanism (ERM) in October 1990 – Thatcher did not want to but was persuaded by her foreign secretary, Douglas Hurd, and her new chancellor, John Major.
* The ERM required Britain to maintain a fixed exchange rate of 2.95 German marks to the pound.
* By September 1992, the British currency (and other ERM currencies) was coming under pressure.
* The pound was trading at a low level, close to the minimum allowed of 2.77 marks.
* The day began with speculative selling of the pound on financial markets.
* Major was determined to avoid devaluation and stay in the ERM, and so interest rates were raised to 12% (they were already high at 10%).
* Dealers continued to sell the pound.
* Later in the same day, interest rates were again raised by the chancellor, Norman Lamont, this time to 15%, hoping to persuade foreign investors to buy the pound.
* The Bank of England spent huge amount of its reserves buying up pounds.
* These increasingly desperate attempts to prop up the pound all failed as it continued to sink.
* Major was forced to give up the struggle and withdraw from the ERM.
* The Conservative reputation for economic competence was destroyed.
* Major’s government was savagely criticised by opposition leaders and the press.
* There was a steep drop in the opinion polls for the Conservatives and the Eurosceptics in the party were strengthened.
* The effects of Black Wednesday on the economy were much less catastrophic than feared – the economy recovered in a relatively short time.
* It could be said that leaving the ERM had as many positive effects as negative ones.
* Major’s authority was weakened and Labour was 17% ahead in the polls.

The British Economy, 1992-97

* The economic situation began to improve almost immediately after Black Wednesday.
* Unemployment rates slowed down and the housing market began to pick up.
* From 1993, economic recovery accelerated – government borrowing was reduced as inflation came under control.
* One factor in this was Kenneth Clarke, who replaced Norman Lamont as chancellor in 1993.
* He took over at a time when the American economy was coming out of recession and world trade was expanding.
* The British economy was doing better than foreign competitors due to deregulation – in contrast, Germany was struggling with the huge costs of reunification.
* A theme of economic policy in the mid-1990s was privatisation – the coal industry was privatised in 1994 and railways in 1996.
* By 1997, most economic indicators were positive – car ownership, consumer spending, house prices and productivity all rose.
* The economy was in as good a situation as in any election year since 1959.
* But many did not give Major credit for this – the ‘feel good factor’ was missing.

John Major and the Issue of Northern Ireland

* This was an undoubted success for John Major.
* From 1993, the government received secret messages hinting that Sinn Fein was ready to discuss a peace settlement.
* A plan was produced to resolve a conflict that seemed insoluble.
* Major had a small parliamentary majority and was sceptical of the IRA’s sincerity, but went ahead nevertheless.
* Major was regarded with suspicion by the political leaders in Belfast and the republican side in Northern Ireland were hostile to the untrustworthy British.
* Progress in the peace process was helped by Major’s good working relationship with the prime minister of Northern Ireland (the **Taoiseach**), Albert Reynolds.
* They went public in 1993 with their Downing Street Declaration.
* The IRA announced a ceasefire in 1994.
* Getting a final agreement was difficult – the IRA went back to violence and attacked Downing Street and Canary Wharf.
* But the peace process continued – when Blair took over from Major in 1997, the framework was in place for the Good Friday Agreement of 1998.

Growing Internal Divisions in the Conservative party after 1992

* Despite his election success in 1992, Major came under fire from sections of his own party.
* Many right-wingers pushed for more radical social policies.
* Politicians with leadership ambitions saw a chance to further their claims.
* Eurosceptics saw an opportunity to push Britain to the edges, or even out of, Europe.
* His achievements were drowned out by battles against his own party and a sea of infighting and political setbacks.
* Sustained economic recovery and progress on Northern Ireland received no support.
* Between Black Wednesday and the 1997 election, Major suffered a slow political death.
* Whenever he appeared to be on the road to recovery, political disasters occurred.

**Satire**

* Major was an easy target for satirists and cartoonists such as *Private Eye* and *Spitting Image*, where he was portrayed as the Grey Man.
* The satire was not vicious and Major remained personally popular, but the image of him as a well-meaning but bumbling and inadequate leader stuck to him.

**Sabotage**

* There were increasingly anti-Europe elements in Major’s party.
* His attempt to get the Maastricht Treat ratified in 1993, were blocked by rebel MPs – he won the vote in the end but his authority was damaged.
* Speculation of a leadership challenge further undermined him – Major reshuffled his cabinet in 1994 but this had little effect.
* Eurosceptics felt free to express active opposition to Major.
* By 1995, Major felt so insecure that he called a leadership election so he could be re-elected to his own job.
* This had never happened before – a sitting prime minister calling a leadership election for those in his own party to challenge him.
* Major won easily with 218 votes to 89 for John Redwood.
* One deadly cause was the ‘back-seat driving’ of Margaret Thatcher.
* She encouraged the Maastricht rebels, demanding a referendum to approve the treaty.
* Her memoirs, published in 1993, were lukewarm about Major and she gave her support to John Redwood in the leadership election of 1995.
* She often reminded people what a dynamic leader she was compared to Major.
* In the run up to the 1997 election, her comments seemed to show more approval for Tony Blair than John Major.

**Sleaze**

* Press became more intrusive and sensationalist.
* All kinds of incidents were lumped together as ‘Tory sleaze’.
* Many were about sex, such as the scandals that caused the resignation of two cabinet ministers (David Mellor and Tim Yeo) and some minor backbenchers.
* Some were about corruption – the Scott enquiry set up by Major to investigate illegal arms dealing proved two government ministers had broken the rules and lied.
* Most governments run into these kinds of problems but the sensationalist press made it much worse for John Major.
* To make matters worse, every setback was ruthlessly exploited by the opposition.

The Revival of the Labour Party, 1990-97

* When Neil Kinnock replaced Michael Foot as Labour leader in 1983, they were in danger of being marginalised by Thatcherism and the rise of the SDP.
* He played a big part in dragging Labour back to the political mainstream.
* He took on the extreme left represented by Military Tendency and the Bennites.
* After heavy defeat in 1987, he reorganised the party further and moved its policies towards the centre ground.
* Some blame him for losing the 1992 election after being ahead in the polls, but the Labour he left was infinitely stronger than it had been in 1983.
* Kinnock’s successor was John Smith.
* After the troubles of Black Wednesday, Smith seemed ideally suited to lead Labour to victory.
* His death from a heart attack in 1994 at just 51 was a shock to the whole nation.
* It is debated how Labour would have done had Smith not died – some say he would have achieved all Blair did and more, others say he was innately too cautious.
* From the beginning Blair wanted a dramatic shift in policy to show how Labour was breaking with its past.
* The ‘One Member One Vote’ (OMOV) removed the trade union block vote at Labour Party conferences in 1993, reducing their power.
* The second big reform was the abolition of clause four which was Labour’s commitment to state owned industries.
* This gave Blair the modernising image he wanted.
* Party unity and discipline were given high priority – the danger of a divisive leadership contest was avoided between Blair and Brown when the two agreed for Blair to be leader and Brown to be close policy expert – Blair would step down at some point and give the power to Brown.
* In the past, the Conservatives had always outmatched Labour in campaign funds and support from the national press.
* Overcoming this was possibly the most important factor in Labour’s success in 1997.
* Alastair Campbell used his media contacts as a former journalist to change press relations with the Labour party.

The 1997 General Election

* Although the opinion polls during the election campaign showed a large Labour lead, many feared the power of the Tory campaign machine.
* In the election, they won by a landslide with a record 179 seat majority.
* Many ‘safe’ Conservative seats like Harrogate proved not to be safe at all.
* A relatively unheard of candidate, Stephen Twigg, beat one of the Conservative ‘big beasts’, Michael Portillo.
* The Conservatives got 31% of the vote, their lowest share since 1823.
* They had only 165 seats in Parliament (Labour had 418), with no seats in Scotland.
* The Tories could not longer frighten voters from Labour’s social extremism.
* Blair was a skilful communicator, presenting an air of moderation that won over Middle England and the women vote that was traditionally pro-Conservative.
* Gordon Brown had done a lot to convince people of Labour’s new economic competence.
* The Labour campaign was run by a disciplined ‘spin machine’ that was incredibly effective in dealing with the press and media, both in refuting Conservative attacks and selling Labour policies.
* There was widespread tactical voting, with Labour supporters voting Liberal and vice-versa according to how the anti-Conservative vote could be maximised.
* This resulted in the election of many new Liberal MPs and secured the defeat of many Conservative candidates by their Labour opponents.
* The result ended 18 years of opposition for Labour and left the Conservatives in a black hole of unpopularity, destined for years in the wilderness.

Historiography

“The Major Years produced a strong economic record…In foreign policy, the Major government adapted smoothly to the post-Cold War world, with a clear appraisal of priorities and capabilities. It was a better legacy than most governments leave.” – A. Seldon, 1997

“What defeated the Tories in 1997? The ‘feelgood factor’, or the lack of one, was part of it. New Labour shamelessly wooing the middle class was another part of it.” – J. Critchley & M. Halcrow, 1998

Modern Britain 1997-2007 – Politics & the Economy

The First Blair Government, 1997-2001

* New Labour arrived in Parliament in very favourable circumstances.
* Blair was offering Britain a new consensus that he called the Third Way.
* The economic circumstances were good – press coverage was positive.
* The government basked in the glow of almost universal goodwill.
* But again, the first-past-the-post system distorted the results.
* Labour received 43% of the vote which came from a low turnout – this was 500,000 less votes than Major received in the 1992 election.
* Tory voters staying at home also played a large part in this.
* Expectations of the new government were very high – Blair’s government did a lot to whip up these expectations.
* A lot was made of being ‘tough on crime, tough on the causes of crime’.
* The slogan ‘Education, education, education’ was the signature of the government.
* There was a commitment with the Liberal Democrats to work on a new, fairer voting system, with Roy Jenkins at the head of a Commission for Electoral Reform.
* The government was well prepared for power but did not achieve as much as they had promised – something Blair admitted later in his career.
* Some say, including Blair, that they acted too cautiously with too much fear of the popular press.
* Many Labour MPs had been in opposition so long that they thought like the opposition.
* But Blair’s first government did have successes.
* He was the first Labour prime minister to win a second full term in office.
* He was exceptionally good at massaging public opinion – for example, when Princess Diana died in 1997, his statements about ‘the People’s Princess’ captured the public mood.
* Labour succeeded in its aim to be trusted with the economy.
* Gordon Brown’s decision to hand over control of interest rates and inflation targets to the Bank of England is regarded as a masterstroke.
* Inflation was coming down and employment was rising.
* Living standards of the middle class were rising, partly due to the housing boom.
* The success of the Northern Ireland peace process was a personal triumph for Blair.
* Although much of the groundwork had been laid by John Major, Blair’s personal commitment was vital also to the Good Friday Agreement of 1998.
* Many people regard this as Blair’s greatest achievement.

Constitutional Change

* The Northern Ireland peace process was part of a range of constitutional changes, including devolution to Scotland and Wales.
* A new Scottish Assembly was set up based on a system of proportional representation.
* A Welsh Assembly was also set up in Cardiff, but without tax-raising powers.
* The introduction of an elected mayor for London in 1999 was another reform.
* A Freedom of Information Act was passed and the European Human Rights Act was incorporated into British law.
* This rush of activity had mixed results.
* Scottish devolution did not stop the Scottish Nationalists (SNP) gaining support as Blair had hoped.
* The House of Lords reform was seen as unsatisfactory by most.
* Schemes to reform the electoral system got nowhere and were shelved.
* The mayor of London was very successful but left-wing maverick Ken Livingstone who had led the GLC in the 80s got the job – just about the last person Blair wanted.
* Blair was frustrated by the failures to implement his ambitious policy programme.
* He showed this in January 2001 when he promised a huge increase in public spending and set up a special delivery unit to ensure that it happened.

The Labour Government, 2001-07

* Many believed Labour had achieved less than it should have by 2001, but in the 2001 election, Labour still won with a huge 166 majority.
* The press was still on Blair’s side and the rise in support for the Liberal Democrats continued to take away Conservative votes.
* The economic situation remained good, especially for the middle classes.
* The Conservatives were still struggling with internal problems under their young leader, William Hague.

The Conservative Party – continuing internal divisions

* Major resigned immediately after his defeat in 1997.
* He did not wish to continue leading such a divided and rebellious party.
* From 1997 to 2005, through two more election defeats and four different leader changes, the party continued to fight its internal war.
* So many MPs had lost their seats or retired since 1997 that the party was half the size of John Major’s in 1990.
* The party was now even more Eurosceptic than before.
* There was more campaigning to ‘stop Heseltine’ or ‘stop Clarke’ than there was to rally around a new leader.
* William Hague was young (36) and inexperienced with no power base, but he won because he had fewer enemies than his rivals and he was Thatcher’s preferred choice.
* By 2001, Hague retreated to right-wing policies to shore up the core Conservative vote.
* The outcome was another crushing defeat – the Conservative party faced a steep decline unless they underwent drastic change.
* After Hague’s resignation in 2001, the strongest candidates were Ken Clarke (still highly popular with voters) and Michael Portillo who promised to make the party more modern and inclusive.
* The party instead chose the little-known Iain Duncan Smith.
* This choice seemed to demonstrate that the Conservatives had a death wish similar to Labour between 1979 and 1983.
* The fact that the party removed Smith in 2003 and replaced him with Michael Howard showed that they had woken up to this fact.

**Conservative Recovery**

* In 2005, the Conservatives suffered a third successive defeat, but it was probably less than if Iain Duncan Smith had remained as leader.
* The difference this time was that they decided to learn from the lessons of defeat and make changes.
* After Howard lost the election, David Cameron became party leader.
* He promoted the party as a rejuvenated, united party, more representative of the country as a whole and less obsessed with the past.
* The Labour party found it difficult to attack Cameron as he was similar to Blair.
* They attacked him for having made vague promises without spelling out the costs, but they had done the same thing since 1997.
* By the time Blair left office in 2007, the Conservative Party had recovered much of the ground lost since 1992.

The Political Impact of the War in Iraq

* This was the defining issue of Blair’s second term in office.
* It aroused bitter opposition to Blair from those who had previously supported him.
* The events of September 11th 2001 dramatically changed Blair’s thinking – he was convinced global terrorism was a deadly danger.
* Blair’s closeness to US president George W. Bush was a domestic issue due to the hostility against Bush within Britain and Europe.
* Many argued it would be an illegal war without full backing from the United Nations.
* Public polls showed that most supported Blair, but there was a large and vocal minority who did not believe the war was necessary or morally justified.
* In September 2002, a dossier was published to show urgent danger from Saddam Hussein’s weapons of mass destruction (WMD).
* The dossier backfired as it did not convince people as they thought the threat was overrated.
* There were claims that the dossier had been ‘sexed up’ for political purposes.
* If WMDs had been discovered in Iraq, all of this would have been unimportant – none were ever found.
* Some said that Blair knew this and that it was deliberate deception.
* This was untrue – Blair genuinely believed in the WMD evidence.
* The tragic suicide of Dr. David Kelly (a weapons expert at the Ministry of Defence) after he was grilled in parliament and pursued by the press dominated the news and rocked the government.
* An enquiry by Lord Hutton eventually absolved the government from blame and criticised the BBC but this did not alter the public mood of cynicism.
* Saddam was quickly overthrown but British and US forced got bogged down in a war of occupation.
* There were cases of human rights abuse by US and British troops.
* The situation began to improve in 2006 and there were hopes that troops could start to come home, but the unpopularity of the war remained for the rest of Blair’s time in office.

**The ‘Wobble’, 2004**

* There was a brief wobble in Blair’s authority in 2004.
* There was a backbench revolt against top-up fees for university students.
* The relationship with Gordon Brown was going badly.
* There was press speculation that Blair might resign before the next election.
* In the end though, the ‘wobble’ was no more than that.

The British Economy: Labour’s Economic Policies and their Impact

* Initially, economic priorities were to keep inflation low, keep government spending under control and to prove to Middle England that Labour was pro-business.
* All this was achieved – Brown’s tax policies enabled Labour to get away from its previous image as a ‘tax and spend’ party.
* From the 2001 election, Brown’s policies became more adventurous, with a massive injection of money into public services.
* Increases in investment were reflected in new schools and hospitals and pay rises for doctors, nurses and teachers.
* Critics argued that public spending and government borrowing were too high.
* By 2007, Gordon Brown had completed an unprecedented 10 years as chancellor.
* Throughout this time, inflation was kept low and record numbers of people were in work.
* Living standards remained high and the consumer economy boomed.
* On the other hand, economists warned that the consumer boom was based on ever-rising house prices and high levels of credit card spending and personal debt.

The Departure of Tony Blair

* Blair had always promised to leave 10 Downing Street at a time of his own choosing.
* By mid-2006, pressure was mounting for him to step down – Brown and his supporters were becoming impatient.
* Opposition to Blair over Iraq was still strong.
* Many elements within the Labour party were keen to return to ‘Old Labour values’.
* There was speculation that if Blair did not go soon, his party would mount a coup.
* Blairite loyalists pressured him to stay to protect New Labour’s legacy.
* Blair himself wanted to stay as he felt he had only just got going after a slow start.
* But Blair’s position had weakened – by 2007, many leading Labour politicians (Peter Mandelson, Robin Cook, and David Blunkett) had left the government.
* The political partnership between Blair and Brown was breaking down.
* Speculation of a coup in 2006 prompted Blair to announce that he would step down within a year.
* He went on a round of furious activity, at home and abroad, to make the most of the Blair legacy.
* He finally resigned as prime minister in June 2007.
* Gordon Brown was elected unopposed as Blair’s successor.

The Blair Legacy

* It is difficult to judge contemporary history so soon.
* Below is a balance sheet for evaluation on Blair’s legacy:

|  |  |
| --- | --- |
| **FOR** | **AGAINST** |
| There was sustained economic prosperity and stability | He was lucky to inherit a favourable economic situation – government debt was high by 2007 |
| He achieved a historic peace settlement in Northern Ireland | His later attempts to mediate peace in the Middle East failed |
| He played an important leadership role in Europe | His drive for identity cards and greater powers for the police undermined civil liberties |
| He was a world statesman, giving a strong lead on issues like Africa and climate change | His strengths were in presentation – the practical results did not always match up |
| His policy of ‘liberal interventionism’ helped bring stability to the Balkans | The invasion of Iraq was a disastrous error |

Historiography

“…the fact that inequalities and poverty have declined somewhat, and not worsened as they quite often tended to do under Thatcher, reflects the impact of Brown’s measures to provide more support for low income families.” – P. Sinclair, 2007

Modern Britain 1990-2007 – Society

Demographic Change

* By 2007, immigration had risen to the top of the public agenda.
* Pressure groups and the national press claimed the swelling of the population through immigration was a problem requiring urgent attention to protect the ‘British way of life’.
* In the 2001 election, only 3% thought immigration was a vital issue; this increased to 30% by 2007.
* There were worries that the population was rising too fast, that the country was full up and that there would be rising community tensions as a result.
* Demographic change involved more than immigration though.
* People were living longer due to better living standards and medical care.
* There was a massive increase in ‘single-occupiers’ (people living alone).
* In Scotland and parts of the old industrial north, the population was falling.
* Governments attempted to counter this by granting funds for regeneration and by relocating government departments out of London.
* Regeneration projects had considerable success in cities such as Birmingham, Glasgow and Leeds – they benefitted from new museums, art galleries and housing.
* But London continued to attract the most economic growth during the years of prosperity from the early 1990s to 2007.

The greying of Britain

* One fundamental population trend was the changing age of the population and the vast increase in life expectancy.
* The average age of Britain rose from 37 (1997) to 39 (2007) in just ten years.
* In 2007, for the first time in history, there were more people of retirement age in Britain than under 16s.
* This stemmed from the baby boom after 1945 – they had now reached retirement age.
* The percentage of the over 80s population doubled in just 20 years.
* This ‘greying of Britain’ was having important social consequences – there was a surge in demand for medical treatments for the elderly.
* NHS hospitals and nursing homes struggled to cope with the rising demand for long-term care and the steep rise in cases of dementia.
* Pensions became a major political issue – the costs of both state and private sector pension schemes skyrocketed.
* The ‘grey pound’ was also a big factor in social and economic change.
* A new generation of retired people had more disposable income than previous generations.
* The advertising industry was quick to target these consumers.
* Less fortunate pensioners had to struggle with ‘fuel poverty’ (needing more than 10% of their income to pay for energy costs, particularly heating).

The end of the countryside?

* The shift from the countryside into towns and cities can be traced back to well before 1945.
* In the 1990s, its impact on society became an urgent public concern.
* In 1951, half the population lived in rural or semi-rural areas.
* By 2000, only 3% of the workforce was employed in agriculture.
* Younger people had to move as they could not afford the house prices paid by commuters and owners of second homes.
* In 2001, a massive outbreak of foot and mouth disease led to the mass slaughter of cattle – much of the countryside was closed down.
* The ban on hunting by Labour aroused deep opposition from some.
* Many felt Blair was unsympathetic and urban-oriented.
* There were efforts to help and promote country life, but these made a marginal difference.
* By 2007, Britain was a more urban country than ever before.

Migration

* The rapid expansion of the EU opened the way for people from Central and Eastern Europe to move to Britain.
* Numbers of new arrivals increased rapidly, sometimes placing strain on local communities and authorities.
* Inward migration came from traditional places; New Commonwealth countries like India and Pakistan, but also from places with violent uprisings like Somalia and Iraq.
* Other migrants were skilled workers and professionals, those who had families already in Britain, foreign students at British universities and people from new EU states between 2004 and 2007.
* There was also an increase in outward migration as people went abroad for employment opportunities or properties they had bought abroad.
* Many ‘guest workers’ came from the countries who had just joined the EU, especially Poland – they were not really immigrants but the press gave them all this label.
* Newspapers associated migrants with crime and driving down wages by accepting lower-paid jobs.
* There was concern that social cohesion might break down and public services would be overstretched.
* Most economists argued that they were a net gain to the economy.
* Many migrants also returned home: one third of those from Poland did so.

Was Britain an integrated, multicultural society in 2007?

* By 2007, the effects of ethnic diversity were more noticeable.
* Mosques were a familiar feature of towns and cities.
* Some took pride in the progress made towards a genuinely multicultural society.
* There were continued complaints that police forces were institutionally racist.
* Some say ‘white Britain’ was not doing enough to ensure equality of respect and opportunities for ethnic minorities.
* Others say not enough emphasis was placed on immigrants to adapt to the British way of life, and that the identity of many traditional working class communities was being neglected.

The Terror Attacks on London, July 7th 2005

* In four separate suicide bombings, on a bus in Tavistock Square and 3 underground trains, 52 civilians were killed.
* In confusion from the attacks, a young Brazilian was shot dead by armed police as he was mistaken for another suicide bomber.
* The attacks caused much soul-searching about security issues and community relations.
* The most alarming fact was that the bombers were British-born citizens.
* It was suggested that it was urgently necessary to find out why these men had become so alienated.
* A common perception was Britain’s foreign policy, especially the war in Iraq, had dangerously alienated British Muslims.
* Others argued that the essential need was for greater security and borders controls.

Media and Culture

* Between 1997 and 2007, technological change appeared to be happening faster than ever, and it had a direct and personal effect on individual people.
* This was the age of the information revolution, the age of the gadget.
* By 2007, chief forms of communication were texting, emailing and mobile phones.
* The internet became a huge part of daily life.
* Politicians began to use texting for their polling and election campaigning.
* People could watch hundreds of TV channels and the programmes they wanted at a time of their choosing.
* There was no sign of the pace slowing down either.

Historiography

*58% of general people thought people who came to Britain should adopt the values and traditions of British life. Only 29% of Muslims asked agreed with this opinion.*

From a MORI opinion poll for the BBC.

Modern Britain 1990-2007 – Foreign Policy

Britain and Europe, 1990-2007

* When Thatcher was removed from power in 1990, the problem of Europe was causing deep divisions within the Conservative government.
* In 1990, the EEC had 12 member states – by 2007, now renamed the European Union, it had expanded to 27 states.
* This rapid enlargement forced many changes in the nature of the EU.
* The new states would play a prominent role in the organisation of the EU.
* British policymakers would have to decide how much Britain would be ‘at the heart of Europe’.
* It was widely believed that Britain’s relationship with Europe would rapidly improve under Major.
* The Maastricht Treaty was signed in 1992 and Major secured good opt-outs for Britain, especially from the euro currency.
* Major was handicapped by the anti-European attitudes within his own party.
* Many hoped the election success of Blair and New Labour would transform Britain’s role in the EU.
* His political style seemed to fit well with other European leaders.
* During his 10 years as prime minister, Blair played a prominent role in European affairs.
* Britain took a lead role in negotiations for the Treaty of Nice, expanding the EU from 15 to 25 member states.
* Blair wanted to strengthen the role of the EU in the wider world.
* Blair tried his best to make a bridge between Europe and the USA.
* He took the lead on European initiatives on issues such as climate change, world trade and aid for Africa at meetings of the G8 countries.
* Overall, Britain’s position in Europe remained ambivalent.
* The national press remained hostile to all things Europe and deep divisions between some countries and Britain were opened up by the Iraq War.
* By the time Blair left the scene in 2007, his personal standing in Europe was high.
* He had excellent relationships with Nicolas Sarkozy and Angela Merkel.

Britain, NATO and the Balkans, 1991-99

* The end of the Cold War led to optimism that the expanding EU would have a big part to play in world affairs.
* This optimism was shattered by the problems of the Balkans as Yugoslavia disintegrated.
* The crisis was not a sudden one. From 1989, the Yugoslav president, Slobodan Milosevic, was threatening violent action against the Albanian population of Kosovo.
* In 1991, the republic of Slovenia declared independence and the Yugoslav state began to break up.
* Violent clashes between the two largest republics, Serbia and Croatia, culminated in war and atrocities.
* Both the EU and UN made little diplomatic progress.
* British foreign minister Lord Carrington was appointed EU intermediary in September 1991 to supervise talks on new constitutional arrangements.
* The efforts of the European diplomats failed as there was confusion of aims, between trying to maintain a multi-ethnic Yugoslavia or allowing it to break up altogether.
* War began in Bosnia in April 1992 – the Muslim population of eastern Bosnia was driven out by violent ‘ethnic cleansing’ by violent Bosnian Serb paramilitaries, backed by Milosevic.
* In August 1992, Major hosted a joint EU and UN conference in London and a UN peacekeeping force was put in place.
* In October 1992, the Vance-Owen plan set out a framework for a lasting settlement.
* But Serb aggression continued.
* The war in Bosnia carried on for 3 more years and British and European mediation was seen as ineffectual, especially after the massacre in Srebrenica in July 1995.
* The UN declared Srebrenica a safe haven and many Bosnian refugees moved there.
* There was a small Dutch UN peacekeeping force but they had orders not to fight.
* Serb forces entered Srebrenica and began arresting all males and shooting them.
* The Dutch peacekeepers were still ordered not to get involved in the fighting.
* 7,000 Bosnian men and boys were massacred in one of the worst atrocities since WW2.
* After this, British foreign policy turned to the US and NATO.
* The military power of NATO was essential in convincing the Balkan political leader to negotiate.
* A peace treaty was signed in December 1995 that guaranteed Bosnian independence, protected by a UN force and with economic support from the international community.
* Blair continued with Major’s policy of involving NATO and the USA from 1997.
* When the final phase of the Balkan wars began, Blair convinced President Clinton to back military action against Serbia.
* In 1999, a prolonged NATO bombing campaign forced Milosevic to pull his forces out of Kosovo – not long afterwards, Milosevic was sent to the Hague and tried as a war criminal.
* The military intervention of 1999 was a big success that strengthened Blair’s belief in liberal interventionism.
* It also convinced him of the importance of the special relationship and in bringing closer American and European foreign policy.
* The success did much to shape Blair’s later policies, above all on Iraq.

The Impact of the Special Relationship on Britain’s Position in the World

**Blair and the Special Relationship**

* For Blair, the lessons of the interventions in former Yugoslavia were clear.
* Reliance on the UN and Europe to resolve conflicts had failed and Blair was utterly convinced that it was essential to keep the US involved in European affairs and to make full use of NATO to defend the new world order.
* He firmly believed in liberal interventionism to prevent the recurrence of massacres like that in Srebrenica.

**The ‘war on terror’**

* The terror attacks by Al-Qaeda against the US on September 11th 2001 led to the ‘war on terror’.
* By 2001, Blair had established a good working relationship with George W. Bush; they were in complete agreement about the threat from international terrorism.
* At the time, most European governments agreed with them.
* The collapse of the Twin Towers and the simultaneous attack on Washington came as a shock to the Americans who had felt invulnerable to outside attack.
* The American response was the invasion of Afghanistan which was then ruled by the Taliban and was a base of operations for Al-Qaeda.
* A US led coalition invaded Afghanistan and expelled the Taliban – this seemed to show the benefits of liberal interventionism.
* It was hoped that the new Afghanistan might quickly develop into a modern democratic state – this did not happen.
* Efforts to capture Osama Bin Laden and Taliban leader, Mohammed Omar, failed.
* A new democratic regime was established but progress towards development was slow.
* Then, Iraq took centre stage and Afghanistan was neglected.
* The invasion of Afghanistan also led to the use of ‘extraordinary renditions’, where terror suspects were abducted and flown out to places where they were interrogated by what many lawyers considered to be torture.
* As news of these procedures leaked over the next few years, criticism intensified.
* Bush and Blair became unpopular at home and abroad.
* The ideas of liberal interventionism were discredited and from 2003, the invasion of Iraq caused bitter divisions between Western nations, and intense criticism of Tony Blair and his links to President Bush.

**The Iraq War**

* The First Gulf War of 1990-91 had defeated Saddam Hussein but not removed him from power.
* He had been contained through the 90s with economic sanctions and ‘no fly zones’.
* From the time he came to power, Bush was keen to deal with the unfinished business of Iraq.
* Iraqi exiles encouraged the belief that there would be an enthusiastic welcome from the people if Saddam were to be overthrown.
* The first fear was that Iraq may link up with Al-Qaeda and provide a new base for terrorism.
* The second was that they may develop atomic or biological weapons (WMDs).
* Blair was convinced of the threat of the WMD.
* He did not want a breach to open up between the USA and Europe and so he used diplomacy at the UN to prevent this.
* Blair’s critics argue that he knew Bush would invade Iraq and that he was just using UN resolutions as a way of bringing Europe round.
* Blair’s defenders argue that he was genuinely convinced by the dangers of the WMD and he was correct in his analysis of the need for the USA to be part of the international world order and not retreat to isolationism.
* Blair tried hard to win over his European allies with a second UN resolution.
* The invasion was launched by American forces with backing from a ‘coalition of the willing’ including Britain, Poland and Italy among others.
* Military victory and the overthrow of Saddam Hussein came quickly but the occupying forces got bogged down in a long struggle against insurgents – a struggle that costs thousands of troops and billions of dollars.
* There was intense opposition from many in Europe and the US who regarded it as an illegal war – there were no signs of atomic or biological weapons programmes.
* In Afghanistan, violence became the norm – this undermined plans for economic reconstruction.
* For a time, British forces were successful in Basra and southern Iraq, but the situation steadily deteriorated until it was too dangerous for British forces to go out on regular patrols.
* There were small improvements like in the training of Iraqi troops but far from the expectations before the war.
* When Blair left Downing Street in 2007, the war had damaged his and Britain’s reputations very badly.
* On the other hand, a democratic regime was in place instead of Saddam Hussein’s dictatorship and it could be hoped that this government might have success in the future.

Britain’s Position in the World by 2007

* By the end of 2007, Britain had only achieved partial and very limited success in Iraq.
* Troop withdrawals in Iraq were countered by the need for more troops in Afghanistan – there was no ‘bringing the boys home’.
* It seemed there was little to justify the immense cost in lives, expense and diplomatic effort, as well as Blair’s reputation.
* The failure to make peace between Israel and Palestine was disappointing – a peace settlement seemed very near in both 1993 and 2000.
* Blair made notable efforts to mediate in the Middle East, both through direct diplomacy and working with the EU, especially in providing economic assistance to the Palestinian territories.
* He had a genuine commitment to the peace process but the Iraq War and his close relationship with George W. Bush made it hard for Blair to be seen as even-handed.