THE UNIVERSITY OF ADELAIDE

British Conservatism, 1945-1951: Adapting to the Age of Collectivism

William Prescott, BA(Hons), LLB(Hons)

A Thesis submitted in fulfilment of the requirements for the degree of Master of Philosophy, Department of History, Faculty of Arts, University of Adelaide.

March, 2015

Contents

Abstract ii
Declaration iii
Acknowledgements iv
List of Abbreviations vi
A Note on Titles and Spelling vii
Introduction 1
Chapter One: Conservatism and the State: 1834-1945 18
  Introduction 18
  Change and the Organic Nature of Society 21
  Human Nature and Inequality 24
  Conditions of the People: Conservative Social Policy in Practice 27
  Importance of Property Rights/Nationalisation 35
  Conservatives and Nationalisation in Practice 39
  Conclusion 42
Chapter Two: 'We Are on a Better Wicket': The Conservatives and Nationalisation 43
  Introduction 43
  Conservative Policy in 1945 44
  Labour's Nationalisation Legislation: The Tories Respond 46
  Iron and Steel 52
  Post-Vesting Days: Conservative Plans for the Nationalised Industries 54
  Conclusion 63
Chapter Three: A Question of Means: The National Health Service 65
  Introduction 65
  Conservative Policy in 1945 67
  Labour's NHS Legislation: The Tories Respond 70
  Post-NHS Appointed Day 78
  Conclusion 86
Chapter Four: 'We Are Almost As Stupid As the Socialists': The Conservatives and Social Insurance ... 88
  Conservative Policy in 1945 90
  Labour's Legislation: The Tories Respond 97
  Post-implementation 103
  Conclusion 109
Conclusion 112
Epilogue: 'The Train Has Left the Conservative Station', the Conservative Party and Conservatism, 1997- 117
Bibliography 123

Abstract

Having been unexpectedly and comprehensively defeated at the 1945 general election, the Conservative Party returned to office just six years later. While the Tories languished in the wilderness, Labour enacted a series of sweeping changes, nationalising large swathes of the economy, establishing a National Health Service and implementing many of Beveridge's social insurance recommendations. When the Tories returned to office, they pledged to leave most of their predecessors' changes intact, including many of those which they had vehemently opposed in Opposition. This has led some historians and some Conservatives themselves variously to celebrate the advent of 'new Conservatism', lament Conservatism's descent into watered-down socialism, or conclude there was not really much change at all, with some further claiming that the 1950s was characterised by a cross-party 'consensus'. This thesis explores whether there really was a shift in the Conservatives' attitude to the role of the state. On the basis of extensive archival research it examines Conservative policy development in three major areas: nationalisation, the creation of the National Health Service (NHS) and social insurance.

Using these policy areas, this thesis argues that while the Party made pragmatic accommodations to measures once they were enacted, there was no underlying shift in its broad conception of the role of state. Where the Conservatives supported measures before their introduction, they did so in part for electoral reasons, but also because they were reconcilable with the Conservative tradition as interpreted in the context of the time. Where measures went beyond what they were prepared to accept, the Conservatives opposed them, even where that opposition proved electorally damaging. The mere fact that the Conservatives subsequently resigned themselves to accept measures to which they were previously hostile should not in itself be read as a shift in, nor a deviation from, pre-war Conservatism. The Party had a long history of working with changes created by rivals where it was felt those changes were irreversible. Minor exceptions aside, major alterations to the post-war settlement were rejected mostly on the pragmatic grounds that doing so was both impractical and would hinder the Conservatives' chances of blocking further, more radical, change. This thesis concludes that, in an era of apparent popular demand for increased state intervention, most of the party could tolerate Labour's changes, even if private doubts remained, as the alternative appeared even worse.

Declaration

I certify that this work contains no material which has been accepted for the award of any other degree or diploma in my name, in any university or other tertiary institution and, to the best of my knowledge and belief, contains no material previously published or written by another person, except where due reference has been made in the text. In addition, I certify that no part of this work will, in the future, be used in a submission in my name, for any other degree or diploma in any university or other tertiary institution without the prior approval of the University of Adelaide and where applicable, any partner institution responsible for the joint-award of this degree.

I give consent to this copy of my thesis, when deposited in the University Library, being made available for loan and photocopying, subject to the provisions of the Copyright Act 1968.

I also give permission for the digital version of my thesis to be made available on the web, via the University's digital research repository, the Library Search and also through web search engines, unless permission has been granted by the University to restrict access for a period of time.

Signed ____

Date ____

Acknowledgements

First, I would like to thank my principal supervisor, Professor Clem Macintyre. Over the past two years, Clem has been an invaluable source of advice and has readily provided me with feedback. My co-supervisor, Dr Gareth Pritchard, in addition to providing a great deal of helpful ideas, was most through in reading through the draft.

This thesis would have been much lesser work were it not for the generous support of the staff at the Bodleian Library, Oxford, the Wren Library in Trinity College, Cambridge and the Churchill College Library, Churchill College Cambridge. I would especially like to thank Jeremy McIlwaine of the Conservative Party Archive. Jeremy was extremely helpful and provided me with vast quantities of source material, often at very short notice.

A number of academics in the United Kingdom were kind enough to make time to see me while I was on my research trip in late 2013. Professor Stuart Ball, Dr Michael Kandiah, Professor Tim Bale and Dr Peter Catterall made a number of very useful suggestions to guide both my research and further reading.

This thesis has also benefited greatly from the assistance of a number of staff members at the University of Adelaide. I was very fortunate to have the assistance of Professor Robin Prior. Robin was extremely generous with his time, read through an entire draft and even organised an evening seminar in which I had the opportunity to present my findings. Associate professor Felix Patrikeef made a number of constructive suggestions and was kind enough to read through an earlier version of the manuscript. William Woods helped clarify my understanding of Conservative ideology.

Closer to home, my fellow occupants of Napier 319 have been more than tolerant in putting up with my notorious clutter and increased stress levels as the submission date loomed ever closer.

A number of postgrads were kind enough to read and comment on either all or part of the thesis. To Lewis Webb, Astrid Lane, Tom Mackay, Justin Madden, Mark Neuendorf, Bodie Ashton and Hilary Locke, I am very grateful.

Outside of formal academic life, my friends and teammates on the debating circuit provided me with a valuable form of stress relief by accompanying me to various tournaments in the final year of candidature. For this, thanks must go to Jeremy Chan and Melanie Smart. I am especially grateful to Ryan Thalari and MUDS for giving me the chance to judge at the World University Championships in Malaysia in January 2015. Without that short break I doubt I would have had the energy to get through the final stages of editing.

Finally, I would like to thank my parents, Michael and Sabrina. Both have put up with a great deal over the past two years, from spontaneous late nights that wrecked dinner plans to many no doubt unwanted car rides to the University. In spite of this, both have been unquestioning in their support of me, and for that I am forever grateful.

List of Abbreviations

ACP	Advisory Committee on Policy
ACPPE	Advisory Committee on Policy and Political Education
BMA	British Medical Association
CCO	Conservative Central Office
CPA	Conservative Party Archive
CPC	Conservative Political Centre
CRD	Conservative Research Department
CUCO	Conservative and Unionist Central Office
LCC	Leader’s Consultative Committee
NHS	National Health Service
NU	National Union of Conservative and Unionist Associations
PWPCC	Post-War Problems Central Committee

A Note on Titles and Spelling

A number of the figures mentioned in this thesis changed their names as they inherited or were elevated to titles. For example, Edward Wood was elevated to Baron Irwin in 1926, inherited his father's viscountcy in 1934 and then elevated to First Earl of Halifax in 1944. For the sake of convenience, when a figure was known by more than one name at different periods, the name or title at the period being discussed is used unless otherwise stated.

Although the Party was known as the Unionist Party from the late nineteenth century until the early twentieth century, for the sake of convenience the name 'Conservative Party' is used throughout this thesis. Reflecting common practice, the words 'Tory' and 'Conservative' are used interchangeably. Where reference is made to Conservatism as relating to the philosophy of the Conservative Party, capital letters are used.

Introduction

Expecting a comfortable return to office at the 1945 general election, the British Conservative Party was instead reduced to a 'reactionary rump',[1] with a mere 213 House of Commons seats (down from 432 in 1935) as opposed to Labour's 393. Although the Tories' share of the vote was greater than their Commons representation would suggest, at 39.8 per cent, it was still well down on the 53.7 per cent achieved in the last general election in 1935. Having been in government for virtually the entire 1918-45 period, '[a]ll the evils of this unhappy period were thus laid at their door, their rule being popularly identified with the sense of insecurity, due mainly to the fear of war, and unemployment.'[2] At the height of the gloom, some wondered whether the Party would even survive, let alone return to power. MP Henry Channon emerged from a 1922 Committee meeting 'fearing that the Tory party was definitely dead'.[3] While their opponents languished in the wilderness, the Attlee Labour Government laid the foundations of the post-war settlement. The modern welfare state was created. Thanks to the NHS, all Britons gained access to free medical care at the point of delivery. In addition, the introduction of non means-tested pensions represented a significant rationalisation of the existing patchwork system. Through the nationalisation of large sections of the economy, (rail, coal, iron and steel, road haulage, electricity, gas, cable and wireless and civil aviation), the state's involvement in the economy expanded to a degree hitherto unprecedented in peacetime.[4]

Just six years later, though, the Tories were back. Having narrowly fallen short at the 1950 general election, in 1951 the Conservatives returned to power with a small, but comfortable, 17-seat majority. On the surface it appeared that the Tories had changed considerably as they accepted almost all of Labour's changes, including those they had voted against while in Opposition. In the 1951 Manifesto,[5] the Conservatives pledged to maintain the NHS, the welfare state and leave most of the nationalised industries under public ownership. The new Conservative Government, which despite being led by four prime ministers remained in office until 1964, left the Attlee Government's changes almost intact. Only iron, steel and road haulage were denationalised. Even road haulage was not greatly affected by great change, with 'only a tiny proportion' of vehicles sold off.[6] Indeed, no Conservative leader would seek to make any substantial alterations to the post-war settlement, an abortive effort by Edward Heath aside, until Margaret Thatcher assumed the Party leadership in 1975. This lends itself to the question of whether there was a radical change in the Tories' view of the role of the state or whether the 1945-1951 era reflects simply a natural continuation of wartime and pre-war Conservative thought.

---

[1] Quoted in, no author, 'RAB Advisory Committee on Policy Essay', undated, 5, CPA, CRD 2/53/1.

[2] Quoted in Ibid.

[3] Henry Channon, *Chips: The Diaries of Sir Henry Channon*, ed. Robert Rhodes James (London: Weidenfeld and Nicolson, 1967), 21 August 1945.

[4] For accounts of the Attlee Government, see Martin Francis, *Ideas and Policies under Labour, 1945-1951: Building a New Britain* (Manchester: Manchester University Press, 1997); Kenneth O. Morgan, *Labour in Power: 1945-1951* (Oxford: Oxford University Press, 1985); ed. Nick Tiratsoo, *The Attlee Years* (London and New York; Pinter Publishers, 1991).

Accordingly, this thesis aims to answer whether or not there was a shift in the Conservative Party's core philosophy towards the role of the state between 1945 and 1951. It answers this question by tracing and evaluating the evolution of Conservative thought across three major policy areas — nationalisation, the creation of the National Health Service, and social insurance. These have been chosen for several reasons. First, these areas span both the state's relationship with the economy as well as its relationship with individual citizens. This enables for a more comprehensive overview of the Conservatives' attitude towards to the state than has previously been attempted.[7] Secondly, they have been chosen because the Conservatives responded to Labour's policy changes differently in each area. The Conservatives opposed nationalisation measures on a mixture of principled and pragmatic grounds. While they supported the creation of the NHS in principle, they opposed the actual legislation for practical reasons. Social insurance was different again, with the Conservatives voting in favour of the key bills. While they went to the 1951 election promising to leave all three areas largely unchanged (the denationalisation of steel and road transport aside), they were decidedly less enthusiastic about nationalisation than the other two. This comparison is very significant, because without understanding why the Conservatives found some measures more acceptable than others, it is far more difficult to work out where the boundaries of Conservative thought actually were.

---

[5] *Britain Strong and Free: A Statement of Conservative and Unionist Policy*, RD no. 4108 (1951).

[6] Henry Pelling, *Churchill's Peacetime Ministry, 1951-55* (Basingstoke: Macmillan, 1997), 88.

[7] Other studies have focused on the NHS, housing and education. See e.g. John Selin Saloma, 'British Conservatism and the Welfare State: An Analysis of the Policy-Process within the Conservative Party' (PhD thesis, Harvard University, 1961); Harriet Overton Warner Jones, 'The Conservative Party and the Welfare State 1942-1955' (PhD thesis, London School of Economics and Political Science, University of London, 1992).

The 1945-1951 era is of interest for several reasons. First, it represents one of the greatest political recoveries by a major party in modern times, and in an era of social and economic change. As such, examining how it responded in such conditions is of interest to anyone seeking to understand how parties successfully adapt their core philosophy after suffering a major defeat. More specifically, focusing on a period which, for Conservatives, has 'acquired something of the aura of a heroic age'[8] offers a number of insights into the thinking of twentieth century Britain's dominant political force. Not without reason was the last century known as the *Conservative Century*.[9] Given that dominance faded after 1997, it also offers a valuable point of comparison to the Conservatives' far less successful stint in Opposition between 1997 and 2010. Finally, given ongoing debates as to the meaning of Conservatism,[10] it helps clarify what the British Conservative Party's ideology is, or at least what it used to be.

The traditional view, seen in memoirs from the period and in some histories of the party, holds that the 1945-1951 period saw a radical shift take place in the Tories' attitude to the state.[11] The Conservatives' leading policy architect, Richard Austen 'Rab' Butler, wrote in his memoirs that '[t]he overwhelming defeat of 1945 shook the Conservative Party out of its lethargy and impelled it to re-think its philosophy and re-form its ranks with a thoroughness unmatched for a century'.[12] Former Conservative MP Timothy Raison took a similar position in *Tories and the Welfare State*.[13] This view has not entirely disappeared. More recently Margaret Thatcher's former speechwriter Robin Harris wrote that the *Industrial Charter* 'served the purpose' of being 'a second "Tamworth Manifesto"'.[14] Official Party Historian

---

[8] T. F. Lindsay and Michael Harrington, *The Conservative Party 1918-1979*, 2nd ed. (London: Macmillan, 1979), 146.

[9] Anthony Seldon and Stuart Ball, eds, *Conservative Century: The Conservative Party since 1900* (Oxford; New York: Oxford University Press, 1994).

[10] See e.g. 'Special issue: Conservatism and Ideology', *Global Discourse*, 5, no. 1, 2015.

[11] Hailsham, 2nd Viscount [formerly Quintin Hogg], *The Conservative Case*, rev. ed. (Harmondsworth, Middlesex: Penguin, 1959), 142.

[12] Lord Butler, *The Art of the Possible: The Memoirs of Lord Butler, K. G., C.H.* (London: Hamilton, 1971), 126.

[13] Timothy Raison, *Tories and the Welfare State: A History of Conservative Social Policy Since the Second World War* (Basingstoke: Macmillan, 1990).

[14] Robin Harris, *The Conservatives: A History* (London: Corgi Books, 201), 382.

Alistair Cooke, has described the 1945 defeat as being followed 'by a fundamental reappraisal of policy'.[15] Somewhat strangely, though, he takes a different position in *Tory Policy-Making*.[16] Butler's biographer, Anthony Howard, wrote that the *Industrial Charter* was probably 'the most memorable concession a free enterprise Party ever made to the spirit of Keynesian economics'.[17] This position has enjoyed some academic support. Eminent historian of the Conservative Party, Robert Blake wrote that the Party 'made a major effort to re-think its political programme' during the 1945-1951 period.[18] The problem with this, as will be explained in this thesis, is that the so-called 'new Conservatism' was in practice rather similar to the 'old Conservatism'.

Another interpretation is that of the so-called Conservative 'New Right' (that is, those within the Party seeking to reduce the state's role in the economy). This view holds that the Conservatives did indeed change during their period in Opposition, but that this change represented a capitulation to socialism. In the 1950s, Enoch Powell and Frances Maude criticised the Party for its alleged embrace of 'socialism'.[19] Former Thatcher loyalist and Conservative Party Deputy Chairman Lord McAlpine credited her 1979 election as the moment when the Conservative Party was 'seduced back to Conservatism from the near-Socialist philosophy to which it had been married during the previous twenty-five years'.[20] This view has not died away, and a strong belief remains that the Conservative Party embraced a degree of state interventionism inconsistent with the Conservative tradition. For example, MP Jesse Norman recently argued that '[a]mong the different Conservative Party tribes, only the twentieth-century corporatists, who believed in collective bargaining between capital and labour derive no real substance from Burke'.[21]

---

[15] Alistair Basil Cooke, *A Party of Change: A Brief History of the Conservatives* (London: CRD, 2010).

[16] Robert Blake, *The Conservative Party from Peel to Major*, 3rd ed. (London: Heinemann, 1997), 257.

[17] Anthony Howard, *RAB: the Life of R.A. Butler* (London: J. Cape, 1987), 155.

[18] Alistair Basil Cooke and Stephen Parkinson, 'Rab Butler's Golden Era?' in *Tory Policy-Making: the Conservative Research Department, 1929-2009*, ed. Alastair Cooke (London: CRD, 2009), 49.

[19] Mark Garnett and Kevin Hickson, *Conservative Thinkers: The Key Conrtibutors to the Political Thought of the Modern Conservative Party* (Manchester: Manchester University Press, 2009), 171-2.

[20] Alistair McAlpine, *Once a Jolly Bagman: Memoirs* (London: Weidenfeld & Nicolson, 1997), 273.

[21] Jesse Norman, *Edmund Burke: The Visionary Who Invented Modern Politics*, (London: William Collins, 2013 paperback. ed., 2014), 283.

Not only current and former Conservative politicians harbour these views, but also some academic historians. In his chapter on the 'New Right', Norman Barry has argued that the post-war Tories 'meekly accepted the degree of state intervention introduced by the 1945-51 Labour Government'. In his view, the '[f]ree market economic Liberals' in the Party 'have a greater claim to be part of the pantheon of Conservative *traditionalists* [emphasis in original] than those tame adherents' of the post-war settlement.[22] Similarly, historian Andrew Roberts has argued that the post-1945 Conservatives 'ceded the moral high ground to the collectivists for a quarter of a century and settled down to manage imperial and commercial decline'. They did this because they were 'emasculated' by the 'freak result' of 1945. Conservatism was 'thus reduced to trying to administer the enlarged state more efficiently'.[23]

There are several problems with this interpretation. First, as Ian Gilmour and Mark Garnett have pointed out,[24] it is predicated on the dubious assumption that the 1945 election was a 'freak' result. Even though the Conservatives enjoyed two further election victories, the 1951 result was relatively close. Once back in office, they were against an opposition Labour Party which remained competitive in the opinion polls.[25] Therefore, the Conservatives could not take their position in government for granted. This is to say nothing of the considerable practical difficulties that would have accompanied any attempted reversal of Labour's programme. This argument also ignores what pre-eminent historian Stuart Ball has termed the 'positional' nature of Conservatism.[26] Conservative policies in any era were at least in part determined by the historical context in which they were formed. As this thesis will argue, developments in all three policy areas it considers can be explained in light of the political, economic and social conditions in early post-war Britain.

To add to the confusion there is another group, comprising both Conservative historians and historians of the Conservative Party, who see the post-1945 period as representing a shift in outlook, but in a more free market direction. Conservative MP and thinker David Willetts[27] has argued that 'the *Industrial Charter* marks the definitive point at which the Conservative Party became the party of freedom and the free market'.[28] This position has some academic support. Garnett has written that Willett's position is 'more plausible than it sounds'.[29] Martin Francis has also argued that the era represented a shift back towards 'a much less collectivist position'.[30] In a similar vein, Harris has argued that the aftermath of the 1945 election result saw a temporary 'victory of the [statist] rebels'. However, '*étatiste* radicalism… could not be consolidated properly', and soon declined.[31] This interpretation is also problematic since it confuses a change in discourse with a change in outlook. As this thesis will explain, corporatist rhetoric and solutions were abandoned because they had limited applicability to industries that were to remain under public ownership. As Gamble has pointed out:

---

[22] Norman Barry, 'The New Right', in, *The Political Thought of the Conservative Party since 1945*, ed. Kevin Hickson (Houndmills: Palgrave Macmillan, 2005), 29.

[23] Andrew Roberts, *Eminent Churchillians* (London: Widenfeld and Nicolson, 1994), 253-4.

[24] Ian Gilmour and Mark Garnett, *Whatever Happened to the Tories? The Conservatives since 1945* (London: Fourth Estate, 1998), 52-3.

[25] Jones, 'Conservative Party Welfare State 1942-1955', 392-3.

[26] Stuart Ball, *Portrait of a Party: The Conservative Party in Britain, 1918-1945* (Oxford: Oxford University Press, 2013), 23.

> 'Neo-Liberalism' did not erode this ['progressive dominance'], it merely changed the emphasis of the Tories' electoral offensive, and it gained a hold on the party not merely through the confidence in prosperity, but also because of the electoral requirements of fighting Labour.[32]

There are also the books and articles concerned with the so-called 'consensus' debate.[33] At the core of this is idea that the early post-war era was characterised by an unusual degree of agreement, or 'consensus' between the two major parties. The seminal work arguing for the existence of the 'post-war consensus' was Paul Addison's *The Road to 1945*.[34] In it, he argues that the origins of the welfare state lie in the Second World War, with Attlee's

---

[27] For a summary of Willett's philosophy, see Garnett and Hickson, *Conservative Thinkers*, 155-68.

[28] David Willetts, 'The New Conservatism? 1945-1951', in *Recovering Power: the Conservatives in Opposition since 1867*, eds Stuart Ball and Anthony Seldon (Basingstoke; New York: Palgrave Macmillan, 2005), 181.

[29] Mark Garnett and Kevin Hickson, *Conservative Thinkers: The Key Contributors to the Political Thought of the Modern Conservative Party* (Manchester: Manchester University Press, 2009), 26.

[30] Martin Francis, '"Set The People?" Conservatives and the State, 1929-1960', in *The Conservatives and British society, 1880-1990*, eds Martin Francis and Ina Zweiniger-Bargielowska (Cardiff: University of Wales Press, 1996), 61.

[31] Nigel Harris, *Competition and the Corporate Society: British Conservatives: The State and Industry, 1945-1964* (London: Methuen, 1972), 85-7.

[32] Andrew Gamble, *The Conservative Nation* (London; Boston: Routledge & Kegan Paul, 1974), 43.

[33] For arguments in favour of 'consensus', see Paul Addison, *The Road to 1945: British Politics and the Second World War*, rev. ed., (London: Pimlico, 1994); Dennis Kavanagh, 'The Postwar Consensus', *Twentieth Century British History* 3, no. 2 (1992).

[34] Addison, *Road to 1945*.

Government having ‘completed and consolidated the work of the Coalition’.[35] In contrast with this thesis, it ends in 1945, with the only (brief) reference to the Conservatives after the War concluding that ‘…the convergence of the two main parties, which had begun in 1940, was largely completed in the late 1940s’.[36]

Unfortunately, there are various problems with the idea of a ‘consensus’.[37] First, the extent of policy disagreement between the Tories and Labour was greater than imagined on issues such as industrial relations and rationing.[38] More fundamentally, the problem with the argument is that even in instances where both parties publicly embraced a particular policy, they usually did so for quite different reasons. In some instances, this stemmed from tactical concessions rather than a shift in outlook.[39] The Conservatives’ approach to nationalised industries is one example of this. At a deeper philosophical level, the ‘consensus’ argument overlooks the fact that the Conservatives conceived of the welfare state differently to their Labour counterparts. Whereas Labour saw the social services as a tool for the creation of a more equal society, the Conservatives saw them as providing a basic minimum safety net.[40] Thus, the social services were not primarily a redistributive tool, but a way to enable people to help themselves.

The ‘consensus’ argument was attacked as long ago as 1961,[41] and has been repeatedly challenged since.[42] This thesis also rejects the idea that a policy ‘consensus’ existed between Labour and the Conservatives. Much of the analysis put forward by those opposing the ‘consensus’ idea, specifically the idea that the Conservatives had a unique conception of the welfare state, is sound. Despite this, however, revisiting post-war Conservatism is still worthwhile for two reasons. First, it is important to challenge continued myths about the compatibility of post-war Conservatism with traditional Conservative thought. Secondly, as a way of doing this, it is important to compare the Conservatives' approach to the welfare state to their approach to the wider economy. That is where this thesis makes a contribution.

---

[35] Ibid, 273.
[36] Ibid, 275.
[37] For arguments against consensus see: Lesley M. Smith, *Echoes of Greatness*, The Making of Britain (Basingstoke: Macmillan, 1988). Harriet Jones, introduction to *The Myth of Consensus: New Views on British History, 1945-64*, Contemporary History in Context Series (Houndmills, Basingstoke [England]: Macmillan, 1996), iii-xvii.
[38] Harriet Jones, introduction to *Myth of Consensus,* iii-xvii.
[39] Raison, *Tories and the Welfare State*.
[40] Saloma, ‘British Conservatism’, viii-ix.
[41] Ibid., 435-44.
[42] Jones, ‘Conservative Party and Welfare State’, 387.

The strongest interpretation is that Conservatism did not fundamentally change while in Opposition.[43] Instead of representing either a dramatic reappraisal of policy and ideology, the post-war years should be seen as the application of existing Conservative principles to that period. In 1964, Hoffman argued that '[n]o radical change in party policy was achieved or intended'.[44] A key component of this argument is that for some years the Party had been moving in the direction of expanding government involvement in the economy and in welfare provision. Such was the extent of this that the pre-eminent historian of the Conservative Party, John Ramsden, has argued:

> from the work already done in the Research Department, it seems likely that a Conservative manifesto of 1940 would have included family allowances and the inclusion of dependents of insured persons in health cover – about half of the advances that are usually traced to Beveridge.[45]

With regard to the 1945-1951 period specifically, Ramsden wrote that '[t]he real purpose [of *The Industrial Charter*] then was not to shift philosophy but to line up the Party behind the philosophy that had been emerging since 1931'.[46] Ball has also written that both after 1923 and 1945 're-examination [of Conservatism] did not find the basic principles of Conservatism to be wanting, and it was rather the case that they needed to be returned to and reinforced, with certain themes of greatest relevance to current conditions given more emphasis and placed in the foreground'.[47] This thesis largely reinforces this understanding of Conservatism, but does so in greater depth.

---

[43] Tim Bale, *The Conservatives since 1945: The Drivers of Party Change* (Oxford: Oxford University Press, 2012), 27.

[44] John David Hoffman, *The Conservative Party in Opposition, 1945-51* (London: MacGibbon & Kee, 1964), 279.

[45] John Ramsden, *The Making of Conservative Party Policy: The Conservative Research Department since 1929* (London: Longman, 1980), 91-2.

[46] John Ramsden, '"A Party for Owners or a Party for Earners?" How Far Did the British Conservative Party Really Change after 1945?' *Transactions of the Royal Historical Society*, 5, vol. 37 (1987), 60.

This is an empirical political history thesis, concerned with the attitudes of senior party officials and how they reacted to events taking place around them. It uses a combination of archival material, Party propaganda, parliamentary speeches, contemporary newspaper accounts, diaries and memoirs to explain how Conservative thinking evolved in Opposition.

First, though, a few notes of caution and clarification must be sounded. Not all aspects of Conservative thought will be dealt with here. While they were certainly of great significance to its identity, imperialism, appeals to patriotism and unionism, for example, do not directly relate to the role of the state and as such fall outside the scope of this thesis. Secondly, there are clearly limitations inherent in such an exercise; a degree of selectivity is unavoidable when some aspects of individual Conservatives' outlook date less favourably than others. For example, while Disraeli's belief in the guiding hand of the aristocracy subsequently became unfashionable, the idea that all classes, including the wealthy, had a sense of responsibility to others did not.

Different tenets of Conservatism were given different emphasis at different periods[48] and they emerged in different stages.[49] For example, the stress on the conditions of the people was a relatively recent development compared with appeals to tradition. The idea of the Conservatives as the party of free enterprise only emerged in the late nineteenth century. Also, some Conservatives were more willing to draw upon aspects of the past than others. For example, Stanley Baldwin more frequently invoked Disraeli than his immediate predecessors. In addition, at any time in any organisation, especially in one as large as the Conservative Party, there is always a wide range of views on various subjects. However, great though the internal differences may have been, few parties would survive without at least some sense of common purpose and ideals. In the case of the Conservative Party, there exists enough commonality of belief across enough surviving primary sources to demonstrate the existence of several main tenets of pre-1945 Conservatism and the existence of a distinctive *Conservative* tradition.

---

[47] Stuart Ball, 'The Principles of British Conservatism from Balfour to Heath, c.1910-75' in *The Foundations of the British Conservative Party: Essays on Conservatism from Lord Salisbury to David Cameron*, eds Bradley W Hart and Richard Carr (London: Continuum, 2013), 37-8.

[48] Jeremy Smith, 'Conservative Ideology and Representations of the Union with Ireland', in *The Conservatives and British society, 1880-1990*, eds Martin Francis and Ina Zweiniger-Bargielowska, (Cardiff: University of Wales Press, 1996), 20-1.

[49] Philip Norton, *The Conservative Party* (London: Prentice Hall, 1996), 69.

While taking a 'high politics' approach is not without its difficulties the benefits of taking it outweigh the weaknesses of doing so. In addition to the question of sources, there is a more serious problem with this method. If followed without qualification, it risks significantly overplaying the role of individuals at the expense of the forces driving those individuals.[50] In the period of this thesis, for example, these forces included the effects of war, or major economic and social change. On balance, though, the limitations of this approach are outweighed by its value in explaining the motivations of powerful figures, as it is often they who determine the nature of that response. That people respond to events does not mean that they are all respond in the same way, meaning that is important not to overlook the role of individuals. This is particularly the case when one considers how policy in a 'top-down' organisation, such as the Conservative Party, was formed. [51]

There are also limitations in terms of sources. It is difficult to generalise the political outlook of anything as broad as a political party, whether most of the source material survives or not. This is compounded by the fact that not all sections of the Party left equally thorough accounts. As a result, 'progressive' Conservative opinion is disproportionately represented among the surviving primary sources. This is because 'progressives' tended to control the levers of power in the Party and are better represented in its archives as a result. 'Progressives' also left more extensive personal papers and were more likely to write memoirs.[52] Backbench opinion is under-represented, with only a few published diaries available.[53] This is not assisted by the loss of the backbench 1922 Committee minute books from the 1943-50 period.[54] Memoirs are, by definition, written after the events they describe, contain either deliberate or accidental inaccuracies, and are not always particularly insightful. Historians must also be aware that many of those who led the Party during this time had a direct incentive distance themselves from their predecessors and play up the importance of their own contributions.[55]

---

[50] Maurice Cowling, *The Impact of Labour 1920-1924: The Beginning of Modern British Politics*, (Cambridge: Cambridge University Press, 1971), 1-12, Tim Bale, *The Conservative Party: From Thatcher to Cameron*, rev. ed. (Cambridge: Polity, 2011), 12-14.

[51] Bale, *Thatcher to Cameron*, 12-14.

[52] See e.g. Lord Butler, *The Art of Memory: Friends In Perspective* (London: Hodder and Stoughton, 1982); Butler, *Art of the Possible;* Harold Macmillan, *The Blast of War, 1939-1945* (London: Macmillan, 1967); Harold Macmillan, *Tides of Fortune: 1945-1955* (London: Macmillan, 1969).

There are also methodological issues involved in the use of surviving archival material. There is only so much to be gleaned from committee minutes. For example, any parts of the decision-making process that took place before meetings are not recorded and minute books in any event do not capture all of the discussions that occurred. Where committee minutes and papers survive, their recommendations did not always find their way into official policy, limiting their usefulness. Party policy material, such as manifestoes and speeches must be used carefully. Being written in a particular context in response to particular circumstances, it is easy to confuse changes in style, emphasis and language with changes in substance.

In spite of these limitations, these sources have been chosen for a number of reasons. Committee minutes and papers are invaluable in terms of shedding light on the sorts of debates taking place within the Party, even where many of the ideas under discussion never made it into the official policy platform. Diaries and personal notes, especially those never written with the view to being published, help explain what those in the Party were actually thinking. This is because it is much easier to communicate and to explore ideas privately, where the risk of a hostile public reaction is remote, than to do so publically. Similarly, memorandums and correspondence go into much more detail as to the actual reasons why a particular line was taken on a particular issue than would be pragmatic to discuss openly. An examination of party pamphlets, other official literature and speeches by leading figures, while less revealing in terms of internal Party thinking, is critical to seeing how it portrayed itself and the ideas it tried to convey. Finally, even though some strands of Conservative thought are better represented than others, there is enough both in the official and the semi-official writings and speeches of various figures close to the Party, to provide an idea about how Conservatives thought and what beliefs they considered most important.[56] Thus, while this approach is not without its pitfalls, using these sources in these ways can greatly enhance our understanding of how Conservative Party policy was formed and why.

---

[53] Cuthbert Morley Headlam, *Parliament and Politics in the Age of Churchill and Attlee: The Headlam Diaries, 1935-1951*, ed. Stuart Ball, Camden Fifth Series (Cambridge: Cambridge University Press for the Royal Historical Society, 1999); Channon, *Chips*.

[54] Stuart Ball, *Portrait of a Party: The Conservative Party in Britain, 1918-1945* (Oxford: Oxford University Press, 2013), 5.

[55] Bale, *Conservatives since 1945*, 13-14.

Before an attempt can be made to explore how Conservative Party attitudes towards the state evolved, an attempt must be made to outline how policy decisions were made and how the Party's ideological direction was determined. This task is slightly complicated by the fact that the Conservative Party had little by the way of formal structure. Further, how policy was determined in theory and how it was determined in practice were two separate matters.

The highest level of the Conservative policy-making structure was the Leader. 'Endorsements and pronouncements on Party policy are the prerogative of the Leader, who is served by the various policy committees', explained a major internal report, the Maxwell-Fyfe Report, in 1949.[57] This notion of powerful leadership was traditionally seen as one of the reasons for the Party's ability to recover from defeat.[58] However, in practice, while the leader did enjoy considerable say over policy, there were limits to the extent to which he could drag the Party in any particular direction. For example, when Churchill tried to push the Conservative Party into making some form of electoral deal with the Liberal Party,[59] this was more than the Party was willing to concede.[60] He was also influenced by pressure from backbenchers, committees, national conferences and the perceived direction of public opinion. Thus, in the words of one contemporary, Conservative Party leadership 'might certainly be described as oligarchic rather than dictatorial'.[61]

---

[56] Ball, *Portrait of a Party*, 11-2.
[57] NU, 'Final Report of the Committee on Party Organisation', 1949, CHUR 2/12, 13.
[58] 'Butler's Essay', 45.
[59] Woolton to Salisbury, 23 September 1950, MS. Woolton 21.
[60] John Ramsden, *An Appetite for Power: A History of the Conservative Party since 1830* (London: HarperCollins, 1998) and Harris, *The Conservatives*, 318-20.
[61] Ivor Bulmer-Thomas, 'How Conservative Policy is Formed', *Political Quarterly* 24, no. 2 (1953), 197.

In addition, as the 1945-1951 period shows, that the Leader *could* influence policy is different from saying that he always *did* influence policy. For much of his time as Opposition Leader, Churchill took little active interest in domestic policy, and devoted much of his time to giving speeches abroad and writing his hugely successful war memoirs. Such was the extent of this that Ramsden concludes that '[i]n the long-term task of adjusting its sights to a new post-war world after the crushing defeat of 1945… Conservative recovery can almost be said to have occurred much despite Winston Churchill than because of him.[62] Ramsden was by no means the only exponent of this view.[63]

Arguably, this overlooks several positive aspects of his leadership. As Addison has qualified, one very significant benefit to his remaining as leader was that his 'personal authority was beyond dispute, and there was no likelihood of major splits or revolts in the party'.[64] Further, Churchill made successful appointments to key positions, such as Butler as Chair of the Conservative Research Department. However, as Ball also notes, his parliamentary performances and the extent of his interest in policy matters were not always ideal.[65] Thus, while Churchill's role was still an important one with considerable impact on party unity and who occupied what position, his significance in shaping party policy and philosophy was limited.

A number of committees existed to assist the Leader in the formulation of policy, and Churchill's limited interest in the matter increased their importance. These had various functions and degrees of influence over policy-making. First was the Shadow Cabinet, officially known as the Leader's Consultative Committee (LCC). In structure, it was very different from its twenty-first century counterpart. There was no official allocation of portfolios, a practice the Conservatives did not embrace until the 1960s.[66] It was also 'not an official body' and even 'the names of its members are not published to anyone'.[67] Also, it was not a particularly effective body in terms of policy direction because it was more concerned with the conduct of parliamentary debates than long-term thinking and strategy.[68] Macmillan recalled that 'once a fortnight he [Churchill] entertained us—about fourteen in all—at an imposing luncheon at the Savoy Hotel'.[69] Though this account of its informality was an exaggeration, the LCC was not of great value as a policy-making forum.[70]

---

[62] John Ramsden, 'Winston Churchill and the Leadership of the Conservative Party, 1940–51', *Contemporary Record* 9, no. 1 (1995), 117.

[63] Kevin Theakston, 'Winston Churchill, 1945-51', in *Leaders of the Opposition from Churchill to Cameron*, ed. Timothy Heppell (Basingstoke; New York: Palgrave Macmillan, 2012), 7-19.

[64] Paul Addison, *Churchill on the Home Front, 1900-1955* (London: Pimlico, 1993), 388.

[65] Stuart Ball 'Churchill and the Conservative Party, in *Winston Churchill in the Twenty-First Century*, eds David Cannadine and Roland E. Quinault (Cambridge; New York: Cambridge University Press for the Royal Historical Society, 2004), 90.

[66] Harold Macmillan, *Tides of Fortune*, 43-4.

Another key body was the Advisory Committee on Policy (ACP), previously known as the Advisory Committee on Policy and Political Education (ACPPE), which in turn emerged from the wartime Post-War Problems Central Committee (a committee of the National Union).[71] It was assisted by the Conservative Research Department (CRD),[72] and 'its work was to be closely co-ordinated with' the CRD.[73] Its remit was initially wide, encompassing political education, as well as policy, although political education was removed as a consequence of the recommendations of the Maxwell-Fyfe report into organisation of the Party.[74] The 1945-1951 period was the height of the ACP's influence.[75] It was generally controlled by the 'progressives'. Even after the Maxwell-Fyfe Report-inspired re-organisation 'we did try and keep our membership chosen from what is called the progressive section of the Party'.[76]

Several *ad hoc* committees also existed. Of particular significance for this thesis was the Industrial Policy Committee, of which Butler was not the Chair though his influence was still considerable. This committee was responsible for producing the most significant Tory policy document of the period, the *Industrial Charter*.[77]

---

[67] James Stuart to Mr Christ, 22 November 1945, CPA, LCC 1/1/1.
[68] Bale, *Conservatives since 1945*, 26.
[69] Macmillan, *Tides of Fortune*, 44.
[70] Bale, *Conservatives since 1945*, 26
[71] NU, 'Final Report', 13.
[72] 'Butler's Essay', 8.
[73] NU, 'Final Report', 14.
[74] NU, 'Final Report', 37; Bale, *Conservatives since 1945*,' 21.
[75] John Barnes and Richard Cockett, 'The Making of Party Policy', in *Conservative Century: The Conservative Party since 1900*, eds Anthony Seldon and Stuart Ball (Oxford England; New York: Oxford University Press, 1994), 367.
[76] 'Butler's Essay', 99.
[77] *The Industrial Charter: A Statement of Conservative Industrial Policy* (1947).

In addition, numerous committees existed to consider particular areas of policy. In total 16 of these were created after 1945, with at least three of them setting up their own sub-committees.[78] In the context of the areas considered by this thesis, these include the Fuel and Power Committee and the Health Committee. These were officially committees of the 1922 Committee, and were usually chaired by a senior MP with the CRD supplying a secretary. The Maxwell-Fyfe Report noted that '[t]hey have independently produced certain reports which have not, in fact, been examined by the main Advisory Committee'.[79] They did not actually determine policy,[80] and many of their reports and recommendations were ignored. Nevertheless, they are useful in shedding light on the state of Party opinion and they did at least have some influence in the Party manifestoes.

Finally, the professional Party was also critical, particularly while the Conservatives were in Opposition. Originally established by Neville Chamberlain in 1929, the CRD was revived after 1945.[81] It acted 'as a sort of civil service to party ministers and Members of Parliament in matters relating to Conservative policy'.[82] Between elections, its role was to provide secretaries for all parliamentary committees except the 1922 Committee.[83] It was also charged with undertaking 'long-term research, assist in the formulation of party policy',[84] and was responsible for a number of Party publications.[85] Although it was funded by Central Office, it was not controlled by Central Office. This led Party Chairman Lord Woolton to complain that it was independent 'except when the bills came in'.[86] In the first few years of opposition, there was a separate Conservative Parliamentary Secretariat, tasked with writing briefs for MPs and former ministers, though this was amalgamated with the CRD in

---

[78] Philip Norton, 'The Parliamentary Party and Party Committees', in *Conservative Century: The Conservative Party since 1900*, eds Anthony Seldon and Stuart Ball (Oxford England; New York: Oxford University Press, 1994), 115.

[79] NU, 'Final Report', 14.

[80] Bulmer-Thomas, 'Conservative Policy', 199.

[81] For histories of the CRD, see Alistair Basil Cooke, ed., *Tory Policy-Making: The Conservative Research Department, 1929-2009* (London: Conservative Research Department, 2009); Ramsden, *Conservative Party Policy*.

[82] Frederick James Marquis Woolton, *The Memoirs of the Rt. Hon. The Earl of Woolton* (London: Cassell, 1959), 331.

[83] Butler, *Art of the Possible*, 141-2.

[84] John Barnes and Richard Cockett, 'The Making of Party Policy', in *Conservative Century the Conservative Party since 1900*, eds Anthony Seldon and Stuart Ball (Oxford: Oxford University Press, 1994), 362.

[85] Michael Fraser, 'The Conservative Research Department and Conservative Recovery after 1945', September 1961, part III, 10, RAB MSS, H/46.

[86] Woolton, *Memoirs*, 331.

1949.[87] Under Butler's control until the 1949 restructure, the Conservative Political Centre, (CPC) was the Party's educational arm. Part of its purpose was to ensure that 'we should frame our policy with the aid of members of the Party themselves'. This was done via constituency-level discussion groups as part of the so-called 'Two-Way Movement of Ideas'.[88] Only a small portion of the membership ever took part in such groups, however, and it is not clear whether they had much impact on policy making.[89]

It was through controlling the ACP/ACPPE, the CRD and the role of the CRD in assisting the production of the *Industrial Charter*[90] that Butler gained effective control over policy. There is a general view that Butler, more than anyone else, was responsible for the direction of Tory policy-making during these years.[91] Butler's biographer, Anthony Howard, credits his subject not only with being 'a symbol of the new Conservatism', but as 'the architect behind rebuilding the Tory Party's entire post-war fortunes'.[92] It is possible to overstate his influence. For example, one CRD file acknowledges that contrary to popular view, '[h]e [Butler] had met few of the so-called Butler boys before they joined the Conservative staff'.[93] Nevertheless, his influence was considerable and he was at the heart of Conservative policy making.[94]

Several other bodies also had influence over, even if they had no official role in policy-making. The National Union of Conservative and Unionist Associations (NU), the body that represented the constituency associations, was a key example. Officially, the National Conference had no role in policy at all. In reality, though, its approval was sought for major policy statements, notably the *Industrial Charter* in 1947. The backbenchers' committee, the

---

[87] Cooke and Parkinson, 'Rab Butler's Golden Era?', 33

[88] R.A. Butler, *Return to Greatness*, CPC no. 37 (1948), 1-2.

[89] Mark Garnett, *Alport: A Study in Loyalty* (London: Acumen, 1999), 75; Philip Norton, 'The Role of the Conservative Political Centre, 1945-98', in *Mass Conservatism: The Conservatives and the Public since the 1880s* eds Stuart Ball and Ian Holliday (London: Frank Cass, 2002), 186-8.

[90] Bale, *Conservatives since 1945*, 43.

[91] E.g. Hoffman, *Conservative Party in Opposition,* 207-8; Bale, *Conservatives since 1945*, 42; Ramsden, *Appetite for Power*, 321.

[92] Howard, *RAB*, 176.

[93] 'Butler's Essay', 13.

[94] Bale, *Conservatives since 1945*, 43-7.

1922 Committee, had the capacity to influence policy, but did not usually do so unless ‘deeply stirred about an issue’.[95]

This thesis begins with a background chapter that examines the key tenets of pre-1945 Conservatism. This includes a discussion of how these tenets were applied in each of the three policy areas considered by this thesis. It is necessary to do this in order to ascertain whether the post-1945 approach falls within the Tory tradition or not. Chapter two traces the development of Conservative thinking towards the nationalised industries, and, more importantly, to the principle of nationalisation itself. Chapter three explores the Conservatives’ attitude to the NHS, and chapter four does the same with social insurance. This thesis concludes that, while the Conservatives reacted differently to Labour’s legislation in each area, in each instance they did so in a manner consistent with the Conservative tradition as it was then understood. Fundamentally, it argues that the Conservatives did not change their attitude towards the role of the state between 1945 and 1951. Finally, in a short epilogue, it discusses how the Party has since deviated from this tradition, and how this has made its recovery from its 1997 defeat much more difficult.

---

[95] Bulmer-Thomas, ‘How Conservative Policy is Formed’, 198-9.

Chapter One: Conservatism and the State: 1834-1945

Introduction

Before the extent to which Conservative philosophy changed between 1945 and 1951 can be assessed, some attempt must be made to outline what Conservative philosophy actually was before that period. Accordingly, this chapter seeks to outline the key tenets of Tory thought that have united the various ideological strands within the Party since the emergence of the modern Conservative Party in 1834.[1] It argues that Conservatism was a distinctive political philosophy, and one which was shared by different shades of Party opinion. It was also one that was for the most part flexible enough to adapt when it felt the times required, not purely for electoral considerations but also when it felt that some change was necessary to forestall even greater change. However, the policy direction the Party took at any given time was to a significant extent dependent on the priorities of the leader, who had considerable, if not unlimited, scope to mould policy as he saw fit.

This chapter begins by establishing that, contrary to the popular view, Conservatism is ideological and has a clear set of principles which, though adaptable, have at times limited the Party's room for electoral manoeuvre. It then thematically explores the principles that underpinned Conservative social policies, in particular its views on change and the organic nature of society, as well as the Party's conception of human nature. It then uses this analysis to chronologically explore how those principles were interpreted in a practical sense by successive Conservative leaders until the Second World War. Finally, it discusses the Conservatives' evolving attitude towards property rights. As with the discussion of Conservative social policy, it begins by outlining the Party's conception of property before tracing chronologically how this influenced their stance on nationalisation and state intervention in industry.

A common misconception is that the Party does not have an ideology. Rather than seeing their beliefs as ideological, a term which they saw as implying the rigid application of abstract theories regardless of their suitability,[2] Conservatives saw their belief as an attitude whose practical application was empirically determined with reference to custom and circumstances. Thus, in 1943, David Stelling defined Conservatism as, 'not a doctrine, compact and complete, that can be expounded scientifically in textbooks. It is rather an attitude to our national life, based, it is true, on certain established principles but developed in each man according to his own temperament.'[3]

---

[1] This is also the starting point taken by a number of Conservative Party historians. See e.g. Ramsden, *Appetite for* Power; Harris, *The Conservatives*.

This interpretation has enjoyed a very long shelf life.[4] Thirty years later, in a somewhat different political climate, prominent Tory 'wet' (that is, a Conservative who opposed Thatcher's monetarist economic policies) Ian Gilmour asserted that 'British Conservatism is not an "ism"' and '[i]t is not an ideology or a doctrine'.[5] Part of its enduring appeal lay in providing a useful means of attacking more 'ideological' opponents. Conservative empiricism and pragmatism stood in contrast to the dogmatism and rigidity of their rivals, whose policies were dictated by the theories to which they subscribed. Conservatism, by contrast, was flexible and not tied down by prescriptive formulas and rigid theories and thus more natural than its socialist or liberal rivals. Liberals, for example, were 'wedded to the sturdy doctrine that nothing should be done to limit the right of one man to sell and of another to buy his labour (or that of his children)'.[6] Some of the Party's critics have also seen the Party as 'typically pragmatic and empirical' since it lacked 'a faith, a dogma' or 'even a theory'.[7] This view is deeply problematic, however, because the preference for taking an empirical approach to issues is itself an ideological position.[8] Consequently, most scholars now regard it as a myth and acknowledge that there are recognisable strands of thought within the Party.[9]

---

[2] Stuart Ball, 'The Principles of British Conservatism from Balfour to Heath, c. 1910-75', in *The Foundations of the British Conservative Party: Essays on Conservatism from Lord Salisbury to David Cameron*, eds Bradley W. Hart and Richard Carr (London: Continuum, 2013), 1.

[3] David Stelling, *Why I am a Conservative* (1943), 3.

[4] Nick Herbert, *Why Vote Conservative 2015: The Essential Guide* (London: Biteback, 2014), 1.

[5] Ian Gilmour, *Inside Right: A Study of Conservatism* (London: Hutchinson, 1977), 121.

[6] Arnold Talbot Wilson, *More Thoughts and Talks: The Diary and Scrap-Book of a Member of Parliament from September 1937 to August 1939* (London; New York: Longmans, Green and Co., 1939), 79.

[7] C. A. R. Crosland, *The Future of Socialism* (London: Jonathan Cape, 1956), 60-1.

[8] E. H. H. Green, *The Crisis of Conservatism: The Politics, Economics, and Ideology of the British Conservative Party, 1880-1914* (London; New York: Routledge, 1995), 312.

[9] See e.g. Philip Norton, *The Conservative Party* (London: Prentice Hall, 1996), 68-9; Kevin Hickson, Introduction to *The Political Thought of the Conservative Party since 1945* (Houndmills: Palgrave Macmillan,

That there were clear Conservative principles is evidenced by the fact that the Party lost several elections by taking ideological stands,[10] particularly over tariffs, but also over the powers of the House of Lords in the case of the December 1910 election. These principles also restricted leaders' room for manoeuvre. In 1922, for example, Joseph Chamberlain's son, Austen Chamberlain, lost the Party leadership when he tried to push it too far in the direction he wanted. Confronted by the rise of Labour, Chamberlain tried to extend the Party's coalition with the Lloyd George Liberals. However, this led to a fear among many backbenchers that such a continued association threatened the Party's identity. This threat was more than most Conservative MPs could tolerate and was a major contributing factor to the backbench revolt which toppled Chamberlain's leadership.[11] In so doing, it helped give him the dubious honour of being one of the two twentieth-century Tory leaders never to become Prime Minister.[12]

Historians have differed over the means of classifying Conservative thought. Several refer to a division between the so-called 'libertarian' and 'paternalist' sides of British conservatism.[13] The 'libertarian' side preferred a limited role for the state was distrustful of state intervention in the economy while the 'paternalist' side thought it was acceptable in some instances for the state to interfere in the economy to provide some welfare relief. This is not to say that such a divide was absolute. As Green noted, it was commonplace for individual Conservatives to hold simultaneously 'libertarian' views on some subjects but 'paternalist' views on others and that the real divide between the two concerned their views of the effectiveness of state action to address social and economic problems.[14] The other problem with this interpretation is that, even if one accepts that individual Conservatives were either one or the other, this is less important than explaining why the Conservative Party as a whole was more 'libertarian' or 'paternalistic' at any given time. More recently, Peter Dorey's study of Conservatism centres around inequality and divides the Party into two

---

2005), 1-2; Mark Garnett and Kevin Hickson, *Conservative Thinkers: The Key Contributors to the Political Thought of the Modern Conservative Party* (Manchester: Manchester University Press, 2009), 2-5.

[10] Garnett and Hickson, *Conservative Thinkers*, 3.

[11] Ball, *Portrait of a Party*, 360-1, 480.

[12] Ramsden, *Appetite for Power*, 244.

[13] See e.g. Jones, 'Conservative Party and Welfare State'; Saloma, 'British Conservatism', 516.

[14] E. H. H. Green, *Ideologies of Conservatism: Conservative Political Ideas in the Twentieth Century* (Oxford: Oxford University Press, 2002), 241.

main groups: ‘one nation’ conservatives, who believe in the need for limits on inequality, and ‘neo-liberal’ conservatives who believe the state should not take any measures to reduce inequality.[15]

Thus, Conservatism was ideological, and bound by clear principles. Having established this, this chapter will now outline what those principles were, and how those principles were translated into policy.

Change and the Organic Nature of Society

An instinctive scepticism towards change and the related belief that society evolved organically lay at the core of Conservative thought and the role of the state in social matters. This attitude meant that Conservatives were generally far less receptive to radical reform than their Liberal or Labour counterparts, because they felt that such reform was unnecessary and even dangerous.

Conservatives viewed society as analogous to an organism.[16] Like a living thing, it evolved and developed naturally. Society consisted not just of individuals, but of the voluntary organisations to which individuals belonged,[17] organisations which Conservatives were consequently loath to attack. It was exceedingly complicated, to the point where no one person or party was likely to comprehend it in its entirety. This meant that attempts to impose change upon it were likely to fail due the inevitability of unforseen negative consequences.[18] This resulted in an instinctive distrust of any abstract theories which were seen as unnatural impositions, whether liberal *laissez-faire*[19] or Labour socialism. Conservatives opposed ‘change merely for the sake of change’.[20] They possessed a ‘[d]istrust of the unknown and preference for experience over theory’.[21] While ‘the existing way of life' could be flawed, 'nothing can with safety be changed quickly',[22] and 'to lose the fruits of centuries of experience would imperil any hastily achieved betterment of present conditions in any sphere of society'.[23]

---

[15] Peter Dorey, *British Conservatism: the Politics and Philosophy of Inequality*, International Library of Political Studies (London: I.B. Tauris, 2011).

[16] F. J. C. Hearnshaw, *Conservatism in England: An Analytical, Historical, and Political Survey* (London: Macmillan, 1933), 23.

[17] Ball, *Portrait of a Party*, 15.

[18] Ball, ‘Principles of British Conservatism’, 21-2.

[19] That is, the idea of leaving the market free to its own devices with minimal government intervention.

[20] Reginald Northam, *Conservatism, the Only Way* (London: John Gifford, 1939), 98.

[21] Lord Hugh Cecil, *Conservatism*, (London: Williams & Norgate, 1912), 9.

Conservatives were at pains to emphasise that their beliefs did not entail opposition to *all* change,[24] and that some change was necessary. For example, Hugh Cecil wrote that '[o]pposition to change, as such, is no part of the Tory creed and has not, in fact for many years, been a conservative characteristic'.[25] Just as living things grow and evolve over time, Conservatives argued, so too, do institutions. Accordingly, Conservatives supported, 'the natural building up of one institution upon another'.[26] Sometimes, change was necessary just to preserve existing institutions and societies that failed to adapt to change risked revolution. As Cecil argued, 'it is an indispensable part of the effective resistance to Jacobinism that there should be moderate reform on conservative lines'.[27]

The change that most frightened Conservatives was that of an ideological or revolutionary nature. Utopian visions were deeply distrusted as unnatural impositions, the pursuit of which could lead their adherents to committing terrible acts of violence. Then backbencher Harold Macmillan, who in the 1930s was firmly on the Party's left, and was no 'stranger to the accusation of being pink' as a result,[28] warned that:

> Their [utopian idealists'] danger lies in the appeal to the romanticism of youth. They call for sacrifice, for a crusade, for devotion to some mystical idea of a perfect society, and they would prostitute this idealism to the horrible purposes of violence and war.[29]

---

[22] Arthur Bryant, *The Spirit of Conservatism* (London: Methuen & Co. ltd., 1929), 2.
[23] Stelling, *Why I am a Conservative*, 4.
[24] Wilson, *More Thoughts and Talks*, 76.
[25] Cecil, *Conservatism*, 9.
[26] Lord H. Cecil, *Conservative Ideals*, NU no. 2184 (1923), 3.
[27] Cecil, *Conservatism*, 64.
[28] Butler, *Art of the Possible*, 143-4.
[29] Harold Macmillan, *Reconstruction; a Plea for a National Policy* (London: Macmillan, 1933), 127.

British Conservatism was ‘primarily a defensive creed’.[30] Therefore, a challenge for Conservatism was to prevent the latest theories being imposed in their entirety upon society, and to act as a moderating influence to prevent the best of the old from being lost with the advent of the new. As Butler, from the Tories’ moderate left, summarised:

> When there was an excess of *laisses-faire* [sic] we leaned towards the authority of the State; now that we see an excess of bureaucracy we are leaning towards individual enterprise and personal liberty. We should continue to lean, but without losing our balance.[31]

This focus on preventing ideologically-driven change meant that while the emphasis of Conservatism varied depending on the ideology it was resisting, its own core ideology remained the same.

The belief in the organic nature of society also contributed to a sense that what united the people above all was a sense of belonging to the nation, not a sense of belonging to a particular class.[32] Were an ‘impassable gulf’ to separate the rich and the poor, ‘the ruin of our common country [would be] at hand’.[33] This concept of ‘one nation’ provided a useful counter-narrative to the emergence of the class-based Labour Party in the early twentieth century. In doing so, it helped secure at least some working-class votes for the Party.

The ‘one nation’ idea also had implications for how the Party viewed the gradual extension of the benefits system. A concern for the people’s welfare, especially for the labouring classes, was the logical extension of the belief in an organic society. ‘Since the nation is a unit, and since no class and no individual can suffer without the whole community’s being worse, the true conservative is profoundly concerned for the condition of the people’, wrote Hearnshaw in 1933.[34] Conservatives made their interest in the subject clear, even if its prominence in contemporary speeches has been subsequently overplayed and even though they differed as to the means of achieving this end. This was most famously echoed by Benjamin Disraeli, both through his novels, especially *Sybil*,[35] but also in his 'One Nation'[36] speech in which he declared:

---

[30] Hearnshaw, *Conservatism in England*, 7.

[31] R. A. Butler et al, *Tradition and Change. Nine Oxford Lectures*, CPC no. 138 (1954), 11.

[32] Edward Wood, *Conservative Beliefs*, NU no. 2311 (1924), 5.

[33] Benjamin Disraeli, *Sybil, or, The Two Nations*, ed. Sheila Mary Smith (Oxford: Oxford University Press, 2008), 245.

[34] Hearnshaw, *Conservatism in England*, 303.

> Now, in my opinion the great question, the great social question which should engage the attention of statesmen is the health of the people—(Applause)… Properly conducted, it refers to human habitation, to purity of water, purity of air, to the adulteration and non adulation of food. It refers to all these subjects which if properly treated may advance the happiness and comfort of man.[37]

In sum, the Conservatives' views on change and the organic nature of society had significant implications for their approaches to welfare policy. It meant that they could tolerate incremental change, especially when it was felt that such change would help maintain the existing system, and could justify some benefits. However, they were far less willing to support radical reform than some of their opponents.

Human Nature and Inequality

An examination of how Conservatives viewed human nature and inequality is also critical in order to make sense of how they approached welfare and wealth redistribution.

Conservatives believed that it was not possible for governments to change human nature, and that it was dangerous to try. 'The prig the bigot and the inquisitor are latent in human nature; it only requires uncontrolled power to reveal them in all their bloody and fiery splendours' wrote Bryant in 1929.[38] Thus, humans were seen as inherently flawed. Conservatives rejected 'the socialist's gross over-emphasis on the influence of the environment of a man's condition, and stresses that his condition depends very largely upon what he is himself'.[39] While institutions were shaped by human nature, institutions could not themselves reshape human nature.[40]

---

[35] Disraeli, *Sybil*.

[36] Although Disraeli did not use the phrase 'One Nation', it subsequently became referred to as the 'One Nation speech'.

[37] *The Manchester Guardian*, 4 April, 1872.

[38] Bryant, *Spirit of Conservatism*, 32.

The belief in the inalterability of human nature influenced Conservative views on inequality, which was deemed to stem from inherent differences in human ability and ambition. As this thesis is written in an age when equality is increasingly regarded as a desirable policy goal, and when suggesting otherwise risks stirring controversy,[41] it must be stressed at the outset that this is not intended to be pejorative. In the Tory conception of society, inequality was unavoidable, and natural differences in talent and ability were considered part of the human condition.[42] 'He believes that men are not born equal, that no mechanical arrangement can make them equal, and that out of the inequality of man arise both the drama of existence and the prosperity of human welfare', wrote 'a gentleman with a duster' of Stanley Baldwin in 1924.[43] Differences were a positive thing. As Wood explained, '[t]he Conservative does not regard the unusual man as an enemy of the State, but as a useful person whose activities must be watched and whose profits may rightfully be taxed for the advantage of his less gifted fellows.'[44] Thus, the desire to emulate the success of others also served as a necessary driver of effort and innovation.

There was also a deep fear, particularly in light of developments in the Soviet Union and Nazi Germany, that any state that tried to re-engineer society risked sliding into totalitarianism. This stemmed from a sense that, because differences between people were innate, they could only be suppressed through state coercion, and a state which assumed such power posed a threat to liberty. An aspect of this was a recurring fear that the Labour Party, either by accident or design, was merely a prelude towards communism.[45] Therefore, because socialism placed such importance on the state as the necessary agent of change, it threatened British liberty. The most infamous expression of this occurred in an election broadcast by Winston Churchill in 1945. In what became known as the 'Gestapo Speech', he warned:

---

[39] Hearnshaw, *Conservatism in England*, 30.

[40] Cecil, *Conservatism*, 91.

[41] See, for example the reaction to Conservative London Mayor Boris Johnson's comments on academic selection, which were based on arguments of this kind: Michael Savage, 'Clegg accuses Boris of 'unpleasant, careless elitism', *The Times* (online), 28 November 2013, <http://www.thetimes.co.uk/tto/news/politics/article3934381.ece>.

[42] Dorey, *British Conservatism*, 7-8.

[43] A Gentleman with a Duster [Harold Begbie], *The Conservative Mind* (London: Mills & Boon, Limited, 1924), 26.

[44] Ibid., 53

[45] Ibid., 82.

> No socialist Government conducting the entire life and industry of the country could afford to allow free, sharp, or violently-worded expressions of public discontent. They would have to fall back on some form of *Gestapo*, no doubt very humanely directed in the first instance. And this would nip opinion in the bud; it would stop criticism as it reared its head, and it would gather all the power to the supreme party and the party leaders, rising like pinnacles above their vast bureaucracies of Civil servants, no longer servants and no longer civil.[46]

Churchill's views were not an aberration. Even progressive voices in the Party shared this sentiment. Butler himself warned in a 1945 broadcast that:

> We shall lose our soul if we submit to any creed which teaches us to worship the State, or to accept that dull dreary doctrine called materialism. We've seen the Disasters [sic] which have befallen a people on the Continent of Europe who bowed down before the State and sacrificed their personal liberty.[47]

However, though Conservatives were supportive of some state assistance, this was subject a caveat that such assistance should be limited by both the state's ability to finance it and the need to preserve individual initiative, a key difference from the Labour Party. As Bryant warned, '[t]he State can give only what it possesses. Its power of providing public services must always depend on its ability to pay for them'.[48] The state should also not be seen as the only provider, and Conservatives were keen to stress a role for private efforts.[49] Conservatives also feared that too much state assistance would create what in modern terms would be called a ‘culture of dependency’. Thus, while the Conservatives supported social reform, this was only so far as it was used to enable people to help themselves.[50]

---

[46] Winston Churchill, Election Broadcast, 4 June 1945 in ed. May 1948, in Robert Rhodes James, ed., *Winston S. Churchill: His Complete Speeches*, vol. 7 (New York, Chelsea House, 1974), 7172.

[47] 'Speech by the Minister of Labour and National Service', 25 June, 1945, RAB MSS, K/16.

[48] Bryant, *Spirit of Conservatism*, 17.

[49] *Social Services: What We Spent on Health, Education, Pensions, Insurance, Housing Etc.*, 2nd ed., NU no. 2671 (1926).

Conditions of the People: Conservative Social Policy in Practice

Having outlined the principles informing Conservative social policy, it is necessary to outline how those principles were applied before 1945. This is important because without points of comparison it is impossible to assess whether the 1945-1951 Conservatives acted in a manner consistent with the Conservative tradition or not. As there were several distinct stages in the evolution that Conservative social policy evolved, these are first outlined, and then explored chronologically.

The first notable era was that of Disraeli’s leadership (1868-1881).[51] Confronted by an extension of the franchise to include members of the working class, Disraeli was the first Conservative leader to use social reform, albeit in a limited fashion, to help his Party compete electorally. Under his successor, Lord Salisbury (1881-1902), however, social reform was much less of a priority, in part due to the fact that the pressure to change was reduced by the Liberal split. Under leaders Balfour (1902-1911), and Bonar Law (1911-1921; 1922-1923), the Party increasingly struggled to reposition itself in response to the rise of socialism. While there were various attempts within the Party to link the introduction of tariffs to social reform, these repeatedly failed at the ballot box. The next leader to engage seriously in social reform was Baldwin, whose governments oversaw a significant extension of the emerging welfare state. As with the Disraelian era, this stemmed from a perceived need to help the Party adapt to a working-class dominated electorate following another extension of the franchise. The final period was during the Second World War. Faced with demands for greater welfare changes following the publication of the Beveridge Report, the Party struggled to adapt. The Conservatives’ enthusiasm for doing so was far from uniform and the leader was far more concerned with prosecuting the War than domestic questions. Each of these periods will now be considered in turn.

---

[50] Northam, *Only Way*, 102.

[51] It should be noted that technically no such position as ‘Leader of the Conservative Party’ existed until 1922. Instead, there were separate leaders of the Party in the House of Lords and in the House of Commons. In practice, whichever leader was Prime Minister, or had held that position in the last Conservative government, was effectively leader of the whole Party. See Ball, *Portrait of a Party*, 450-1. The leadership dates in this paragraph are taken from Ramsden, *Appetite for Power*, 511-2.

The first attempt to characterise the Conservatives as the party of social reform occurred under the leadership of Benjamin Disraeli. Disraeli has long been regarded in Conservative Party legend as a great social reformer,[52] though his policy contributions were less impressive than his rhetoric. Realising the need to broaden the Party's electoral base and attract working-class support in the newly-expanded electorate, Disraeli's 1874-80 administration embarked on a series of social reforms.[53] These included the passage of, amongst other things, trade union legalisation, the first attempt at slum clearance, the 10-hour day and factory legislation, and the scrapping of criminal penalties for breaches of contract. Blake has described them as constituting 'the biggest instalment of social reform passed by any one government in the nineteenth century'.[54] The more accepted view is that such reforms were relatively minor, and stand out only because of the failure of the Liberals to introduce more far-reaching reforms.[55] Nevertheless, they were subsequently of great use for Conservative leaders and policy-makers seeking to craft their own reformist agendas onto a perceived social reforming tradition.[56]

The following period saw little serious attempt at social reform. While Salisbury expressed concern for popular welfare, he was anxious that private property rights not be harmed in in an attempt to improve it.[57] He also did not feel that radical reform was politically necessary.[58] The need for a radical rethink in this regard was significantly diminished by the 1886 Liberal split, which saw a number of Liberals under Joseph Chamberlain cross over to support the Conservatives out of opposition to Gladstone's newly-declared support for Irish home rule. With Liberal Unionist support, the Conservatives dominated British politics for the next 20 years. Nevertheless, while the leadership may have been disinterested in the subject, the same was not true of all in the Party or its supporters. Randolph Churchill and Chamberlain, for example, pushed for greater Conservative support for social reform on the grounds that this would undermine working-class support for socialism.[59] However, their efforts amounted to little.

---

[52] For a recent example of this, see Cooke, *A Party of Change,* 15-6.
[53] Dorey, *British Conservatism,* 56-7.
[54] Robert Blake, *Disraeli* (London: Eyre & Spottiswoode, 1966), 353.
[55] Ramsden, *Appetite for Power*, 126.
[56] Ian Packer 'The Conservatives and the Ideology of Landownership' in Martin Francis and Ina Zweiniger-Bargielowska, *The Conservatives and British Society, 1880-1990* (Cardiff: University of Wales Press, 1996), 53.
[57] HL Debates, 3rd ser., vol. 284, cols 1689-90, 22 February 1884 (Marquess of Salisbury).
[58] Green, *Crisis of Conservatism*, 156.

Having been soundly thrashed at the 1906 election,[60] the Conservatives remained out of until they formed a wartime Coalition with Prime Minister Asquith's Liberals 1915. This Coalition became increasingly Conservative-dominated after the Liberal split of 1916. Thus, the Conservatives returned to office without developing an electorally successful programme of social reform.

As demands on the state grew from the late nineteenth century, the need for a Conservative alternative both to an increasingly interventionist liberalism, and to the emergence of socialism, became increasingly apparent to Conservative politicians. During this period the Conservatives struggled to adapt their principles to the increased demand for social reform. It was not that Conservatives were unaware of the problem; they realised the electorate demanded change in social policy.[61] The problem was that their suggested remedy failed at the ballot box.

The most serious attempt to address social policy questions was the proposed introduction of tariffs. Long championed by Liberal Unionist Joseph Chamberlain,[62] the attraction of tariffs was that they offered a means of financing social reform without increasing the tax burden on the wealthy and cutting the defence budget while strengthening the Empire.[63] They offered a contrast to Liberal Chancellor Lloyd George's proposals to use increased taxation to pay for social reform, thereby ensuring the compatibility of free trade and social reform. Conservatives claimed that, unlike Liberal social measures, which only addressed the consequences of unemployment, tariffs directly affected its causes.[64] Nevertheless, tariffs were more heavily promoted for imperial rather than welfare reasons, and the social welfare part of Chamberlain's tariff equation struggled to gain the leadership's support.

---

[59] Dorey, *British Conservatism*, 58-9.

[60] The Conservatives won just 157 seats.

[61] Green, *Crisis of Conservatism*, 260.

[62] Although originally a Liberal, Chamberlain and other Liberal Unionists had switched support to the Conservatives in 1886 over Gladstone's support for Irish home. Though initially remaining a separate organisation from the Conservatives, the parties formally merged in 1912.

[63] John Charmley, *A History of Conservative Politics since 1830*, 2nd ed., British Studies Series, (Basingstoke: Palgrave Macmillan, 2008), 71-2.

[64] Green, *Crisis of Conservatism*, 246.

In any event, tariffs failed to win popular support. Conservative arguments about Protection's benefits in terms of higher levels of employment failed to outweigh popular fears that it would mean taxes on food and other essential goods. In addition to the 1906 contest, the Party lost two further elections in 1910 and another in 1923, when it went to the people on protectionist platforms.

Despite this, Conservatives could not bring themselves to support Liberal measures because, while they recognised that something needed to be done about social reform, they believed it should not be done in a way that harmed the interests of the upper class, which would have been the effect of increasing taxes.[65] Avoiding class conflict was, after all, a key Conservative principle.[66] Thus, even where the Conservatives were aware that something needed to be done, there was a limit to how far their principles would allow them to adapt.

The next important stage in Conservative policy development occurred following the disastrous 1923 election and the development of Stanley Baldwin's so-called 'new Conservatism'. A member of the pre-war Unionist Social Reform Committee, Baldwin emerged as Party leader following the forced retirement of Bonar Law (who had resumed the position after Chamberlain's downfall) owing to terminal illness. Combined with another dramatic expansion of the franchise under the 1918 Reform Act,[67] the Party felt compelled to adapt to an electorate that was now largely working class, even if in reality the effect of the extended franchise was not as harmful to the Conservatives as was once assumed to be the case.[68] This fear was exacerbated by the displacement of the Liberals by the explicitly socialist Labour Party as the main alternative to the Conservatives. Although the Conservatives enjoyed solid support among the middle-and-upper-middle classes, this was no longer sufficient. It would therefore need policies to appeal to at least a portion of the working class vote as well.[69] Reflecting this, Baldwin was reported to have felt that 'if the Tory Party is to exist we must have a vital, democratic creed, and must be prepared to tackle the evils, social and economic, of our over-populated, over-industrialised country'.[70]

---

[65] Ibid., 261.
[66] Ibid.
[67] *Representation of the People Act 1918*.
[68] Ball, *Portrait of a Party*, 508-9.

At the core of Baldwin's strategy were his successful efforts to paint the Conservatives as a broad-based or 'national' party. One way he did this, which had the added advantage of linking his approach to Party history, was refer to Disraeli's legacy, particularly to the idea of 'one nation'. Baldwin said of Disraeli that 'of all the statesman of his period, the time of our grandfathers, Disraeli is perhaps the only one who can be read to-day as though he were a modern speaking in the time of to-day'.[71] Indeed, while the phrase 'one nation' was associated with Disraeli's idea of uniting the 'two nations' (the rich and the poor), he was not responsible for popularising it. Rather, it was Baldwin who was, 'the first to exploit the mythical term … in any explicit and systematic way'.[72] Baldwin's image as a conciliatory figure further assisted the Conservatives Party's fortunes. The sense that Baldwin was a 'non-political' figure was invaluable in his gaining control over the political centre ground.[73] In this respect Baldwin's strategy was remarkably successful. While the parliamentary Party remained dominated by the upper echelons of society,[74] it connected with enough of the electorate to deliver electoral victories in 1924, 1931 and 1935.

This imperative to adapt was reflected in the Baldwin Government's social policies in the 1920s and 1930s, although Joseph Chamberlain's son, and Austen's half-brother, Neville deserves much of the credit. The 1924-9 Conservative Government embarked on a series of reforms, largely under Chamberlain's auspices in his capacity as Minister of Health.[75] Of the 25 measures Neville Chamberlain proposed within a fortnight of taking office in 1924, 21 were introduced by the time of the 1929 election.[76] These measures included the lowering of the female pension age from 65 to 60, the implementation of a large-scale programme of house-building, and the statutory involvement of local government in housing. In 1927 alone, 273,229 houses were constructed in England and Wales.[77] The *Local Government Act 1929* brought major changes to the old Poor Law, with Public Assistance Committees taking over responsibility for the able-bodied unemployed and specialist council committees taking responsibility for the non-able-bodied.[78] Overall, the welfare system was considerably expanded during the interwar period and, despite considerable limitations, was one of the world's most generous by the outbreak of war. Not without reason did (Liberal) William Beveridge note that aside from medical service that 'provision for security, in adequacy of amount and in comprehensiveness, will stand in comparison with that of any other country; few countries will stand comparison with Britain'.[79]

---

[69] Ibid., 508.

[70] 'Baldwin Turns and Rends His Critics', 18 May, 1924, in *Baldwin Papers: A Conservative Statesman, 1908-1947*, eds Philip Williamson and Edward Baldwin, (Cambridge: Cambridge University Press, 2004), 490.

[71] Benjamin Disraeli, *A Voice From the Past. Some Extracts From…Speeches and Writings Bearing on Present-Day Problems. With a Forward by Stanley Baldwin*, NU no. 3265, (1931), 2.

[72] David Seawright, *The British Conservative Party and One Nation Politics* (New York; London: Continuum, 2010), 7; Stanley Baldwin Baldwin, *On England*, 4th ed. (London: Hodder & Stoughton, 1938), 86; Disraeli *Sybil*, 65-6.

[73] Philip Williamson, *Stanley Baldwin: Conservative Leadership and National Values* (Cambridge; New York: Cambridge University Press, 1999), 353.

[74] Ball, *Portrait of a Party*, 213.

[75] Until after the Second World War, the Ministry of Health had a significantly larger scope, which included housing and local government.

The final period in the evolution of Conservative policy to social welfare provision was from the outbreak of the Second World War to the 1945 election. Following the outbreak of hostilities, a political truce was instituted under which the parties agreed not to contest by-elections in seats previously held by one of the other parties.[80] Initially Chamberlain's Conservative-dominated National Government remained in place. Following his downfall in May 1940,[81] however, an all-party Coalition government was formed under Winston Churchill's leadership. The Coalition would remain in office until after victory in Europe in May 1945.

The wartime period saw detailed planning for the extension of social services in the post-war period, although Conservatives remained divided and lacked firm direction on the subject. This was not assisted by Churchill, who was far more concerned about the conduct of the war than detailed planning for its aftermath.[82] Amongst Conservatives, divisions emerged over how to deal with the landmark Beveridge report, which proposed a sweeping expansion of the social services. Many Conservatives balked at the financial implications of the plan. Outlining the Government's position, Kingsley Wood, the Conservative Chancellor of the Exchequer, told the Commons that '[w]hile finance should not be our master but rather our servant, that servant must be fairly and properly treated and certainly not be so dealt with that he breaks or collapses in the course of his work'.[83] One CRD file notes that 'some Cons MP's may have been (were) dead against it [Beveridge]'.[84]

---

[76] Robert C. Self, *Neville Chamberlain: A Biography* (Aldershot, Hants; Burlington, Vt: Ashgate, 2006), 106.

[77] *Three Years Work. The Record in Brief of the Conservative and Unionist Government. November 1924-December 1927*, 9th ed., NU no. 2763 (1928), 40. For a discussion of Conservative housing policy, see Clement Macintyre 'Policy Reform and the Politics of Housing in the British Conservative Party 1924-1929', *Australian Journal of Politics and History*, 45, no. 3 (1999).

[78] Self, *Neville Chamberlain*, 128-32.

[79] Cmd 6404, *Social Insurance and Allied Services* (the Beveridge Report) (London: His Majesty's Stationary Office, 1942), para. 3.

[80] *The Times*, 27 September 1939, 5.

[81] Due to disquiet at his handling of the War, although his prestige took a battering after the failure of his 'appeasement' policy.

However, the Government supported the report in principle and it would be wrong to dismiss the Conservatives' interest in the topic as cynical. Conservatives saw defeating Hitler as the primary war aim, not the expansion of social services, however much that may be desired.[85] However, Ewen Green was incorrect when he cited Henry Willink's complaints about Labour seeing the war in this light as evidence of hostility towards a permanently expanded state.[86] In his unpublished memoirs, Willink also recalled that his wartime work on the Beveridge Report was '[t]he only bit of work which I remember with any real satisfaction'. The idea that a comprehensive health service was 'essential' was one with which 'I found myself in full sympathy'.[87] Some felt the Conservatives had not gone far enough and went much further in pushing for public embrace of the Beveridge Report. Indeed, the Tory Reform Committee 'was originally formed in February 1943, with the object of encouraging the Government to take constructive action on the lines of the Beveridge Scheme'.[88]

While most of the Beveridge Report's recommendations remained unlegislated until the end of the war, several key reform measures were introduced and detailed planning was undertaken in many other spheres. There was recognition within the Conservative Party that a changing national mood demanded greater social reform. The landmark piece of

---

[82] 'Rab Interview', in 'Butler's Essay', 343.
[83] *Notes on the Beveridge Report. Part I —Government's General Policy* (1943), 2.
[84] 'Butler's Essay', 47.
[85] Henry Willink, 'As I Remember', 1968, 74, Willink MSS, WILL Box 1.
[86] Green, *Ideologies of Conservatism*, 243.
[87] Willink, 'As I Remember', 74.
[88] Tory Reform Committee, *Forward—By the Right: A Statement by the Tory Reform Committee* (London, Hutchinson, 1943), 1.

Coalition-era welfare legislation was the essentially Conservative *Education Act*, steered through by Butler as President of the Board of Education. In contrast with the future NHS and the nationalisation legislation, the *Education Act* was to a far greater extent prepared to work with and alongside existing structures. The public schools were left untouched, for example, whereas the vast bulk of the hospital system was nationalised. As Butler later noted in his memoirs, '[i]t did not, as some would have wished, sweep the board clean of existing institutions in order to start afresh'.[89] In his influential statement of post-war conservatism, *The Case for Conservatism*, Quintin Hogg argued:

> The actual framework of Mr. Butler's Education Act, with the wide use it makes of existing machinery the steadfast refusal to standardise and the consummate skill whereby general standards are enforced, and the ultimate responsibility of the Minister reconciled with great diversity and variety, and great freedom of local authorities and religious bodies, is a model of Conservative statesmanship—which Conservatives think should have been copied by their successors in some other legislative fields.[90]

Family Allowances were also on the statute books before the 1945 election.[91] Progress was being made on other fronts too. There was recognition across the political spectrum that something needed to be done about the health system. As Tory Minister for Health in the Coalition Government, Henry Willink, noted in his proposals for a universal scheme in 1944:

> it is still not true that everyone can get all the kinds of medical and hospital service which he or she may require. Whether people can do so still depends too much upon circumstances, upon where they happen to live or work, to what group (e.g. of age or vocation) they happen to belong, or what happens to be the matter with them. Nor is the care of health yet wholly divorced from the ability to pay for it, although great progress has already been made.[92]

---

[89] Butler, *Art of the Possible*, 123.

[90] Hogg, *The Case for Conservatism*, Penguin books (West Drayton: Penguin Books, 1947), 143-4.

[91] *Your Election Questions Answered* (1945), 81.

[92] Memorandum by the Minister of Reconstruction, the Minister of Health and the Secretary of State for Scotland, 'Proposals for a National Health Service', 6, W.P. (44) 74, 5 February, 1944, TNA, CAB/66/46/24.

It seems at least likely that some form of health legislation was on its way. In 1945, just before the election results were known, Churchill specifically named health legislation as one 'of the main subjects on which, I suggest, we should seek to make substantial progress during July'.[93]

In conclusion, comparing the various stages of the Conservative Party's approach to social reform reveals several characteristics. First, the party was capable, for the most past, of responding to the demand for social reform when the electoral circumstances or political situation demanded it. Secondly, if such demand was not there, Conservatives were much less likely to feel the need to embark on reforms. Finally, while Conservatism showed a considerable degree of flexibility, it also had its limits. Where a key principle was at stake, Conservatives would not back down, even at risk of electoral unpopularity.

Importance of Property Rights/Nationalisation

Finally, by the 1940s, the Conservatives had come to place great stress on the importance of private property, which plays no small part in explaining Conservative opposition to nationalisation. This section begins by outlining the emergence of the Tories as the party of free enterprise, before explaining why the Tories believed violating property rights was morally wrong and practically inefficient, as well as how this informed the party's opposition to nationalisation. It will then explain that while the Conservatives were against nationalisation, they were willing to justify state intervention in the economy if the circumstances demanded it. Finally, it outlines how this translated in the Party's practical approach to policy.

Although the protection of property rights had long been a major concern of Conservatives, it was only later in the nineteenth century that they came to be seen as the defenders of free enterprise. Traditionally, the Conservatives' interest in property had been expressed in terms of their support for the interests of the landed aristocracy. This stemmed from the fact that the Party's base was in the countryside, which Conservatives viewed in far more romantic terms than urban capitalists.[94] The importance of this constituency to the Party is evidenced by the fact that it endured a major split 1846 over the repeal of the Corn Laws, a change which favoured the urban classes over its agricultural heartland.

---

[93] 'Programme for July 1945', CHAR 23/14.

The business vote, by contrast, was largely monopolised by the Liberals, and until the 1880s, most businessmen MPs were members of that Party.[95] However, as fears grew about radical influence over the Liberals, the propertied vote shifted towards the Conservatives, even if this was not immediately reflected in the Party leadership, which remained dominated by the aristocracy for some time.[96] It was during this period that the Conservatives came to be seen as the defenders of free enterprise.

'Nothing has more effective significance in Conservatism than its bearing on questions of property', wrote Hugh Cecil in 1912.[97] Property rights were critical both for the development of the subject and, perhaps of greater significance for this thesis, was a necessary spur to creativity and a buffer against state tyranny.[98] Reformist Conservative Edward Wood wrote, '[t]he acquisitive desire to get hold is, on one side of his being, the strongest motive of man's mind'.[99] As Lord Cecil argued, there was also a moral dimension, '[w]e ought to maintain that it is morally wrong to take away the property of a person unless there is really a reason which will justify it'.[100] This extended to all types of property, including that of urban capitalists. In addition, a state that threatened property rights risked sliding into dictatorship. The reasoning behind this was similar to that behind the fear that eliminating inequality would threaten freedom, namely that the state would need coercive powers to redistribute wealth, and that the extent of these powers would lead to something worse.[101] Though this idea was somewhat vague, it was a recurrent theme.[102]

---

[94] See e.g. Disraeli, *Sybil*.
[95] Green, *Crisis of Conservatism*, 78, 86-7.
[96] Ibid., 78-88.
[97] Cecil, *Conservatism*, 118.
[98] Wood, *Conservative Beliefs*, 7.
[99] Ibid.
[100] Cecil, *Conservative Ideals*, 6.
[101] Dorey, *British Conservatism*, 19-20.
[102] Ball, *Portrait of a Party*, 30.

As well as the philosophical aspect, it was believed that wealth redistribution would simply not deliver any tangible benefits to the less fortunate. Taking wealth away from the industrious, either by means of heavy taxation or the direct state appropriation of wealth, would only impoverish the rich without delivering any benefits. This was because the Conservatives believed that new wealth would not be created by suppressing ability and failing to reward talent.[103] In this sense, there was a strong overlap with Conservative views on inequality as discussed earlier. As Balfour wrote:

> It is a simple task to, or would be a simple task, for some absolute ruler to reduce all his subjects to a little lot better than that of the beast, but it requires much more than power … to raise any population above the level. … That is the part which lies before us, and, believe me, that part can never be accomplished if you approach it in the spirit of those who think that by merely confiscating capital, and appropriating wealth for the State, they are moving a step toward giving us the social machinery we require.[104]

Far from delivering any benefits, interfering in property rights risked causing serious harm given that 'the whole commercial and industrial life of the country depends on treating property as a sacred thing which is not to be violated'.[105]

As a logical extension of this position, Conservatives were consistent, for the most part, in rejecting nationalisation as a remedy for industrial problems. With the emergence of a Labour Party committed to the nationalisation of the means of production, distribution and exchange, this theme became more a more pronounced aspect of Conservative thought. There were a number of objections to nationalisation. First, it was criticised as a doctrinal measure, an 'old chaser' that Labour wished 'to put over the national course'.[106] Secondly, it could never be as efficient as private enterprise. For example, it could not replicate the private sector's 'willingness to experiment and take risk'.[107] Further, it was deemed to have failed wherever it had been tried. Attention was drawn to nationalisation's perceived failures in the dominions, Europe, and even the Soviet Union.[108]

---

[103] John Barnes, 'Ideology and Factions,' in *The Conservative Century: The Conservative Party since 1900*, eds Anthony Seldon and Stuart Ball (Oxford England; New York: Oxford University Press, 1994), 333-4.

[104] Arthur Balfour, 'In Socialism', speech at Unionist demonstration in Peebles, 23 October, 1924, in Philip W. Buck, ed., *What Conservatives Think* (London: Pelican, 1975), 123.

[105] Cecil, *Conservative Ideals*, 6.

[106] HC, Debates, 5th ser., vol. 193, col. 1704, 29 March, 1926 (Colonel Ashley).

Nevertheless, while the Tories were committed to upholding property rights, most were keen to stress that they firmly opposed *laissez-faire*.[109] The idea that Conservatives were in principle against state intervention was 'a widespread oversimplification'.[110] State intervention was justified if the circumstances demanded it. A 'great deal' of state interference was needed to successfully prosecute the First World War, for example and then to help industry transition back towards peacetime conditions.[111] Arthur Byrant wrote that '[t]here are many ways in which the State, acting always with circumspection, might be able to help the recovery of British industry'.[112] These could include industry rationalisation and the use of tariffs, as will be discussed later in this chapter.

While the distinction between governments directing corporate mergers, erecting tariff walls and outright nationalisation may appear tenuous, to Conservatives there was a clear philosophical difference. As Arnold Wilson explained:

> This is not socialism but its antithesis. Socialism demands national ownership of all the means of production and distribution of all essential commodities—including means of transport. Marketing Boards and other statutory bodies entrusted with powers by Parliament consist of producers and distributors, the Government being responsible to watch the interest of consumers. The means of production and distribution remain in private hands.[113]

A small number of Conservatives, it is true, would have gone further and supported nationalisation in a limited number of cases. Harold Macmillan, for example, in words which were subsequently to cause some embarrassment, called for coal to be nationalised. Unlike most other Conservatives, Macmillan felt the coal industry had declined to such a point that state intervention was necessary.[114] Even he, though, only thought that nationalisation should occur in a limited range of industries where the circumstances required it.[115] Macmillan was very much in the minority, however. Baldwin spoke to Butler of his ability to steer the party 'between [the left-wing] Harold Macmillan and [the right-wing] John Gretton'.[116] Macmillan was accused of 'socialism' on more than one occasion during the interwar years.[117]

---

[107] *The Nationalisation of the Mines*, NU no. 2694 (1927), 5.
[108] Nationalisation: The Socialists' Nostrum, NU no. 2996 (1929); *The World-Wide Failure of Nationalisation*. *Some Official Facts and Figures*, NU no. 2814 (1928).
[109] This was despite the fact that an earlier generation of Conservatives *did* support *laissez-faire*.
[110] Ball, *Portrait of a Party*, 28.
[111] George Lloyd and Edward Wood, *The Great Opportunity*, (London: John Murray, 1919), 47-8.
[112] Bryant, *Spirit of Conservatism*, 130.
[113] Wilson, *More Thoughts and Talks*, 78.

For all the differences in the degree of desired state control, there was a common thread linking Macmillan's approach to the more mainstream Conservatives. Even he believed that the imperative for state intervention arose from a need to assist certain industries which were unable to innovate and sustain themselves, not from a belief in state intervention or ownership as an end in itself.[118] Thus, while Conservatives differed over the extent of desirable state intervention, most of them were prepared to countenance at least some.

Conservatives and Nationalisation in Practice

In terms of practical policy, these beliefs meant that Conservatives were willing to intervene in the economy where it was felt that such an intervention would benefit particular industries and lower unemployment. There were two means they considered to do this: tariffs and rationalisation.

Protective tariffs were seen as a way of strengthening the domestic economy as well as raising revenue for the government. While Conservatives had previously tried for years, without success, to implement tariff reform, the opportunity finally came with advent of the Great Depression and the 1931 landslide election win of the Conservative-dominated

---

[114] Macmillan, *Middle Way*, 230-2.

[115] Ibid., 237-8.

[116] R.A. Butler, Memorandum, July 1935 in *Baldwin Papers,* eds Williamson and Baldwin, 343. Curiously this this contrasts with the account of the conversation in Butler's own memoirs which refer to steering 'between Harold Macmillan and Henry Page-Croft'. See Butler, *Art of the Possible*, 30.

[117] Garnett and Hickson, *Conservative Thinkers,* 9.

[118] Macmillan, *Middle Way*, 237-8.

National Government. The justification for doing so was to assist the country's economic recovery.[119] In the Commons, Chancellor Neville Chamberlain explained:

> We propose, by a system of moderate Protection, scientifically adjusted to the needs of industry and agriculture, to transfer to our own factories and our own fields work which is now done elsewhere, and therefore decrease unemployment in the only satisfactory way in which it can be diminished.[120]

Thus, rather than the state trying to take over particular industries, tariffs were intended to allow industries to become more efficient,[121] rather than being eliminated by foreign competition.

The other key way Conservatives intervened in the economy was through government-imposed reorganisation. The relatively new electricity industry was one example. Having emerged without central direction, British electricity was a mess. Only one third of the country was 'reasonably supplied with electricity'.[122] Even frequencies varied from one part of the country to another.[123]

The Baldwin Government's solution was the creation of a Central Electricity Board, which was charged with purchasing electricity from power stations, distributing it via Board-owned infrastructure, and then selling it either to the private or local government-owned companies, who then sold it to the consumer.[124] In addition, it controlled where new power stations were to be built and how they were to be designed.[125] Crucially, though, the actual ownership of the industry remained in private hands. In that regard, the Conservatives 'nationalised *control* [emphasis in original] without full national ownership'.[126] Reflecting the Party's reluctance to intervene in the economy, though, the *Electricity (Supply) Act's* passage 'was extremely difficult'.[127]

---

[119] Ramsden, *Appetite for Power*, 283.

[120] HC Debates, 5th ser., vol. 261, col. 287, 4 February 1932 (Neville Chamberlain).

[121] Ibid.

[122] Ibid., vol. 193, col. 1691-3, 29 March 1926 (Colonel Ashley).

[123] Ibid., col. 1701.

[124] E. Eldon Barry, *Nationalisation in British Politics: The Historical Background* (London: Jonathan Cape, 1965), 298.

[125] Keith Middlemas and John Barnes, *Baldwin, a Biography* (London: Weidenfeld and Nicolson, 1969), 393.

[126] Macmillan, *Middle Way*, 134.

The electricity legislation was not intended to assert state control, but to benefit both the industry and the wider economy. It was designed to boost electrical consumption so that Britain did not 'lag behind in the industrial race'.[128] Further, it was designed to benefit the electricity companies. Although the companies had to 'submit to co-ordinative control', the Act left them better off financially. This was because their output was now 'guaranteed to be taken' and they would enjoy 'much more business' than previously.[129] Thus, intervention was used as a specific remedy to a specific problem that would endeavour to preserve private enterprise.

Older industries were also rationalised. In the case of railways, for example, the fact that the network had been built by competing private operators had resulted in considerable inefficiency, notably due to the unnecessary duplication of railway lines. The effects of these problems were exacerbated by increased competition from road transport. The Government's response was the *Railways Act* of 1921, under which 'extensive amalgamations were affected, and new regulatory legislation was enacted'.[130] The multitude of railway companies was consolidated into just five.[131] As with electricity, the railways remained in private hands.

The establishment of the London Passenger Transport Bard, set up to manage public transport in the capital in 1933, was one of the few instances where a Conservative-led government nationalised an entire industry. It was set up because it was deemed to be the 'only possible remedy' to stop the 'chaos' caused by 'the continuous attrition of internecine competition between rival transport operators in the capital'.[132] Even in that instance, where the case for public ownership was justified on pragmatic grounds, there remained some Tory opposition.[133]

---

[127] Middlemas and Barnes, *Baldwin*, 393-4.
[128] HC Debates, 5th ser., vol. 193, col. 1693, 29 March, 1926 (Colonel Ashley).
[129] Ibid., col. 1703.
[130] Macmillan, *Middle Way,* 150.
[131] Wilson, *More Thoughts and Talks*, 78.
[132] *The Times*, 1 December 1932.

In sum, while the Conservative and Conservative-dominated governments played a larger role in the economy from the 1920s onwards, this can be explained by an attempt to assist or preserve industries rather than intervene for the sake of doing so. As such, it was done in a way consistent with earlier Conservative attitudes.

Conclusion

A close analysis of pre-1945 Conservatism reveals a Party of core principles, albeit generally flexible ones. There were limits to Conservative adaptability as the various tariff reform efforts attest, particularly the case when Party unity was at stake, or a key principle was at risk. It was also a good deal easier for the Party to accept adaptation when it felt there was no political alternative. Nevertheless, an examination of the British Conservative Party until the Second World Ward reveals an ability to adapt its ideas to changing circumstances. Across the period considered by this chapter, key beliefs on the extent of desirable change, inequality and property rights can be discerned, although what these meant in practice depended upon what the circumstances demanded. Part of the explanation for this adaptability lies in the reactionary nature of Conservatism; its purpose was to adapt to the most favourable elements of the new while preserving the best of the old. In addition, its emphasis on pragmatism enabled it to justify adopting new solutions to old problems as new means of resolving them made themselves apparent. This meant that by definition it was in part defined by what it opposed as well as what it stood for in its own right. However, it would be wrong to dismiss Conservatism as a purely reactive creed. The direction provided by the leader also mattered considerably. But these were not the only reasons for the Party's adaptability. The Party genuinely believed in the need to change existing institutions in order to preserve them. It is how these factors interacted that determined how these core beliefs were interpreted in any one generation. How they did so between 1945 and 1951 is the subject of the remainder of this thesis.

---

[133] Barry, *Nationalisation*, 292.

Chapter Two: 'We Are on a Better Wicket': The Conservatives and Nationalisation

Introduction

While the Conservatives never grew to like nationalisation, they resigned themselves to accept most of Labour's nationalisation measures once they had been put in place. In all, around a fifth of the economy, including the Bank of England, coal, electricity, cable and wireless, civil aviation, railways, iron and steel and inland road transport, was taken into public ownership.[1] Although state intervention in the economy was hardly new, the extent of state *ownership*, at least in peacetime and on this scale, was. Nationalisation was justified by a stated aim of improving industrial output as well as a belief that public ownership was a key step in the construction of a socially just society. Despite Conservative discomfort with nationalisation, the newly acquired industries, restructured as public corporations, remained a significant feature of the British economy under successive governments until Margaret Thatcher began privatising them in the 1980s.[2] However, while the Conservatives failed to denationalise, there is little evidence that their attitude toward the *principle* of nationalisation dramatically changed between 1945 and 1951.[3] Having opposed Labour's entire nationalisation programme, it was largely out of pragmatism that most of it was left in place. It was far easier for Conservatives to tolerate the nationalisation measures once they had been introduced than it would have been to introduce them themselves. Once implemented, nationalisation was, for the most part, simply too difficult to reverse.

Surprisingly little has been published on Conservative policy development on nationalisation and the nationalised industries. Norman Chester's vast official history of nationalisation between 1945 and 1951 seldom mentions the Tories, although he does argue that they would not likely have returned to the pre-war *status quo* had they won the 1945 election.[4]

---

[1] Francis, *Ideas and Policies under Labour*, 66.

[2] Nicklaus Thomas-Symonds, *Attlee: A life in Politics* (London: I.B. Tauris, 2012), 167.

[3] This Chapter deliberately refers to *denationalisation* as opposed to *privatisation* since this was the term in use at the time.

[4] Daniel Norman Chester, *The Nationalisation of British Industry, 1945-51* (London: Her Majesty's Stationary Office, 1975).

Singleton's chapter on Labour, the Conservatives and nationalisation takes a similar line.[5] There is a chapter on the Tories and the steel industry by Godfrey Hodgson in *Age of Austerity*[6] and one on nationalisation generally in Harris's *Competition and the Corporate State*,[7] although neither of them had access to the relevant archives. Green sees the Conservative Party's approach to economic policy (of which nationalisation was a crucial part) as evidence that its attitude to the role of the state was not determined by a paternalist/liberal divide. Instead, it was driven by the perceived effectiveness of non-state institutions.[8] Of all these approaches, to the history of the Conservative Party and nationalisation, that of Green is probably the most accurate. Given the importance of nationalisation in the context of the role of the state, it is important to consider the topic in its own right. That is this chapter's major contribution.

This chapter begins by outlining the Conservatives' position on the subject in the lead up to and during the 1945 election campaign before discussing how they reacted to the first tranche of nationalisation bills. It then discusses separately the Conservative response to the nationalisation of the iron and steel industry, which aroused a much fiercer response than the others. Finally, it considers how the Conservatives approached nationalisation once the nationalisation legislation came into effect.

Conservative Policy in 1945

The Conservative Party's position on nationalisation in 1945 was not substantially different from what it had been in 1939. There was never any great enthusiasm for nationalisation, which was seen as offering nothing to improve industrial efficiency, labour relations, or the wider economy. Opposing nationalisation was a consistent theme in Tory election material and represented one of the few substantial differences between the two major parties' platforms, whose proposals differed otherwise in detail rather than in substance. Quintin

---

[5] John Singleton, 'Labour, the Conservatives and Nationalisation', in *The Political Economy of Nationalisation in Britain 1920-1950*, eds Robert Millward and John Singleton (Cambridge: Cambridge University Press, 1995).

[6] Godfrey Hodgson, 'The Seel Debates', in *Age of Austerity*, eds Michael Sissons and Philip French (Oxford: Oxford University Press, 1986, 1963).

[7] Harris, *Competition and the Corporate Society*.

[8] Green, *Ideologies of Conservatism*, 260.

Hogg later recalled the contrasting positions on nationalisation as 'substantially the only difference between the programmes'.[9]

Conservatives were willing to make concessions to greater state involvement where circumstances in particular industries, either political or economic ones, demanded. In this respect, this reflected continuity with pre-war thought. To the extent that the Conservatives had been planning for the post-war world, distinct continuity can be observed with pre-war developments. Certain industries required assistance for historical, political, economic or strategic reasons. The coal industry, long in decline, inefficient and with a long history of poor labour relations, was one example. To improve productivity, the Conservatives promised 'a Central Authority appointed by the Minister of Fuel and Power' that 'will ensure that a complete plan is prepared for the proper development and efficient conduct of operations in each coalfield according to the most modern mining practice'.[10] As with electricity in the 1920s, there would be greater coordination, but private ownership would be retained. On balance, it is thus likely that the Conservatives would also have made major changes to a number of the industries which Labour subsequently nationalised.

While the need for wartime co-operation in the context of the Coalition necessitated a greater degree of state intervention, it did not necessitate a fundamental reappraisal of the Conservatives' attitude towards nationalisation. In civil aviation, for example, a post-election Secretariat brief noted that the Swinton Plan[11] for that sector 'was accepted by the Conservative Members of the Coalition Government, not as an ideal but as a working compromise'.[12] Under the Plan, British civil aviation would be managed by three companies, each flying to different regions. British European Airways (BEA) and British South American Airways (BSSA) would, as the names indicated, be responsible for European and South American routes respectively. The British Overseas Airways Corporation (BOAC) would fly everywhere else. While the BOAC was to be publically-owned, BEA and BSSA were to be majority-owned by existing transport interests, including the railways and the shipping lines.[13] It was only *after* Labour abandoned the plan that the Conservatives also felt 'free to abandon the plan and to return to a wider measure of private enterprise'.[14]

---

[9] Hogg, *Case for Conservatism*, 233.

[10] *A Policy for Coal*, 1945, NU no. 3803 (1945), 2.

[11] Named after Conservative Civil Aviation Minister Viscount Swinton.

[12] Harold Macmillan, memorandum 'Civil Aviation: White Paper on British Air Services', 15 January, 1947, 1, CPA, CRD 2/15/8.

However, as with the pre-war period, the vast majority of Conservatives saw a clear difference between state *intervention in* industry and state *ownership of* industry. While intervention was a valid means of addressing structural and other problems in sectors whose survival would otherwise be in jeopardy, state ownership risked creating a whole host of problems. Whereas state intervention was aimed at resolving particular difficulties in industry, nationalisation was a one-size-fits-all measure proposed for ideological reasons.[15] It would create government monopolies against whose dominance there would be no safeguards and would harm workers by subjecting them to 'the impersonal control of the Corporation'.[16] Further, it was a less effective way of managing industries and had a track record of failure in other countries where it had been tried.[17] Finally, it undermined the industries which had proved themselves in, and helped win, the war.[18] In these respects there was a strong continuity in both tone and substance to the Party's pre-war position on the subject. Such was the strength of this feeling that in one area, there was even a shift towards a greater role for private enterprise. The Swinton Plan for civil aviation, for example, included a greater degree of (albeit regulated) private ownership than the Conservatives' own 1940 legislation, which had merged the privately-owned Imperial Airways and British Airways into the state-owned BOAC.[19] Thus, while a re-elected Conservative government would have likely continued to intervene, it is difficult to see one nationalising entire industries.

Labour's Nationalisation Legislation: The Tories Respond

The Conservatives' attitude did not change following the election when Labour began to implement its nationalisation programme. However, although early Conservative opposition was not especially strong, nor particularly coherent, the Party resolved to oppose the measures early in the life of the new Parliament. The Conclusions of the Committee of Chairmen from 11 December 1945, for example recorded that:

---

[13] Peter J. Lyth, 'British Civil Air Transport 1919-49', in *The Political Economy of Nationalisation in Britain 1920-1950*, eds Robert Millward and John Singleton (Cambridge: Cambridge University Press, 1995), 78-9.

[14] Harold Macmillan, memorandum 'Civil Aviation: White Paper on British Air Services', 15 January 1947, 1, CPA, CRD 2/15/8.

[15] *Your Election Questions Answered 1945*, 39.

[16] *Mr Churchill's Declaration of Policy to the Electors. General Election 1945*, no. 3791 (1945), 15.

[17] *Your Election Questions Answered 1945*, 34-40.

[18] 'Free Enterprise Helped Us To Win', NU no. 3807 (1945), 1-3.

[19] Due to the outbreak of war, however, the new airline never had the chance to fulfil its legislative objectives. Lyth, 'British Civil Air Transport', 77.

> It was decided that consideration should be given to the amalgamation of the Trade and Industry committee with Fuel and Power and Transport; the object of the new committee to be to organise opposition to plans for the nationalisation of industry generally, as set out in the Government's programme announced by the Leader of the House on 19th November - e.g., Coal, Transport, Gas, Electricity.[20]

The Conservatives accordingly opposed all nationalisation measures, including the Coal Industry Nationalisation Bill, Nationalisation of Bank of England Bill, Electricity Bill and the Transport Bill.[21] However, the lack of general public enthusiasm for nationalisation meant that the Tories' opposition did not cause anything like the political damage their opposition to the Health Bill did.[22] Conservative responses fell into two categories. First the initial wave of nationalisation (coal, electricity and gas, civil aviation, cable and wireless and the Bank of England) were opposed by Conservatives, though weakly.[23] Secondly, in a category of its own was iron and steel, which aroused much fiercer Conservative reaction.[24]

With some of the initial nationalisation measures, the Conservatives tried to have it both ways by restricting their opposition to the substance of the bills, but not the principles behind them. In the debates over coal, some Conservatives even claimed (publically, if not privately) to see nothing inherently wrong with the *principle* of nationalisation, even if they rejected the specific measures proposed. The Conservatives privately acknowledged using this tactic.[25] In the Commons, though, Churchill claimed that, when it came to coal nationalisation, '[i]f that is really the best way of securing a larger supply of coal at a cheaper price, and at an earlier moment, I, for one, should approach the plan in a sympathetic spirit'.[26] The level of compensation was one source of complaint. The Tories slammed the compensation to coal shareholders, for example, as 'penal and unfair.[27] Questions of timing and priority were another source of complaint. Stronger objections were raised for later nationalisation measures. When the Electricity Bill came before the Commons, for example, it was attacked on efficiency grounds. If the justification for the coal industry's nationalisation had been inefficiency, poor labour relations, run-down equipment and an inability to rationalise itself, then why was electricity being nationalised despite none of those factors being present?[28]

---

[20] Conclusions of Committee of Chairmen, 11 December 1945, CPA, LCC 1/1/1.

[21] 'Butler's Essay', 12.

[22] See chapter three.

[23] This began with the Bank of England in 1946, followed by civil aviation and coal later that year. The legislation nationalising electricity and transport was passed in 1947 and finally gas was nationalised in 1948.

[24] The *Iron and Steel Act, 1949* passed in 1949, but the vesting date was not until 15 February, 1951. See below.

[25] Trade and Industry Road Transport Committee, 'Memorandum on Transport Policy', 1945, CPA, 1, LCC 1/1/1.

True, not all Conservatives opposed all nationalisation measures, and others had been open to them in the past. Robert Boothby, a former ally of Harold Macmillan, for example, actually voted in favour of the Bank of England Bill. However, Boothby was very much in the minority. Although Macmillan's earlier enthusiasm for limited nationalisation had faded, it provided welcome fodder for his adversaries. He later recalled: '[i]n my own writings, which were naturally freely quoted against me by Morrison and Shinwell, I had frankly admitted the necessity of public ownership and control in this field'.[29] Even if Macmillan's subsequent anti-nationalisation views were informed by ambition as much as by conviction, that he felt compelled to state his opposition is itself evidence for the Party's overall lack of enthusiasm for the changes.

What then, was driving the Conservatives' approach to nationalisation policy? Were the Conservatives really flirting with nationalisation and why did they use different arguments in different instances despite the outcome being the same in each instance? One possible explanation is that the arguments against nationalisation changed as a result of an ideological shift in the Party in the late 1940s. Harris viewed the 1947 Electricity Bill as representing 'the turning point in the field of nationalization from an implicitly corporatist policy to one more influenced by neo-Liberalism'.[30] There are, however, a number of problems with this interpretation and overall there is little evidence of a shift in

---

[26] HC Debates, 5th ser., vol. 413, col. 93, 16 August 1945 (Winston Churchill).

[27] Winston Churchill, 'The Evils of Socialist Government', speech to Scottish Unionist Conference, Perth, 28 May 1948, in James, ed. *Speeches*, vol. 7, 7656.

[28] HC Debates, 5th ser., vol. 432, col. 1441, 03 February, 1947 (Colonel Lancaster).

[29] Macmillan, *Tides of Fortune*, 74.

[30] Harris, *Competition and the Corporate Society*, 104.

Conservative thought, even if the rhetoric may have seemed more ‘free-market’ in 1951 than it was in 1947.

First, many of these apparent differing positions came from the same people and it seems rather implausible to conclude that they would have changed their positions multiple times within a few years. Doubts about the practicality of proposed changes are frequently employed by politicians of all stripes to mask a deeper philosophical objection which it is felt ill-advised to openly express. Accordingly, not much can be read into the use of practical objections rather than philosophical ones in debates on the early nationalisation measures. This phenomenon is perfectly demonstrated by the shifting rhetoric of one Tory MP, David Eccles. Addressing the Commons in 1943, he remarked that what ‘the ordinary man sees when he looks at the war effort, at industry and agriculture to-day is that we can have full employment without nationalising industry’.[31] Two years and an electoral drubbing later, his position apparently softened. The problem was not nationalisation *per se*, but the timing of the nationalisation measures. Hence in a speech he asked ‘[i]s it [nationalisation] likely at this time that it will be a good method? I think that no sensible man to-day would oppose the principle of nationalisation or public enterprise in all its forms.’ Rather, his criticism of Labour’s programme related to its ‘unpractical selection of priorities’ though he was at a loss when asked when it would be a priority.[32] Just three years later he apparently changed his position on nationalisation yet again, giving a speech entitled *The Alternative to Nationalisation*.[33] There are two possible explanations for this. Either he had two radical changes of heart within a relatively short space of time, or, more likely, changing circumstances allowed him to express views that he held the whole time. In view of the Tories’ long-standing anti-nationalisation sentiments, the second explanation is surely the more compelling.

This makes even more sense considering the changed circumstances between the early and the later nationalisation measures. By the time of the later measures, the Conservatives were both stronger as a party and, crucially, there was a negative track record of nationalisation to criticise. Rather than indicate a change in the Tories' position, a better explanation is therefore that the Tories never were comfortable with nationalisation, but, as its promises failed to be realised and its failures became more and more evident, open opposition became a politically more viable option. Reflecting this, in a passage worth quoting at length, Colonel Lancaster told the Commons:

---

[31] HC Debates, 5th ser., vol. 395, col. 126, 25 November, 1943 (David Eccles).

[32] Ibid., vol. 413, cols., 212-3, 17 August 1945 (David Eccles).

[33] David Eccles, ‘The Alternative to Nationalisation’, Speech to the CPC, 27 July, 1948, CPA, CRD 2/6/11.

> This is the second occasion within 12 months that matters affecting the Minister of Fuel and Power have come up for decision by this House, but the circumstances today are very different from those which existed when the Minister introduced the *Coal Nationalisation Act*. At that time, the tide was running strongly in favour of the Government, and the prospects of recovery under the magic of a planned economy were buoying the hopes of an expectant people, whereas today it is fair to say, I think, that the circumstances are very different. We are at this moment in a difficult situation. Coal, which is the raw essential of this Bill, as it was of the Act of 12 months ago, is in short supply, and factories are closing down.[34]

Another reason for the varying responses was that different industries experienced different problems which naturally led the Conservatives to different responses. Accordingly, the extent of Conservative opposition varied depending on the sector. The Tories themselves recognised that some industries were recognised as less justifying of nationalisation than others. 'Of all industries Civil Aviation, new, untried, full of promise but exposed to the full blast of U.S. competition, is the most unsuitable for the promise of nationalisation', declared a memorandum for the LCC in 1945.[35] By contrast, opposing the Bank of England's nationalisation was more problematic given the fact that central banks were state-owned almost everywhere else in the world. Even the Conservative-leaning *Spectator* noted that there was some weight to the argument that virtually all other central banks were state owned.[36] Tory opposition to that measure was accordingly not especially strong; Macmillan described the Bank of England's nationalisation as 'a sham battle'.[37] Other proposals offered more fertile ground for opposition. A briefing paper to the LCC noted that, in contrast to coal, '[i]n opposing nationalisation of transport we are on a better wicket'.[38] While it was felt that railway nationalisation may attract sympathy from 'the unthinking public', the taking of road haulage as a means of protecting the railways competition from the former was attracting 'a measure of public opposition'.[39]

---

[34] HC Debates, 5th ser., vol. 432, col. 1441, 03 February 1947 (Colonel Lancaster).

[35] Memorandum, 'Civil Aviation: White Paper on British Air Services. Cmd.6712', 15 January, 1946, 1, CPA, LCC 1/1/1.

[36] *The Spectator*, 2 November, 1945.

[37] Macmillan, *Tides of Fortune*, 69.

Further, several of the key objections to nationalisation remained constant from earlier periods. Even where problems were acknowledged in particular industries, these could be rectified by other measures short of outright nationalisation which could deliver all of the apparent benefits but without the associated negatives. In the confines of his diary Headlam, more reflective of backbench Conservative opinion, described the electricity industry, as 'flourishing, efficient and progressive'. To the extent that there were problems, 'all that is required for the electricity industry is a readjustment of areas'.[40]

As before, the concerns were not merely practical, and the fear remained that nationalisation was the prelude to something more sinister. In a note for an interview by Lord Woolton, it was argued that 'the programme of nationalisation now nearing completion is avowedly only a first stage towards the establishment of a Socialist Commonwealth in Britain'.[41] Though Labour did not mean to establish a dictatorship, its nationalisation measures, by concentrating too much power in state hands, threatened to lead Britain in that direction. 'However benevolent the intention behind this aim [of state ownership of the means of production]' continued Woolton, 'they cannot close their eyes to what has happened in every other country, and at times in the past in our own, when too much power has been entrusted to Government.'[42]

Thus, when it came to the first pieces of nationalisation legislation, the Conservatives' response was a mix of both pragmatism and principle. Their response was pragmatic in the sense that they held off attacking the principle of nationalisation until the failure of the initial measures became apparent. It was principled in that the Conservatives still opposed the measures anyway. However, even where the Conservatives used stronger arguments, they still did not put up a great deal of resistance. Iron and steel though was quite a different story.

---

[38] Trade and Industry Road Transport Committee, 'Memorandum on Transport Policy', 1945, 1, CPA, LCC 1/1/1.
[39] 'Memorandum on Transport Policy', 1-2.
[40] Headlam, *Headlam Diaries*, 488.
[41] Fraser to Goldman, 16 February 1948, in CPA, CRD 2/6/9(1).
[42] Ibid.

Iron and Steel

Conservative resistance was much fiercer when it came to iron and steel. A number of pamphlets were issued condemning nationalisation.[43] In the 1950 Parliament, the Nuffield study noted, '[t]he main issue of domestic controversy arose over the Government's insistence on carrying out the Iron and Steel nationalisation which had been enacted in 1949'.[44] Indeed, Labour itself experienced significant division over the subject,[45] and delayed the measure until 1949, and it only came into effect after the 1950 election. The timing of Labour's moves also fuelled the Conservatives' resistance by giving them the confidence to take a stronger stand. It probably helped that the Party's policy-making apparatus was much better organised than when the first bills had gone through, when the Party was only beginning to adjust to Opposition. Why was this?

First, as has already been pointed out, by 1949 problems were evident in other nationalised industries. This both emboldened the Conservatives' resistance to a measure of which they would never have approved anyway, but also gave them examples as to the sorts of problems the steel industry could expect if it were also brought under state control. To nationalise steel would be to ignore the problems that had arisen in the industries that had already been nationalised.[46]

More importantly, though, there were key differences between steel and the industries that had already been taken into public ownership. The others were either seen as natural monopolies, suffered from poor labour relations, or were otherwise in difficulty. Consequently, it was easier to justify nationalisation as a means of rectifying these problems, even if it was not the Conservatives' preferred solution. However, the steel industry fitted into none of these categories.[47] Labour relations were significantly better than in the mines, and the industry had been a profitable one.[48] As Macmillan recalled in his memoirs:

---

[43] See e.g. *Inside Industry – 2. Steel*, CPC no. 44 (1948).

[44] David Butler, *The British General Election of 1951* (London: Macmillan, 1952), 14.

[45] Bernard Donoghue and G.W. Jones, *Herbert Morrison: Portrait of a Politician* (London: Phoenix, 1973, 2001), 400-3.

[46] CPC, *Inside Steel*, CPC no. 44 (1948), 15.

> [m]any of us on the Conservative side had long recognised that for a variety of reasons certain undertakings—the coal-mines on historic and sentimental grounds ; the railways on financial; and the public monopolies and other monopolies like gas and electricity on technical—stood in a wholly different category from the great mass of productive industry and commerce.[49]

Macmillan, it should be repeated, had long been on the left when it came to nationalisation issues, making his stance the more significant.

Of particular concern was that steel was a manufacturing industry that in turn supplied many other manufacturing industries. Conservatives feared that if the state monopolised such an important commodity, it would then be in a position to exercise indirect control over a host of other industries. As Oliver Lyttelton told the Party Conference:

> With nationalisation of the steel industry such a claim about the 80 per cent. [that 80 per cent of industry was to remain privately owned] was like saying 'You are going to be 80 per cent. free. All I am going to own is the air which you breathe and the food which you eat; for the rest you are free…'[50]

He continued this theme in in the Commons, where he remarked:

> The Government are bringing forward this Bill for far deeper reasons and for far longer objects than those which appear on the surface. They believe in the centralisation of power in the hands of the State, and they regard this as a major move towards that end.

---

[47] Macmillan, *Tides of Fortune*, 73.

[48] Morgan, *Labour in Power*, 110-21.

[49] Macmillan, *Tides of Fortune*, 174.

[50] 'Conservative Policy on Steel', November 1948, CPA, CRD 2/6/9(1).

> I would remind them that the totalitarian countries also believe in the centring of power in the hands of the Government, and it is towards this type of Government that wittingly or unwittingly this Bill is directed.[51]

Post-Vesting Days: Conservative Plans for the Nationalised Industries

There is scant evidence that Conservative attitudes towards nationalisation changed following the various vesting days. Even if privately the Conservatives favoured more extensive denationalisation, most realised that actually doing it was a very difficult proposition. In addition to the risk of potential labour unrest, it would have been a challenge to find buyers for industries when the spectre of their renationalisation under a future Labour government loomed large. Fortunately for the Tories, the financial and other problems faced by the nationalised industries made them an easy target for political attack. Combined with the lack of public enthusiasm for nationalisation, this meant that, unlike health and social security, the Tories were able to reconcile heart and head more easily, even if they could not actually reverse nationalisation in most cases.

Attacks on nationalisation continued throughout the remaining life of the Attlee Government. Tories condemned it in pamphlets, speeches and election material. Practical arguments played a large role. In this the Tories were greatly assisted by Labour's choice of industries for state ownership, several of which, as has already been pointed out, were experiencing long-term decline and others showed little sign of profitability. It also helped that Labour's hopes that nationalisation would deliver higher productivity and lower prices remained unfulfilled.[52] Thus, Conservatives had plenty of material at their disposal. For example, when attacking the record of nationalised coal, Churchill complained that 'now [that] the coal mines are nationalised, the cost of producing coal, which affects every industry, is much higher. With more miners at work and more machinery, we are producing 15 million tons less a year than came out of the pits in 1914.[53]

---

[51] HC Debates, 5th ser., vol. 458, col. 95, 15 November, 1948 (Oliver Lyttelton).

[52] 'Campaign Review', 17 October 1951, 2, RAB MSS, K/14.

[53] Winston Churchill 'A" Doctor's Mandate"', Speech to West Country Conservative Rally, 4 August 1947 in James, ed., *Speeches*, 7503.

The monopolised structure of the nationalised industries provided continued scope for attack on efficiency grounds. For example, in 1948 Eccles argued that such a corporate structure would increase costs to consumers even where there were no exorbitant profits.[54] The financial problems of the nationalised industries provided yet another front for Conservative attack. It also allowed the Conservatives to portray themselves as the only party capable of sustainably maintaining the social services. Accordingly, during the 1951 election campaign, one of the questions the CRD suggested to ask Labour candidates at meetings was '[w]hen you have nationalised everything, are you going to run the Social Services on your losses?[55] Reflecting another traditional theme, Conservatives used nationalisation to accuse Labour of prioritising ideological objectives over what was good for the country.[56] No further nationalisations were to take place.[57]

Conservatives continued to argue that nationalisation risked creating an excessively powerful state that in turn risked sliding into totalitarianism. For example, one 1950 Tory pamphlet argued that:

> If during a period of office the Socialists of a country succeed, by means of wholesale nationalisation and controls, in getting all the economic rein into a few hands, a sufficiently powerful communist coup can wrench the whole order of things into stark tyranny. This we know from what has happened in several Continental countries, from Russia to Czecho-Slovakia.[58]

Even *The Industrial Charter*, which, as has already been noted, was said to mark the so-called 'new Conservatism' makes reference to this argument.[59]

When it came to the question of what to do with the newly nationalised industries, the most common answer was to leave them in state hands. As with the NHS, decisions as to what was to be done could not be made immediately, and each industry's performance under nationalisation would need to be assessed on its merits before a decision could be made as to its future.[60] Some denationalisation measures were ruled out earlier than others. The landmark 1947 policy statement, *The Industrial Charter*, for example, pledged to leave the coal industry and the Bank of England in state hands.[61] In other instances it took some time before denationalisation was ruled out. The Conservatives initially refused to reveal their hand on the future of the gas and electricity sectors, declaring in 1949 that it was too soon to determine how those industries would be structured.[62] This remained the position they took to the electorate in 1950.[63] In one policy document of 1948, it was declared, 'our attitude on passenger transport, gas and electricity will remain to be formulated'.[64] However, the Conservatives were careful to keep their options open for several other industries. *This is the Road* promised that '[a]s wide a measure as possible should be restored to civil aviation' and did not rule out the possibility of denationalising municipal tramways.[65] The 1951 Manifesto itself was intentionally written to allow for some flexibility on the subject. On the Conservatives' 1951 Manifesto pledge on the nationalised industries,[66] Maxwell-Fyfe wrote:

---

[54] Eccles 'Alternative to Nationalisation', 1948.

[55] CUCO, 'General Election Memorandum No 23 Appendix A: Questions to Opposition Speakers', 9 February 1950, HLSM MSS, 2/43/3/9.

[56] *Britain Strong and Free. The Manifesto of the Conservative and Unionist Party*, GE no. 19 (1951), 21.

[57] *The Right Road for Britain*, NU no. 3974 (1949), 26.

[58] *Topic for Today, Popular Series. Real Aims of Socialism*, CPC no. 77 (1950), 3.

[59] *The Industrial Charter: A Statement of Conservative Policy*, NU leaflet no. 3870 (1947), 24.

> This is a 'compromise' suggestion to leave us free to denationalise if we want to. Even those who ardently advocate denationalisation agree that it must be preceded by reorganisation. This first step is essential, but personally I am a little doubtful whether the second would then be so beneficial as to be worth while [sic].[67]

The most important exceptions to this were steel and road haulage. In fact, one of the Tories' few explicit promises in the 1951 manifesto was to return the steel industry and road haulage to the private sector.[68] Even here, there is only limited evidence of a shift in attitude away from nationalisation. While the Conservatives proposed to denationalise steel, it would still be subjected to price and development supervision by a Board made up of Government, management, labour and consumer representatives.[69] In other words, rather than a swing back to unrestricted free enterprise, it was to be structured in a manner reminiscent of 1930s corporatism.

---

[60] 'Fundamental Principles', 1947, CPA, CRD 2/7/56.

[61] *The Industrial* Charter, 25.

[62] *Right Road*, 29.

[63] *This is the Road. The Conservative and Unionist Party's Policy. General Election 1950*, no. 4012 (1950), 11.

[64] 'Party Policy', 1948, RAB MSS, H/33, 3.

[65] *This is the Road*, 10.

[66] *Britain Strong and Free*, 16.

[67] Maxwell Fyfe to Clarke, 31 May, 1951 CPA, CRD 2/48/43.

[68] For an account of the denationalisation of steel, see Kathleen Burk, *The First Privatisation: The Politicians, the City and the Denationalisation of Steel* (London: Historians' Press, 1988).

Reflecting the lack of any philosophical shift, several denationalisation proposals were developed in some detail, even though they were never implemented. Moreover, there was considerable enthusiasm in some quarters for pursing these plans further. The first of these to be presented to a party policy committee was the Fuel and Power Committee's scheme for electricity in September 1950.[70] In 1950, the Fuel and Power Committee's Gas Subcommittee 'decided that outright de-nationalisation is both practical and in the best interests of worker and consumer'.[71] Consideration was given to acknowledging them in *Britain Strong and Free*. In a draft sent by Butler to members of the Advisory Committee on Policy it was written:[72]

> We hold in reserve plans for the denationalisation of other industries. But before bringing those into effect we intend to make a genuine attempt to restore by reorganisation the spirit of enterprise, efficiency and humanity. In some industries, while retaining public corporations, we believe that there are tasks for which free enterprise is more suitable, and we shall find a place for it. This applies particularly to civil aviation.[73]

Although no mention of 'reserve plans for the denationalisation of other industries' ever made it into the published version,[74] the fact that it was considered by such senior figures in the Party as Butler indicates that the enthusiasm for denationalisation ran deep.

---

[69] *Britain Strong and Free*, 21.

[70] ACP, Minutes, 28 September, 1950, CPA, ACP 2/1.

[71] Kathleen Burk, *Privatisation*, 2.

[72] Butler to ACP, 5 July 1951, CPA, ACP 3/2.

[73] Draft, 'Britain Strong and Free', 5 July, 1951, 18, CPA, ACP 3/2.

[74] *Britain Strong and Free*, 22.

Where the Conservatives decided against denationalisation, they focused their attention on reorganisation. A large part of this reflected Tory concern that the newly nationalised industries were overly centralised and bureaucratic. This meant that, in addition to the problems associated with monopolies, they also stifled what individual effort and initiative was still possible under a state-owned enterprise. Part of the solution was to propose restructuring the industries so that they would be more locally accountable.[75] For example, *Britain Strong and Free* stated that '[w]e favour further reorganisation by the re-grouping of the collieries into districts of manageable size'.[76] Organisation was not the only area of policy activity; the personal side of industrial work was also considered. The Tories pledged 'to humanise even where an industry has been nationalised'.[77] These concerns were consistent with the traditional Conservative preference for allowing individuals to show initiative without being stifled by the state. Finally, in some areas there was scope for private enterprise to co-exist with state-owned industries. For example, although it was decided not to completely denationalise civil aviation, it was possible for the private sector to play a role alongside the state-owned airlines. This meant that fewer barriers were placed on private competitors to enter the industry, a policy change which eventuated under the Churchill Government.[78]

This is not to say that everyone was content with the Party's failure to adopt a more hard-line stance on denationalisation, but those who were most aggrieved either had little clout or they did not feel it a significant enough issue to rebel over. Undeniably, the subject attracted considerable interest. Chapman-Walker of the Publicity Department wrote that he was 'constantly getting similar enquiries as to the future policy, if any, of the Conservative Party regarding denationalisation'.[79] Not surprisingly given that they recommended doing it, some members of the policy committees were also keen. Writing to Butler, one of the Electricity Sub-Committee's members hoped that, after seeing its report, 'the Advisory Committee will be able to formulate a scheme for the de-nationalisation of the Electricity

---

[75] *Right Road*, 27.

[76] *Britain Strong and Free*, 22

[77] *Industrial Charter*, 27.

[78] Anthony Seldon, *Churchill's Indian Summer: The Conservative Government, 1951-55* (London: Hodder and Stoughton, 1981), 229-30.

[79] Memorandum, Chapman-Walker to Henry Hopkinson, 21 October, 1946, CPA, CRD 2/6/9(1).

Supply Industry'.[80] In light of this it was also hardly surprising that some in the Party were disappointed about the failure to push denationalisation harder. One letter about the *Industrial Charter* complained that the 'one section with which I am thoroughly unhappy is the section on Nationalised Industries. The opening paragraph setting out our opposition to nationalisation is dreadfully weak.'[81] Several MPs expressed displeasure. The ever discontented Waldron Smithers said of the *Industrial Charter's* paragraphs on nationalisation that '[i]f ever there was Socialism and water, here it is!'[82] However, few, were as vehement as Smithers. Brendan Bracken wrote to Beaverbrook that '[m]any of the Tories are becoming restive about the industrial policy which is being sedulously advocated by Macmillan and his friends'.[83] Nevertheless even if many Conservatives felt discontented by the direction Conservative policy was moving in, they failed to express serious opposition.

Why, then was denationalisation not pursued more seriously, even though a number of people were in favour of it? There were several reasons why the Conservatives held back from promising denationalisation, many of which had more to do with pragmatism than philosophy.

First, there was a sense that, there having been a clear mandate for nationalisation at the 1945 general election, it was now a part of the institutional landscape and as such could not be reversed. This did not mean that the Tories necessarily *liked* the new measures. As one backbencher, Christopher Hollis, recorded, while he saw the policy as an experiment 'with which I had no great sympathy', the Party had little choice but to deal with society's problems 'within the new pattern'. This view was not, as the preceding paragraphs make evident, a universally-held one, but it was a long-standing characteristic of the Conservative tradition to work within frameworks created by rivals rather than reversing them for the sake of doing so.[84]

---

[80] William McGill to Butler, 30 April, 1951, CPA, CRD 2/1/9.

[81] [Signature Indecipherable] to Clarke, 14 April 1947, CPA, CRD 2/27/52.

[82] Waldron Smithers, '"Industrial" or Magna Charter? The Conservative Industrial Charter Attacked', July 1947, 19, CPA, CRD 2/7/29.

[83] Bracken to Beaverbrook, 5 December, 1946 in Brendan Bracken and Max Aitken Beaverbrook, *My Dear Max: The Letters of Brendan Bracken to Lord Beaverbrook, 1925-1958*, ed. Richard Cockett, Sources for Modern British History (London: Historians' Press, 1990), 68.

Secondly, the denationalisation of at least some of the nationalised industries would have encountered significant problems and trade union opposition. There was great fear of a major backlash in the event that nationalisation was reversed. In the coal industry, for example, harsh conditions and years of poor labour relations bred strong support for nationalisation. Even many Conservatives recognised the 'historical and sentimental grounds' for public ownership of the coal industry were significant.[85] In a memorandum to Butler, Peter Goldman of the CRD described the coal industry as 'the nationalised industry of all nationalised industries where they [the socialists] have always had the best case and whose continued public ownership is the arc of the covenant'.[86] On the feasibility of denationalisation, Goldman remarked that 'I have never considered that this is technically [emphasis in original] difficult, merely politically unthinkable in any foreseeable future'. The problem was that if carried out, denationalisation risked causing '[e]xceptional labour difficulties [emphasis in original]'. In addition, '[m]oderate opinion throughout the country from left to right would stigmatise it as black reaction'.[87] Though it was the industry perhaps most associated with labour problems, it was not the only one where difficulties were foreseen. Even the pro-denationalisation Gas Sub-Committee was sufficiently conscious that 'political difficulties may prevent complete de-nationalisation' that it included separate recommendations in the event of the industry remaining under state ownership.[88]

Further, even in the main area where the Conservatives *did* denationalise, the steel industry, it is worth noting that not even they fully convinced themselves as to the merits of what they were doing.[89] In principle, it was not clear why steel was denationalised when most other nationalisation measures had been left in place, and there was concern about a potential backlash from the union movement. It was largely backbench and pressure from the industry that forced the leadership's hand.[90]

---

[84] Christopher Hollis, *Along the Road to Frome* (London: George G. Harap, 1968), 193.
[85] Macmillan, *Tides of Fortune*, 74.
[86] Memorandum, Goldman to Butler, 1 December 1948 CPA, CRD 2/6/10(1).
[87] Ibid.
[88] Conservative Parliamentary Fuel and Power Committee, Gas Sub-Committee, 'Chairman's Report', 26 April 1951, 3, CPA, ACP 3/2.
[89] Burk, *First Privatisation*, ix.

Financial and corporate governance considerations were also of significance. *The Right Road for Britain* noted that while '[i]t [the Conservative Party] will restore free enterprise where that is practicable… [w]e must ensure that those in control of vital industries are not persistently distracted from their task of management by watching the political weather'.[91] Having been reshaped by state ownership, the industries were not in a position to be placed back under private ownership. In a speech in Wolverhampton in July 1949, Churchill warned that:

> It is physically impossible to undo the harm that has been done. You cannot thrust the coal mines and the railways back on to their private owners after their property has been commercially impaired. All we can do in these two basic services is to decentralise the management and cut down the enormously swollen staffs of officials.[92]

A related problem was the prospect that Labour would simply renationalise anything the Tories denationalised. Not only would continuous major structural changes have detrimental effects on the industries concerned, but it would also make them a far less attractive proposition from potential private investors. For example, the Tories knew that Labour would almost certainly have renationalised the coal industry.[93] There was also the related problem of whether anyone would actually want to buy the nationalised industries even if they were put up for sale.

Further, even where the Conservatives had far less concern in terms of Labour or trade union reaction, there was no obvious way denationalisation could be done. Writing in an era when many formerly government-owned industries have been privatised, and with little sign at the time that this trend was about to be reversed, it would be easy to forget that, in the late 1940s, denationalisation had never been done on a large scale before. As the CRD noted '[e]xcept in the case of easily transferable [m]obile assets, e.g United States shipping, complete denationalisation has not been found'.[94] When planning began for the denationalisation of steel, the Bank of England was initially against the idea in light of the potential difficulties in carrying it out.[95]

---

[90] Ibid., 11.

[91] *Right Road*, 26.

[92] Winston Churchill, 'Conservative Policy', speech at Wolverhampton, 23 July, 1949 in James, ed. *Speeches*, vol. 7, 7832.

[93] Memorandum, Goldman to Butler, 1 December 1948, CPA, CRD 2/6/10(1).

Even the language used to oppose nationalisation was informed far more by the changed circumstances than any changed outlook, As Michael Fraser later recalled in an unpublished account of the CRD after the War in a passage worth quoting at length:

> Above all, the 'Industrial Charter' enabled the Conservative Party to take the first step towards seizing the intellectual initiative from the Socialists. It kept us in the ring while the inevitable reaction against Socialism set in, and it left us free to take full advantage of that reaction when the time was ripe.
>
> Other policy documents followed – the "Agricultural Charter" in 1948, "Imperial Policy" the following year, and then "The Right Road for Britain" and "Britain Strong and Free", the policy statements for the 1950 and 1951 General Elections. *While these documents were appearing, the facts were changing; the reaction against Socialism was growing. The documents reflected this change, their emphasis shifting more and more from planning towards freedom* [emphasis added].
>
> As a result the Election of 1950 was almost won and the Election of 1951 was won on arguments – freedom, enterprise, etc. – very similar to those one which the 1945 Election was lost.[96]

In sum, the Conservative Party failed to push denationalisation not because it developed a newfound enthusiasm for nationalisation, but because pushing denationalisation was for the most part not a practical option. Though no doubt some would have liked the Party to pursue the matter further, even some of those who were keen on the idea recognised the difficulties of doing so.

---

[94] Memorandum, 'Denationalisation', 1947, CPA, CRD 2/7/56.
[95] Burk, *First Privatisation*, 3-4.
[96] Fraser, 'Conservative Research Department', part V, 4.

Conclusion

There is nothing to suggest that the Conservatives changed their underlying attitude towards nationalisation between 1945 and 1951. While their public pronouncements did not always reflect the depth of their hostility, it is clear that fundamentally the Conservatives were as uncomfortable about nationalisation at the end as they were at the beginning of the period under consideration.

That discontent was not always strongly expressed. While the Tories took a strong anti-nationalisation line at the 1945 election, this opposition appeared to moderate. When the early measures came before the Commons, Conservative opposition was primarily focused on the details of the measures rather than the ideology behind them. However, this is not the same thing as embracing nationalisation. There were a number of reasons for this stance. First, the early measures were introduced at a time when the Party had been so recently demolished at the general election. Secondly, they concerned industries with serious problems that would likely have required some degree of state intervention anyway. Further, it was much harder to attack the policy when there was no local record of failure to use as evidence against it. Finally, practical arguments were frequently used against measures when using principled arguments seems politically unwise. Once the circumstances became more favourable from a Conservative point of view, the older arguments about inefficiency, and even about nationalisation being the slippery slope towards totalitarianism, were deployed once again.

The same was true of the failure to denationalise more substantially. Nationalisation was not suddenly popular within the Party, as the number of pamphlets attacking it attest. Rather, it was the sheer practical difficulties in reversing it, which precluded most attempts at denationalisation. In an era when capitalism, in Lord Salisbury’s words, had ‘a very bad name',[97] room for manoeuvre was limited. Efforts to reorganise the industries risked probable labour unrest. Selling industries on such a scale was virtually without precedent. Finally, even if it were possible from a practical point of view, the threat of potential renationalisation under a future Labour government would hardly have made for an attractive investment to any potential buyer. The fact that more Conservatives did not speak out on this indicates the political climate was simply not conducive to doing so.

Nor did the Conservatives' response to nationalisation reflect an embrace of the free market, as Willets or Harris would have one believe.[98] Certainly, practical objections were replaced by so-called 'neo-liberal' ones during the later years of the Labour government. Interpreting this as a shift (back) towards the free market, however, is misleading. Aside from the point that similar arguments were used against nationalisation in both 1945 and 1951,[99] this interpretation ignores that it became much easier to use efficiency arguments when the Party had several examples of inefficiency. This also explains the disappearance of so-called 'corporatist' rhetoric, because such rhetoric had no purpose once it was decided to leave state ownership in place.

---

[97] Quoted in CPC, *Conservatism 1945-50* (London: CPC, 1950), 93.

[98] Harris, *Competition and the Corporate Society*, 104; Willetts, 'The New Conservatism?', 181.

[99] Fraser, 'Conservative Research Department, part V, 5.

Chapter Three: A Question of Means: The National Health Service

Introduction

By 1945, it was acknowledged that change was needed in British healthcare. Despite gradual expansion over the preceding decades, it was widely recognised to be patchy and insufficient.[1] The pressure for change had been exacerbated by the War, which both highlighted the significant variation in provision across the country, and also demonstrated, through the Emergency Medical Service, that coordinated state action offered a potential solution.[2] In order to address the need for a permanent solution and despite some misgivings over the cost, the Conservative leadership recognised the need for a comprehensive health service. Where the Tories differed from Labour was over the details of a comprehensive service. Whereas the Conservatives wanted to make as much use as possible of the existing structure of voluntary and municipal hospitals Labour instead nationalised them all. These differences meant that the Tories opposed Labour's NHS legislation when it was introduced, but were careful to state their support for the basic principle of a comprehensive health service. However, once the NHS was in place, it was electorally and logistically too difficult to alter, and as a result the Tories pledged to leave Labour's NHS in place, focusing its attacks on 'waste' in the system.

It should be noted that, although the NHS and social insurance are often considered together under term 'social services', both in contemporary[3] and in secondary material to combine, these are treated separately here both because there is a clear practical difference between a physical service and cash payments, but also because the Conservative Party's reaction was so different.

Of all the three policy areas considered in this thesis, the NHS has attracted the most academic attention. Bale has argued that the Conservatives' decision at the highest level not to reverse the NHS legislation amounted to 'a conversion of some sorts'.[4] Webster, the NHS's official historian, notes that the original Conservative proposals were far more advanced than was generally known in 1945,[5] but that these plans contained serious flaws. According to Webster, these flaws stemmed from the Party's efforts to placate various pressure groups, including the British Medical Association (BMA).[6] With regards to Conservative policy-making while in Opposition, Jones argues that the Conservatives found themselves caught between maintaining relations with the BMA, which was deeply hostile to the NHS legislation, while simultaneously trying to avoid appearing captive to that particular interest group.[7] Following the scheme's introduction, the Conservatives recognised its popularity among middle-class voters,[8] and made no attempt to dismantle it. Instead, they focused their efforts on trying to find savings in order to address the NHS's unexpectedly large cost.[9] Nevertheless, because of the nature of the Conservative Party's response (consistently supporting the principle while opposing the actual legislation), it offers a unique insight into where the Conservatives believed the boundaries of state intervention should be and why. As such, it warrants reconsideration in an attempt to answer that question.

---

[1] Nicholas Timmins, *The Five Giants: A Biography of the Welfare State* (London: HarperCollins, 1995), 103-4.

[2] Timmins, *Five Giants*, 103-4.

[3] See e.g., *This is the Road*, 14-18.

Accordingly, the chapter begins by outlining the details of Conservative health policy in 1945, and the factors involved in shaping it. Next, it examines how the Conservatives in Opposition responded to Labour's health legislation, key aspects of which made many Conservatives deeply uncomfortable, and led them to oppose it. Finally, it will examine how the Conservatives spent the years after the Appointed Day[10] attempting to minimise the significance of Labour's role in the NHS's creation and play up their own involvement. It will argue that while the Conservatives were compelled by political circumstances to adapt their policies, there is little evidence of any underlying shift in thinking. Instead, it demonstrates that Conservative policy towards the NHS, like Conservative policy towards nationalisation, represented their acceptance of what they regarded as a political *fait acompli*.

---

[4] Bale, *Conservatives since 1945*, 14.

[5] Charles Webster, *The Health Services since the War Vol.1, Problems of Health Care: The National Health Service before 1957* (London: Her Majesty's Stationary Office, 1988), 73.

[6] Charles Webster, *The National Health Service: A Political History* (Oxford: Oxford University Press, 1998), 10-12.

[7] Jones, 'Conservative Party and Welfare State', 147-8.

[8] Ibid., 154.

[9] Ibid., 157.

[10] That is, the day the NHS came into operation, 5 July, 1948.

Conservative Policy in 1945

As has already been stated, the Conservatives went into the 1945 election with a manifesto promising to establish a 'comprehensive health service'.[11] However, while the Conservatives were pledging to enact some form of NHS, it was one which had been adapted to Conservative principles. As with social insurance, the NHS played a much less important role in the Party's election campaign than was politically sensible. Moreover, by the time of the election it contained a number of serious flaws which would have threatened its viability had it ever actually been implemented.

Conservative policy in 1945 largely stemmed from a series of reports, beginning with the Beveridge Report, and subsequent white papers.[12] Like Butler's *Education Act*, the scheme put forward by Health Minister Henry Willink reflected a Conservative preference for making as much use of existing institutional machinery as possible, and a desire to respect existing institutions and sympathetic organisations. For example, while Beveridge's 'Assumption B' had declined to take a position on the subject,[13] Conservative plans stressed maintaining the voluntary hospitals. 'The voluntary hospitals which have led the way in development of hospital technique will remain free', pledged the Coalition's 1944 White Paper.[14] They will play their part in the new service in friendly partnerships with local authority.'[15] These were to be 'in full partnership' with the municipal hospitals.[16] Conservatives also placed emphasis on the importance of securing the cooperation of the medical profession. Thus, Quentin Hogg's electoral address noted that, 'I support the National Insurance proposals of the Government, a comprehensive National Health Service (*which I am sure is reconcilable with a free medical profession* [emphasis added])'. Reflecting the Conservatives' preference for the minimum level of state interference, the manifesto reflected the emphasis on giving 'wide play' to the 'preference and enterprise of individuals'.[17] In practical terms, this meant directing doctors as little as possible and granting a larger scope for the private sector in the new scheme. Nevertheless, Willink told the Commons on 12 January that, '[t]here is no question of any departure from the fundamental objects of the comprehensive service proposed in the [1944] White Paper and no question of diminishing the fullness of its range or departing from the principle of its universal availability'.[18]

---

[11] *Churchill's Declaration of Policy*, 11.

[12] See chapter one.

[13] Cmd 6404, paras 426-39.

[14] *Churchill's Declaration of Policy*, 12.

[15] Ibid., 12.

[16] Memorandum, 'Progress with the proposals for a National Health Service', Lord President of the Council to Cabinet, 4 June 1945, CAB 66/66/13, 40.

Further, an NHS was not the highest agenda item for a leadership more concerned with winning the war still raging in the Far East.[19] It did not help that Churchill was pre-occupied by the War while the health proposals were being determined. 'It is absolutely impossible for me even to read the papers, let alone pass such a vast scheme of social change through my mind under present conditions', said Churchill in 1944.[20] While the Tories did on occasion stress the importance of a health scheme (Churchill, for example, declared, '[o]ver all spreads Disraeli's celebrated maxim, ever, I trust, to be the guide of the Tory Party of which he was so proud—"health and the laws of health"'),[21] it was given a less prominent role on the Conservative campaign than it was given in that of Labour.[22] It is telling that health only ranked 11th on the list of priorities in the 1945 edition of *Your Election Questions Answered*.[23] Health was also seldom mentioned in the *Daily Notes* for the 1945 campaign. Winning the war, 'Help Him Finish the Job', opposing nationalisation, and defending the Tory record over pre-war appeasement were the Tory themes.

At a deeper level, there were significant problems with the Conservatives' scheme, which largely stemmed from Conservative ideological opposition to many of the changes necessary to improving the scheme's workability, as well as pressure from the GPs' representative body, the BMA, with whom the Conservatives were close. This was not the first time the doctors had caused trouble, and neither would it be the last. The previous Minister, Ernest Brown, 'had not been getting on very well with the doctors'.[24] There was also the matter of trying to make the scheme compatible with Conservative principles. Butler recorded that the 'guiding principles' for PWPCC's work were, '[w]e believe that progress in human affairs is best achieved by modification & adaptation of existing institutions that have proved their worth'.[25] While professing support for the idea of an NHS, the BMA, through its Secretary, Charles Hill, took a hard line on many of the details. Willink, a man later described by Hill as someone who 'seemed to me to be too nice a man for the hurly-burly of politics',[26] made a number of concessions to make the NHS 'more agreeable to the Conservatives and to the profession'.[27]

---

[17] *Churchill's Declaration of Policy*, 12.
[18] Quoted in *Daily Notes*, No. 2, 16 June, 1945, 10.
[19] 'Butler's Essay,' 9.
[20] Quoted in Addison, *Churchill on the Home Front, 1900-1955*, 374.
[21] CUCO, *Daily Notes*, No 2, 16 June, 1945, 9.
[22] R. B. McCallum and Alison Violet Readman, *The British General Election of 1945* (London; New York: Oxford University press, 1947), 96-7; *Churchill's Declaration of Policy*, 11-12.
[23] 'Butler's Essay', 9.

Unfortunately, in doing so he also went some way towards making the scheme unworkable. Proposals to control the distribution of medical practices, payment by salary instead of capitation, and bodies with overall control of both voluntary and municipal hospitals were all abandoned. The Official Historian of the NHS, Charles Webster, has described the last pre-election proposals in 1945 as being 'on the verge of becoming a particularly unhappy compromise, incapable of commanding support from any group, and offensive to all'.[28] Churchill's own private physician and President of the Royal College of Physicians, Lord Moran, personally told his patient that his health proposals were 'feeble stuff'.[29] Unfortunately, the Conservatives struggled ideologically to make the required concessions. Willink later recorded, 'I do not think the Conservative party would have agreed to this big change [nationalising the voluntary hospitals]'.[30] This was despite that it is debatable as to whether the voluntary hospitals could have survived in the long term, given that many were experiencing severe financial difficulties.[31] Willink conceded as much in his unpublished memoirs. Indeed, he credited his Labour successor for taking the step of nationalising them:

---

[24] Willink, 'As I Remember', 78.

[25] 'Butler's Essay', 14.

[26] Charles Hill of Luton, *Both Sides of the Hill* (London: Heinemann, 1964), 85.

[27] Willink, 'As I Remember', 82.

[28] Webster, *National Health Service: A Political History*, 12.

[29] Lord Moran, *Winston Churchill: The Struggle for Survival 1940-1965* (London: Constable, 1966), 252.

[30] Willink, 'As I Remember', 81.

[31] Timmins, *Five Giants*, 104-5.

> in full sincerity I give him [Bevan] credit for one wise and important change from the scheme that was put forward by the Coalition Government – the decision that the Hospital Service must be a national, not a service still divided into two sections – Voluntary Hospitals and Local Authority Hospitals.[32]

However, such changes of heart would take many years.

The Conservatives were conscious that these concessions may not play out well electorally. Such was the sense of their scheme's potential unpopularity that the details were not made public before the election.[33] Ministers were concerned that too many concessions had been made to the BMA to render the revised proposals safe from Labour attack.[34] Hence, while there may well have been some truth in Willink's claim that '[w]e were not far from achieving a Coalition Health Service measure',[35] the Conservative scheme contained several serious underlying flaws, which internal politics made difficult to resolve.

Thus, the Conservatives, while recognising that something needed to be done about expanding healthcare provision, were severely constrained by their attachment to preserving the voluntary hospitals and trying to placate a pressure group to which they were sympathetic. While prepared to accept that an NHS was an electoral necessity, there were limits to how far the Party was prepared to move. This was to continue to cause problems when the Conservatives, now in Opposition, had to devise their response to Labour's legislation.

Labour's NHS Legislation: The Tories Respond

The Conservatives in Opposition struggled to deal effectively with Labour's NHS proposals, largely for the same reasons they struggled to come up with effective legislation in the first place, namely deep philosophical opposition to crucial parts of the legislation, an absence of effective policy leadership, and difficulties trying to placate the BMA.

---

[32] Willink, 'As I Remember', 81.
[33] Ibid., 82.
[34] Webster, *Health Services since the War*, 74.
[35] Willink, 'As I Remember', 80.

When Labour, under new Labour Minister of Health Aneurin Bevan, unveiled its NHS plans in March 1946, there were several major departures from Willink's proposals that caused considerable unease in Conservative circles. In contrast to Willink's scheme, the voluntary and municipal hospitals were to be nationalised. This was to allow services to be co-ordinated. Much to the BMA's displeasure, GPs were to be paid in part by salary, not only by capitation, as they had been demanding. The sale of goodwill for GP practices was prohibited. While some in the Labour Cabinet felt uneasy about aspects of Bevan's scheme,[36] it was the Conservatives who were in the most difficult position.

Though the Tories were willing to countenance an increased state role in healthcare, they felt that Labour's proposals went too far and caused considerable harm. It was considered that nationalisation of the hospital system unnecessarily destroyed existing social institutions which still had a meaningful role to play. Reflecting these concerns, the Secretariat briefing paper on the Health Service from 1946 noted:

> Another fundamental principle of the whole British tradition in the social services is that we should build the new on the established system [emphasis in original]. The Government proposals deliberately set out on doctrinaire principles to destroy the old, and in particular one of England's oldest and most valued institutions, the voluntary hospitals, and the voluntary spirit exemplified in contributions, services and sacrifice.[37]

The voluntary hospitals in particular were the very sort of grassroots organisations to which Conservatives were particularly attached. By virtue of their independence, they 'relied on a wide-spread interest in and affection', their locally-developed administration was superior to the municipal ones, and overall 'their record is unique'.[38] By definition this would be lost through nationalisation. Concerns about displacing existing institutions were not limited to the right, with concern also stemming from the more ‘progressive’ wing. As former Tory Reformer Quintin Hogg argued in 1947:

---

[36] Former Leader of the London County Council and Lord President under Attlee Herbert Morrison also had reservations about nationalising the municipal hospitals. See Kenneth O. Morgan, *The People's Peace: British History since 1945*, 2nd ed. (Oxford: Oxford University Press, 1999), 38.

[37] 'Brief on health services', 2, CPA, CRD 2/27/3.

[38] Ibid., 18-20.

> Without going into unnecessary detail, it is sufficient to say that the Conservatives’ scheme would have been modelled on the same philosophy as Mr. R.A. Butler’s *Education Act*—that of using existing machinery and leaving with localities a free responsibility and a great measure of freedom of policy—but welding the whole into a general plan in which standards were enforced, but in which diversity and variety were reconciled with efficiency and the ultimate control by Government of quality.[39]

That the voluntary hospitals were unviable was beside the point. As long as the Conservatives *believed* them to be viable they could not support their nationalisation.

The nationalisation of hospital endowments also caused disquiet, with the fear being that it might lead to the state seizing of other endowments later on. The Brief went on to warn that ‘[a] precedent set by their destruction points straight at all other representatives of this work, such as the schools and universities [emphasis in original], which also live side by side with State educational institutions, and often receive grants’.[40]

Further, while more attractive alternatives to nationalisation remained, it was difficult for the Tories to support such a move. While it was accepted that the state needed to help drive change, Conservatives felt that the objectives could be achieved without going as far as outright nationalisation. At the Health Committee ‘[i]t was agreed that it would be necessary under any scheme for hospitals to be given very substantial assistance, but that this did not carry with it the need for absolute State Control’.[41] In such circumstances, the proper role of the state was to facilitate improvement, not to coerce. While it was recognised that GP practices were mal-distributed, the answer was not to ‘start a Bevin Boy system for the Doctors', but rather 'to give special inducements for practitioners freely to set up in the required areas'.[42]

---

[39] Hogg, *Case for Conservatism*, 255.
[40] ‘Brief on Health Service’, 2-3.
[41] Health Committee, Minutes, 26 February 1946, CPA, CRD, 2/27/9.

Had the BMA's position been reasonable, this would not have been a problem. Unfortunately for the Tories, the BMA's attitude to the NHS was widely seen as most *unreasonable*. There were strong links between the Tories and the BMA. Among Conservatives there was 'instinctive support within the Party for the professional body with which it had many formal and informal links'.[43] There was also a genuine sense amongst elements of the Party that the BMA was engaged in a battle against creeping socialisation and as such deserved support. Headlam, for example, recorded in his diary 'Grant Waugh [a medical practitioner] told us that he was now pretty confident that the doctors would not give way – I only hope that this may be the case for they are fighting the battle for freedom for all of us'.[44] Reflecting the Party's links to the BMA, attempts were made to co-ordinate the activities of the two bodies. As early as February 1946, before the NHS proposals had been officially unveiled, the Health Committee 'agreed that there should be a further meeting of representatives of the Committee with the B.M.A. & B.H.A. for the formulation of common principles'.[45] The issues that caused particular concern were the proposed doctors' salary and prohibition of the sale of practices, which the doctors feared was a step towards reducing them to mere civil servants. Accordingly, Hill gave '[a] full statement of the medical profession's objections' on 5 March, 1946 in which he informed the Committee:[46]

> The principal point was made that the cumulative effect of a basic salary, prohibition of the salary of practices and indirect power of direction, would inevitably lead to a full-time state salaried medical service, which is fundamentally opposed to the interests of patients and of the profession.[47]

---

[42] 'Brief on health services', 10.

[43] Jones, 'Conservative Party and Welfare State', 147.

[44] *Headlam Diaries,* 8 February 1948.

[45] Health Committee, Minutes, 26 February 1946, CPA, CRD, 2/27/9.

[46] Ibid., 5 March, 1946, CPA, CRD, 2/27/9.

[47] Ibid.

With such a strong connection, the Conservatives' political room for manoeuvre was restricted.

Contrary to Secretary Hill's subsequent claim, apparently written without a hint of irony, that '[o]ver my years at the B.M.A. the word "compromise" lost its horrors',[48] the BMA's hostile opposition threatened to derail the entire NHS until only weeks before the Appointed Day. This was not a stance that attracted widespread support. *The Times* noted, 'while it claims to have inspired the whole idea of a comprehensive medical service … Ever since, the B.M.A. has waited for the authorities to make constructive proposals, which it then proceeded to knock down'.[49] Though professing support for the idea of an NHS, the extent of this support is open to question. In fact, there was even cheering at BMA House after the announcement that Beveridge had lost his Commons seat in 1945.[50] Two plebiscites of BMA members, one in December 1946 the other in March 1948, produced solid majorities against co-operation.[51] The stand-off only ended when the specialists, led by Moran in his capacity as President of the Royal College of Physicians, cut a deal with Bevan. Combined with increasing numbers of GPs signing up for the service, the BMA finally gave way, with Bevan granting only minor concessions.[52]

This is not to say that Conservative support for the BMA was absolute, as in fact it became more qualified the more indefensible the BMA's position became. Certainly, some people at the time thought the relationship between the two was closer than it actually was. They could be forgiven for thinking so. In January 1948, for example, Bevan complained in a Cabinet memorandum, '[BMA Secretary] Dr Hill is the accepted Conservative Candidate for Luton, and it would be a feather in his cap to try to enter Parliament as the Conservative who stopped a major social measure of this Government'.[53] However, while this fear was understandable, though there is little support for it in the surviving evidence. In reality, the Conservatives were more cautious in their dealings with the BMA and the leadership did not wish to appear too close, particularly as the dispute over the NHS dragged on. There was little sympathy for the obstinacy of the BMA. Butler became increasingly frustrated.[54] In the Leaders' Consultative Committee, Churchill 'expressed a strong view that the Opposition must be complexly impartial' after the BMA's second plebiscite rejected cooperation with the NHS.[55] The LCC also 'agreed not to take any line as to whether the Opposition supported the sale of practices or not'.[56] Nevertheless, the links were close enough to seriously restrict the Conservatives' room for manoeuvre.

---

[48] Hill, *Both Sides of the Hill*, 78.
[49] *The Times*, 14 January 1948, 5.
[50] Timmins, *The Five Giants*, 103.
[51] Webster, *Health Services since the War*, 114-15.
[52] Thomas-Symonds, *Attlee*, 161.
[53] Memorandum, 'National Health Service: Attitude of the Medical Profession', Minister of Health to Cabinet, 19 January 1948, 2, CP (48)23.

The end result of this was that, when confronted by a clash between the need to satisfy Conservative principles on the one hand and the need for pragmatic politics on the other, the Opposition tried have it both ways, and failed miserably. It did not help that Tory social policies were unclear in 1945. It also did not help that the Leader's attention remained elsewhere. Churchill was not even present during the health debates.[57] It was not as if the Tories were not completely oblivious to the political risks of opposing the measure. One internal briefing note warned, 'it is essential that we avoid being manoeuvred into the position that "the Government prepares a great step forward in the health services and the Conservative Party can only focus on questions of money"'.[58] Reflecting these concerns, the Tactical Committee was divided as to how best respond.[59] There were major differences over what do at the Bill's Second Reading.[60]

The result was that the Tories opposed the passage of the Health Bill while maintaining that they supported the principles behind it. 'The Conservative Opposition, therefore, while whole-heartedly agreeing with the principle of a national health service for all, is opposed to this new measure of doctrinaire Socialism', explained a pamphlet issued for the local elections of 1946.[61] Attack was therefore limited to the details, specifically the treatment of the doctors, the supposedly excessive powers to be concentrated in Whitehall, and hospital nationalisation. Accordingly, former Health Minister Willink condemned the Labour Bill, telling the Commons in 1946:

---

[54] Jones, 'Conservative Party and Welfare State', 153.
[55] LCC, Minutes, 28 April 1948, CPA, LCC 1/1/3.
[56] Ibid.
[57] John Ramsden, *The Age of Churchill and Eden, 1940-1957*, A History of the Conservative Party (London ; New York: Longman, 1995), 178.
[58] 'Brief on Health Service', 1.
[59] Jones, 'Conservative Party and Welfare State', 150.
[60] Ramsden, *Conservative Party Policy,* 118.
[61] *Your Local Government Election Questions Answered*, new and revised ed., NU no. 8380 (1946), 25.

> On these most serious grounds—the attack on local government, the attack on voluntary effort and association, the excessive centralisation of power in the hands of the Minister, and the dangers which this Bill entails for the medical profession—we cannot do otherwise than vote for the Amendment.[62]

This theme of supporting the principle but opposing the way it was being implemented became a feature of the Tory response, a theme by no means limited to disgruntled backbenchers. As moderate Heathcoat Amory remarked at the Bill's second reading:

> I think there is no one who can be satisfied with things as they are, or feel that at present we are making the best use of our most priceless asset, the personal wellbeing of the nation as individuals. For these reasons, and because we sincerely desire to see an ambitious scheme of coordination and expansion, brought into being, and because we are aware of the actualities and potentialities, those of us who feel bound to vote for the Amendment do so with a sense of very real regret that we cannot conscientiously support the Bill as it now is. We approve of the broad principles, but it is because we feel that the Bill contains certain defects which could quite easily have been eliminated, without detriment either to the principles or the administration, that we feel bound to take the action we are taking.[63]

Politically, though, the decision to oppose a measure with considerable support was a mistake, and a mistake whose consequences would endure for years. Unfortunately for the Tories, while they and the doctors were less than enthusiastic about Bevan's legislation, public opinion did not share their concerns. While the extent of public euphoria may have been subsequently exaggerated, it was nevertheless a popular measure with widespread support.[64] A Gallup poll taken four months before the Appointed Day found that 61 per cent of those surveyed saw the NHS as ‘good’ but only 13 per cent saw it as ‘bad’.[65] Even considering the imperfections of 1940s polling, those numbers are significant. The popularity of the NHS was widely recognised. Reflecting the Tories’ isolation, several of the establishment newspapers were largely supportive of the reforms. Even the traditionally Conservative-leaning *Spectator* did not oppose the nationalisation of the voluntary hospitals, noting that they ‘have become hopelessly inadequate to the needs of today and most of them are in financial difficulties’.[66] *The Times* similarly concluded that ‘Mr. Bevan’s solution of the hospital problem is at least as good as any alternative yet propounded’.[67]

---

[62] HC Debates, 5th ser., vol. 426 col. 463, 26 July 1945.

[63] Ibid., col. 432.

[64] David Kynaston, *Austerity Britain, 1945-51: Tales of a New Jerusalem* (London: Bloomsbury, 2007), 282.

The political hazards of opposing the measures were recognised at the time. The problem for the Conservatives was that despite their professed support for the principle of an NHS, in the public mind it was easy to equate the rejection of the legislation with the rejection of the principle behind it.[68] Even the *Spectator*, while it expressed reservations over aspects of the Bill, argued that outright opposition to it was foolish:

> Amendment [of the NHS Bill] in various respects is needed—particularly regarding the proposed treatment of the voluntary hospital. For the rejection of the measure there is no case at all, and the Conservative Party, with the White Paper drawn up by a Conservative Minister of Health on record, seem singularly ill-advised in proposing it.[69]

In voting against the Bill, the Tories had handed Labour a device with which to attack them, a device which they would continue to use for years to come.[70]

Confronted with the invidious mix of an absence of firm leadership, a popular Bill in conflict with Conservative principles and instinctive support for a major interest group whose recalcitrance was widely considered unreasonable, the Party failed to respond pragmatically to the NHS legislation, and in doing so committed a major strategic error that they would spend the next three years attempting to rectify. It would not have been easy to get Conservatives to support the NHS Bill with these features remaining unamended, but even so it was not handled well. It was only after the legislation had come into force that a degree of pragmatism returned to Conservative NHS policy making, and even this was largely the product of changed circumstances.

---

[65] Ibid.

[66] ‘*The Spectator*, 29 March, 1946, 315.

[67] *The Times*, 22 March 1946, 5.

[68] Hoffman, *Conservatives in Opposition*, 235.

[69] *The Spectator*, 26 April 1946, 418.

[70] Harris, *Conservatives*, 368.

Post-NHS Appointed Day

Once the Scheme was introduced, and the necessity to defend the voluntary hospitals and appease the BMA's was no longer an issue, a degree of coincidence between Conservative principles and pragmatic politics returned. The Conservatives attempted to do two things in their response. First, political necessity compelled the Tories to convey to the public that they were genuinely serious about maintaining the NHS. Secondly, while professing to maintain the NHS in its present form, they made a point of searching for efficiencies and looked for ways to bring it as far into line with Conservative principles as possible. As much as they may have been attached to elements of the old system, returning to the previous arrangements was not a practical option.

The Conservatives could not rush into immediately proposing changes and it took some time for Conservative NHS plans for the NHS to emerge. 'It is not possible to be certain of the adequacy of the Health Service until we see how it stands up to the demands of winter ill-health', wrote the CRD in a paper for the ACP in February 1949.[71] There was at least some pressure for policy movement sooner. The Home Counties North Provincial Area, for example, passed a resolution calling for an NHS policy statement as soon as possible.[72] To assist in the formulation of such policy, a new health sub-committee was established. Its 'main functions would be to examine developments in the health scheme, and to formulate suggestions for policy in regard to health matters for the Election programme.'[73]

In working out its position, the Party recognised that there were limits to what could be done. In addition to the popularity of the Scheme, a further problem was that the newness of the NHS made it difficult to justify radical changes before it had been tested. As the

---

[71] Advisory Committee on Policy and Political Education, 2 February 1949, CPA, ACP 1/1.

[72] Memorandum, Armstrong to McCracken, 10 December 1948, CPA, ACP 1/1/3.

[73] Health Sub-Committee, Minutes, 1 December 1948, CPA, CRD 2/27/9.

Health Policy Committee noted, '[t]he National Health Service has been in operation for less than three years. A further major reorganisation could not be justified now'.[74] It was not just a matter of letting the Service prove itself, but, as with the nationalised industries, to spare the sector yet another major change. Having just undergone one major restructure, it would be sensible to hold off any more. Writing to the Health Policy Committee, MP Hugh Linstead wrote, '[t]he great need is for the service to be left alone for a few years]. It has had two upheavals in 20 years, with a war in between. It must be given a chance to build up its own traditions and loyalties [emphasis in original.'[75]

Once they did develop an NHS policy, it was largely one of support. Conservatives recognised that the NHS was too popular to be drastically changed and was benefiting their own supporters. Reflecting this, and aware of the need to counter Labour's charge that they were opposed to the NHS, Butler stressed that 'Conservatives should emphasise their support for the National Health Service Scheme'.[76] Accordingly, *This is the Road* promised, '[w]e pledge ourselves to maintain and improve the Health Service'.[77] The sense of needing to stress support was not confined to the leadership. Although not official Party policy, 'many conservatives' said during 1951 that there would be no cuts to the NHS, even though this was technically not official Party policy.[78]

A large part of the reason for this was that the NHS was genuinely popular. Only months after the Appointed Day, opinion polls showed it was seen as the Labour Government's greatest success.[79] Moreover, it was recognised as an important component of post-war society and its continued existence was seen as a given. This view was held even among those on the right. As the *Spectator* observed:

> The doctrine of the Welfare State is accepted without reservation, as it must be. *No rational Conservative* [emphasis added] would desire to abandon National Insurance,

---

[74] Health Policy Committee, 'The National Health Service: Report of the Health Policy Committee', April 1951, 2, CPA, ACP 3/1/2.
[75] 'Note on Hospital Services: Health Policy Committee Document No 5, 29 January 1951', CPA, CRD 2/27/13.
[76] Memorandum: Macleod to Butler, 17 January 1950, 3 , RAB MSS, H/101.
[77] CUCO, *This is the Road*, 17.
[78] Butler, *British General Election of 1951*, 102.
[79] Rodney Lowe, *The Welfare State in Britain since 1945*, 3rd ed. (Basingstoke: Palgrave Macmillan, 2005), 175.

> nor a National Health Service, not a generous War Pension Scheme, though in some of those spheres he might find much to criticise and something in the way of amendment to propose.[80]

The Tories also realised that the Conservative-voting middle class were major beneficiaries of the new scheme; the development and availability of new medical treatments came at an increasing cost to the middle-class budget. In contrast to the NHS, pre-war schemes did not assist in covering that cost for those above a set income threshold.[81]

In attempting to highlight Conservative support for the NHS, Party propaganda exaggerated its own role in the creation of the NHS, while simultaneously trying to minimise the role of Labour. This theme was evident even before the Appointed Day. One 1946 Conservative Party pamphlet, for example, proclaimed that, '[e]very step fundamental for social security was taken by Mr Churchill's National Government, 1940-1945'.[82] Walter Elliot noted in 1945, '[t]he first proposals for a comprehensive health service were published in February, 1944. Mr. Willink, a Conservative, was then at the Health Ministry'.[83] This theme was continued in the memoirs of the leading Party figures.[84] Woolton, for example, recalled that the NHS was:

> a natural growth resulting from the experience of thirty years of national insurance. To the 'reformer' all this compromise between the ideal of the future and the practices of the past seems feeble and faint-hearted; yet it seemed to me that it was by such compromises, changing in the balance of past and future with the experience of time, that the British social order has grown.[85]

Further reflecting these revisionist tendencies, the former BMA Secretary-turned-Conservative candidate, Charles Hill, gave one of the Conservative Party's electoral addresses at the 1950 election, in which he claimed that even the doctors had played their part in the creation of the NHS.[86]

---

[80] *Spectator*, 13 January, 1950.
[81] Raison, *Tories and the Welfare State*, 19.
[82] *Thanks to the Conservatives… From Whose Hands*, NU no. 3846 (1948), 1.
[83] CPC, *Conservatism 1945-1950*, 142.
[84] See e.g. Macmillan, *Tides of Fortune*, 84.
[85] Woolton, *Memoirs*, 281.

The flip side of this argument was to play down Labour's own role in creating the NHS. Conservatives continued to argue that Labour had distorted a cross-party initiative by adding doctrinaire socialism and in doing so brought unnecessary partisan bitterness to the debate. By contrast, 'if a Conservative Minister [as opposed to Bevan, whom Churchill labelled the 'Minister of Disease'][87] had been at the Health Ministry the Scheme would have started on time in a friendly and co-operative atmosphere'.[88] They made no attempt to distance themselves from their previous opposition, which they tried to justify on the grounds that it had led to improvements in the legislation. In 1949, the *National Health Service Amendment Act* brought in to effect the results of Bevan's final negotiations with the BMA, and made explicit that GPs would not be paid by any means other than by capitation fee. The Conservative Opposition claimed credit for this Bill. The notes for Butler's speech to candidates in 1950 stressed that, '[i]t was because of our strenuous opposition in the House, together with the organised opposition of the doctors, that Mr. Bevan made the concessions alone enabled the Scheme to start on 5th July, 1948. Basically, we believe the Scheme is now sound'.[89] This approach had the added advantage of providing a convenient excuse for their decision largely to leave the scheme intact. Unfortunately for the Tories, the 'public was not particularly responsive' to this argument.[90]

The second limb of the Conservative response was to attempt to bring the scheme into line with Conservative principles where possible, even though the Party's ability to do this was limited. Various options were considered and rejected to make the scheme more Conservative-friendly. While the old order could not be restored, the new one could be tinkered with. For example, the Conservatives were reluctant to abandon completely the voluntary principle, reflecting their instinctive preference for voluntary as opposed to state action. Reflecting this, an undated internal document even suggested that '[w]e would not return hospitals to voluntary effort but would be prepared to re-consider the case of hospitals who [sic], for religious or other special reasons, wish to be disclaimed from the Scheme'.[91] However, nothing became of this idea. Similarly, there was concern over the state of paid beds in NHS hospitals.[92] Conservatives felt that the cost of private treatment was being increased as a means of encouraging patients to use the NHS instead.[93] The idea of 'freedom' in healthcare did not disappear overnight. Reflecting earlier concerns about rights of doctors to practice wherever they chose, Conservatives also flirted with removing these restrictions.[94] This also was nowhere to be seen in subsequent manifestos and was rejected, at least temporarily, by the Party's own Health Sub-Committee on practical grounds.[95]

---

[86] Hill, *Both Sides of the Hill*, 132.

[87] Winston Churchill, 'The Evils of Socialist Commonwealth', speech to Scottish Unionist Conference, Perth, 28 May 1948 in James, ed., *Speeches*, vol.7, 7679.

[88] *Notes on Current Politics*, 17 January, 1949, 16.

[89] Memorandum, Macleod to Butler, 17 January 1950, 3.

[90] Raison, *Tories and the Welfare State*, 19.

It was in trying to deal with the massive and constantly increasing costs of the NHS that the Tories had their best chance to bring the scheme more into line with their principles. The cost of the NHS dramatically exceeded initial projections, and it surpassed its budget by 40 per cent during the first two years.[96] Cost pressures became apparent as early as October 1948,[97] and continued to mount thereafter.[98] Reflecting long-standing beliefs that the state needed to live within its means, many Tories were deeply concerned by this development. Churchill warned the Commons of the need to 'purge abuses and waste and prevent the exploitation of State benefits by thoughtless or unworthy methods or habits'.[99] Conservatives were concerned that the funds to pay for the NHS had to come from somewhere, and rejected the idea of a 'free' service. As one CRD paper complained:

> [t]he Service is always referred to as 'free'. Direct contributions are made by the insured population of 10d. weekly in the case of a man and 6d. in the case of a woman, but these sums from the Insurance Fund only make a total of about £41

---

[91] 'Social Services Policy', Undated, 3, CPA, CRD, 2/27/2.
[92] Health Sub-Committee, Minutes, 11 July, 1951, CPA, CRD 2/27/9.
[93] 'Report of the Health Policy Committee', 5.
[94] *This is the Road*, 17.
[95] *This is the Road*, 17; *Britain Strong and Free*, 29-30; Health Policy Committee, 'Report of the Health Policy Committee', 9-10.
[96] Lowe, *Welfare State*, 186.
[97] Winston Churchill, 'Perils Abroad and at Home', speech to Annual Conference, Llandudno, Wales, 9 October 1948, in James, ed., *Speeches*, vol. 7, 7715.
[98] Webster, *National Health Service: A Political History*, 31-3.
[99] HC Debates, 5th ser., vol. 474, col. 628, 24 April 1950 (Winston Churchill).

> millions and the rest has to be paid for out of taxation. Therefore, the service cannot in any way be described as free – we all pay for it either by our insurance contributions and/or indirect taxation.[100]

These concerns were echoed on the backbenches. In his diary, Headlam complained of 'Mr. Bevan's monstrous Supplementary Estimates for the national health business'.[101]

Addressing these cost and efficiency issues became a major focus of Conservative policy-making. Accordingly, the ACP agreed that the Health Committee's terms of reference 'should be directed not only to the need for efficiency but to the desirability of making substantial economies.' The ACP 'agreed that the Conservative view could be summed up as the intention to give the best possible service within the limit of £400 million by the establishment of proper priorities'.[102] A major reorganisation thus being out of the question, the purpose for the Conservatives was '[h]ere, as throughout the social services, we would insist on our two aims – correct priorities, and administrative efficiency'.[103] The means of doing this would be by imposing charges for certain treatments, such as prescriptions or dentures,[104] of the service which had previously been free. This would work both by reducing demand, and, where it did not reduce demand, provide additional revenue.[105]

It helped that the Labour Government made the first moves in this direction. Legislation allowing for the introduction of prescription charges was introduced in 1949, even though Labour did not make use of it.[106] The Conservatives were handed a more valuable political opportunity when new Labour Chancellor, Hugh Gaitskell, introduced charges for false teeth and spectacles in 1951.[107] As well as triggering a Labour split following Bevan's resignation,[108] it provided a rich opportunity for the Conservatives to attack their rivals.[109] It also spared the Tories from being the first to resort to charges for treatment.[110]

---

[100] 'Supplementary Health Services', 13 March 1950, CPA, CRD 2/27/26.
[101] *Headlam Diaries*, 17 February 1949.
[102] ACP, Minutes, 26 September, 1951, CPA, ACP 2/1.
[103] Memorandum, Macleod to Butler, 17 January 1950, 3.
[104] 'Report of the Health Policy Committee', 18.
[105] One Nation Group, *One Nation: A Tory Approach to Social Problems*, (1950), 52-55.
[106] 'Report of the Health Policy Committee', 14.
[107] Health Sub-Committee, Minutes, 19 April 1951 CPA, CRD 2/27/9.

Informing this preference for charges was an unchanged view of what the service was for. Fundamentally, the Conservatives saw the purpose of the NHS, as they had long done with other forms of state assistance, not as providing a universal average standard, but as offering a means to help people help themselves. This meant that, while they recognised the importance of maintaining the 'valuable principle of universal access',[111] to go beyond that was unjustified. This view was not confined to any particular group within the Party, with moderates sharing that outlook. The notes for Butler's speech to candidates explained that, '[w]e believe also that the priorities within the Health Service are wrong. In part this leads naturally from the Socialist belief in an average standard for everyone instead of a minimum standard for those in need'.[112]

Several proposals were developed along this line of reasoning. For example, the Health Committee argued that, while patients should 'in all cases have free access to examination and diagnosis', 'only one, strictly utilitarian, design of spectacle should in future be supplied entirely free'. All other NHS-supplied glasses 'should continue to be made available but the charge should be substantially increased'.[113] This would ensure that the state would continue to provide a basic minimum of optical treatment for those who needed it, but anything beyond that was the citizen's responsibility. This was perfectly consistent with earlier Conservative thinking.

The fact that the Conservatives did not pursue charges further likely owed less to a shift in outlook, than to recognition that altering the NHS too drastically was politically difficult. For example, even those Conservatives who called for the introduction of charges recognised their probable unpopularity.[114] The Conservatives' reaction to Gaitskell's legislation was an example of this. Privately, the Tories supported the new charges as they 'had always considered that there must be some limit to Health Service expenditure'.[115] Publically, though, the cuts were supported with less enthusiasm, being labelled 'very unfortunate'.[116] That politics drove the Party's response is confirmed by the Health Sub-Committee Minutes.[117] Rejecting more radical ideas, such as introducing charges for hospital visits,[118] Conservatives proceeded with caution. The Manifesto pledges on charges were also carefully worded, making no mention of increases, but not ruling them out either, merely declaring that 'we hold ourselves free to review and alter the present system of charges in order to establish proper priorities'.[119]

---

[108] Bevan saw the introduction of *any* charges as violating the principle of a free universal service and refused to support it.

[109] *All the Answers on 100 Vital Issues*, RD no. 4102 (1951), 95.

[110] Health Sub-Committee, Minutes, 19 April 1951 CPA, CRD, 2/27/9.

[111] 'Report of the Health Policy Committee', 18.

[112] Memorandum, Macleod to Butler, 17 January 1950, 2.

[113] 'Report of the Health Policy Committee', 16.

This is not to say that everyone was happy with the Party's cautious approach. Some MPs desired far more drastic changes than were on offer, although the voices of dissent were not particularly strong. Backbench MP Sir Herbert Williams wrote to Butler that he read the Report 'with great disappointment'. 'If I saw a ceiling dripping water I would not put a patch on the ceiling but I would go and mend the tiles on the roof'. His solution was to introduce fees for GP visits in order to reduce 'unnecessary visits'.[120] Fortunately for the Tories' electoral prospects, his advice went unheeded. Though on the Party's left,[121] Health Policy Committee member Evelyn Williams disagreed with her colleagues about avoiding major changes. In her note of dissent, she argued that the current system was 'not democratic, it is expensive and fits uneasily with the other social services'. Rather than hold off, change was best made 'before vested interests have dug themselves in too deeply'.[122] However, neither of these criticisms made much impact.

---

[114] One Nation Group, *One Nation*, 52-55.

[115] Health Sub-Committee, Minutes, 19 April 1951 CPA, CRD, 2/27/9.

[116] HC Debates, 5th ser., vol. 487 col. 248, 24 April 1951 (Henry Lucas-Tooth).

[117] Health Sub-Committee, Minutes, 19 April 1951 CPA, CRD, 2/27/9.

[118] 'Report of the Health Policy Committee', 18.

[119] *Britain Strong and Free*, 29.

[120] Williams to Butler, 16 April 1951, CPA, CRD 2/27/13.

[121] G. E. Maguire, 'Emmet, Evelyn Violet Elizabeth, Baroness Emmet of Amberley (1899–1980)', in *Oxford Dictionary of National Biography*, eds H. C. G. Matthew and Brian Harrison (Oxford: Oxford University Press, 2004); online ed., ed. Lawrence Goldman, January 2011, <http://www.oxforddnb.com/view/article/50059> (accessed 1 July 2014).

[122] 'Report of the Health Policy Committee', Appendix: Note of Dissent.

Thus, having failed to prevent Bevan's health scheme, political and practical reality meant that the Tories were compelled to accept it and express their clear support. In part this was driven by fear of the electoral consequences as well as out of the sheer difficulty of modifying a major scheme which had only just come into operation, a problem which would also make itself apparent in the realm of nationalisation. Nevertheless, where the (limited) circumstances permitted, attempts were made to bring it into line with Tory principles, and Conservatives continued to view the NHS differently from their Labour rivals. Although the practical scope for private sector involvement had been diminished, the Tories continued to press for it where they could. Hence, while practical policies were adapted to changed circumstances, the ideas underlying those policies did not.

Conclusion

The underlying Conservative attitude to healthcare changed little between 1945 and 1951. By the 1945 election, the Conservative leadership had recognised the need, both on electoral as well as humanitarian grounds, for some sort of NHS to consolidate the patchwork coverage which existed before the War. Though its proposed model was imperfect, it seems likely that it would have been enacted had the Conservatives survived the 1945 election. It is true that among the backbenchers, some of whom regarded the NHS as an expensive exercise in undermining individual responsibility, enthusiasm was by no means unanimous. However, there is little evidence to indicate that the NHS issue was likely to cause a major rift with the leadership, at least if the proposals did not go too far.

As with nationalisation, the fact that the Tories accepted much of what had changed should not be confused with ideological shift within the Party. Once the constraints holding the Tories back from pragmatism were removed, namely through the BMA's defeat and the nationalisation of the voluntary hospitals, it became must easier to accept the changes. It was one thing to oppose nationalising the voluntary and municipal hospitals, for example, but restoring them after nationalisation would have been a different proposition entirely. Once taken over, trying to turn the clock back would have been both logistically difficult and extremely hazardous politically, especially given ongoing doubts in the public mind about the Conservatives' commitment to the changes caused in part by their own previous opposition. Further, evidence of earlier Conservative thinking continued to manifest itself in the Party's approach to the NHS after the Appointed Day.

What the NHS episode does demonstrate, however, is there were limits to the Party's adaptability. The Party could accept change, but not change it regarded as excessive and destructive. While it accepted, even with some reluctance, the need for a comprehensive health service free at the point of delivery, it would only do so if it felt this was done by working within existing institutional frameworks. It is doubtful that Conservatives would (or could) have nationalised the voluntary hospitals, even if the leadership thought it a good idea (which it did not). Many senior Conservatives genuinely viewed the voluntary hospitals as embodying the voluntary spirit which they valued so highly and so could not countenance their demise. The fact that a major interest group to which they were politically close was also vehemently opposed only made the situation worse. That they maintained their opposition despite being aware of the political risks proves both that they had clear principles and would stand by them.

Chapter Four: ‘We Are Almost As Stupid As the Socialists’: The Conservatives and Social Insurance

Of all three areas considered by this thesis, the area of least (public) disagreement between the parties and the least change in outlook was social insurance. When the Attlee Government rationalised and consolidated the social insurance system, the Conservatives, despite concerns over the cost and their impact on society of doing so, broadly supported Labour’s changes. Moreover, they would likely have introduced something similar had they won the 1945 election.[1] Rather than condemn or attempt to reverse what Labour had done, the Conservatives instead constantly stressed how *they* were a true party of social reform and exaggerated their role in the creation of the new social services. Indeed, they presented themselves as the only Party capable of delivering the economic conditions without which paying for the welfare state was impossible. Nevertheless, there was some concern about the cost and actuarial soundness of the new social services. Why the Conservatives took this path rather than oppose such dramatic increases in expenditure is the subject of this chapter, which considers payments falling under Family Allowances, National Insurance, National Assistance, and National Injuries legislation. These payments included pensions, unemployment insurance, and National Assistance for those who fell outside the National Insurance. Although not all of these measures were based on the insurance principle, notably Family Allowances and National Assistance, these are included because they were seen as ancillary to the strictly insurance-based payments.

While the attitude of the Conservatives towards the NHS and nationalisation has received some academic attention, relatively little has been written about the Conservatives’ attitude towards social insurance specifically. Most of what has been written about social insurance has been within the context of discussing the welfare state generally. Timmins concludes that the ‘way in which its [the Beveridge Report’s] vision yoked together competing ideas into what appeared to be a coherent whole helps explain why it proved in the end acceptable to all political parties’.[2] With regard to the Tories and social insurance he notes that:

---

[1] *Headlam Diaries,* 17 August 1947.

[2] Timmins, *Five Giants*, 61.

> Benefit rates might well have been less generous. But the broad structure is unlikely to have been radically different. The insurance base was acceptable to the Conservatives in coalition and there is little or nothing to suggest the system would have been much more selective, or less universal.[3]

Where social insurance has been discussed, it has usually been in passing. Former Conservative MP Timothy Raison has argued that the 'considerable stress' on the insurance principle 'helped win the support for the [Beveridge] report among Conservatives'.[4] Lowe has also noted that the legislation was essentially conservative in detail.[5] In his chapter on the post-war New Right, Barry agrees with this analysis, adding that '[o]nly a minority of Conservatives were aware of the fact that national assistance never works out as intended'.[6] However, none of these consider social insurance extensively in its own right with reference to the archival and other primary material. This is perhaps because, as Lowe has noted, social insurance was not an area that attracted a great deal of controversy.[7] As a key component of the welfare state, to say nothing of its significant role in state expenditure and state responsibility, it is surely worthy of more thorough analysis.

This chapter will argue that, as with nationalisation and the NHS, pragmatism was a significant driver of the Conservative approach to social insurance reform. However, as was also the case with regard to the NHS, pragmatism in itself is not a sufficient explanation for why the Party took the positions it did. The reason why the Conservatives broadly accepted the social insurance legislation was that, compared to the establishment of the NHS or nationalisation, it required less philosophical compromise. The core piece of social insurance legislation, the *National Insurance Act*, was based on an insurance principle acceptable to many Conservatives. Further, whereas the creation of the NHS involved the destruction of the voluntary hospitals to which many Conservatives felt a deep sense of attachment, and the bringing of large sections of the economy into public hands, the consolidation of social insurance did not completely eliminate private efforts. It also helped that there was no troublesome interest group to obstruct rational policy making as the BMA did with regard to the NHS. Finally, while the measures were considered in many quarters overly generous, morally unnecessary and financially draining in some quarters, the political circumstances made it impossible, unless some graver issue was at stake, for the Party to oppose. The real difference between social insurance and the subjects of the previous two chapters was that, unlike the NHS and nationalisation, the Conservatives had already embraced both the principle behind the change and the means by which that principle was made reality.

---

[3] Ibid., 161.
[4] Raison, *Tories and the Welfare State*, 5.
[5] Lowe, *Welfare State*, 147.
[6] Barry, 'The New Right', 35.
[7] Lowe, *Welfare State*, 137.

Conservative Policy in 1945

In contrast to nationalisation, which the Tories opposed in principle and in practice and the NHS, which the Conservatives supported in significantly watered-down form, the Conservatives entered the 1945 election pledging clearly to support the extension of social insurance. As has already been noted, the Party's election campaign was disorganised and its at times Hayekian anti-state tone appeared inconsistent with its bigger-government pro-Beveridge substance. In spite of this, however, a clear commitment to social insurance reform is discernible. Further, unlike the case of the National Health Service and nationalisation, the Conservatives had already reached agreement with Labour over many of the practical details while they were still in Coalition.

By 1945, much of the groundwork for social insurance reform had already been laid by the Beveridge report and the Coalition government, and much of the Conservative opposition had already been overcome. When published in December 1942, Beveridge's Report proposed a unified system of National Insurance covering old age pensions, sickness, unemployment benefits and disability.[8] Payments and National Insurance contributions were to be universal across income levels, although there was some variation in benefits available based on the category of employment, gender or marital status. In addition, Family Allowances were to be paid for each child other than the first in an attempt to reduce poverty in larger families. Finally, National Assistance would be introduced to cover those who were not covered by National Insurance. Neither Family Allowances nor National Insurance were to be means tested, eliminating a major grievance from the inter-war years.

---

[8] Cmd 6404.

National Insurance was to be organised on an insurance basis, albeit with a state contribution as well, with Family Allowances and National Assistance to come directly out of taxation. Beveridge considered social insurance in far more detail than health, which, as has been noted in chapter three, was a mere 'assumption'.

Indeed, by 1945 a good deal of progress had been made towards enacting the legislation. Despite his initial reluctance, Churchill declared in a 1943 broadcast, 'I personally am very keen that a scheme for the amalgamation and extension of our present incomparable insurance system should have a leading place in our Four Year Plan'.[9] A Social Insurance White Paper was presented to the War Cabinet in 1944.[10] The White Paper generally followed the original Beveridge proposals closely, although there was some variation of benefit levels and the proposals were not based on a subsistence test.[11] The Ministry of National Insurance (briefly the Ministry of Social Insurance) was established in October 1944.[12] One part of the scheme, Family Allowances, was already on the statute books before the 1945 election, and the Minister of National Insurance in the 1945 Caretaker Government, Leslie Hore-Belisha, noted, 'the Bill was part of a comprehensive scheme, and must be judged eventually in the wider context'.[13] Moreover, it is significant that the Family Allowances legislation was introduced *after* the Coalition Government's replacement by the Conservative-dominated Caretaker Government. The reason this is important is that demonstrates that the Conservatives were prepared to continue legislating for social reform independently of their former Coalition partner. For example, the Conservatives' social insurance proposals were detailed in the *National Magazine*.[14] This rhetoric was more than mere electoral puffery. Indeed, in some respects the Conservatives were actually prepared to go further than Beveridge. Beveridge's idea of phasing in changes to pensions over 20 years, instead of introducing them immediately, for example, was rejected.[15]

---

[9] Winston Churchill, 'Postwar Planning', 21 March 1943, in James, ed., *Complete Speeches,* vol. 7, 6759.

[10] Memorandum, 'Social Insurance' Minister of Reconstruction to War Cabinet, 7 September, 1944, WP(44)503, CAB 66/55/3.

[11] Post-War Problems Central Committee, *The National Insurance Plan* (Post-War Problems Central Committee, set up by the Conservative and Unionist Party Organisation, 1945), 9.

[12] David Butler and Gareth Butler, *Twentieth-Century British Political Facts, 1900-2000*, 8th ed. (Basingstoke: Macmillan, 2000), 63.

[13] *The Times*, 12 June, 1945, 4.

[14] *The National Magazine*, 26.

[15] Timmins, *Five Giants*, 161.

Thus, by 1945 the Conservatives were pledged to support a significant extension of social insurance. Party propaganda emphasised its importance, and the Conservatives' commitment to implementing reform. Accordingly, the 1945 election manifesto declared that 'one of our most important tasks will be to pass into law and bring into action as soon as we can a nation-wide and compulsory scheme of National Insurance based on the plan announced by the Government of all Parties in 1944'.[16] It was boasted that these reforms were on the way. According to the *National* Magazine, '[a]lready steps have been taken to reform Education and to introduce Family Allowances; but much more remains to be done on National Insurance, Health, Workmen's Compensation and other matters of importance'.[17] 'The Social Insurance reforms contemplated are among the greatest that have ever been present by Parliament', it continued, yet they were 'the logical evolution of the social insurance schemes which have been built up during the past 35 years'.[18]

However, official support should not be confused with universal and enthusiastic support. Concern over the implications of the Report were not limited to the diehard right. As has already been pointed out, for many Conservatives, including Churchill, winning the War was the first priority. Butler noted that senior Conservatives privately lamented that the Beveridge Report's conception was accidental, and could have been avoided.[19] While Ramsden may well have been correct to discern a pre-war trend towards accepting greater state provision of social welfare, it is doubtful whether the natural course of politics would have independently led them to accept such a considerable expansion in such a short space of time.[20] As was discussed earlier, the Conservatives initially experienced internal divisions on what to do with the Beveridge Report, which they had come reluctantly to accept. One the one hand, the Party faced pressure from Tory Reformers pushing for acceptance of the Beveridge Report. On the other hand, some in the Right balked at the expense this would entail.

---

[16] *Churchill's Declaration of Policy*, 11.

[17] *The National Magazine* (June, 1945), 3, HLSM MSS, 2/43/2/3.

[18] Ibid., 10.

[19] Butler, Diary Note, 28 April, 1944, Butler MSS, G/16.

[20] Ramsden, *Conservative Party Policy*, 91-2

Why, then, did the Conservatives support an extension of social insurance despite the concerns over the cost? First, there was a clear political incentive to do so. A clear shift in opinion had taken place. As Butler later noted, ‘the force of history’ helped force the Tories towards acceptance of the Beveridge Report.[21] While Churchill was initially hesitant to commit to the Beveridge proposals, ‘time and circumstances’ produced ‘a certain modification of view’.[22] Awareness that change was needed was widespread. Butler later recalled ‘thinking people were prepared to accept the Beveridge Report’.[23] There was concern in some quarters that if the Conservatives did not embrace social insurance reform, then they risked incurring a serious backlash. As Hogg warned in the Commons:

> Some of my hon. Friends seem to overlook one or two ultimate facts about social reform. The first is that if you do not give the people social reform, they are going to give you social revolution. The maintenance of our institutions has been one of the principles of the Conservative Party from time immemorial. The wise man who said that the maintenance of our institutions was the first Conservative principle made the improvement of the condition of the people the third. I am really afraid that if we in the Conservative Party persist in the attitude we have seen all too frequently recently…
>
> If we persist in this attitude, we shall in fact destroy the chance of industrial recovery which is the very thing on which we lay so much emphasis. Let anyone consider the possibility of a series of dangerous industrial strikes following the present hostilities, and the effect that it would have on our industrial recovery…[24]

It was not just the Party’s left that recognised the importance of social insurance reform. A considerable number of Conservatives were well attuned to the electoral appeal of better welfare. Of the 459 election addresses by Conservatives and their allies that were analysed by the 1945 Nuffield election study, 25 per cent called for higher pensions.[25] Central Office also seemed to recognise the political importance of the proposed changed. ‘Amongst the plans prepared by the late Government for improved post-war social conditions none was welcomed with more *widespread popular commendation than that for a comprehensive and unified system of National Insurance* [emphasis added]’ noted a Party guide for speakers and election workers. It added ‘the new Government will be expected to do all that is possible to put this great measure upon the Statute Book at as early a date as possible’.[26] Thus, it seems fairly clear that social insurance changes, albeit possibly subject to some minor tinkering, would have occurred regardless of the 1945 election outcome.

---

[21] Timmins, *Five Giants*, 162.

[22] Butler, *Art of the Possible,* 125.

[23] ‘Rab Interview’, in ‘Butler's Essay’, 93.

[24] HC Debates, 5th ser., vol. 386, cols 1815-8, 17 February 1943 (Quintin Hogg).

[25] McCallum and Readman, *General Election of 1945*, 91, 103.

Secondly, not all Conservatives’ professed enthusiasm was borne purely of expediency, even if much of it was. As consciousness of the extent of poverty grew, so did recognition that something needed to be done. Not unsurprisingly, progressive Conservatives were enthusiastic. In his election address, Hogg declared, ‘I am persuaded that we are ready for a great step forward in social legislation’.[27]

In addition, the mere fact that the Conservatives accepted social insurance plans did not mean that Conservatives had significantly changed or abandoned their principles in the process. Indeed, to a significant extent they were able to reconcile the social insurance plans with the Conservative tradition. A key factor in this was that social insurance, by definition, was to be paid ‘in return for contributions, rather than free allowances from the State’.[28] Although insurance contributions were not in themselves sufficient to finance the scheme, requiring the balance to be paid from tax revenue, the insurance principle was critical.[29] In this respect, the Beveridge plans were much less radical than one would intuitively think. In a diary note, Butler noted the compatibility between the Beveridge Report’s and Conservatism. Although acknowledging that work of the Reconstruction Committee ‘is of a type suitable to a National Government’, he also noted of the Beveridge report that the ‘final document stresses the features of thrift and gets back to placing the whole Beveridge scheme upon an insurance rather than a subsistence basis. This is also a more Conservative angle than was originally the case.'[30]

---

[26] Conservative Central Office, *Notes for Speakers and Workers*, 12, RAB MSS, J/22.

[27] *Election Address of Capt. Quintin Hogg*, HLSM MSS, 2/43/2/3.

[28] Cmd 6404, para. 21.

[29] Memorandum, ‘Social Insurance’, 12.

There was scope to interpret the Report's principles in a more Conservative-friendly manner. The Committee set up to review the Beveridge Report noted that it did not 'care for the phrase "social security"', and instead preferred 'to talk of "social insurance"'.[31] Nor was the Report itself the only source of a belief that social security changes being shaped on Conservative lines. Butler also contented himself with the knowledge that Conservatives played a considerable role in shaping the proposals. 'The scheme for Workmen's Compensation, which is now put on a new insurance basis, was largely the work of a typical Conservative [Osbert Peake]', he wrote in September 1944.[32] While there were exceptions to this in terms of National Assistance and Family Allowances, the former was largely intended 'to fill the inevitable gaps left by insurance'[33] and the latter, as will be discussed later, impossible to place upon an insurance basis. It was also capable of being reconciled with earlier Conservative governments' social reform policies.

Finally, while some Conservatives would have preferred the scheme had it been less universal and based more extensively on contributions as opposed to being directly financed out of taxation, practical considerations prevented this. Hugh Molson, for example, thought that Family Allowances should be on a contributory basis, writing that a 'contributory scheme is also in the Conservative tradition and has proved popular with the workers. A benefit which has been paid in part for is valued as a right which has been bought, instead of being regarded as a dole dispensed by the State.'[34] However, the basis of the poverty being addressed by Family Allowances, inadequate wage income, was incapable of being addressed by an insurance scheme. Thus, it was not a rejection of the contributory system, but an exception with which the Party could live. Even those whose discontent ran deeper recognised the political impossibility of outright opposition and largely kept their views private.

---

[30] Butler, Diary Note, 8 September, 1944, Butler MSS, G/16.
[31] 'Report on the Beveridge Proposals', 1943, Butler MSS, H/77.
[32] Butler, Diary Note, 8 September, 1944, Butler MSS, G/16.
[33] Memorandum, 'Social Insurance', 7.
[34] Hugh Molson, 'Memorandum on Family Allowances' (undated, probably 1942), 3, Butler MSS, H/77.

After the dissolution of the Coalition, while the Conservatives did not attack Labour over its National Insurance plans, they did try to position themselves as the only people capable of delivering meaningful reforms. Adopting a line of argument that would carry on throughout the next six years of Opposition, one Conservative publication, *The National Magazine*, declared, '[t]he cost of paying for these sweeping reforms will be heavy, and must depend on full employment. Only a Government which, by its enterprise, can keep the industry of this country prosperous in a competitive world, will be able to meet the bill.'[35]

Unfortunately for the Conservatives, while the Party was officially in favour of implementing the Beveridge Report, it faced the problem that many voters did not believe this was the case. This was probably not assisted by the inconsistencies in the Conservatives' election campaign. While Churchill's speeches warned of the dangers of expanding the role of the state, at the same time the manifesto that bore his name pledged to do just that. In *Your Election Questions Answered*, it was emphasised in response to the charge that the Tories would not support the all-party scheme, '[d]efinite statements have been made on this point by Mr. Churchill and Mr. Eden'.[36] However, as is so often the case in politics, that it was felt necessary to issue such a denial demonstrates that the problem existed. In the Tories' case, it was less that the Conservatives were not going to implement the reforms as that they were not *believed* to be likely to enact the reforms. As CRD research officer, and later Director, Michael Fraser subsequently recalled:

> As a result of the presentation of its policy at the 1945 General Election the Party was identified with the desire to return to unlimited free enterprise, unemployment, slumps and so on. The nation was in no mood for this and we were crushingly defeated.[37]

Thus, while Conservatives may have been initially reluctant to embark on such wide-reaching changes to social security, that the leadership recognised that the mood of the time made outright opposition politically impossible. This, and that the changes were proposed in a way more philosophically acceptable to Conservatives meant that the Party was able to support them, even reluctantly in some quarters. The problem the Tories faced was that their support for the implementation of Beveridge's proposals was perceived as half-hearted. That the new Labour Government proceeded to legislate largely on the lines agreed with the Conservatives meant that this support continued in Opposition.

---

[35] *The National Magazine*, 26.
[36] *Your Election Questions Answered 1945*, 76.
[37] Fraser, 'Conservative Research Department', part V, 3.

Labour's Legislation: The Tories Respond

The Conservatives' response to Labour's social security legislation, unlike that to the NHS and nationalisation measures, was one largely of support. From a political standpoint, the Conservative response to the various social security measures was far more sensible than it had been to the Health Bill. In contrast to the later period of Opposition, there was a relative paucity of Party material on the subject. Although this in part reflected that it took several years to re-establish its policy-making apparatus, it may also have been that social insurance was seen as a much less controversial matter. While there remained grumblings on the subject from some backbenchers,[38] and while more may have viewed the changes with displeasure, there was no serious resistance to the official Party line.

Labour's main changes took the form of three Acts in addition to the Family Allowances legislation already on the statute books, all of which were essentially the same as the Coalition proposals. The first piece of social legislation to be introduced was the *National Insurance (Industrial Injuries) Act, 1946*.[39] However, the most significant Act was the 1946 *National Insurance Act*, which served to 'consolidate into one scheme, the existing schemes of insurance against sickness, unemployment or old age'.[40] It largely matched the Coalition scheme, albeit with slightly varied contribution rates. Devised with the intention of covering those who would be ineligible for National Insurance,[41] the *National Assistance Act* was introduced in 1948. The *National Insurance Act* was subsequently amended in 1949 and 1951, although these did not drastically alter it.[42] All the measures embodied the spirit of the original proposals. As National Insurance Minister James Griffiths noted of the *National Insurance (Industrial Injuries) Act*, '[t]he scheme is based on insurance against risk and not on liability for compensation'.[43] All three Acts came into force on 5 July 1948, the same day as the NHS legislation.

---

[38] *Headlam Diaries*, 17 August 1947.

[39] *The Times*, 19 September, 1945.

[40] HC Debates, 5th ser., vol. 418, col. 1737, 6 February 1946 (James Griffiths).

[41] *The Times*, 11 April, *1946*, 8.

[42] Butler and Butler, *British Political Facts*, 378.

Rather than oppose these measures, the Conservatives took a path of what Butler later termed 'constructive opposition'.[44] Unlike the nationalisation legislation, which was opposed on a mixture of principled and practical concerns, and the NHS legislation which was supported in principle but rejected for practical reasons, the Tories did not attempt to oppose the passage of the key social security legislation. Both in Commons speeches and in Party propaganda, the Conservatives instead made a point of emphasising their role in helping bring these reforms about. Attempting to make a virtue out of political necessity, Butler told the Commons during the second reading debates for the National Insurance Bill:

> I warmly share in the satisfaction that the right hon. Gentleman obviously felt in drawing attention of the House to the drafting of that Clause. This Bill forms part of a series of Bills, starting with the Education bill [which Butler had introduced], which, I may say, foresaw the pattern of the new society long before this Parliament was ever thought of.[45]

The National Assistance Bill attracted a similarly enthusiastic response, and was 'warmly welcomed on all sides of the House'.[46] As Conservative Osbert Peake remarked to the Commons:

> This Bill, in my view, is a great scheme of reform. I do not want to antagonise hon. Members opposite to it, but I can hardly refrain from saying that, in my view, there is very little of what I understand as Socialism about this Bill. It is founded upon the

---

[43] HC debates, 5th ser., vol. 414, col. 268, 10 October 1945 (James Griffiths).
[44] 'Butler's Essay', 101.
[45] HC Debates, 5th ser., vol. 418, cols 1759-60, 6 February 1946 (R.A. Butler).
[46] *The Times*, 25 November, 1947, 5.

> well-tried practices of social insurance with which our people have become so familiar.[47]

The remaining legislation met a similarly enthusiastic response. To the extent that there was criticism, it was over minor questions of detail. Butler, for example, criticised the scheme for being unduly harsh on the self-employed.[48]

Even in areas where at least some Conservative resistance might have been expected, it was not forthcoming. After 'most careful thought',[49] it was decided not to involve the friendly societies in the new scheme, though private insurance continued to exist. While there was some discontent, it was relatively minor. Two Conservative MPs supported Beveridge at a protest against the failure to include the friendly societies, and Eden sent a message to be read.[50] There were no doubt practical considerations for this; the friendly societies' performance was by no means ideal. As the *Spectator* noted:

> The case for allowing the friendly societies to retain something like their old functions in the administration of the new measure is far weaker. There is no fundamental reason why the alleged interest of contributors in the personal touch in the distribution of benefits should not be met by State employees as well as by the employees of very large independent organisations.[51]

More importantly, perhaps, the mere fact that the friendly societies were no longer in administration of National Insurance did not signal the end of private insurance in the same way that the NHS signalled the end of the voluntary hospitals. Far from disappearing, private insurance actually fared rather well after the *National Insurance Act* came into effect.[52]

---

[47] HC Debates, 5th ser., vol. 414, col. 285, 10 October, 1945 (Osbert Peake).

[48] *The Times*, 7 February, 1946, 8.

[49] Ibid.

[50] *The Times*, 12 February, 1946, 2.

[51] *The Spectator*, 24 May, 1946, 522.

[52] Morgan, *Labour in Power*, 173.

However, as with the pre-election period, Conservative support needs to be qualified by stating that enthusiasm within Tory ranks for expanding social security was by no means universal, though such views were seldom aired publicly. Even where support was expressed, it was occasionally qualified. As the more free-market oriented Richard Law told the Commons at the National Assistance Bill's third reading:

> This is a very good Bill, but I cannot help reflecting, as it leaves this House, that its effect will not depend entirely on what is written into it. It will not depend even upon the spirit with which it is administered. Its results will depend, above all, upon the degree of economic recovery of this country for which we can hope.[53]

This did not stop a few from speaking out directly against social insurance reform. 'I don't like saying "I told you so", but I was the only voice raised against the "Beveridge proposals", and Sir William Darling's and mine the only two voices raised against the National Insurance Bill', grumbled Sir Waldron Smithers in 1947.[54] He even went as far as describing the National Insurance Bill as being 'against natural law' and saw in it 'a determination of the government to enact their theories and their slogans without regard to the consequence'.[55] In a memorandum sent to Pierssene, Smithers went further, warning that 'just as the Germans were told to choose between guns and butter, Britain has got to choose between Social Services and starvation'.[56] He went on:

> But the decline of Britain began when Mr. David Lloyd George (as he then was) offered ninepence for fourpence. How many pence for fourpence now? It is criminal folly for the Government to tell a politically, economically and financially uninstructed public that the State is a fairy godmother with a bottomless purse which can keep them from the womb to the tomb.[57]

---

[53] HC Debates, 5th ser., vol. 444, col. 752, 5 March, 1948 (Richard Law).
[54] Smithers, '"Industrial" or Magna Charter? The Conservative Industrial Charter Attacked', 13.
[55] HC Debates, 5th ser., vol.418, cols 44-5, 6 February 1946 (Waldron Smithers).
[56] Smithers, '"Industrial" or Magna Charter', 9-10.
[57] Ibid., 10.

That Smithers' public opposition and lengthy memorandums to the leadership were unusual does not mean that his sentiment was as far out of line as his conduct. It is probable that more Conservatives had reservations about what was going on than were prepared to publicly admit. Perhaps more representative of party opinion than Smithers, Cuthbert Headlam described the National Assistance Bill in his diary as 'one of the "humanitarian" measures which are so fashionable nowadays — designed to improve the lot of the people, but calculated to make them less and less responsible for their own welfare and self-preservation'.[58] Tellingly, in spite of these concerns he did not vote against the legislation.[59] Headlam himself noted that it 'apparently finds favour with all parties in the House'.[60] Concerns arose about the ways that the social services were being used. Instead of providing a minimum standard, which was acceptable, the social services were viewed by some as a means of redistributing wealth, which was unacceptable. One CRD file recalls, '[o]bjections to the social services were that they were being used not for the relief of destitution or misfortune, but as a means to redistribute wealth as a means to realise a communist society'.[61] Thus, while publicly the Conservatives overwhelmingly backed social insurance reform, privately some doubts remained as to the wisdom of the new legislation.

This leads to the obvious question of why, in spite of at least some doubt, why did the Conservatives allow the social security measures to go through without opposition? After all, they had opposed the NHS Bill despite supporting the concept at the 1945 general election.

Naturally, political realities played a considerable role. In this respect nothing greatly changed after the 1945 general election. The CRD's own files seem to confirm this. One file noted that it was effectively impossible to reject the measures outright, which severely limited the scope of policy development, declaring '[t]he CP unable to oppose the conception of the social services, were reduced to criticising details.'[62]

---

[58] *Headlam Diaries,* 5 March 1948.

[59] HC Debates 5th ser., vol. 444, col. 1716, 24 November 1947.

[60] Ibid.

[61] 'Butler's Essay', 437.

[62] Ibid.

Another key factor was that the social insurance reforms were little different from the proposals to which the Conservatives had acquiesced in Coalition, giving them little pretext in which to change sides. As a leading article in *The Times* noted when the National Insurance Bill was introduced in 1946, '[b]oth in its broad structures and in many unexplained details, the Bill follows the Coalition scheme closely'.[63] This was recognised within the Party leadership. One Secretariat briefing noted that '[t]he National Insurance Bill is based largely on the proposals of the Coalition Government…'[64] In a later interview, Butler went further, saying that the National Insurance Act was 'one reform which could have come from a Coalition Government' and 'we couldn't find any very great points of difference' with Labour on it.[65] This stood it in contrast to the NHS proposals, which deviated considerably from the path down which the Conservatives were proceeding. Whereas the NHS was opposed on the grounds of the opposition of the BMA's and the nationalisation of the voluntary hospitals, it was thus more difficult to find a reason to oppose social insurance reform. In an interview, Butler appears to have agreed with this view. There was a real sense that the new legislation was a natural progression from wartime and pre-war developments. This was not merely a claim made to score political points, but one that was genuinely believed. As one internal background paper on the subject began, '[t]he recent extension of the area of social services is not a radically new departure but caries forward an old British tradition, which can be traced back at least to the Tudors and the Stuarts.'[66]

The public mood had not changed to the social insurance sceptics' advantage. When reporting how the National Insurance Bill continued 'on its royal road gathering garlands on almost all sides', the *Spectator* continued by saying it 'could hardly be otherwise with a measure which provides for security against sickness, unemployment and old age'.[67] Unlike nationalisation, these were actually popular measures. It is true that there were serious flaws in some of assumptions that underpinned both the Report and the subsequent legislation based on it.[68] However, these flaws were not known at the time, or at least there was not sufficient evidence of them, to justify a radical change in the Party's position so soon after the election.

---

[63] *The Times*, 25 January, 1946.

[64] James Stuart, 'Proceedings in Standing Committees', 30 January 1946, CPA, LCC 1/1/1.

[65] 'Butler's Essay', 101.

[66] 'Basic Security for All', 30 April 1948, 1, CPA, CRD 2/29/11.

[67] *The Spectator*, 24 May, 1946, 522.

Finally, there was at least some genuine support for Beveridge's proposals. While some Conservatives certainly thought the legislation was socialist, many others sincerely believed that state intervention was necessary to reduce the terrible suffering and poverty which characterised the interwar years.[69]

In sum, while the Conservative Party was by no means overwhelmingly enthusiastic about social insurance reform, it had little real reason to oppose the changes. It would have been political suicide to oppose them, especially given that they had pledged to enact remarkably similar changes barely a year earlier.

Post-implementation

The approach of the Conservatives to social insurance after its introduction needs to be viewed in the circumstances of the time. As before, they were compelled to emphasise their own role in the creation of the social services but were restricted in their criticisms to stressing the need for 'savings'. The fact that the schemes were new, popular, and very similar to what the Conservatives themselves would have introduced, meant that they supported the new *status quo*. Unlike the NHS, there were far fewer criticisms that Labour had needlessly injected partisanship into schemes for which cross-party support would otherwise have been present.

As before, the Conservatives continued to express support for the legislation and publicly proposed only minor changes. In their public speeches, election manifestoes, and internal publications, the Conservatives continued to express their support. In the *Tory Challenge*, for example, Walter Elliot stressed, '[t]he Conservative Party's attitude to the social services is clear. Conservatives have no intention of cutting these services. They are concerned to ensure that people get full value for their money'.[70] As was the case with most nationalisation measures and with the NHS, relatively early on it was decided not to change anything too drastically. A memorandum to Butler noted that '[t]here is probably very little of the recent [social policy] legislation which we should wish to reverse, but we might want to pursue a different administrative policy in certain directions'.[71] Even where change was investigated, caution was not thrown to the wind. For example, Butler wrote to Clarke that 'Mr. Block should continue with his research on old people's welfare'.[72] Even here, though, caution was sounded, with Butler adding, '[i]t may be, however, that the big change of this sort should wait for longer'.[73]

---

[68] Lowe, *Welfare State*, 158-60.

[69] Gilmour and Garnett, *Whatever Happened to the Tories*, 55-7.

Despite this support, as before, some Tories were less contented with the changes than others. Concern remained that the new legislation was undermining individual responsibility, was overly redistributive and that the financial cost was simply too great. One MP who could be described as more economically 'libertarian', Richard Law, wrote in 1950:

> And the fact that a very great proportion of the proceeds of taxation is devoted to the social services, and to the discharge by the state of responsibilities which hitherto have rested with the individual, has only weakened incentive still further…. On the other, a man is under no compulsion to strive for those things, like social security for his old age or education for his children, which in any case will be provided for him without any effort on his part.[74]

His comments are especially interesting given his support, albeit qualified, for the *National Assistance Bill* just two years earlier. Criticism also came from more surprising quarters. There remained concern that the Bills had injected a degree of ideology, although this line of attack was limited compared to its use with the health and certainly nationalisation legislation. Hogg argued in 1947 that:

---

[70] CPC, *Conservatism, 1945-1950*, 143.

[71] Memorandum, Clarke to Butler, 29 April, 1947, 4, RAB MSS, H/33.

[72] Memorandum, Clarke to Butler, 1 May 1947, 1, RAB MSS, H/33.

[73] 'Party Policy', 1948, 1, RAB MSS, H/33.

[74] Richard Law, *Return from Utopia* (London: Faber and Faber, 1950), 115.

> It would have been relatively simple, for example, to pass through Parliament the two National Insurance Bills without abolishing the part played in the administration of the scheme by the friendly societies and other voluntary bodies. It would have been perfectly possible and a great convenience to permit the citizen to choose either the claim the benefits of the scheme direct from the state or to appoint someone else—[75]

Even in these instances, though, there was no firm call to reverse the legislation.

If the Tories were so concerned with the redistributive impact of the social services, why did they not cut them further? Political considerations were certainly a part of the equation, but as with nationalisation and health, they were not the only factors that influenced Tory policy in this area.

As with the earlier period, the Conservatives were in the unfortunate political position of being seen as not genuinely supporting measures which were believed to enjoy widespread popular support. Conservatives were conscious of the Party's image problem. 'The Socialist taunt that the Tories will cut pensions sticks obstinately in aged minds' complained one Central Office Public Opinion Survey.[76] Notwithstanding the opposition to the social services in some quarters, there was great concern that the Tories had to at least appear supportive of the social services. In a memorandum to David Clarke, Henry Hopkinson of the Secretariat warned that '[i]f we are to have any hope of getting in, we must make it clear that we do not intend to touch the Social Services'.[77] Similarly, Olive Copeman wrote to Churchill warning how negatively the Conservatives were perceived among the working class. For example 'Mrs A. is persuaded by clever socialist propaganda that they provided all the amenities; that they will provide more & will do so but for the wicked Tories.' To address these perceptions of Tory wickedness, she suggested to '[m]ention the children's allowances, the old age pensions, the free education, milk + tell them that they are not of socialist origin; but that they will remain'.[78] Referring to that letter, Hopkinson added that 'I am convinced from my own experience in the Taunton division that what Mrs. Copeman says about the working class' attitude on the subject of Social services, allowances. Etc., is well-founded.'[79]

---

[75] Hogg, *Case for Conservatism*, 255.

[76] 'Public Opinion Survey No. 11', November, 1949, 5, CHUR 2/17.

[77] Memorandum, Hopkinson to Clarke, 19 September 1947, CPA, CRD 2/29/1.

The perception that support for social insurance mattered did not merely exist in Conservative imagination. As with the NHS, social insurance was viewed as an important mechanism towards achieving the generally-accepted obligation to prevent anyone in society being condemned to poverty. *The Times* for example, observed that the 'doctrine of "fair shares"' and 'to resolve to maintain and better the social services' were now 'national aims'.[80] Clearly, then, political factors played a role in shaping Conservative policy.

Once again, philosophical reasoning also plays a role in explaining the Conservatives' position. As with the earlier period, the Conservatives also sought to 'reconcile' their support of the Beveridge reforms with traditional Conservative ideas of providing the individual with a means of supporting himself. That the Conservatives accepted the continuation of the Social Services did not mean that they supported them for the same reasons as Labour. While Labour saw the social services as a means of achieving wealth redistribution and a more equal society, Conservatives continued to view them as a means of creating opportunities for the less fortunate. This was reflected in the Party's propaganda. 'We shall level up opportunity not level down achievement' declared Butler in 1949.[81] To that end, 'we seek to equalize opportunity by providing a basic minimum of material conditions below which nobody shall fall'.[82] A draft of the Party's 1951 Manifesto makes a similar point:

---

[78] Copeman to Churchill, 3 September, 1949, CRD 2/29/1.

[79] [79] Memorandum, Hopkinson to Clarke, 19 September 1947, CPA, CRD 2/29/1.

[80] *The Times*, 12 October, 1949.

[81] CPC, *Conservatism, 1945-1950*, 97.

[82] Ibid., 99.

> We Conservatives differ fundamentally from the Socialists about the social services. We insist on social justice but we do not believe that it is found in social sameness. If all receive the same irrespective of need, those most in need will not be cared for.[83]

Nevertheless, there was recognition that opposing the social services legislation was practically, as well as politically, impossible. There were also, as with nationalisation and the NHS, practical reasons for opposing radical change, at least for the time being. Being so new, it would be difficult to justify major changes until the schemes had been tested. Writing after the 1950 election, the newly formed *One Nation* group of MPs noted that:

> It is impossible at present to make any major proposals for improving the new schemes of National Insurance and National Assistance. The first collection of statistics was only started at the beginning of 1949, and the first batch has not yet been published.[84]

It being too difficult to reverse social insurance, the response of the Conservatives was twofold. First, they portrayed themselves as the real architects of the reform proposals. Secondly, they portrayed themselves as the only Party capable of delivering continued social insurance on a sound financial basis.

Reflecting the extent of their continued insecurity on the subject, an insecurity which followed them into government,[85] the Conservatives continued to stress their strong support for maintaining the social services. The Tories claimed credit for their role in the social services and that social services represented part of long tradition of Tory social reform.[86] Conservatives devoted much energy to stressing that they would not try to dismantle the social services. It was recognised that times had changed and the state's responsibility for its citizens had expanded. Thus the 'One Nation' group of MPs declared that:

---

[83] Britain Strong and Free, Draft', 5 July 1951, 24, CPA, ACP 3/2.
[84] One Nation Group, *One Nation*, 60.
[85] Seldon, *Churchill's Indian Summer*, 289-90.
[86] See e.g. *Right Road,* 41-2; *This Is the Road*, 14.

> It is the task of the present generation of Conservatives to found our modern faith on the basis of two features of this age, namely the existence of universal adult suffrage and the acceptance by authority of the responsibility for ensuring a certain standard of living, of employment, and of security for all.[87]

Another tactic the Conservatives used was to portray themselves as the Party best able to maintain the real level social insurance. This attack was itself twofold. First, the Party accused Labour of undermining the value of social security payments by its inflationary economic policies.[88] This had the added benefit of combining a traditional Conservative attitude towards sound finance while giving them a chance to claim the welfare moral high ground. Concerns over inflation were present early on. One of the policy resolutions passed at the Party Conference in Blackpool in October 1946 was:

> That this Conference expresses grave concern at the financial policy of the present Government, It takes note that at the internal level of prices continues to rise and considers that this will inevitably lead to a further decline in the purchasing power of savings, fixed incomes, *insurance benefits* [emphasis added] and the like, will lead to grave injustices between citizen and citizen, and will have serious repercussions upon our international trading position.[89]

The theme of Labour incompetence being responsible for the relative decline of pensions' purchasing power was also noted in the 1950 Manifesto, which declared that:

> The grave threat to the Social Services is the continued pursuit by our present rulers of policies which may prevent Britain from earning her independent liberty and from surmounting her present crisis. Such policies have already, by raising prices, inflated the Social Services and reduced the value of the cash benefits and pensions.[90]

---

[87] CPC, *Conservatism, 1945-1950*, 3.

[88] Social Services Committee, 'The Draft National Assistance (Determination of Need) Amendment Regulations, 1951', 3 July, 1951, 2, CPA, CRD 2/29/2.

[89] National Union of Conservative and Unionist Associations, Central Council Annual Meeting, 13-14 March 1947, CPA, ACP 1/2.

[90] *Right Road*, 42.

The second aspect was to stress that on a wider societal level that only the Conservatives could make the schemes viable. A more traditional Conservative line can be detected in the warning that ‘Britain can only enjoy the social services for which she is prepared to pay’.[91] Once again, though, the Conservatives continued to stress the need for the system to be financially sustainable. As one draft policy document warned, ‘[w]hat was given by all parties in 1945 has been filched by successive socialist chancellors.’[92]

Thus, it was impossible to challenge seriously the various insurance schemes because they were popular, new, and therefore untested. All the Conservatives could do was stress their continued support, play up their own role in their creation, and capitalise on the damage caused by inflation.

Conclusion

The Tories’ attitude towards social insurance changed little in Opposition. In 1945, 1950, and 1951, the Conservatives went into a general election promising not to deviate significantly from the Beveridge scheme. The leadership went to great length both to reiterate their support and to claim credit for them where credit was not always due. This was despite the fact that Conservative support was never universal and some doubt remained.

Certainly, political expediency was a significant factor that underlay the Conservatives’ position. There was a real and justified fear of the electoral consequences of not supporting welfare changes. It would have been most unwise, if not politically suicidal, to go into an election campaign pledging to back-track on pensions and social security. As Law complained:

> ‘There’s an American saying which is apposite—“No one shoots Santa Claus”. And by the same token it’s by no means a simple matter to persuade people to vote

---

[91] *This is the Road*, 14.

[92] ‘Britain Strong and Free, Draft’, 31.

> against him….great numbers of people imagine they have received sold benefits from the present government, and…it's not easy to persuade them otherwise'.[93]

The Conservatives recognised the importance of social insurance reform and that the unexpected public pressure for action on the Beveridge Report spurred them into faster action than many felt prudent in the circumstances. Further, having gone to the 1945 election promising to introduce essentially the same legislation that Labour ended up implementing, it would have been strange for the Conservatives to have suddenly reversed their stance at subsequent electoral contests. Once the legislation was in force, practical considerations were also at play. As with nationalisation and the NHS, it would have been difficult to justify major alterations to a legislative framework so recently instituted.

However, as has been argued throughout this thesis, the Conservative Party, though perhaps an organisation with greater political flexibility than most, would not simply adopt any position for electoral or pragmatic reasons. As the NHS episode illustrates, the capacity of the Party for, and tolerance of, reform was by no means unlimited. It may at first seem strange that it supported the Family Allowances, National Insurance and National Assistance legislation. However, upon a closer examination of the specific proposals the Conservative stance makes sense and is consistent with the Conservative tradition as it then stood. As Lowe has pointed out, the measures were essentially conservative. At the time many Conservatives could argue that the Beveridge social insurance reforms were justified not as a means of redistributing wealth but as a way of providing everyone with the opportunity to make the most of their talents. They were able to do this because a fundamental pillar of the plans was the insurance principle. To the extent that there were exceptions to the insurance principle, as in the Family Allowances and National Assistance legislation, these were exceptions that did not undermine the general rule. Moreover, once the Conservatives had taken that position, there were no radical departures from the Coalition proposals to make them change course. While the Conservatives supported the NHS in 1945 but opposed the legislation when introduced, this was because, unlike the social insurance reforms, the NHS deviated significantly from earlier proposals in nationalising the voluntary hospitals.

---

[93] Quoted in Jones, 'Conservative Party and Welfare State', 392.

Even though there was some discomfort at the removal of the Friendly Societies from social insurance, the legislation by no means ended the role of private insurance as a supplement to National Insurance.

Conclusion

While the Conservatives approached nationalisation, the creation of the NHS and the social insurance legislation differently, examining them together demonstrates that fundamentally there was little change to the Party's attitude towards the role of the state during the six years they were in Opposition. In 1951 as well as in 1945 and 1950, the Conservatives did not see state intervention as necessarily an evil in itself.[1] However, they felt state intervention should only occur when existing institutions were incapable of performing the roles expected of them, and that intervention be strictly limited to ensuring that those roles were performed properly.

Critics of the Conservatives of this period may have a point when they note that 1930s and 1940s Conservatism accepted policies that were more interventionist relative to almost all other periods of Conservative history.[2] Nevertheless, focusing on specific policies in isolation to their context ignores a major feature of Conservatism. This is that Conservatism was in no small way reactive, aimed at preventing 'change for the sake of change' and ensuring an appropriate balance between preserving the best aspects of existing institutions while making the best of new ideas as well. Conservatives also believed that change was on occasion necessary to prevent even more radical change further on. This meant that Conservative policies were never set in stone. This flexibility in Conservative attitude was expressed by backbench MP Cuthbert Headlam, who recorded of the 1950 Manifesto that:

> The Party programme is a good production – well put together and effectively written – even *The Times* appears to approve of it, and admits that it is a far better thing than the Socialist manifesto. All the Conservative papers are pleased with it and they tell me that the *Daily Herald* seems a bit non-plussed by it – of course 20 years ago one would have taken it for a Socialist pamphlet – but times have changed.[3]

---

[1] Quoted in 'Butler's Essay', 247.

[2] McAlpine, *Jolly Bagman*, 273; Norman, *Burke*, 283.

[3] *Headlam Diaries*, 25 January, 1950.

In the context of an era when the state had been expanding its scope for the proceeding half-century, this meant that Conservatives also adopted policies that were more interventionist than they had previously done. At all times, though, the key to whether they supported or opposed a particular measure was whether they felt the degree of state intervention was justified and proportionate to the resolution of the problem in question.

Thus, before the Second World War, Conservative and Conservative-dominated governments oversaw the significant expansion of social insurance, health care provision and the government's role in the British economy. However, in all cases, these changes made use of existing machinery as much as possible. For example, when it became clear the British electricity sector in the 1920s was unable to coordinate investment, or even standardise voltage across the country, the state intervened. The Central Electricity Board was set up to control distribution and to manage investment. Electricity production and retail, however, remained in private hands. Thus, the industry's immediate problems were resolved, at least in Conservative eyes, but with the minimum state intervention necessary, ensuring the survival of the private sector.

None of this changed after the War, as the response of the Conservatives' to each of these areas demonstrates. The Party, or at least most of it, recognised that the circumstances necessitated a different approach to particular industries, health service provision, and social insurance. Accordingly, they were prepared to accept change so long as it was broadly consistent.

The social insurance reforms and the concept, if not the execution, of the NHS, satisfied this test and as such the Conservatives could live with them. In both cases, the existing systems were disorganised, patchwork both geographically and demographically in coverage, and arbitrarily excluded large numbers of people. Both had gradually been expanding for a number of years. The Second World War created new pressures for something to be done. While the timing may not have been ideal from a Conservative point of view, and the financial costs enormous, the political situation made resisting pressure for change impossible. Despite those concerns, Conservatives were prepared to accept change, as both changes were reconcilable with Conservative doctrine. The social insurance legislation, for example, required contributions in exchange for payments, and left considerable room for private insurance to exist alongside the compulsory insurance. Where there were direct payments without necessitating contributions, as with National Assistance and Family Allowances, the crucial element was that these were seen to be minor exceptions which did not undermine the general principle. The NHS too was at least in principle acceptable, so long as it was organised in such a way as to preserve the existing system of voluntary and municipal hospitals. In short, as Quintin Hogg later argued, it would have been the health equivalent of the Butler Education Act.[4]

However, the actual NHS legislation and nationalisation measures, failed this test. In both cases, this was because, to Conservatives, viable alternatives existed short of bringing the sectors into full public ownership. As well as going well beyond what the circumstances required, they risked causing real damage in the process. For the hospitals, especially the voluntary ones, this meant the loss of locally developed charitable institutions whose distinctive connection with their communities could not be replicated in a single, centrally administered, system. The fact that a Conservative-aligned pressure group, the BMA, was so vehement in its opposition was a further complicating factor. Despite the fact that the voluntary hospitals were experiencing severe difficulties, Conservatives did not see this as sufficient to justify their nationalisation. As long as Conservatives *felt* that the voluntary hospitals could be made to work, their destruction was unwarranted.

In the case of the nationalised industries, while the strength of opposition varied from industry to industry, several major objections were raised. Publically-owned industries were less efficient than their private counterparts, as was evidenced by their poor track record elsewhere. Moreover, to the extent that there were problems, these could be better resolved by government regulation than government ownership. More vaguely, it was seen as unnecessarily increasing state power at a time when totalitarian excesses in Germany and the Soviet Union were very much on the minds of Conservatives. It was not a desire for votes that persuaded Conservatives to vote against these measures, but that they were philosophically unacceptable.

---

[4] Hogg, *Case for Conservatism*, 123.

Conservative philosophy did not fundamentally change once the various appointed and vesting days had passed. Rather, what changed were the realities on which earlier Conservative policy had been based. It was this change in circumstances which better explains the shifting Conservative language on nationalisation than an apparent shift (back) towards the free market.[5] Clearly, it was no longer possible to use 'corporatist' solutions to industries where state ownership made that impossible. Further, it was a good deal easier to use to use efficiency arguments against future nationalisation measures when there were local examples of the inefficiencies of nationalised industries.

Accordingly, where the Conservatives decided against dramatically altering what Labour had done, this was not due to a departure from Conservative principles, but rather from a recognition that as the circumstances had changed, so too must their policy settings. It was one thing to oppose nationalising the coal mines and voluntary hospitals, for example, but seeking their restoration was another matter altogether. There were a number of reasons why doing so was difficult, if not impossible. First, what had been taken over had been changed considerably. The coal mines, for example, had been reorganised to the point where returning them to their original state would have been extremely difficult. There were also practical reasons. The NHS and social insurance measures had only just been introduced, making any drastic reorganisation difficult to justify. Denationalisation presented a host of difficulties, not least the potential for labour unrest, but also the difficulty of selling off industries where the spectre of renationalisation under a future Labour Government loomed strongly over the horizon. Finally, the popularity, or at least the perceived popularity, of the NHS and social insurance, not just amongst workers, but also amongst the Conservative-leaning middle class, made it politically dangerous to dismantle them.

Reversing change for the sake of doing so was not an ingrained Conservative characteristic. This is where contemporary and subsequent criticism of the 'Macmillans and the Butlers'[6] for violating Conservative principles is wrong. Making the most of changes that the Party did not necessarily support was in itself a Conservative principle. This attitude was summed up by Churchill, who told the Commons in 1953:

---

[5] Willetts, 'The New Conservatism?', 181.

[6] Beaverbrook to Bracken, 7 October, 1946, in ed. Cockett, *My Dear Max*, 58.

> It may sometimes be necessary for Governments to undo each other's work, but this should be an exception and not the rule. We are, of course, opposed, for instance, to nationalisation of industry and, to a lesser extent, to the nationalisation of services. We abhor the fallacy, for such it is, of nationalisation for nationalisation's sake. But where we are preserving it, as in the coal mines, the railways, air traffic, gas and electricity, we have done and are doing our utmost to make a success of it, even though this may somewhat mar the symmetry of party recrimination. It is only where we believed that a measure of nationalisation was a real hindrance to our island life that we have reversed the policy, although we are generally opposed to the principle.[7]

The acceptance by the Conservative Party of major parts of the Labour Government's programme, particularly the NHS and social insurance measures, was a major element in its transformation into an acceptable alternative government. While the Party never expressed support for the nationalisation measures, these had never attracted the public same enthusiasm as the NHS and social insurance ones did. That the Party learnt to work with measures it was either uncomfortable with or had even outright opposed is in no small part due to the adaptability of its principles to changed circumstances. This adaptability in turn stemmed from reactive nature of Conservatism, which meant that it was accustomed to working within frameworks created by others. Of course, there were limits to what the Conservatives would accept, as the NHS episode demonstrated. Overall, though, Conservative principles proved sufficiently flexible to allow a reasonably pragmatic and timely adjustment to new realities. As long as Conservatism retained this flexibility, it remained a powerful electoral force. Once gone, however, it would be significantly weaker as a result.

---

[7] HC Debates, 5th ser., Vol. 520, col 23, 3 November 1953 (Winston Churchill).

Epilogue: 'The Train Has Left the Conservative Station', the Conservative Party and Conservatism, 1997-

In 1997 the Conservative Party was once again banished to the political wilderness, its share of the vote collapsing to just 30.7 per cent, and it netted a pathetic 165 seats, a result which almost made that of 1945 appear respectable by comparison.[1] Even though it eventually returned to government in 2010 under David Cameron's leadership, the Party lacked a Commons majority and was forced into a Coalition with the Liberal Democrats. It took 13 years to regain power, the Conservatives' longest stint in Opposition since the eighteenth century. At the time of writing they had still not won a majority in their own right for 22 years. What went wrong? Why after nearly a generation have the Conservatives failed to accomplish what after 1945 was achieved in just six years? How has the Party changed since its first post-war spell in Opposition?

Why does a comparison shed light on this? Clearly, parts of the answer to the question of the Conservatives' poor performance lie in areas beyond the scope of this thesis. The harsh economic realities of the late 1940s, and their effects on key sections of the electorate clearly provided more fertile ground for non-government parties than the relatively prosperous Britain of the late 1990s or early 2000s.[2] However, economic realities cannot in themselves explain the contrast in Conservative fortunes between the two periods even if they made the Conservatives' task easier in the earlier period. Even in 1951, after years of war and austerity, the Conservative victory was relatively narrow. 2010 was similar in that, despite a major financial crisis under Labour's watch, but unlike the election 59 years earlier, the Conservatives failed to secure a majority. Various long-term trends have also weakened both the major parties. Class-based voting has diminished. There has also been a general drift away from both the major parties, with Labour and the Conservatives' combined share of the vote dropping from 96.8 per cent in 1951 to just 65.1 per cent in

---

[1] Dennis Kavanagh and Philip Cowley, *The British General Election of 2010* (Basingstoke: Palgrave Macmillan, 2010), 351.

[2] Ina Zweiniger-Bargielowska, 'Rationing, Austerity and the Conservative Party Recovery after 1945', *The Historical Journal 37,* no. 1 (1994).

2010, which has also had a significant impact.[3] However, even if these were major factors in explaining the Conservatives' declining fortunes, it is difficult to argue that internal Party politics have not played at least some role in this drift. This is particularly given that the Tories have not just seen their share of the vote fall, but they have lost more ground in relative terms than their chief rival, Labour, having lost three consecutive elections. This suggests that something has changed about the Conservative Party itself and this is where the present thesis can offer a few insights.

Arguably, a core part of the answer is that the Conservatives no longer occupy the same political space as their post-war predecessors. A central theme of this thesis has been that the Conservative Party has historically been in no small way reactive, defined at least in part by what changes and ideologies it is reacting to as what it stands for in its own right. Conservatism, it is true, has never been static, gaining some tenets, such as identifying itself as the party of free enterprise, and discarding others, such as the notion of the guiding hand of the aristocracy. Nevertheless, the idea of the Party as the moderator of change was a constant throughout its pre-1975 history. It was not a 'party of change',[4] and even to the extent that it was, this was change in order to preserve rather than for its own sake. The failure to recognise Conservatism's role as a means of preserving and preventing excessive change is where for those who accuse the post-war Conservative leadership of having 'meekly accepted the degree of state intervention introduced by the 1945-51 Labour Government',[5] get it wrong. Butler and Macmillan were concerned with trying to slow down the expansion of the state as a counter to Labour who were keen on expanding it. They were not concerned with preventing the growth of the state for the sake of doing so, but from a conviction that the damage caused by destroying institutions outweighed any benefits of replacing them with state intervention. As Butler remarked in 1947, [w]e are not frightened of the State,' adding that '[a] good Tory has never been in history afraid of the use of the State'.[6] It was where the State was being used for doctrinaire reasons that it was a problem.

---

[3] Kavanagh and Cowley, *British General Election of 2010*, 385.

[4] Cooke, *A Party of Change*.

[5] Barry, 'The New Right', 29.

[6] Quoted in 'Butler's Essay', 247.

This logic, when applied to government, meant that, where changes were simply too difficult to reverse, the sensible course of action was to leave them in place. All three areas covered by this thesis provide evidence for this. Instead of stirring up difficulties and potentially paving the way for more dramatic change in the process, it was best to work within the bounds of the possible. Since 1975, however, this aspect of Conservatism has disappeared. Instead of being the regulators of change, the Conservatives became the initiators of change. Under Prime Minister Margaret Thatcher, the Party's aim was to roll back the state.[7] Evidence for this can be found in words with those of Thatcher's Chancellor Nigel Lawson, who wrote in the 2010 edition of his memoirs 'that '[u]nderlying the policies set in the main body of this book was a willingness to extend the bounds of the politically possible'.[8] The merits or otherwise of Thatcher's policies make no difference to the fact that such thinking sits awkwardly with the Conservative political tradition. The contrast with the 1945-1951 period could not be greater.

Because the Conservative Party had transformed into a party of radical change,[9] it was Labour that assumed the Conservatives' traditional role as the moderator of change. As Andrew Gamble has pointed out, new Labour's approach 'echoed in many ways the successful Conservative statecraft of the past which in the 1990s seemed to have deserted them'.[10] The reason this has caused so much damage is that it has enabled the Conservatives' opponents to deploy similar arguments about their commitment to ideological purity regardless of the consequences as the Conservatives themselves once deployed against Labour. After becoming leader in 2005, Cameron, acknowledged as much. In a speech shortly after becoming leader he noted that:

> we, as a party, were left opposing a prime minister who claimed that his aims were far closer to our own. From this fundamental fact sprang most of the difficulties we faced over the last decade. We knew how to rescue Britain from Old Labour.

---

[7] Simon Jenkins, *Thatcher and Sons: A Revolution in Three Acts* (London: Penguin, 2007).
[8] Nigel Lawson, *Memoirs of a Tory Radical*, rev. ed. (London: Biteback, 2010), 644.
[9] Matthew Johnson, 'Conservatism and Ideology', *Global Discourse* 5, no. 1 (2014), 1.
[10] Andrew Gamble, 'New Labour and Political Change', *Parliamentary Affairs* 63, no. 4 (2010), 644.

> We knew how to win the battle of ideas with Old Labour. We did not know how to deal with our own victory in that battle of ideas.[11]

Where this this thesis makes a contribution to suggest the Party's problems run deeper than Labour having echoed traditional Conservative statecraft. Rather, the Party's changed role in the political arena, namely that it no longer has a clear ideology to oppose, has made that Conservative statecraft all but impossible.

This is significant as it has had a direct impact on the Party's ability to adapt to changed political circumstances. In part because the Party is no longer trying to filter change, the imperative to unity has diminished. Whereas the likes of Sir Waldron Smithers were a faint echo, now his successors form a loud chorus.

In the late 1940s, the reaction to change played a key role not only in defining how the leadership acted, but also the extent to which those outside the leadership were willing to accept compromise. What many critics forget is that the policy positions taken during this period cannot be divorced from the wider domestic and international context in which they were taken. Politically, Conservative policy-makers felt the need to adapt to a perceived left-ward shift in the electorate. Though with the benefit of hindsight we know the extent of this leftward exaggerated, at the time history seemed to moving in a decidedly left-wing direction, and in the context of the Soviet take-over of Eastern Europe, the onset of the Cold War, it is easy to see why senior Conservative figures felt that accommodation with more interventionist measures had to be made to forestall something much worse. Moreover, the British welfare state had been slowly but surely expanding, including significant advances being made under Conservative and Conservative-dominated governments, something about which they boasted continuously.[12] Moreover, the experiences of the Depression, and growing consciousness of the terrible poverty that then existed, helped persuade Conservatives, even those who privately harboured doubts as to wisdom of the post-war settlement, of the need to accept greater state involvement in welfare than would otherwise have been possible. In sum, it was a situation much more conducive to pragmatic politics than is currently the case. As a consequence, even those who privately grumbled at many of the positions being taken felt they were politically inevitable.[13]

---

[11] David Cameron, 'Modern Conservatism', speech at Demos, 30 January, 2006, at, <http://www.demos.co.uk/files/davidcameronmodernconservatism.pdf?1240939425> (accessed 17/12/14).

[12] See e.g., *Right Road*, 66-8.

Move forward to the late 1990s, and such an imperative for unity had gone. Instead of austerity, war, and the apparently ever-expanding state, the country seemed to be moving in a Conservative direction. After all, New Labour had effectively stolen many of the Tories' policies. If Labour achieved success by stealing Conservative policies, surely there was nothing wrong with those policies?[14] It would take three consecutive election losses before the Conservatives appreciated the weakness of this reasoning.

It is important not to exaggerate the extent to which the Party has changed, and to emphasise that not all traces of old Conservatism have disappeared. Attempts are made to link modern Conservatism with its Burkean roots. For example, In *Why Vote Conservative 2015*, Tory MP and former Coalition Minister Nick Herbert argued, 'Conservatism is a disposition not an ideology. It rejects the intellectuals conceit that it is possible, let alone wise, to bring about radical change 'upon a theory' in favour of solid grounding in history and experience'.[15]

Attempts have also been made to portray David Cameron as closer to traditional Conservatism than his immediate predecessors. The *Telegraph's* chief political commentator, Peter Oborne, wrote in 2013, 'I don't believe there has been a more traditional Conservative Party leader than Mr Cameron in my lifetime. There is no more perfect expression.'[16]

While there are some clear parallels between what Butler did and Cameron tried to do, the Party's underlying philosophy was considerably different. True, both engaged in what modern commentators would call ‘detoxification’ in an attempt to distance themselves from the subsequently tainted legacies of earlier, electorally successful Conservative-dominated governments.[17] In order to do this, both accepted a role for the state in key providing key services, such as healthcare provision. As a result, both have been accused of betraying Conservative principles in light of their tendency to try and adapt the most popular aspects of opponents’ policies while re-framing them in a more Conservative light. Whereas Butler was labelled a ‘pink socialist’, it was said of Cameron that his ‘train has left the Conservative station’.[18] Both tasked themselves with convincing the electorate that key social services were safe in Conservative hands, notably the NHS.[19]

---

[13] *Headlam Diaries,* 25 January 1950.

[14] Bale, *Thatcher to Cameron*, 72-3.

[15] Herbert, *Why Vote Conservative 2015*, 1.

[16] Peter Oborne, 'On Gay Marriage and Europe, David Cameron is Far Closer to the British Public than His Critics Are,' *The Telegraph* (online), 20 May 2013, <http://blogs.telegraph.co.uk/news/peteroborne/100217812/on-gay-marriage-and-europe-david-cameron-is-far-closer-to-the-british-public-than-his-critics-are/> (accessed 04/02/2015).

For all these similarities, a fundamental difference remains. Whereas in Butler’s day the challenge was to update Conservative policy in line with changed circumstances, in Cameron’s day the challenge was to limit the amount that the Party wished to change. As long as shrinking the state remains at the core of Conservative ideology, not only will the Conservatives be accused of following the same doctrinaire approach to policy of which they once accused Labour, but they will be unable to hold themselves together, and to adapt as effectively as they once did. As long as this situation remains, it is hard to see how any amount of ‘detoxification’ will ever completely restore the Conservative Party’s fortunes.

---

[17] Richard Reeves, ‘This is David Cameron,’ *Public Policy Research* 15, no. 2 (2008), 63.

[18] Oborne, ‘On Gay Marriage and Europe’.

[19] Kavanagh and Cowley, *General Election 2010*, 78.

Bibliography

Primary Sources

Archival Sources

Butler MSS	Trinity College, Cambridge
Churchill MSS	Churchill College, Cambridge
Conservative Party Archive	Bodleian Library, Oxford
Hailsham (2nd Viscount) MSS	Churchill College, Cambridge
Willink MSS	Churchill College, Cambridge
Woolton MSS	Bodleian Library, Oxford

Newspapers and Periodicals

The Manchester Guardian

The Spectator

The Telegraph

The Times

Books

A Gentleman with a Duster [Harold Begbie], *The Conservative Mind* (London: Mills & Boon, Limited, 1924).

Baldwin, Stanley, *On England*, 4th ed. (London: Hodder & Stoughton, 1938).

Cmd 6404, *Social Insurance and Allied Services* (the Beveridge Report) (London: His Majesty's Stationary Office, 1942).

Bryant, Arthur, *The Spirit of Conservatism* (London: Methuen & Co. ltd., 1929).

Cecil, Lord Hugh, *Conservatism* (London: Williams & Norgate, 1912).

Benjamin Disraeli, *Sybil, or, The Two Nations*, ed. Sheila Mary Smith (Oxford: Oxford University Press, 2008).

CPC, *Conservatism 1945-50* (London: CPC, 1950).

Hailsham, Viscount [formerly Quintin Hogg], *The Conservative Case*, rev. ed. (Harmondsworth, Middlesex: Penguin, 1959).

Hogg, Quintin, *The Case for Conservatism* (West Drayton: Penguin, 1947).

Hearnshaw, F. J. C., *Conservatism in England: an Analytical, Historical, and Political Survey* (London: Macmillan, 1933).

Law, Richard, *Return from Utopia* (London: Faber and Faber, 1950).

Lloyd, George and Edward Wood, *The Great Opportunity*, (London: John Murray, 1919).

Macmillan, Harold, *Reconstruction: A Plea for a National Policy* (London: Macmillan, 1933).

Macmillan, Harold, *The Middle Way: A Study of the Problem of Economic and Social Progress in a Free Society* (London: Macmillan, 1938).

Northam, Reginald, *Conservatism, the Only Way* (London: John Gifford, 1939).

Wilson, Arnold Talbot, *More Thoughts and Talks: The Diary and Scrap-Book of a Member of Parliament from September 1937 to August 1939* (London; New York.: Longmans, Green and Co., 1939).

Memoirs

Butler, Lord, *The Art of Memory: Friends In Perspective* (London: Hodder and Stoughton, 1982).

Butler, Lord, *The Art of the Possible: the Memoirs of Lord Butler, K. G., C.H.* (London: Hamilton, 1971).

Hill, Baron, *Both sides of the Hill* (London: Heinemann, 1964).

Lawson, Nigel, *Memoirs of a Tory Radical*, rev. ed. (London: Biteback, 2010).

Hollis, Christopher, *Along the Road to Frome* (London: George G. Harap, 1968).

McAlpine, Alistair, *Once a Jolly Bagman: Memoirs* (London: Weidenfeld & Nicolson, 1997).

Macmillan, Harold *The Blast of War, 1939-1945* (London: Macmillan, 1967).

Macmillan, Harold, *Tides of Fortune: 1945-1955* (London: Macmillan, 1969).

Moran, Lord, *Winston Churchill: The Struggle for Survival 1940-1965* (London: Constable, 1966).

Woolton, Lord, *The Memoirs of the Rt. Hon. The Earl of Woolton* (London: Cassell, 1959).

Editions of Contemporary Sources

Bracken, Brendan and Max Aitken Beaverbrook, *My Dear Max: The Letters of Brendan Bracken to Lord Beaverbrook, 1925-1958*, ed. Richard Cockett, Sources for modern British history (London: Historians' Press, 1990).

Buck, Philip W., ed., *What Conservatives Think* (London: Pelican, 1975).

Robert Sanders Bayford, *Real Old Tory Politics: The Political Diaries of Sir Robert Sanders, Lord Bayford, 1910-35*, ed. John Ramsden (London: Historians' Press, 1984).

Channon, Henry *Chips: the Diaries of Sir Henry Channon*, ed. Robert Rhodes James (London: Weidenfeld and Nicolson, 1967).

Headlam, Cuthbert Morley, *Parliament and Politics in the Age of Churchill and Attlee: The Headlam Diaries, 1935-1951*, ed. Stuart Ball, Camden Fifth Series (Cambridge: Cambridge University Press for the Royal Historical Society, 1999).

James, Robert Rhodes, ed., *Winston S. Churchill: His Complete Speeches*, vol. 7 (New York, Chelsea House, 1974).

Williamson, Philip and Edward Baldwin, *Baldwin Papers: A Conservative Statesman, 1908-1947* (Cambridge: Cambridge University Press, 2004).

Conservative Leaflets and Pamphlets

All the Answers on 100 Vital Issues, RD no. 4102 (1951).

A Nationalisation 'Record', NU no. 3010 (1929).

A Policy for Coal, 1945, NU no. 3803 (1945).

Britain Strong and Free. The Manifesto of the Conservative and Unionist Party, GE no. 19 (1951).

Butler, R.A., *Return to Greatness*, CPC no. 37 (1948).

Butler, R. A., T.E, Utley, Hugh Seldon, Enoch Powell, Olive Lloyd-Baker, Macleod, Iain, Edward Boyle and Christopher Hollis, *Tradition and Change. Nine Oxford Lectures*, CPC no. 138 (1954).

Clarke, David, *The Conservative Faith in a Modern Age. Forward by R.A. Butler* (1947).

Disraeli, Benjamin, *A Voice From the Past. Some Extracts From…Speeches and Writings Bearing on Present-Day Problems. With a Forward by Stanley Baldwin*, NU no. 3265, (1931).

Inside Steel, CPC no. 44 (1948).

Britain Strong and Free: A Statement of Conservative and Unionist Policy, RD no. 4108 (1951).

Cecil, Lord H., *Conservative Ideals*, NU no. 2184 (1923).

'Free Enterprise Helped Us To Win', NU no. 3807 (1945).

One Nation Group, *One Nation: A Tory Approach to Social Problems*, (1950).

Mr Churchill's Declaration of Policy to the Electors. General Election 1945, no. 3791 (1945).

Nationalisation: The Socialists' Nostrum, NU no. 2996 (1929).

Notes on the Beveridge Report. Part I —Government's General Policy (1943).

Social Services: What We Spent on Health, Education, Pensions, Insurance, Housing Etc., 2nd ed., NU no. 2671 (1926).

Inside Industry – 2. Steel, CPC no. 44 (1948).

Stelling, David, *Why I am a Conservative* (1943).

Thanks to the Conservatives… From Whose Hands (1948) NU no. 3846.

The Industrial Charter: A Statement of Conservative Industrial Policy (1947).

The Nationalisation of the Mines, NU no. 2694 (1927).

The Right Road for Britain, NU no. 3974 (1949).

The World-Wide Failure of Nationalisation. Some Official Facts and Figures, NU no. 2814 (1928).

This is the Road. The Conservative and Unionist Party's Policy. General Election 1950, no. 4012 (1950).

Topic for Today, Popular Series. Real Aims of Socialism, CPC no. 77 (1950).

Wood, Edward, *Conservative Beliefs*, NU no. 2311 (1924).

Three Years Work. The Record in Brief of the Conservative and Unionist Government. November 1924-December 1927, 9th ed., NU no. 2763 (1928).

Tory Reform Committee, *Forward—By the Right: A Statement by the Tory Reform Committee* (London: Hutchinson, 1943).

Your Election Questions Answered (1945).

Secondary Sources

Articles

Bulmer-Thomas, Ivor, 'How Conservative Policy is Formed', *Political Quarterly* 24, no. 2 (1953), 190-203.

Johnson, Matthew, 'Conservatism and Ideology', *Global Discourse* 5, no. 1 (2014), 1-3.

Gamble, Andrew, 'New Labour and Political Change', *Parliamentary Affairs* 63, no. 4 (2010), 639-52.

Dennis Kavanagh, 'The Postwar Consensus', *Twentieth Century British History* 3, no. 2 (1992), 175-90.

Macintyre, Clement, 'Policy Reform and the Politics of Housing in the British Conservative Party 1924-1929', *Australian Journal of Politics and History*, 45, no. 3 (1999), 408-22.

Ramsden, John, '"A Party for Owners or a Party for Earners?" How Far Did the British Conservative Party Really Change after 1945?' Transactions of the Royal Historical Society, 5, vol. 37 (1987).

Ramsden, John, 'Winston Churchill and the Leadership of the Conservative Party, 1940–51', *Contemporary Record* 9, no. 1 (1995), 99-119.

Reeves, Richard, 'This is David Cameron', *Public Policy Research* 15, no. 2 (2008), 63-67.

Zweiniger-Bargielowska, Ina, 'Rationing, Austerity and the Conservative Party Recovery after 1945', *The Historical Journal 37,* no. 1 (1994), 173-97.

Books

Addison, Paul, *The Road to 1945: British Politics and the Second World War*, rev. ed., (London: Pimlico, 1994).

Addison, Paul, *Churchill on the Home Front, 1900-1955*, (London: Pimlico, 1993).

Bale, Tim, *The Conservative Party: From Thatcher to Cameron*, rev. ed. (Cambridge: Polity, 2011).

Bale, Tim, *The Conservatives since 1945: The Drivers of Party Change* (Oxford: Oxford University Press, 2012).

Ball, Stuart, *Portrait of a Party: the Conservative Party in Britain, 1918-1945* (Oxford: Oxford University Press, 2013).

Barry, E. Eldon, *Nationalisation in British Politics: The Historical Background* (London: Jonathan Cape, 1965).

Robert Blake, *The Conservative Party from Peel to Major*, 3rd ed. (London: Heinemann, 1997).

Blake, Robert, *Disraeli* (London: Eyre & Spottiswoode, 1966).

Burk, Kathleen, *The First Privatisation: The Politicians, the City and the Denationalisation of Steel* (London: Historians' Press, 1988).

Butler, David, *The British General Election of 1951* (London: Macmillan, 1952).

Butler, David and Gareth Butler, *Twentieth-Century British Political Facts, 1900-2000*, 8th ed. (Basingstoke: Macmillan, 2000).

Charmley, John, *A History of Conservative Politics since 1830*, 2nd ed., British Studies Series (Basingstoke: Palgrave Macmillan, 2008).

Chester, Daniel Norman, *The Nationalisation of British Industry, 1945-51* (London: Her Majesty’s Stationary Office, 1975).

Cooke, Alistair Basil, *A Party of Change: A Brief History of the Conservatives* (London: Conservative Research Department, 2010).

Cowling, Maurice, *The Impact of Labour 1920-1924: the Beginning of Modern British Politics*, (Cambridge: Cambridge University Press, 1971).

Crosland, C. A. R., *The Future of Socialism* (London: Jonathan Cape, 1956).

D’Ancona, Matthew, *In it Together: The Inside Story of the Coalition Government* (London: Penguin, 2014).

Donoghue, Bernard and G.W. Jones, *Herbert Morrison: Portrait of a Politician* (London: Phoenix, 1973, 2001).

Dorey, Peter, *British Conservatism: the Politics and Philosophy of Inequality*, International library of political studies (London: I.B. Tauris, 2011).

Ford, Robert Anthony, and Matthew Goodwin. *Revolt on the Right : Explaining Support for the Radical Right in Britain*, Extremism and Democracy (London: Routledge, 2014).

Martin Francis, *Ideas and Policies under Labour, 1945-1951: Building a New Britain* (Manchester: Manchester University Press, 1997).

Francis, Martin, and Ina Zweiniger-Bargielowska, eds, *The Conservatives and British Society, 1880-1990* (Cardiff: University of Wales Press, 1996).

Gamble, Andrew, *The Conservative Nation* (London; Boston: Routledge & Kegan Paul, 1974).

Garnett, Mark, *Alport: A Study in Loyalty* (London: Acumen, 1999).

Garnett, Mark and Kevin Hickson, *Conservative Thinkers: The Key Conrtibutors to the Political Thought of the Modern Conservative Party* (Manchester: Manchester University Press, 2009).

Gilbert, Martin, *Winston S. Churchill, Vol. VIII, Never Despair, 1945-1965* (London: Heinemann, 1988).

Gilmour, Ian, *Inside Right: A Study of Conservatism* (London: Hutchinson, 1977).

Gilmour, Ian and Mark Garnett, *Whatever Happened to the Tories? The Conservatives since 1945* (London: Fourth Estate, 1998).

Green, E. H. H., *The Crisis of Conservatism: the Politics, Economics, and Ideology of the British Conservative Party, 1880-1914* (London; New York: Routledge, 1995).

Green, E. H. H., *Ideologies of Conservatism: Conservative Political Ideas in the Twentieth Century* (Oxford: Oxford University Press, 2002).

Harris, Nigel, *Competition and the Corporate Society: British Conservatives: The State and Industry, 1945-1964* (London: Methuen, 1972).

Harris, Robin, *The Conservatives: A History* (London: Corgi Books, 2013).

Hennessy, Peter, *Never Again: Britain 1945-51* (London: Cape, 1992).

Heppell, Timothy, ed., *Leaders of the Opposition from Churchill to Cameron* (Basingstoke; New York: Palgrave Macmillan, 2012).

Herbert, Nick, *Why Vote Conservative 2015: The Essential Guide* (London: Biteback, 2014).

Kevin Hickson, ed., *The Political Thought of the Conservative Party since 1945* (Houndmills: Palgrave Macmillan, 2005).

Hoffman, John David, *The Conservative Party in Opposition, 1945-51*, (London: MacGibbon & Kee, 1964).

Howard, Anthony, *RAB: The Life of R.A. Butler* (London: J. Cape, 1987).

Jenkins, Simon, *Thatcher and Sons: A Revolution in Three Acts* (London: Penguin, 2007).

Jones, Harriet and Michael Kandiah, *The Myth of Consensus: New Views on British History, 1945-64*, Contemporary History in Context Series (Houndmills, Basingstoke: Macmillan, 1996).

Kavanagh, Dennis and Philip Cowley, *The British General Election of 2010* (Basingstoke: Palgrave Macmillan, 2010).

David Kynaston, *Austerity Britain, 1945-51: Tales of a New Jerusalem* (London: Bloomsbury, 2007).

Lindsay, T. F., and Michael Harrington, *The Conservative Party 1918-1979*, 2nd ed. (London: Macmillan, 1979).

Lowe, Rodney, *The Welfare State in Britain since 1945*, 3rd ed. (Basingstoke: Palgrave Macmillan, 2005).

Macleod, Iain, *Neville Chamberlain* (London: Frederick Muller, 1961).

McCallum, R. B. and Alison Violet Readman, *The British General Election of 1945* (London; New York: Oxford University Press, 1947).

Middlemas, Keith and John Barnes, *Baldwin, a Biography* (London: Weidenfeld and Nicolson, 1969).

Morgan, Kenneth O., *Labour in Power: 1945-1951* (Oxford: Oxford University Press, 1985).

Morgan, Kenneth O., *The People's Peace: British History since 1945*, 2nd ed. (Oxford: Oxford University Press, 1999).

Mowat, Charles Loch, *Britain between the Wars, 1918-1940*, University Paperbacks (London: Methuen, 1955, 1968).

Norman, Jesse, *Edmund Burke: The Visionary Who Invented Modern Politics*, (London: William Collins, 2014).

Norton, Philip, *The Conservative Party* (London: Prentice Hall, 1996).

Pelling, Henry, *Churchill's Peacetime Ministry, 1951-55* (Basingstoke: Macmillan, 1997).

Timothy Raison, *Tories and the Welfare State: A History of Conservative Social Policy Since the Second World War* (Basingstoke: Macmillan, 1990).

Ramsden, John. *The Age of Churchill and Eden, 1940-1957*, A History of the Conservative Party (London; New York: Longman, 1995).

Ramsden, John, *An Appetite for Power: A History of the Conservative Party since 1830* (London: HarperCollins, 1998).

Ramsden, John, *The Making of Conservative Party Policy: The Conservative Research Department since 1929* (London: Longman, 1980).

Seawright, David, *The British Conservative Party and One Nation Politics* (New York; London: Continuum, 2010).

Seldon, Anthony and Stuart Ball, *Conservative Century: the Conservative Party since 1900* (Oxford; New York: Oxford University Press, 1994).

Seldon, Anthony, *Churchill's Indian Summer: The Conservative Government, 1951-55* (London: Hodder and Stoughton, 1981).

Self, Robert C., *Neville Chamberlain: A Biography* (Aldershot, Hants; Burlington, Vt: Ashgate, 2006),

Smith, Lesley M., *Echoes of Greatness*, The Making of Britain (Basingstoke: Macmillan, 1988).

Thomas-Symonds, Nicklaus, *Attlee: A life in Politics* (London: I.B. Tauris, 2012).

Timmins, Nicholas, *The Five Giants: A Biography of the Welfare State* (London: HarperCollins, 1995).

Tiratsoo, Nick, ed., *The Attlee Years* (London and New York; Pinter Publishers, 1991).

Webster, Charles, *The Health Services since the War Vol.1, Problems of Health Care: The National Health Service before 1957* (London: Her Majesty’s Stationary Office, 1988).

Webster, Charles, *The National Health Service: A Political History* (Oxford: Oxford University Press, 1998).

Williamson, Philip, *Stanley Baldwin: Conservative Leadership and National Values* (Cambridge; New York: Cambridge University Press, 1999).

Chapters in Edited Collections

Ball, Stuart, ‘The Principles of British Conservatism from Balfour to Heath, c.1910-75,’ in *The Foundations of the British Conservative Party: Essays on Conservatism from Lord Salisbury to David Cameron*, eds Bradley W. Hart and Richard Carr (London: Continuum, 2013), 1-37.

Ball, Stuart, ‘Churchill and the Conservative Party,’ in *Winston Churchill in the Twenty-First Century*, eds David Cannadine and Roland E. Quinault (Cambridge; New York: Cambridge University Press for the Royal Historical Society, 2004), 69-92.

John Barnes and Richard Cockett, ‘The Making of Party Policy’, in *Conservative Century: the Conservative Party since 1900*, eds Anthony Seldon and Stuart Ball (Oxford England ; New York: Oxford University Press, 1994), 315-45.

Barnes, John, ‘Ideology and factions’, in *Conservative Century: The Conservative Party since 1900*, eds Anthony Seldon and Stuart Ball (Oxford; New York: Oxford University Press, 1994), 347-82.

Barry, Norman, ‘The New Right’, in *The Political Thought of the Conservative Party since 1945*, ed. Kevin Hickson (Houndmills: Palgrave Macmillan, 2005), 28-50.

Norton, Philip, ‘The Role of the Conservative Political Centre, 1945-98’, in *Mass Conservatism: The Conservatives and the Public since the 1880s*, eds Stuart Ball and Ian Holliday (London: Frank Cass, 2002), 183-99.

Cooke, Alistair Basil, and Stephen Parkinson, ‘Rab Butler’s Golden Era?’ in *Tory Policy-Making: The Conservative Research Department, 1929-2009*, ed. Alastair Cooke (London: CRD, 2009), 27-53.

Francis, Martin, '”Set The People?” Conservatives and the State, 1929-1960’, in *The Conservatives and British Society, 1880-1990*, eds Martin Francis and Ina Zweiniger-Bargielowska (Cardiff: University of Wales Press, 1996), 58-77.

Hodgson, Godfrey, ‘The Seel Debates’, in *Age of Austerity*, eds Michael Sissons and Philip French (Oxford: Oxford University Press, 1986, 1963), 283-304.

Lyth, Peter J., ‘British Civil Air Transport 1919-49,’ in *The Political Economy of Nationalisation in Britain 1920-1950*, eds Robert Millward and John Singleton (Cambridge: Cambridge University Press, 1995), 65-87.

Norton, Philip, ‘The Parliamentary Party and Party Committees’, in *Conservative Century: The Conservative Party since 1900*, eds Anthony Seldon and Stuart Ball (Oxford England ; New York: Oxford University Press, 1994), 97-144.

Packer, Ian, ‘The Conservatives and the Ideology of Landownership’, *The Conservatives and British Society, 1880-1990*, eds Martin Francis and Ina Zweiniger-Bargielowska (Cardiff: University of Wales Press, 1996), 39-57.

Singleton, John, ‘Labour, the Conservatives and Nationalisation’, in *The Political Economy of Nationalisation in Britain 1920-1950*, eds Robert Millward and John Singleton (Cambridge: Cambridge University Press, 1995), 13-33.

Smith, Jeremy, ‘Conservative Ideology and Representations of the Union with Ireland’, in *The Conservatives and British society, 1880-1990*, eds Martin Francis and Ina Zweiniger-Bargielowska, (Cardiff: University of Wales Press, 1996), 18-38.

Theakston, Kevin, ‘Winston Churchill, 1945-51’, in *Leaders of the Opposition from Churchill to Cameron*, ed. Timothy Heppell (Basingstoke; New York: Palgrave Macmillan, 2012), 7-19.

Willetts, David, ‘The New Conservatism? 1945-1951’, in *Recovering Power: The Conservatives in Opposition since 1867*, eds Stuart Ball and Anthony Seldon (Basingstoke; New York: Palgrave Macmillan, 2005), 169-191.

Electronic Sources

Oxford Dictionary of National Biography, ed. H. C. G. Matthew and Brian Harrison (Oxford: Oxford University Press, 2004.

Unpublished Theses

Jones, Harriet Overton Warner, ‘The Conservative Party and the Welfare State 1942-1955’ (PhD thesis, London School of Economics and Political Science, University of London, 1992).

Saloma, John Selin, ‘British Conservatism and the Welfare State: An Analysis of the Policy-Process within the Conservative Party’ (PhD thesis, Harvard University, 1961).