

## Section 7: **The National Governments 1931-39 (1) – The National Governments and the British Economy**

The history of the 'thirties is dominated by three themes:

- Party politics: national governments and Conservative dominance. 'Rule by pygmies'?
- **The impact of the Great Depression and recovery: 'Devil's decade'?**
- The threat of Fascism and Nazism; appeasement and the road to war. *The Guilty Men?*

We will start with what seemed to be the central issue for much of the period: the Great Depression.

This is an area where you need to be strongly aware of the historiography, and of the way in which subsequent British history has affected the way the 'thirties were interpreted. Thus, when you revisit this unit, knowing the history of Britain after the war up until Mrs Thatcher will very much help you understand that historiography.

The coming of the Great Depression was covered in the unit on the Labour Government, 1929-31.

There are two central arguments. One surrounds the story of the economy itself, which used to be depicted solely in terms of unemployment and depression: the 'Devils' Decade'. More recently, the emphasis of historians has been on recovery, growth and growing prosperity in the 'thirties. The other argument here surrounds the great British economist John Maynard Keynes: should the government have done more to deal with the depression and unemployment and, more specifically, should it have adopted Keynesian economic policies?

### **TWO SPEED BRITAIN? VIEWS OF THE BRITISH ECONOMY IN THE 1930s**

Use **Flagship**, pp 97-98

- Outline the origins of the traditional view of the 'Hungry 'Thirties': JB Priestley, George Orwell, Ellen Wilkinson & the Jarrow march, the Left Book Club, Harold Macmillan
- Outline how that view was very much the conventional wisdom after the war:
  - how consensus politics and Keynesian economics were predicated upon the idea of the Hungry Thirties
  - *Ask Your Dad* and fear of unemployment
  - Folk memory, literature and culture: Helen Forrester, Catherine Cookson, *When the Boat Comes In*
- Show how JB Priestley's views were in fact rather more nuanced
- The roles of Aldcroft, Cook & Stevenson and a new view of the 1930s
- The views of Keith Laybourne

Be aware of how changing economic ideas and theories, and shifting political views and orthodoxies have affected the way the 'thirties have been interpreted.

### **THE BRITISH ECONOMY IN THE 1930s: THE FACTS**

Use **Flagship**, pp 98-104, and the article ***The UK Economy Between the Wars in Statistics*** (to which the numbers refer)

**Economic Growth in the 1930s**

- Outline the extent of economic growth after 1931. Historically, how high were those growth levels (1,2, 3)
- Outline the level of decline in the staple industries (10)
- Outline the levels of growth in other industries (11). Explain how these levels of growth might be inter-related, and how they might relate to the growth in leisure industries.

### **Unemployment in the 1930s**

- Outline the rise and fall of unemployment in the 1930s (p 101)
- Nationally, outline the cyclical unemployment created by the Great Depression, and explain how it varied regionally (12 & 13)
- Nationally, outline the structural unemployment created by the recession of 1920-21. Nationally, was structural unemployment made worse by the Great Depression? (12 & 13)
- Explain how structural unemployment varied regionally. Did the Great Depression make structural unemployment worse? (13)
- Outline the differing levels of unemployment in different industries (14) . How might those explain the regional variations in unemployment in the 1930s?

What is sometimes called 'Outer Britain' (Scotland, the North and Wales) accounted for 85% of the long-term unemployed in 1937.

### **Living Standards in the 1930s**

- Overall, show how living standards increased in the 1930s (15). Is that rise best explained by rising wages or falling prices?

For the issue of the impact of unemployment on living standards and levels of poverty, see the section ***The Impact of Unemployment*** below

### **THE NATURE OF PROSPERITY IN THE 1930s**

Use **Flagship**, pp 98-100, and ***The UK Economy Between the Wars in Statistics***

Outline the nature of the recovery, in particular

- Growth sectors, and how these were interrelated and were all based upon booms in housing, new industries and domestic consumption
- How the boom was not universal: which parts of the country grew most? Why?
- The growth of leisure (see below) was also the growth of a new industry

Why was there growth?

- In part, this was due to government policy (see below), but how far government deserve credit for it is controversial (also see below)
- In part it was also due to rising real wages, the reduction in the size of the average family and the increasing disposable incomes of the middle class (and some of the working class)
- It was also in part a consequence of technological and structural innovation:
  - Electricity supply and prices (the national Grid and the 1927 Electricity Act)
  - The motor industry
  - New housing, roads and suburbanisation
  - Radio & cinema
  - Leisure
  - Electrical Consumer goods

- Paid holidays

It is also important to recognise the limits to prosperity, and to the spread of new technologies (for example, the railways were still predominantly steam, agriculture mostly still not mechanised)

## THE IMPACT OF UNEMPLOYMENT AND THE NATURE OF POVERTY IN THE 1930s

Use **Flagship**, pp 100-104, **Thorpe** pp 92-94, **Dewey** pp 261-64 and *The UK Economy Between the Wars in Statistics*

### The System of Unemployment Relief

The Unemployment Insurance Act of 1927 (based on the findings of the Blanesburgh Report) had reformed a creaking unemployment insurance scheme. Previously, those workers covered by the scheme (in essence, most manual workers bare domestic servants and agricultural workers) were entitled to benefits provided the claimant had made thirty weeks' worth of contributions in the last two years. Those benefits, including benefit for dependents (wives and children) might total something around 1/3<sup>rd</sup> of the average wage for an unskilled worker. If the claimant could not meet those criteria, he or she would be entitled to Transitional Relief.

- Outline the changes made by the National Government to the unemployment insurance scheme in 1931
- What were Transitional Payment and the PACs?
- Outline the reforms of the Unemployment Insurance Act of 1934
- Outline the problems of the UAB. What was the Means Test? Why was it so hated by claimants?

For all its limits, it is fair to say that Britain had the most extensive system of unemployment relief in the world. The question then is, was it extensive enough?

### The Impact of Unemployment

**Flagship**, pp 110-11

Do the exercise on pp 110-11

## ECONOMIC POLICY IN THE 1930s

**Flagship** pp 104-110

Do the exercise on p 110

## FURTHER READING, LISTENING & VIEWING

Sixth form history needs you to do reading of your own. Already, this guide had given you references to the Flagship textbook, and some other resources. You need to take steps beyond that both online and, of course, by resorting to another revolutionary technology, the book. For modern British history, there is a dizzying array of printed and online resources, of startlingly variable quality. If you do find something not on here that's good, let the rest of us know through the Facebook page or email [s.tilbrook@rgs.newcastle.sch.uk](mailto:s.tilbrook@rgs.newcastle.sch.uk) and we'll add it.

For each topic or area, we have colour coded each book or article:

➤ Blue is essential

➤ Yellow means if you want to develop a deeper understanding you should read one or all of these

- Green means this is a monograph, or a sophisticated or highly detailed account. Learn how to dip into real history books, a vital study skill; you might sometimes find full books actually become more engrossing
- Pink is for choices that are more loosely related, and have grabbed someone's interest at some point. Try one or two, they might be fun

## A WORD ABOUT ONLINE RESOURCES

Three of the best resources are, of course, the History department's very own Blog, Facebook page and Twitter feed.

### *The Oxford Dictionary of National Biography (DNB)*

Beyond that, for the British history course, get used to using one of the best resources available, and for free; the DNB. Any local library card will get you in: anyone can join the City Library via this link <https://eforms.newcastle.gov.uk/popup.aspx/RenderForm/?F.Name=JVpTDqdaf2o> Once you have a library card number, got to <http://www.oxforddnb.com/> and fill in your number. You then have access to it all. They vary in quality from the good to absolutely excellent, and they are all written by leaders in the field. The best have a particularly good last section, dealing with how history has viewed these men and women, and their historiography. There are also the **Themes**.

### *History Today*

Beyond that, another invaluable resource is **History Today**. We have institutional access to the entire archive, here: <http://www.historytoday.com/user/login>

Username: Tilbrook

Password: historian

You can search at your leisure, and find all sorts. These guides will flag some up for you.

### *Philip Allan Resources*

Another good resources is Philip Allan Magazines Online, aimed very much at sixth-form students: here <http://my.dynamic-learning.co.uk/default.aspx?ReturnUrl=%2farchive.aspx>

Username: j.richardson@rgs.newcastle.sch.uk

Password: rgs1

The archive is then searchable

## FURTHER READING: textbooks and student introductions

There is a range of series aimed at sixth form history students. None make for exciting reading, and they vary in quality, but you should always aim to read at least one. The politics of the coalition are pretty well covered in the following:

Michael Lynch, *Britain 1900-51 (Access to History)* (Lon 2008), pp 123-28

Malcolm Pearce & Geoffrey Stewart, *British Political History 1867-2001* (3<sup>rd</sup> ed, Lon 2002) ch 9

Stephen Lee, *British Political History 1914-1995* (Lon 1996), ch 8

Robert Pearce, *Britain: Industrial Relations & the Economy 1900-39 (Access)* (Lon 1993)

John Stephenson & Chris Cook, *Britain in the Depression* (2<sup>nd</sup> ed, Lon 1994), originally published in 1977 as *The Slump*, a ground-breaking critique of the classic view of the Hungry 'Thirties

Peter Dewey, *War and Progress: Britain 1914-45* (Lon 1997)

Roy Hattersley, *Borrowed Time* (Lon 2007)

K. Laybourn, *Britain on the Breadline* (Stroud 1990)

A. Thorpe, *Britain in the 1930s* (Oxford 1992)

Martin Pugh, *We Danced All Night* (Lon 2009)

Two classic works:

CL Mowatt, *Britain Between the Wars* (Lon 1955)

AJP Taylor, *English History 1914-45* (Oxford 1965)

There are [blog articles on the chancellors](#):

[Neville Chamberlain](#)

<https://rgshistory.wordpress.com/2018/01/22/the-chancellors-8-neville-chamberlain/>

[Sir John Simon](#)

<https://rgshistory.wordpress.com/2018/04/24/the-chancellors-11-sir-john-simon/>

Derek H Aldcroft, *The Locust Years: the British Economy in the 1930s*

**Philip Allan:** Modern History Review | Modern History Vol 5 | November 1993

Joyce Howson, *A Downward Spiral: Unemployment in the 'Thirties*

**Philip Allan:** 20th Century History Review | Modern History Vol 0 | 1 September 1997

Patricia Clavin, *The Great Depression in Europe, 1929-39* (2000)

**History Today:**

<http://www.historytoday.com/patricia-clavin/great-depression-europe-1929-39>

WR Garside, *The Great Slump*

A general introduction

**Philip Allan:** 20th Century History Review | Modern History Vol 6 | 1 September 1994

Hugh Jobson, *Economic Depression*

Comparing Britain & the USA

**Philip Allan:** 20th Century History Review | Modern History Vol 11 | 1 September 1999

Graham Goodlad, *The State and the Poor in Britain, c1830-1939*

**Philip Allan:** 20th Century History Review | Modern History Vol 13 | 1 April 2002