



*Wartime Spitfire production in Britain. Much more significant than design to RAF success was Minister of Labour Ernest Bevin's 1940 decree enforcing 60-hour weeks in the factories. In the production of radar, for instance, men worked for days*

*without sleep*

After two wars and four decades of torpor, Britain has finally woken up to the idea that most of its industries now face oblivion. James Woudhuysen assesses recent books on the problem, and explains why graphic designers, at least, have nothing to worry about.

## GOING DOWN FOR THE THIRD TIME

The literature of Britain's industrial decline is now so long, so voluminous, that most of today's articles open with an attempt to find a still earlier nineteenth-century symptom of, or official report on it. The story is always the same: we are a nation incapable of taking matters of Production and Design at all seriously. The latest version is *The audit of war*, by Corelli Barnett (Macmillan, £14.95).

Mr Barnett's innovation has been to cast the Second World War as the high tide of Britain's anti-industrial culture. The choice of this period is an excellent one, for there can be no doubt that the total industrial mobilisation which spanned the years 1939-45 is *the*

formative experience of the twentieth century, for Britain as for many other countries. However- Barnett's audit of the Second World War is itself wanting. The archival material here trawled is wonderful, and there are some telling passages. But the overall account is partial and so, in my view, are most of the past few years' contributions on Britain's decline.

For Barnett, Gordon Russell, founder of today's Design Council, was a 'cottagey' kind of furniture designer, one symptom among many of Britain's lack of a 'coherent corporate strategy'. For the American academic Martin Wiener, in his *English culture and the decline of the industrial spirit 1850-1980* (Penguin, £3.95), William Morris was, as he is for Stephen Bayley, a cipher for British fascination with rural values at the expense of machine-based ones. Anyway, you pick your designer as target, according to your preferred period.

Why has Barnett's book been the subject of a minor furore? He has published at a useful moment. Recent events – the Sikorski Westland affair, the General Motors/BL affair – have renewed public interest in the politics of production and design. Through his book, Barnett has put in an eloquent plea for more *dirigiste* state intervention in these areas. There is here a clear nod to Michael Heseltine's call for a 'Super-Department of Industry', one which can for the first time begin to rival the Treasury in terms of clout.

Barnett has contributed to the *New Statesman* before now so there is also a Kinnockish 'Party of Production' air to what he writes. Yet the following targets are singled out for a hatred which Neil Kinnock cannot match: the middle classes; the public schools and Oxbridge; the working class, and the welfare state.

Barnett hates William Beveridge. He, like John Logie Baird, was cranky, idealistic: 'not one of the leading New Jerusalemers was an engineer, an industrialist or a trade unionist,' says Barnett, dolefully, though I am not sure he is any of those three himself. But be certain of this: the Spitfire might have been a better plane than the Messerschmitt, but that was only because the Americans, through Lend Lease, financed its exorbitant production costs (airframes at 13,000 man-hours each, as against 4000 for Messerschmitts); and because it was designed to win wars.

### **Fumbling in the 1940s**

In truth, argues Barnett, the Spitfire was not productionised enough to win the peace. While the Germans were into rockets and had built an experimental helicopter, we were mucking about making gold-plated fighters. The result (Barnett quotes the IMF on this at both the front and the back of his book)? We now rank *fourteenth* (perish the thought!) in the non-communist world in terms of GNP per head.

In June 1944, Barnett relates, the Board of Trade issued a report declaring that Britain's wireless radios, TVs, carpets, cameras, scientific instruments, machine tools accounting machines, clocks and watches, hosiery, nylon, rayon and footwear could not compete. That Germany lost the war can, in Barnett's view, only be put down to the feudal management methods of senior Nazis: as far as design and technique went, German tanks and indeed German everything were superior to British.

Through chapters on wartime mining, steelmaking and shipbuilding, Barnett traces the effects of what he terms 'Luddism' in the pits and of an untrained, unscientific, 'practical man' style of management in furnaces yards. But it is in his discussion of aircraft that the

author really lets rip. Just before the war began, the RAF parachutes were American-made, its track recorders Austrian; its machine guns came from America's Browning, its Bofors anti-aircraft guns from Sweden, and its valves from Philips, Eindhoven. While Messerschmitt had 1400 people employed in Research & Development, British aircraft workers sat around playing cards. No wonder we have today's industrial decline, says Barnett, no wonder . . .

Barnett next passes to electrical goods. Here, with the exception of Marconi, the dominant companies were, in the 1930s, American-owned: Hoover, GEC, AEI, EMI. In valves, radar and nuclear technology, we were likewise dependent on the USA. Only in jet propulsion and chemicals were we any good; and in the latter field, the excellence of ICI and its founder Ludwig Mond resulted from an otherwise unparalleled mix of German management systems with enlightened government backing.



*Shipyard on the North East coast, March 1940. In contrast to today's closures, shipbuilding grew considerably during the war. Employment rose rapidly; output, more rapidly still – allowing the industry to escape peacetime nationalisation for some years*

### **Bevin's sweatshop**

For Barnett, as for Wiener, the explanation for all these numbingly familiar facts is to be sought in English culture and in English education. British housewives of the 1930s, he avers, brought poor nutrition and dirty homes on their families because they were ignorant, not because they were poor. After the war we spent our taxes on the NHS, housing and education in the arts: technical education was never given a chance. Instead of putting money into products and processes, we fooled around with the equal distribution of wealth,

using Keynesian demand creation to establish 'full' employment – full to the point of over-manning. We ignored reports on the car industry; we failed to set up a Japanese MITI; we failed to treat industry in the manner of the great American and German corporations, as 'a great military offensive'. We were, yes, wallies.

Barnett has done his research, but he has made significant omissions. Like Martin Pawley in last month's *Blueprint*, he favours state intervention, provided only that it is of the right kind. But though he has read many of the official HMSO histories of the Second World War, he has not bothered with Hargreaves & Gowing's *Civil industry and trade* (Longmans, 1952). That book reveals that no less than 80 per cent of the clothing sold in 1943 was drawn up to Utility specifications. In the personal realm of fashion, therefore, state meddling in design was considerable. But that did not make it particularly successful. Who remembers Utility clothing now? Who, bar the trendy design historian and the rain-soaked second-hand 'antiques' dealer, now sympathises with Utility furniture?



*'Civilian Clothing 1941', the logo for Utility fashion; Spring Utility show, Selfridges, 1946. Jobs and production in Britain's cotton mills fell by 40 per cent in the war*



*Living room and kitchen from the Britain Can Make It Exhibition, held 40 years ago this year. Utility furniture – ‘Sound in construction, agreeable in design and reasonable in price’, as Labour trade chief Hugh Dalton eulogised it – was widely licensed to the Third World by Britain after the war. While, like rationing, sales persisted into the 1950s in Britain, Utility was the only kind of furniture made by Sierra Leone as late as 1960*

The evidence is that a corporatist, designerly drive to reverse industrial decline is likely to fail, even with Barnett at the helm, For even if the *direction* of state design policy could be right, how would the policy be funded? Barnett is quite clear on this – through more work on the part of trade union members. But though he has read WHB Court’s *Coal* (1951), he allows his hostility to ‘Luddism’ to obscure that book’s discussion of wartime *speed-up* in the mines, and of the 50 per cent increase in deaths and injuries underground to which it led. Again, Barnett has read Richard Titmuss’ *Problems of social policy*, and uses it to attack the distinguished historian EH Carr and the 1940 *Times* as ‘New Jerusalemers’ in ideological inspiration. But he leaves out what Titmuss reports – that a Ministry of Health survey showed that 40 per cent of Britain’s teenagers worked for more than nine hours a day during the war.



*South Yorkshire miner, 1.5 miles down, 1941. Communist Party militants in the pits, ardent supporters of the war effort, sought better equipment and faster repair times underground. Eventually 20,000 boys under 19, plus 50,000 men in their 60s, were required by law to dig coal*



*Woman on a stamping press, December 1940. By 1943, one in eight young mothers were at work. State nurseries multiplied, but production of vacuum cleaners and electric irons, fires and kettles dropped dramatically*

## **Interventionist illusions**

Elbow grease, as much as if not more than American Lend Lease, is what paid for the Spitfire; and this, I suspect, is what would be required for Barnett's programme of state-promoted design-and-manufacturing culture to be implemented within budget. It is important to note unpleasant facts such as child labour, because illusions in the power of enlightened state intervention in design die only with difficulty these days.

That is especially true on the British left. In their recent book *The peculiarities of the British economy* (Lawrence & Wishart, £7.50), communist economists Ben Fine and Lawrence Harris call for state-assisted improvements in the styling of British cars, in product design, and in the overall quality and sophistication of British exports. Lamenting the way in which foreign multinationals break up British design teams and relocate them abroad, Fine & Harris attack discontinuities between the City and industry, bemoan the way in which British R&D is concentrated in the military sector, and inveigh against the export of British capital and the arrival of foreign banks. The same themes are taken up by Andrew Glyn, Oxford economics lecturer, supporter of *Militant* and member of the Williams Glyn banking fraternity. In a recent article for *New Left Review*, and in his tract *A million jobs a year*, Glyn takes aim at foreign finance and calls for a return to the state industrialisation plans of the 1940s.

This will not do. From the turn-of-the-century jingo socialist Robert (*Merrie England*) Blatchford to the infamous Oswald Mosley, facile thinkers have wished to protect British production and design skills from alien lucre and despatch abroad. In the 1930s, Stalin contrasted fascist usurers to democratic industrialists; in the 1960s and 1970s, *New Left Review* historians Tom Nairn and Perry Anderson became convinced that British aristos still lorded it over British factory-owners – the rise of capitalism in this country had been, they argued, unique in its leisureliness, giving us a 'supine' industrial bourgeoisie.

Yet using the state to cosset manufacturing and clobber services will not work. Nor will false claims about design. Indeed, in their highly relevant *Art of Japanese management* (Penguin Management Classics, £3.95), McKinsey consultants Richard Tanner Pascale and Anthony G Athos suggest that design solves little. Matsushita, the world's largest maker of electrical appliances and a key management model for America's IBM, leads not because of design, but through attention to branding, retailing, Fordist production engineering and price cutting, 'followership' (copying other designs) and 'spiritual values'. For founder Konosuke Matsushita, 'style' is a word that means midnight phonecalls to corporation executives, or cutting out two layers of distribution in the electric fan crisis of 1964: it has nothing to do with Paul Smith aesthetics, and everything to do with making a profit, pure and simple.

So design is not a panacea. Nor is the supply-side 'Reaganomics' preached by everybody to the left of Heath and Pym, preached at the very time it is practised by Thatcher. Freemarket design 'drys' may have no answers, but neither do Barnett and the interventionist 'wets'. That is the gravity of Britain's industrial decline today.

## **An alternative analysis**

The defect of the 'we're a nation of wallies' school of thinking on Britain's industrial decline is that its method is that of the cultural historian: the focus is on reactionary attitudes and

institutions alone. Now, distaste for Eton-trained Sloane Ranger brokers, for their 'Golden Hello' transfer fees, for their £200,000 London houses and convertible Golf GTis – this is all very well. However, a critique of lifestyles does little to explain decline at the point of production.

The basic reason for Britain's industrial decline must lie with her being the oldest capitalism and the first to build an Empire. In technological and design terms, Britain's industrial supremacy had to be overcome by foreign rivals one day; and in terms of reliance on Empire, this became so great that domestic industry was, from an early date, just not of interest to investors.

According to Dr Bernard Semmel's unjustly neglected [Imperialism and social reform](#) (Allen & Unwin, 1960), Britain exported £80m of capital abroad in a typical year before the turn of the century; but by the eve of the First World War, this figure had risen to £170m. Though British exports as a whole rose, they never balanced imports: only 'invisibles' bridged the gap. British exports boomed in the colonies, but declined in other markets. There was a big growth in service markets employment, enough, by 1903, to prompt Joseph Chamberlain, Birmingham screw manufacturer and Tory colonial secretary, to announce not only his conversion to protectionism, but also his anger at those prepared to see Britain reduced to making 'jam and pickles'.

J A Hobson, the Liberal economist, remarked in his *Imperialism* (1902) that the South of England was becoming like the French Riviera. But the basis for Southern lack of interest in industry – and for the conspicuous consumption of the South – lay, as Hobson himself observed, in Empire. While Chamberlain's Tory Tariff Reform League pleaded the protectionist cause of Midlands manufacturers of nails, buttons and rifles, of GKN, and of trade union typographers and engineers, Empire ensured that the only manufactured systems to receive the support of Liberal Free Traders were ones directly connected with Britain's activities in Africa, Latin America and elsewhere. Liberals like Lord Rosebery favoured 1906 *Dreadnought* battleships, the merchant marine and the railways, but that was about all.

Fabians were of a similar stamp. George Bernard Shaw endorsed technical education, it is true, but more as a means by which to raise an English citizens' army worth of Empire than as a recipe for fine performance in the world of goods. 'A Fabian is necessarily an imperialist in theory,' Shaw announced in *Fabianism and empire* (1900). Shaw joined Sidney Webb and HG Wells, indeed, in being more concerned with eugenics, the Irish and the Jews than with manufacturing.

There were precedents for such views. In the late 1860s, what preoccupied Ruskin, Dickens and Kingsley was not industrial decline but the need to suppress revolt in Jamaica. Carlyle's Essay on the nigger question betrayed the same balance of priorities. For these people, a prosperous Britain would be founded more on racial domination abroad than on design and new technology at home.

## **Interwar decline**

After the First World War the picture changed little. Only four per cent of Britain's exports were in those manufactures which enjoyed a 150 per cent expansion, 1913-29; the USA, by contrast, had 29 per cent of its exports in this basket (WA Lewis, *Economic survey 1913-1939*, Allen & Unwin, 1949). Import volumes remained unaffected by protectionist



measures introduced from 1931 onward (HW Richardson, *Economic recovery in Britain 1932-9*, Weidenfeld, 1967). By 1938 nearly 90 per cent of British machinery, transport and chemical exports went to areas outside the world's top eight industrial countries, and 78 per cent of British textiles did the same (Science Policy Research Unit, *Technical innovation and British economic performance*, Macmillan, 1980). Much of Britain's exports went to South Africa and New Zealand; meanwhile, America increased its share of UK imports from 14 per cent in 1936 to 24 per cent in 1940, with imports of US machinery rising from 8000 to 32,000 tons, 1935-7.

Minor update which greatly enjoyed after 1945 was based on the American-led expansion in world trade and on Britain meeting the reconstruction needs of continental Europe. However, the 'new industries,' of the inter-war and wartime eras – electricity, vehicles, chemicals – did much to supply all post-war industries with new capital goods and thus productivity increases (RW Coombs, in Christopher Freeman, *Long waves in the world economy*, Frances Pinter, 1984). At the same time, Depression, war and Clement Attlee did much to induce higher profitability in Britain.

From then on the story ought to be obvious. The countries East devastated by fascism and war *grew faster* than in the USA. At the same time, they resisted deindustrialisation more successfully. About 40% of Japan's GDP is accounted for by manufacturing, about 32% of West Germany France and Italy. In Britain the figures are below 25 per cent.

Because of figures like these, cultural historians and others criticise the British establishment as being too moneyed, too landed, too unscientific, too pro-American, too green Wellington boots. But this is to miss the point. Why not be all of those things, if between 1979 and 1986, British capital assets abroad grew from £12bn to £80bn, and if revenue from these assets grew from £1bn to £4bn – handy, against a record visible trade deficit of £1.14bn in March this year? Why not be pro-American when, just as many of Britain's overseas assets are to be found in America, so 40 per cent of US direct investment in Europe goes to Britain?

It makes no sense to contrast patriotic industrial culture with cosmopolitan City culture. The City has an enormous international dimension to it, but it is deeply involved in the affairs of industry. Since the merger boom of the 1960s, industry has been increasingly lightly geared, borrowing more and more money from the banks. Today every take-over deal is organised for or defended against by an army of bankers and merchant bankers: names like Morgan Stanley, Schroder Wagg and Kleinwort Benson are central to industrial life in the 1980s. As for this Autumn's Big Bang, it will open the Stock Exchange to attack from Japanese and American financial institutions: but Japanese and American investment in British manufacturing industry is already extensive – the picture for foreign investment is the same in factories as it is in banks.

Anyway industry itself is a bit of a bank. Racal is the darling of City editors. Arnold Weinstock's GEC has cash resources on a scale similar to Toyota, Siemens and the West German aerospace conglomerates.

What about the cultural historians' solution – more technical education? In my view, it is utopian to see in educational programmes a means of generating an 'industrial culture' in Britain. Education costs money and does not make a profit. Until British industry becomes attractive to investors, there will be no need for technical education.

## The prominence of graphics

In his television documentary *Assembled in Britain*, Patrick Uden was prescient enough, before the Westland affair had broken, to portray Britain as a nation of coolies reduced by the USA to assembling products out of foreign components, Later *The Guardian* complained that British manufacturing and design skills were being 'hoovered up' by the Americans. EP Thompson, it should also be noted, objects to the involvement of British universities in the Star Wars programme on much the same grounds. But why should Britain presume to be expert in manufacturing or in product design? Why should we make Walkmans when the Japanese are obviously so much better at it?

One of the great achievements of capitalism is that it established an international division of labour. Britain is good at product design, but mainly for international clients. Britain is however, completely unrivalled in graphic design. In the design of ads, logos, in design for clients outside industry – retailers, banks, television channels, record companies, magazines, advertising agencies, publishers, packaging and all the rest – we are second to none.

Graphic design is stronger than product design in Britain because of the historic size of Britain's service sector relative to manufacturing. The irony is that Britain's industrial decline made it into the best information image designers in the world. Three dimensional 'hardware' we should leave others, perhaps; but in two-dimensional 'software', Britain reigns supreme.