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Construction in the Age of the Planned Economy

1.1 Introduction

This chapter begins with the election of Clement Attlee as Prime Minister on 5 July 1945 in the final weeks of the Second World War. This was the first Labour administration to be elected with a sizable majority and to its full term of office. Britain at the time was essentially bankrupt and was faced with a vast legacy of challenges as it faced up to the demobilisation of its armed forces. Housing was a top government priority together with the modernisation of British industry. The Atlee government is further credited with creating the British Welfare State, the legacy of which has lasted until the present day. Atlee’s government was followed by a series of Conservative governments which did little to unpick the broad political consensus which characterised the immediate post-war era. The Labour Party returned to power in 1964 under the leadership of Harold Wilson with a renewed commitment to a planned economy.

The post-war years were marked by Britain’s dramatic decline as a global power. Increasing exposure to global competition exposed the long-term structural weaknesses of British industry which was hampered by decades of under-investment. Nevertheless, the domestic standard of living improved dramatically as the worst excesses of poverty were eliminated. However, by the late 1960s the post-war social consensus was starting to crack and Britain’s industrial decline was exacerbated by widespread industrial unrest. In the early 1970s strikes became part of the fabric of industrial life as militant trade unionism became more widespread. Although some industrial action was undoubtedly driven by an overtly political agenda, much was prompted by justifiable grievances and poor management. The national building strike of 1972 left a legacy of bitterness within the construction sector and was undoubtedly a turning point in the industry’s development, with significant long-term implications for patterns of employment. Things were never quite the same after the national building strike as they had been before.
The early 1960s saw two important government-commissioned reports which will be referred back to on numerous occasions through this book. The Emmerson report of 1962 presented on a ‘survey of problems before the construction industries’ whereas the Banwell report of 1964 was concerned primarily with the placing and management of contracts. Many of the recommendations of these two reports are as valid today as they were when they were published. It is certainly possible to trace subsequent exhortations in favour of partnering and teamwork back to these early reports. However, the Emmerson (1962) and Banwell (1964) reports are also indicative of a world which longer exists. They were written in an era of relative stability which was characterised by a widespread faith in government intervention. At the time it was widely accepted across the political spectrum that there was a ‘mutually of responsibility’ for construction sector development which extended across government and industry. There was much talk of demand management in order to ensure the steady and predictable flow of work which was seen to be essential if the private construction sector was to invest in the improvement of efficiency. However, the world was changing, and the carefully-crafted construction improvement debate of the 1960s was soon to be overtaken by events.

1.2 An inherited legacy

1.2.1 The task of nation building

The election of 1945 was undoubtedly a pivotal turning point in Britain’s modern political history. Britain’s war-time leader, Winston Churchill, was voted out as surplus to requirements as the electorate put its faith in a new beginning. Middle Britain was perhaps unsure whether or not it really wanted the socialism that was on offer, but it was sure that it did not want a return to the unemployment and social insecurity of the 1930s. The incoming government was committed to an extensive programme of nationalisation, a significant expansion of social welfare and the achievement of full employment. Jobs, housing and social security were seen as a just return for the sacrifices made during the war. The policy agenda was in no small way shaped by the experience of massive government intervention during the war. Centralised state planning had been instrumental in defeating fascism and overcoming the malaise of the Great Depression. The organisation of resources necessary for a successful war effort had been deemed to be beyond the means of the private sector with the result that large swathes of the British economy had been under de facto government control. The interventionist philosophy prevailed beyond the war by means of the Beveridge settlement in the United Kingdom and Roosevelt’s New Deal in the United States. The post-war social consensus on both sides of the Atlantic derived its theoretical support from Keynesian economics, which
questioned the validity of the classical economic doctrine of *laissez-faire* and emphasised the need for government intervention.

The task of the newly elected government was seen in terms of nation building. The Atlee administration is best remembered for laying the foundations of the welfare state. But it was also committed to the modernisation of British industry, which had been starved of meaningful investment for decades. Long-term economic advantage had been sacrificed in favour of short-term military imperatives. The legacy of victory included obsolete capital equipment, an exhausted labour force and massive damage to the housing stock (Tomlinson, 1997). But perhaps the biggest legacy was a huge balance of payments deficit. The problems faced by the building industry were a microcosm of the problems faced by the British economy at large. It was outdated, inefficient, under-financed and hugely fragmented. Yet at the same time the building industry was of central importance to the government’s agenda across a range of policy areas. Education, health and, most importantly, housing all depended upon an efficient building industry.

### 1.2.2 Homes for heroes

The expression ‘homes fit for heroes’ was originally coined in the wake of World War I. It was the Housing Act 1919 which first required local authorities to provide housing with the help of central-government subsidies. The housing shortage returned to the top of the political agenda following World War II. Britain at the time was not only struggling to recover from the economic cost of the war, but was also struggling to come to terms with its loss of status as a global power. In rapid succession, former colonies were granted independence throughout the 1950s, with the consequent loss of protected markets for British manufactured products. Britain remained heavily indebted to the USA as a result of the wartime lend-lease scheme, and in consequence lacked the capital to modernise either its infrastructure or its manufacturing base. Relative to its major global competitors, Britain was undoubtedly in decline. But in absolute terms, the economy enjoyed steady growth and society became increasingly affluent. The late 1950s saw the beginning of the consumer revolution as Britain slowly shrugged off the austerity of the immediate post-war period. The building industry was of central importance to the government’s economic policy, and there was widespread concern among policy makers with regard to its fitness to perform. In terms of industry structure, little had changed since the recommendations of the Simon report in 1944.

The Labour government of the immediate post-war period was especially obsessed with housing. Half a million homes had been destroyed or rendered uninhabitable by the Luftwaffe. Overall, a staggering 25% of the housing stock had been damaged during the course of the war (Marr, 2007). Urban landscapes throughout Britain were blighted by derelict and uninhabitable houses. The post-victory demobilisation of the armed forces
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added a sudden and unprecedented demand for family accommodation which was in short supply. Many major cities still exhibited the social legacy of the industrial revolution. The aspiration was for 'homes for heroes'; the reality was semi-derelict urban areas and dilapidated slums inherited from a previous era. Inner-city areas were characterised by outdated terraced housing which frequently lacked adequate sanitation. Illegal squatting was widespread as homeless families took action into their own hands. Something had to be done.

Output expanded rapidly from 1945 with a view to alleviating the housing shortage. In the immediate post-war years relief came in the form of prefabricated factory assembled housing units, often put together in hastily converted aircraft factories. From the late 1950s and throughout the 1960s emphasis shifted to high-rise tower blocks. Local authority output peaked in 1953 at 198 000 units, although an increasingly vibrant private sector contributed to an overall peak of 352 000 units in 1968. This was a level of housing output which has yet to be surpassed, and in all likelihood never will be. In accordance with the dominant ethos of the day, the commitment to public housing prevailed throughout the 1960s. Modernity had arrived, and Victorian terraces were replaced by symbols of a new age, complete with fitted kitchens and up-to-date bathrooms. Thousands of almost identical tower blocks were built throughout Britain, transforming the urban landscape and severely disrupting social cohesion. Too often it was assumed that entire communities could be transferred to high-rise accommodation, but problems soon became apparent. Lifts were easily vandalised leaving families stranded in mid air. Shops and schools were located too far away. In the haste to build high and build quickly, the quality of construction often suffered. Too many flats had condensation problems from the outset. Insufficient consideration was given to sound insulation such that occupants were afforded little privacy. One problem family in a single block could rapidly make life unbearable for all. Local authorities were encouraged to build high by central government. Corruption flourished as builders shared the available subsidies with dishonest local officials. Quality was widely compromised as the optimism of the 1960s gave way to the realisation that the old-fashioned slums of the 1940s had been replaced by the modern slums of the 1970s. This was not the construction sector’s finest hour.

1.2.3 Ronan point

The problems with quality of high-rise construction were typified by the Ronan Point disaster in London’s East End in 1968. A gas explosion on the eighteenth floor of a newly-constructed high-rise residential block in Newham caused a chain reaction resulting in the collapse of an entire corner of the block. The lift had stopped working and families had to evacuate in their nightclothes via the staircases. The building had been occupied for
just two months. It had been built by Taylor Woodrow Anglian under contract from Newham Council. Eleven residents were injured and four were killed. The block had been constructed using Large Panel System (LPS) building whereby prefabricated cladding sections were constructed in a factory environment and then bolted into place on site. The consequent public inquiry concluded that the Ronan Point block had been structurally unsound, and the building regulations were later changed to ensure that concrete slabs on large panel systems could withstand explosions. In the case of Ronan Point, the issue was primarily about the lack of restraint ties to withstand an explosive force; it was not about poor workmanship. But poor workmanship and lack of adequate on-site supervision were undoubtedly widespread in the rush to build homes as high and as quickly as possible.

The Ronan Point block was quickly rebuilt, but its metaphorical shadow hangs over the UK construction sector to this day. The incident led to a major backlash against high-rise residential blocks as a solution to the post-war housing shortage. The emphasis thereafter shifted back to low-rise housing with a consequent drop in the rate of output. In a microcosm of the broader trend, Ronan Point itself was knocked down in 1986 and replaced with terraced housing. The high-rise developments of the 1960s tarnished the reputation of prefabricated building systems which in popular perception became (rather unfairly) synonymous with low quality.

There is of course no inevitable link between the use of prefabricated building components and poor quality. But such a link had been created in the public’s perception. The Ronan Point disaster also left a professional bias against system building which remains largely intact. The real quality problems associated with the high-rise experience of the 1960s owed more to inadequate research prior to widespread adoption of new construction techniques than to prefabrication per se. Insufficient attention was given to on-site supervision and responsibility for the quality of the finished product was dissipated between too many parties.

1.2.4 The Poulson scandal

The credibility of high-rise tower blocks was further dented by a public perception of widespread corruption. The extent of corruption was personified by the Poulson scandal which came to public light in 1972. John Poulson was an architect who was found to have been involved in the extensive bribery of public officials at all levels in return for the award of building contracts. Poulson was tried for bribery and corruption in 1973 at Leeds Crown Court. He was found to have given away more than £500 000 in gifts in order to win contracts and was sentenced to five years in prison, subsequently extended by a further two years. Also convicted was T. Dan Smith, who had been the Labour leader of Newcastle Council in the 1960s. Smith was typical of the ‘local authority barons’ who
prevailed at the time. In addition to being leader of the council, Smith also chaired the planning, finance and housing committees. It was Smith who resided over the demolition of the slums of Scotswood and their subsequent replacement by high-rise tower blocks. He was a powerful figure in the North East of England and was exceedingly well-connected within the Labour Party (Osler, 2002). By 1965 he had been appointed chairman of the Northern Economic Planning Council. Poulson meanwhile had built a huge architectural and planning practice on the back of the boom in high-rise construction. He had also been hugely successful in winning work from the newly nationalised industries within which he also cultivated powerful contacts. Poulson’s practice eventually went bankrupt in 1972 revealing a range of illegal payments to companies owned by Smith. Poulson’s network of contacts included several major building contractors and extended throughout the political establishment of the day. The list of those who had accepted his favours included several MPs, police officers, health authorities and civil servants. In addition to Smith and Poulson others to be jailed included Andrew Cunningham, leader of Durham Council, and George Pottinger, a senior civil servant with the Scottish Office. Other notable casualties included Reginald Maudling, the Conservative Home Secretary at the time. Although Maudling was not convicted of any wrongdoing, he was forced to resign on the announcement of the police investigation as a result of his strong connections with Poulson, including the receipt of ‘gifts’.

The Poulson scandal was undoubtedly one of the biggest British corruption scandals of modern times, and had Poulson not spread his favours so evenly across the political parties the fall-out would have been much greater. The legacy of the Poulson affair continues to hang over the UK construction policy agenda, especially in respect of procedures for the award of public-sector contracts. Subsequent notable cases of public sector involvement in fraud include the Labour-run Doncaster Council in the 1990s, which resulted in the conviction of no less than 21 councillors. Even more notorious was the ‘homes for votes’ scandal involving Dame Shirley Porter, the leader of Conservative-run Westminster City Council in the late 1980s. We all like to think that British society is relatively free of corruption, but there is little room for complacency.

### 1.2.5 Prefabrication discredited

The case for prefabrication was to suffer a further blow as a result of a *World in Action* television exposé of prefabricated timber-frame houses broadcast in 1983. The programme focused on the quality problems with respect to a small group of timber-framed houses constructed in the West of England. The reported problems included a lack of fit between the prefabricated timber frame and the conventionally constructed foundations. Related concerns were expressed about the dwellings’ lack of
water-tightness, and hence their tendency towards subsequent decay and deterioration. The programme received massive publicity and severely dented the market for timber-framed housing. But in truth, the World in Action programme was based on investigative journalism of the worst kind. The extrapolation from a small sample to the industry at large was at best ill-informed and unrepresentative. A subsequent investigation by the Building Research Establishment (BRE) surveyed over 400 timber-framed dwellings and found no evidence in support of the problems predicted by the World in Action team (Ross, 2002). But the damage to the reputation of prefabricated timber frames had already been done. The exposé of timber-framed housing reawakened memories of Ronan Point and together they discredited the very idea of prefabrication. They also served to sharpen the public’s perception that the building industry was a cowboy industry which consistently offered low quality. The industry was of course much less than perfect, but the problems with quality were undoubtedly grossly exaggerated. But unfortunately mud sticks, and it took the image of prefabricated construction decades to recover before being subsequently reinvented under the label of ‘modern methods of construction’ (MMC).

1.2.6 The shadow of nationalisation

Leaving housing aside, and returning to our account of the post-war building industry, for several decades after the Second World War nationalisation of the British building industry was held by many to be a serious possibility. Throughout the late 1940s and 1950s nationalisation was almost synonymous with modernisation. The coal industry had been nationalised in 1947 putting an end to years of cut-throat competition between private mine owners. The National Coal Board had taken possession of around 800 mines and became responsible for 750,000 employees. The electricity supply industry was also bought under public ownership. Nationalisation of the railways followed in 1948, together with the nationalisation of long-distance road haulage industry. Both the railways and road transport fell within the remit of the newly-created British Transport Commission. A further major nationalisation was that of the steel and iron industry, which was taken into state control in 1948. There was little opposition to the nationalisation of the coal industry and the railways as both were unprofitable. However, the nationalisation of the steel and iron industry and the road haulage sector had both been bitterly contested. But it is notable that when the Conservatives returned to power in 1951 they chose only to return road haulage to the private sector; the three major nationalised industries were retained under public ownership in line with the broad political consensus of the day. There were of course traditionalists within the Conservative Party who continued to equate nationalisation with Stalin’s industrial policy in the Soviet Union. It must also be conceded that many within the socialist movement of the time were open admirers of the Soviet
Mainstream opinion fell between these two extremes in favour of a mixed economy. But the nationalisation of large sectors of the British economy was widely accepted as an essential prerequisite of modernisation.

1.2.7 Modernisation stalled

The coal industry and the railways had undoubtedly suffered from decades of chronic under-investment prior to being nationalised. Both also suffered from fragmentation of ownership and damaging cut-throat competition. Much of British industry had of course been under de facto state control during the Second World War. Hence the transition to nationalisation was not as radical a change as it may now appear. Few would deny that nationalisation improved working conditions in the coal industry and the railways. For example, the National Coal Board introduced paid holidays, sick pay and rest homes for injured miners. Safety also became an increasingly important issue within all the major nationalised industries, and worker fatalities were no longer accepted as an inevitable risk. But nationalisation did not bring the hoped-for harmony in industrial relations. Miners and railway workers continued to agitate for a fairer share of the productivity gains. The coal industry was especially strike prone, with national stoppages in 1972 and 1974. The miners famously played a significant part in the downfall of the Conservative Prime Minister, Edward Heath. British Rail was somewhat less strike prone, with no national stoppage until the 1980s. So nationalisation did not mean the end of industrial unrest, but strikes were much less common than subsequent myth would have it.

The nationalised industries were at the forefront in the application of modern management techniques of the time. Centralising planning was very much in vogue and the principles of scientific management (Taylor, 1911) were implemented widely in the form of bonus schemes. On a more strategic level, the Operational Research Executive was especially influential within the National Coal Board and is still held in high esteem among operational research (OR) practitioners. The OR profession had cut its teeth on the organisation of the Atlantic conveys during World War II. It was therefore a relatively easy transition to state-controlled enterprises such as the National Coal Board and British Railways. It was some time later that OR techniques began to be applied within private sector companies. In the 1970s major contractors such as Laing and Wimpey maintained OR departments with a view to improving productivity. It is also notable that many of the early construction management textbooks were dominated by OR techniques such as critical path analysis, linear programming and statistical sampling (e.g. Barrie and Paulson, 1991; Pilcher, 1992). In today’s climate it is easy to forget that these techniques were initially piloted primarily within the public sector. The discipline of project management was built similarly upon quantitative techniques such as the so-called Program
Evaluation and Review Technique (PERT) initially developed by the US Navy for the Polaris programme in the 1960s.

It follows from the above that if the UK building industry had been nationalised in the 1950s it might have made much faster progress in the implementation of modern management methods. Wholesale nationalisation of the building industry was never quite adopted as Labour Party policy. But there were numerous supporters of nationalisation within the Labour Party who continued to argue the case throughout the 1950s and 60s. Even as late as 1978 official Labour Party policy was advocating a measure of public ownership through the establishment of a national building corporation, and through the development and extension of local authority direct labour organisations (DLOs). The threat of building industry nationalisation was seen to be sufficient by many employers within the industry to sustain the Campaign Against Building Industry Nationalisation (CABIN) into the late 1970s. During the mid-1980s it was by no means unusual to see posters on building site huts advocating the importance of ‘saying no to building nationalisation’. Such posters of course tended to disappear quickly at the hands of UCATT members. But what cannot be denied is that the proportion of the building industry under public control in the form of local authority Direct Labour Organisations (DLOs) continued to decline throughout the 1960s. The rate of decline was to increase significantly throughout the 1980s with a continued steady decline thereafter (see Chapter 2).

1.3 Improving construction

1.3.1 Survey of problems before the construction industry

A useful insight into the construction sector of the early 1960s is provided by the Emmerson (1962) report. The report was commissioned the previous autumn by Lord Hope, then Minister of Works. The report was commissioned in the context of increasing demand and an ongoing concern about construction sector efficiency (Moodley and Preece, 2003). It was the first major report on the construction sector since the end of the Second World War and provides an invaluable insight into the construction sector policy debate of the early 1960s. The title of the report was Survey of Problems before the Construction Industry, although Emmerson did note that the industry had recovered well from the disruption of the Second World War. He further noted that the industry had to date been flexible in meeting demand and had avoided large industrial disputes. Emmerson’s general argument was that the problems that the industry faced were not of its own making. The report excluded explicitly Direct Labour Organisations (DLOs), presumably on the basis that these were exempt from the problems of inefficiency which prevailed within the private sector. This assumption was of course entirely consistent with the prevailing ethos of the day.
Sir Harold Emmerson was a civil servant who spoke with the tone and authority of the establishment which prevailed at the time. It is notable that he considered construction sector efficiency to be a cause worth pursuing in the national interest, rather than a worthwhile end in itself. Emmerson was sympathetic to the much repeated argument that efficiency in the construction sector was dependent upon a steady and expanding construction programme for some years ahead. The repetitive ‘boom and bust’ cycle was cited as being preventive of any investment by industry in its own productivity. Emmerson therefore saw the adoption by government of a policy to alleviate fluctuations in demand to be vital. He emphasised the need for a long-term approach by government; this was seen to be essential in instilling the industry with the confidence in its own future. Throughout the 1960s there was of course a much greater faith in the benefits that could be achieved through active government intervention. By the mid-1970s this confidence had been largely replaced by a rhetorical commitment to the mechanisms of the free market. The collapse of the post-war social consensus in the mid-1970s rendered the possibility of an interventionist approach on the part of government unthinkable. However, it notable that laissez faire seemed to apply to some sectors more than others. For example, the government often intervened in the aerospace sector throughout the 1980s in ways that were unthinkable for construction.

1.3.2 Relations and contracts

Emmerson (1962) was especially clear that efficiency was dependent upon effective relations between the building owner, the professions and the contractor. He saw the private sector client as being dependent primarily upon the advice of the architect. The concept of the ‘expert client’ was seemingly limited at the time to the public sector. Emmerson placed great emphasis on the need for adequate numbers of quality professionals. He expressed particular concern that many architects worked within small practices, which were seen to lack the necessary skills of organisation, cost control and office management. He therefore advocated consolidation of architectural firms into larger practices. Emmerson was also concerned about the professional restrictions placed upon architects and surveyors, who were barred at the time from working for contracting firms. He saw this as a false separation which was detrimental to closer relations between professionals and building firms.

Despite the longstanding recommendations of Simon (1944) in favour of selective tendering, the Emmerson report reveals that open tendering was still widespread in the construction industries of the early 1960s. It was argued that open tendering worked against the interests of firms who sought to compete on the basis of quality. The contention that clients do not achieve best value through lowest-price tendering was much later to become an acclaimed plank of the Egan agenda. Emmerson further argued
against the increasing trend within the private sector towards the use of nominated sub-contractors. This was in contrast to practice within the public sector which tended to leave the choice of sub-contractor to the main contractor. The latter policy was judged to be preferable as it afforded maximum control to the main contractor. Emmerson, it seems, was striving for an ‘integrated team’ who were subservient to the main contractor. Nevertheless, he recognised that some highly specialised elements of construction were best conducted by nominated sub-contractors.

Emmerson also identified the growing use of ‘package deals’ through which building contractors took responsibility for design and construction. This was seen to enable better planning thereby resulting in greater cost efficiency. Subsequent concerns about the design quality which could be achieved through design-and-build contracts were not yet seemingly on the agenda at the time. Emmerson further noted the increasing occurrence of serial contracting whereby contractors tendered for one job with the expectation that the successful candidate would be appointed for a continuing programme (Moodley and Preece, 2003). Such methods were seen to require a greater degree of collaboration between contractors and design teams. Emmerson suggested the need for a further study in this area which also engaged with the local authorities. This recommendation led directly to the subsequent Banwell (1964) report (see below).

### 1.3.3 Training and employment

For many involved in today’s construction sector it seems that the apprenticeship system has always been in crisis. However, in the early 1960s such structures were still working effectively. Emmerson (1962) offered a few minor comments, including the recommendation that there should be a fresh look at the optimum length of the various craft apprenticeships. He also observed that building techniques were changing and these necessitated the recognition of new craft skills. Particular mention was made of the differing skills that were required in connection with the use of new materials, prefabrication and industrialised building methods. Emmerson further commented on the increasing number of on-site disagreements which were rooted in demarcation disputes between the different crafts.

Of further note is the way Emmerson recorded his satisfaction with the implementation of recommendations by the national Joint Council for the Building Industry and the Civil Engineering Conciliation Board relating to holiday pay, payment for lost time due to inclement weather and a ‘guaranteed minimum weekly pay packet’. These measures had apparently led to a substantial reduction in casual employment, something of which Emmerson clearly approved. The corollary of this was that the larger contracting firms increased their reliance on permanent labour, but many were nevertheless still suffering from an unacceptably high level of turnover of labour. Yet Emmerson was clearly not satisfied and asserted that a great
deal more could be done to improve working conditions in the industry. He was especially keen that a high proportion of operatives within the building industry should be directly employed. Emmerson of course was writing in an age when the techniques of marketing were still in their infancy, and spin doctors were yet to be invented.

1.3.4 The placing and management of contracts

The ink was barely dry on the Emmerson report before Sir Harold Banwell was commissioned to produce a follow-up. The Banwell committee was established in October 1962 as a direct result of the Emmerson’s recommendation that there should be an independent inquiry into the placing and management of contracts. The Banwell report was published in 1964 with the uninspiring (but predictable) title of *The Placing and Management of Contracts for Building and Civil Engineering Work*. The Banwell committee had been given a remit broad by the Minister for Public Works, Geoffrey Rippon, with the following terms of reference:

‘To consider the practices adopted for the placing and management of contracts for building and civil engineering works; and to make recommendations with a view to promoting efficiency and economy.’ (Banwell, 1965; v)

From the outset Banwell strove to overcome the limitations of Emmerson by consulting as widely as possible. The methodology comprised a widely distributed questionnaire survey together with extensive consultation with interested parties. The Banwell committee met on no less than 30 occasions and collected evidence from some 119 organisations and individuals. The extent of consultation was therefore impressive, but it also reflected the way in which government-appointed committees operated in the early 1960s. Geoffrey Rippon was many years later to find a degree of fame in his role in the downfall of Margaret Thatcher.

Hardcastle *et al.* (2003) offer a useful overview of the Banwell report and provide an especially pertinent description of the employment environment which prevailed at the time:

‘[j]ob stability was … a major factor at the time, in that nationalised industries were the norm rather than the exception that they are today. In a very real sense workers expected a job for life rather than the significant turnover of workers seen today.’

Expectations in the 1960s were indeed very different from those of today, and it is perhaps in the area of employment stability where the greatest contrast lies. In the 1960s, a significant proportion of operatives were employed by public-sector Direct Labour Organisations (DLOs). At their
peak, local authority DLOs employed 200,000 building workers (Harvey, 2003). This was indeed construction before the age of enterprise. But the privately-owned contractors of the 1960s were markedly different from those of today in that they typically retained large directly-employed workforces. Modern contracting firms routinely delegate concerns about labour productivity to their subcontractors, but this was much less the case in the early 1960s. At the time, the productivity of the employed workforce was a major concern for main contractors. This caused several of the largest contracting firms to establish their own OR departments with a view to implementing ‘modern management techniques’. The stable employment environment also encouraged investment in training and provided the context for the apprenticeship system which flourished during the 1960s.

The Banwell report was especially prescient of more recent government reports in the way in which it discriminated between the industry’s ‘world-class leading edge’ (to use Egan’s terminology) and a much larger rump which was seen to be under-performing. Banwell was especially effusive about the ‘progressive members’ of the industry which he saw to be ‘lively and full of new ideas, willing to experiment and not afraid to change their practices and procedures’. These were perhaps the forerunners of the later much-heralded Movement for Innovation (see Chapter 5). Banwell went on to compare the attitudes of the industry’s progressive members with those of the broader majority, who were found to lack the same level of urgency, enthusiasm and sense of purpose. Indeed, the majority of the industry was found to adhere to ‘inflexible contractual and professional conventions’, which in Banwell’s view were no longer fit for purpose.

1.3.5 The team in design and construction

Banwell was noticeably fond of invoking the team metaphor when describing the parties involved in a construction contract. The committee was especially concerned that construction teams too often failed to invest sufficiently in up-front planning. This was seen to lead to subsequent changes during the construction stage which resulted in variation orders and additional costs. The advice to clients was that they should bring in specialist consultants at the earliest stage. Banwell was especially keen that the main contractor should also be bought into the team prior to design completion. To all extent and purposes this was a call for ‘early contractor involvement’ (ECI) which was to be introduced much later by the Highways Agency to much critical acclaim. Indeed, as one reads through the Banwell report it becomes apparent that many recommendations echo those of more recent reports. In the words of Hardcastle et al. (2003):

‘...if the Banwell committee were to redraft their report using contemporary phraseology, then it is likely that they would emphasise
the fact that “buildability” is enhanced by an “integrated team” consisting “of multi-skilled, multifunctional professionals.”

It would be easy to conclude that nothing much had changed since the early 1960s. Certainly the construction industries were not changed by action being taken on Banwell’s recommendations. The changes which did happen could not have been reasonably foreseen in 1964, and they unfolded in direct contrast to Banwell’s recommendations. One of the most notable changes was the complete disintegration of the stable employment environment which prevailed during the 1960s. But the advocates of industry improvement were still calling for integration in 2010 just as their predecessors had done in 1964. The interesting point is that they hardly seem to have noticed the radical changes which took place in the intervening period.

1.3.6 Contract procedures

The Banwell Committee was equally clear on the need to integrate subcontractors into the construction team. It was recommended that the same standards of fairness should apply to the selection of subcontractors as were applied to the selection of the main contractor. The report further echoed Emmerson’s concerns about the inefficiencies of open competitive tendering. Local authorities were especially criticised for their rigid adherence to outmoded procedures and for their reluctance to move towards selective tendering or negotiated contracts. Pre-tender administration procedures were further found to be widely inadequate. On the positive side, the Banwell Committee encouraged serial tendering as a fruitful way forward, especially in terms of the advantages of improved continuity of employment. The emphasis on the merits of serial tendering is suggestive of later thinking along the lines of ‘strategic partnering’ (see Chapter 7). Of particular interest is the way that local authorities were seen to be stuck in the past along with the regressive majority within the industry. The 1960s would seem to have been characterised by the same mutuality of distrust which was to be alluded to subsequently by Latham (1994) (see Chapter 4). The Banwell report further recommended that there should be a common form of contract for all construction work in England, Scotland and Wales. The report is especially dated by Banwell’s insistence that there should always be an accurate and comprehensive bill of quantities to militate against claims. This call was entirely consistent with the emphasis on the need for greater up-front planning. Firm price contracts were seen to be paramount, and the emphasis lay with the basic administrative procedures and the need to complete the necessary paperwork. This was at least good news for the embryonic quantity surveying profession. The focus on bureaucratic procedures was in no small way a reflection of the stable economic environment which prevailed at the time. Inflation was not yet a major concern.
Finally, it is worth noting the emphasis Banwell gave to payment and retention mechanisms and the importance of cash flow to contracting firms. A recurring concern was that inefficient administrative procedures should not be allowed to delay contractually due payments. There was a recognition that clients could not expect to receive good service if they failed to live up to their obligations for prompt payment. And the importance of prompt payment was seen to apply equally to subcontractors. This was a theme to which Latham was to return 30 years later. Many other things may have changed in the interim, but cash flow was to remain the life blood of the industry.

1.4 Planning for stability and predictability

1.4.1 The changing context

Ive (2003) cites *The Public Client and the Construction Industries* as a classic case of a report left behind by ‘changes in the macroeconomic and political-economic context’. Big words indeed, but these were big changes. The Emmerson (1962) and the Banwell (1964) reports can reasonably be regarded as two reports in the same series. But there was a third report which ploughed a very similar furrow. The Wood report *The Public Client and the Construction Industries* was published in 1975 and to all extent and purposes comprised the third instalment. The Working Party was formed in December 1971 and it set about its work in the same diligent fashion as had characterised the Banwell Committee. But the important difference was that between 1971 and 1975 the stable economic context which had been taken for granted by Emmerson and Banwell was rocked by a series of broader external events.

The story commences with the election of Edward Heath as Tory Prime Minister in 1970. Heath was a staunchly pro-business politician who believed that a radical approach was required if the British economy was to be successful. He was committed to free-market economics and was convinced of the benefits of ‘small’ government. Influential voices within the Conservative Party were for the first time advocating the wholesale privatisation of the previously nationalised industries. Upon taking power the Heath government immediately cut public expenditure, reduced income tax and abolished the Prices and Incomes Board through which the government had sought to manage the economy throughout the 1960s. The industrial relations climate deteriorated rapidly. Heath further refused to intervene in a damaging dock strike and sought to curtail the power of the trade unions through legislation. Plans were also put into place to test the efficiency of public sector services against private sector comparators. However, in the face of extensive trade union opposition such ambitions were quickly shelved. The winter of 1971/2 saw the first national miners’
strike since the 1920s. Inflation was rocketing and unemployment exceeded one million for the first time since the Great Depression of the 1930s.

In the face of extreme pressure from all directions, the Heath government implemented a stark U-turn and abandoned its commitment to free-market economics and returned to the interventionalist policies which had prevailed throughout the 1960s. The miners’ wage demands were met and large subsidies were granted to struggling private sector businesses such as Rolls-Royce and Upper Clyde Shipbuilders. Heath strove to implement a fresh tripartite approach to consensual economics involving government, the employers and the trade unions. A statutory Pay Board was established with a view to setting pay levels over a three-year period. But the political and economic climate was to get much worse before it got better. Of particular note was the first ever national building strike in 1972 (see below). The sense of national crisis was exacerbated by the global economic shock instigated by OPEC’s oil embargo following Israel’s victory in the Yom Kippur War of 1973. Buoyed by their victory the previous year, the executive of the National Union of Miners (NUM) voted for a second national strike in pursuit of higher pay. These were the days before commercial North Sea oil production and Britain was at the time heavily dependent upon coal. The strike was immediately effective and resulted in phased power cuts and the implementation of a national three-day week. The government found itself subsumed into crisis once again, the U-turn having been widely interpreted as a sign of weakness. In February 1974, Heath called a general election on the issue of ‘who governs Britain?’ The electorate responded with a resounding ‘not you’; although they were clearly not totally convinced by Harold Wilson’s Labour Party either. The election resulted in a hung parliament with Wilson taking office in the midst of a deep and damaging recession. He quickly settled with the miners and proclaimed the ‘Social Contract’, offering the trade unions a privileged place in government in return for voluntary pay restraint. A second general election in October 1974 secured Wilson a narrow workable majority and Edward Heath was thus confined to history.

The 1970s were also difficult times for the construction sector which, as always, suffered even more severely than other parts of the economy. By 1974, the steady growth in output enjoyed throughout the 1960s was a distant memory (see Figure 1.1). The years of declining output caused many contractors to embark upon a trend of shedding direct employees, which was to continue right through until the mid-1990s.

1.4.2 Ignoring reality

In amongst all the political tumult, Wood continued to concentrate on the job in hand. The image which comes to mind is that of Nero playing his fiddle as Rome burned. But Sir Kenneth Wood had been given a job to do
and he was determined to see it through. However, it should be noted that Wood only took over as chair of the working party in 1973, following the resignation of David Morrell. The recommendations of the Wood report were entirely consistent with the direction previously set by Emmerson (1962) and Banwell (1964). Significant attention was given to the need to reform public sector procurement procedures to better realise value for money. The report demonstrated that ten years after the Banwell report open competitive tendering was still widespread amongst public sector clients, and that this was still found to be damaging to the cause of industry efficiency. Wood reinforced previous exhortations in favour of ‘alternative methods’ such as two-stage tendering, negotiated contracts and serial contracting. However, it must further be noted that the cause of negotiated contracts had not been helped by the Poulson scandal of 1973, which involved the extensive bribery of public officials at all levels in return for the award of building contracts.

The Wood report further emphasised the importance of government departments and local authorities maintaining restricted lists of approved contractors. Support was also found for the recommendations of Banwell in respect of providing contractors with continuity of work. Associated advantages were seen to include accumulated learning and a better understanding of clients’ attitudes and policies. The absence of continuity of work for individual contractors was seen to hamper training and to limit the incentive to innovate.
The Wood report was especially characterised by its plea for public sector agencies to manage their capital expenditure budgets actively for the purpose of industry development. A lack of stability and predictability in demand were held to be the greatest obstacles to efficiency and performance. It was recommended that spending authorities should be allowed to develop and adhere to rolling programmes of construction expenditure on a three-year time horizon. It was seen to be vital that such spending profiles were protected from fluctuating macroeconomic conditions if the construction industries were to be able to modernise. As Ive (2003) observes, such recommendations were ‘dead in the water’ at the outset. The government had already been seen to have been helpless in the face of global economic shocks. The political consensus in favour of macroeconomic management through tripartite institutions had already been largely discredited. Few had much faith in Harold Wilson’s ‘Social Contract’ as a means of achieving economic stability. The last vestiges of such faith dissipated rapidly during the subsequent ‘winter of discontent’ in 1978/9 (see below).

1.4.3 Undermined by events

Taking the recommendations of Emmerson (1962), Banwell (1964) and Wood (1975) together, they are characterised by a common concern about the ability of the construction industries to deliver government policy objectives. This was especially true of the 1950s and 60s when there was a national need to build the required ‘homes for heroes’. The reports are further marked by the assumption that ‘expert clients’ were limited largely to the public sector. There was a collective concern about the damaging effects of open tendering, and strong support for ‘alternative’ approaches such as design-and-build, negotiated contracts and serial contracting. The reports also complained bitterly about the adverse consequences of the prevailing lack of stability in demand. This was seen to undermine the industry’s capacity to invest in its own efficiency. The reports were consistent notably in their support for direct employment and in their criticism of labour casualisation through the ‘lump’, which was seen to be highly damaging.

But perhaps the most striking commonality between the three reports was the assumed mutuality of responsibility for industry improvement between the industry itself and its clients. Emmerson took it entirely for granted that government had an important role in shaping performance improvement in the building industry. However, it was a vision of partnership between government departments and industry rather than one of control and regulation. Both Emmerson and Banwell placed great emphasis on the importance of the knowledge and expertise which lay within the works directorates which existed within a range of government departments. They also pre-empted modern storylines of knowledge management in recognising the benefits of sharing knowledge between the various heads of the departments responsible for major policy areas such as housing, schools and hospitals. All three
reports were clear on the need for local authorities and other public bodies to be given ‘strong guidance’ on appropriate procedures. Attitudes and practices within many construction firms were seen to be outdated and regressive, but the same was also seen to be true for many within the public sector. Local authorities were singled out for especially sharp criticism. The Wood report went further than the other two reports in advocating that departments should plan three-year rolling programmes with a view to providing selected construction firms with continuity of work. To a greater or lesser extent, all three reports were shaped by the institutional mechanisms of the tripartite approach to industry development that prevailed throughout the 1950 and 60s. Collectively, they provide a fascinating insight into the state of the construction industries at the time. But the world within which they had been created was already starting to crumble by the time the Wood report was published in 1975. Interventionist approaches to industry improvement were going out of fashion as long-accepted notions of collectivism were to be suddenly cast aside in favour of market forces. Macroeconomic management was yesterday’s news; the enterprise culture was about to be unleashed, with deep and lasting consequences for the construction sector.

1.5 Trouble and strife

Before describing the tenets of the enterprise culture and its manifestation within the construction sector it is necessary to backtrack a few years to flesh out a few important details. The legacy of the national building strike of 1972 was to subsequently loom large in the mindsets of building employers. Images of a strike-bound industry holding employers to ransom were to become central to the justification for a shift in employment practices. The entertainer Ricky Tomlinson was to play a small but iconic role in unfolding events. But previous disputes had also left their mark on both building employers and property developers.

1.5.1 Wild-cat strikes

It should initially be re-emphasised that the 1960s had been a relatively stable and successful period for the British economy. There had been relatively few days lost to strike action and inflation up until 1968–69 had been kept more-or-less under control. But it was towards the end of the decade when things started to go awry. The 1960s was an era when trade unionism was strong. Closed shops were by no means unusual, and trade unions had the ability to initiate and enforce strikes. Throughout the 1960s days lost due to industrial action increased progressively. Especially disruptive were the so-called wild-cat strikes which were initiated by local trade union officials often in defiance of national trade union bureaucracy. In the construction sector, the most famous such strike was at the Barbican Development in London in 1967.
The dispute at the Barbican was characteristic of the tension that often existed between local shop stewards and office-based union bureaucrats. On the Barbican development many of the local shop stewards were (allegedly) communist party members who created mayhem through a succession of strikes in pursuit of better wages. A secondary, and entirely understandable, concern related to the ‘lump’ and the increasing occurrence of cut-and-run subcontractors. Such subcontractors had the unfortunate tendency to disappear suddenly leaving unpaid workers in their wake. The Barbican dispute also witnessed sporadic violence between the police and pickets which attracted extensive media headlines. The extent to which such disputes were politically motivated remains a moot point. The devious deeds of Trotskyite agitators provides one explanation; an alternative explanation would focus on such disputes being an extension of the ‘crack’ enjoyed by exuberant young men living away from home in the London of the 1960s. Violence, excessive drinking and wild behaviour have long-since been associated with transient building workers (cf. Joby, 1984). Indeed, it has even been argued that young men are attracted to casual building work by the promise of cash-in-hand payments coupled with minimal responsibilities. But violence, excessive drinking and wild behaviour have never been the sole preserve of working class men in the building industry. Similar behavioural traits within the Bullingdon Club, and other so-called Oxbridge ‘dining clubs’ do not seem to steer their members towards casual work in the building sector.

But irrespective of the degree of political motivation, it is easy to imagine how the Barbican dispute caused property developers and building employers to suffer numerous sleepless nights. The number of strikes grew steadily throughout the 1960s, with a particular peak at the end of the decade (see Figure 1.2). However, the number of days which the United Kingdom lost to industrial action during the 1960s and 70s were by no means out of line with our major European competitors. But – as the old cliché states – it is perception which counts. And as the 1970s unfolded, the perception grew that Britain was in crisis and that ‘something had to be done’.

1.5.2 National building strike

Leaving the Barbican dispute to one side, it is the 1972 national building strike which deserves a greater place in our story. It has already been established that the construction sector of the early 1970s was very different from the construction sector of today. This was still in essence the industry that had emerged from the Second World War. The strike was led by the then newly-formed UCATT together with the GMWU and TGWU. Construction workers throughout the country went on strike demanding a minimum weekly wage of £30. But an important secondary objective was to seek the abolition of contractors’ use of causal labour. The so-called ‘lump’ referred to the pool of causal labour which was hired on a daily basis and was
invariably paid in cash without any deduction for tax. The existence of the ‘lump’ inevitably undermined the machinery of collective bargaining. It was also widely seen as detrimental to health and safety on site. Members of the ‘lump’ of course did not tend to be unionised and its institutionalised use acted as a disincentive to investment in training. Nevertheless, in 1972 the majority of construction operatives were directly employed and the level of trade union membership was such that a coordinated national strike was possible. The strike resulting in a 13-week stoppage which affected numerous major construction sites; ultimately the employers were forced to the negotiating table and many of the strikers’ aims were met. A number of strikers were investigated subsequently for alleged acts of vandalism and sabotage. The investigations resulted in two building workers, Ricky Tomlinson and Des Warren, being tried and convicted at Shrewsbury Crown Court for common law conspiracy as a result of their picketing activities. The so-called ‘Shrewsbury Two’ subsequently became a cause célèbre within the labour movement where there was a widely held view that the convictions were unsafe and politically motivated. Des Warren died tragically in 2004 without the pardon that activists had continued to campaign for. The cards of fate fell more kindly for Ricky Tomlinson, who forged a fresh career as a comedian/entertainer. Irrespective of whether the convictions of the ‘Shrewsbury Two’ were justified or not, the building strike of 1972 left a legacy of bitterness on both sides. And the ‘lump’ continued to operate in much the same way that it had previously. In fact, the percentage of self-employed operatives within the construction industry grew significantly from 1975 onwards, eventually reaching a peak in 1995 (see Chapter 2).
1.5.3 Crisis, what crisis?

To pick up the story from our previous account, you will recall that the Labour Party resumed power in 1974. Harold Wilson had achieved an overall majority in the House of Commons (at the second time of asking) and proceeded to enact the ‘Social Contract’ as an alternative to the failed policies of Heath. Unfortunately, any sense of optimism did not last long. The economy was still suffering from the oil price shock of 1973, unemployment continued to rise, inflation was rampant and the pound sank steadily against the US dollar. The ‘Social Contract’ did succeed in reducing the number of strikes, but was much less successful in delivering wage restraint. Denis Healey was Chancellor of the Exchequer at the time. One of the few policy instruments that were realistically available to him was the taxing of high earners to fund tax cuts for the poor. The Conservative opposition saw this as a direct disincentive to wealth creation; Healy preferred to blame low investment in industry, lack of commitment to training and outdated management practices (Marr, 2007). All three criticisms would seem to be uncontroversial in the case of the construction industries. Wilson then suddenly announced his retirement from politics as sitting Prime Minister. He was succeeded by James Callaghan who inherited an economy in a mess and was soon to be swamped by images of crisis. The pound was seemingly in free fall, inflation was rampant and unemployment continued to rise alarmingly.

The government had already introduced swingeing cuts in public expenditure but with seemingly little effect on the downward pressure the pound. It was against this background that Callaghan, and his Chancellor of the Exchequer Denis Healy, opened negotiations with the International Monetary Fund (IMF) for a huge bail-out loan. In return, the IMF negotiators demanded a further squeeze on public expenditure. IMF officials at the time were highly orthodox with little sympathy for left-leaning governments (Tiratsoo, 1997). The guiding belief was that too much welfare provision acted routinely to limit economic growth. The IMF insisted that the British economy should be deflated by a further £2.5 billion in return for a loan of US$3.9 billion. In the final analysis, the government only made use of half of the extended credit loan, all of which was repaid by the time the Labour government left office (Turner, 2008). Nevertheless, the enforced shift towards monetarist economic policy by the Labour government of 1976 sowed the seeds for a radical change in direction which was to have lasting structural implications for the British economy at large. And the construction sector was no exception.

1.5.4 Monetarism embraced

It is at this point appropriate to offer a brief explanation of monetarism, although the underpinning economic theory is at best arcane. Monetarism is perhaps best understood as a mixture of theoretical concepts, philosophical beliefs and economic policy prescriptions. Monetarists argue that the
main cause of inflation is ‘too much money chasing too few goods’. Hence tight control of the money supply is required to maintain price stability. Markets are seen to work best when left to their own devices; too much government intervention is held to be liable to do more harm than good in the long term. Monetarists advocate that laissez faire is invariably the best advice; small government is argued to be good government. Monetarists had been fighting a running battle with Keynesian economists throughout the 1960s and 70s. In the United Kingdom, the introduction of monetarist policy is usually linked with the Conservative government of Margaret Thatcher elected in 1979. But James Callaghan’s Labour government had already taken several steps in this direction, even before the intervention of the IMF.

Governments of course are rarely consistent in the policies they follow. History tends to be more characterised by policy fudges than positions of theoretical purity. But our primary interest here is the way in which monetarism become accepted as the dominant economic doctrine. The renewed respectability of monetarist policy in the mid-1970s was an important catalyst in the initiation of the enterprise culture. The enterprise culture has since had a profound and lasting impact on construction sector best practice. The discourse of the enterprise culture continued to gather strength irrespective of fluctuations in economic policy. It is the discourse of the enterprise culture which provides the storylines for a succession of influential reports on the construction sector throughout the 1980s and 90s. It will be argued that the 1998 Egan Report Rethinking Construction represented the highpoint of the enterprise culture in the construction sector. It will be further argued that the enterprise culture has shaped the structural reality of the sector. Furthermore, the enterprise culture has progressively become central to the self-identity of managers – and operatives – throughout the construction sector. At the time of writing, monetarist economy policy has briefly given way to ‘quantitative easing’, but the enterprise culture continues to reign – modified but essentially unabated.

1.5.6 The winter of discontent

The IMF crisis of 1976 undoubtedly played an important role in shaping the legacy of the 1970s, but the subsequent ‘winter of discontent’ (1978–79) made a deeper and more lasting impression on the public consciousness. The overriding image, still remembered by many, was that of a country rendered inept and helpless by countless prolonged and bitter industrial disputes. Schools were closed, ports were blockaded, rubbish was piled up in the streets and the dead remained unburied. The overall image of crisis was undoubtedly exaggerated by the right-wing press who were at the time determined to undermine the credibility of the Callaghan government. But these were real events which left a lasting impression on the public
consciousness. They were caused in part by the drastic squeeze on public spending in conjunction with tough pay constraints. These in turn were symptomatic of prolonged economic underperformance throughout the 1970s. There is also no denying that disputes were occasionally enflamed by irresponsible trade union officials who were actively encouraged by the ‘loony left’. There was a widespread fear that the trade union movement harboured a number of Trotskyite militants who were at the time acting to undermine the machinery of democratic government. Yet on the whole fears about militant activists were grossly overstated. In the construction sector senior trade union officials often acted in conjunction with employers to constrain militant industrial action. But images are often more influential than facts, and the images generated during the winter of discontent would be mobilised repeatedly to discredit and marginalise the role of trade unions.

1.6 Summary

The primary purpose of this chapter has been to demonstrate that the debate about construction is not immune to political change or unaffected by external events. Any discussion about industry improvement during the 1970s was inevitably different from the discussions which prevailed during the 1950s. And the shift in the nature of the debate had much less to do with construction per se, and much more to do with the broader environment within which construction operates. In the wake of the Second World War the construction sector – in common with many other industry sectors – suffered from severe under-investment and was characterised by outdated management practices. It was highly fragmented and in severe need of modernisation. Factions within the Labour Party even flirted with nationalisation as a possible solution. While this was never quite a serious proposition, many within the industry felt it necessary to lobby against the possibility of nationalisation well into the 1980s.

Yet the construction sector played a huge and highly significant role in the modernisation of Britain’s housing stock throughout the 1950s and 60s. Output peaked in 1968 at a remarkable 352,000 housing units in a single year. But the boom in housing output was accompanied by recurring problems with quality which by the 1970s were already becoming far too apparent. The local authority housing boom had also been accompanied by a succession of corruption scandals. The two exemplars of failure were provided by the Ronan Point disaster and the Poulson scandal. The legacy of these two events still overshadows the construction sector of today. The truth was that modernisation came too quickly, and modernisation was found wanting. The failures were due primarily to inadequate management and poor supervision. The housing sector thereafter retreated into a reliance on traditional construction techniques which to this day remains highly conservative and heavily institutionalised. The poor reputation of
prefabricated construction techniques continues to disincentivise investment in so-called ‘modern methods of construction’.

The other big change described in this chapter relates to the collapse of the post-war Beveridge settlement. The industrial unrest of the 1970s was a symptom of the failure of the social-democratic consensus which had shaped tripartite relations between government, industry and the trade unions since 1945. It is possible to point at a number of contributing causes. Weak government, poor management and radical trade unionism all played their part and any apportionment of blame is inevitably shaped by one’s personal political leanings. The iconic events which figure consistently in any description of the troubles which prevailed in Britain during the 1970s were the intervention of the IMF and the subsequent ‘winter of discontent’ (1978–79). These events have since taken on mythical proportions in the way they are invoked repeatedly to justify the subsequent shift to the political right characterised by the election of Margaret Thatcher in 1979. However, it would be a mistake to give Margaret Thatcher too much credit (or blame) for the enactment of the enterprise culture. The reality was that Britain could not remain immune from the creeping onset of globalisation. In many respects, Thatcher just happened to be the political beneficiary of being in the right place at the right time.

References