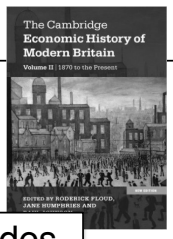
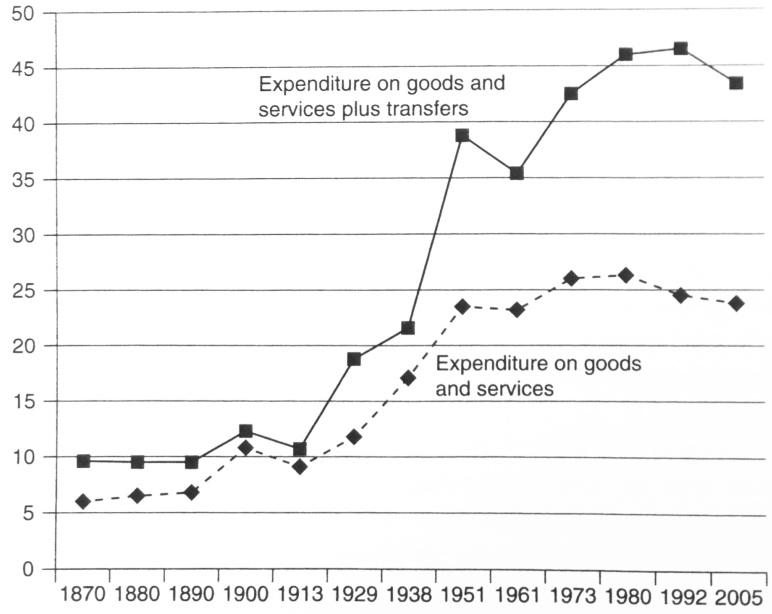
Visualising public sector growth [p]



Public expenditure as a percentage of national income, 1870-2005 (Millward, 2014:388)

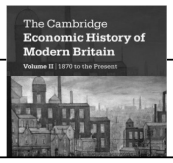


Transfers includes pensions etc

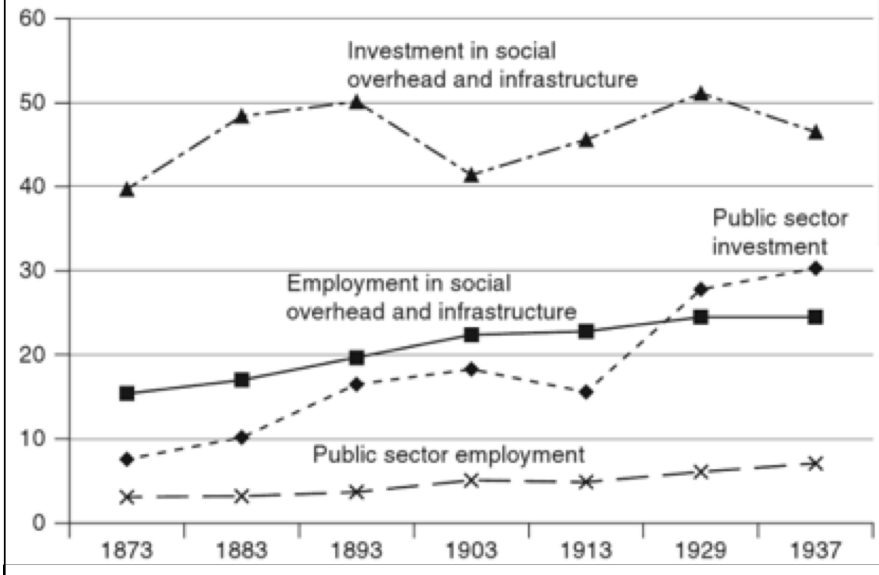
Rises faster than g+s spending after 1945. Why?

"Practical action … often revealed a common commitment to the mixed economy" (Millward, 2014:387)

Visualising public sector growth [p]



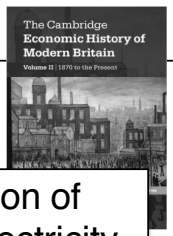
Shares of UK investment and employment, 1873-1937 (Millward, 2014:391)



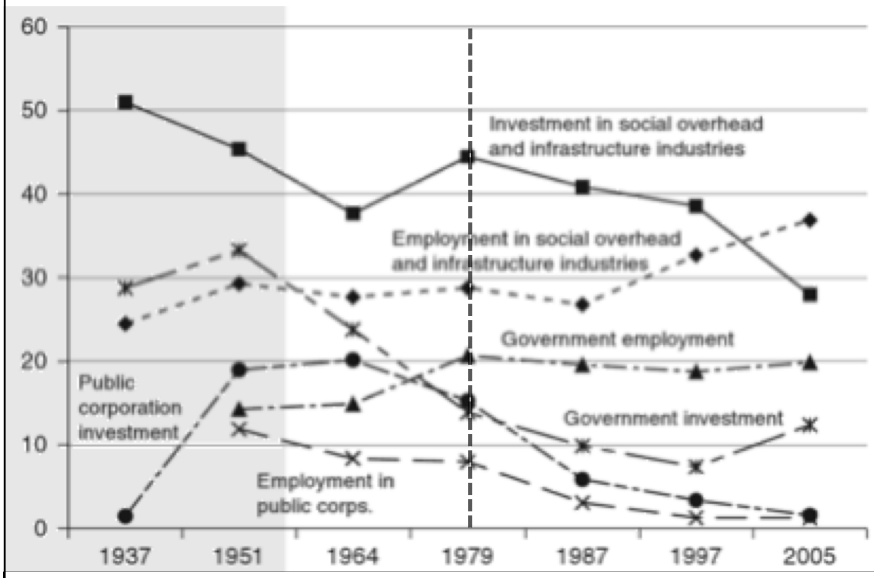
Social overhead and infrastructure = *"defence, public order, education, health, government housing, energy, transport and telecommunications"* (Millward, 2014:389)

Initial impetus from local govt. investment in public health and related urban infrastructure (ibid)

Visualising public sector growth [p]



Shares of UK investment and employment, 1938-2005 (Millward (2014:411)

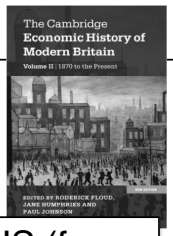


Nationalisation of coal, gas, electricity rail and steel after WW2 (ibid:405) – control of natural monopolies or strategic issues

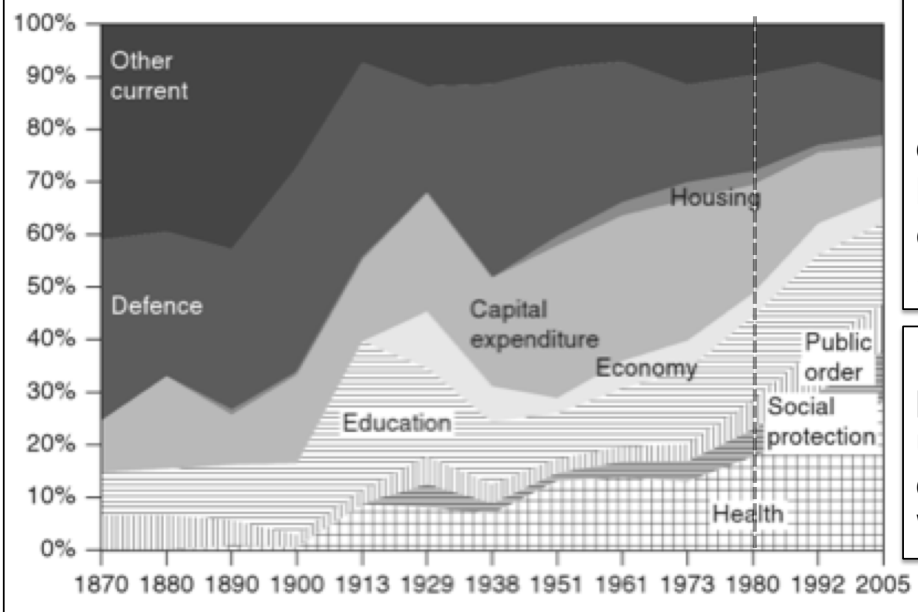
Education and health became major components in post-war period

Substantial changes from 1980s

Visualising public sector growth [p]



Shares of public expenditure on goods and services in the UK, 1870-2005 (Millward, 2014:397)



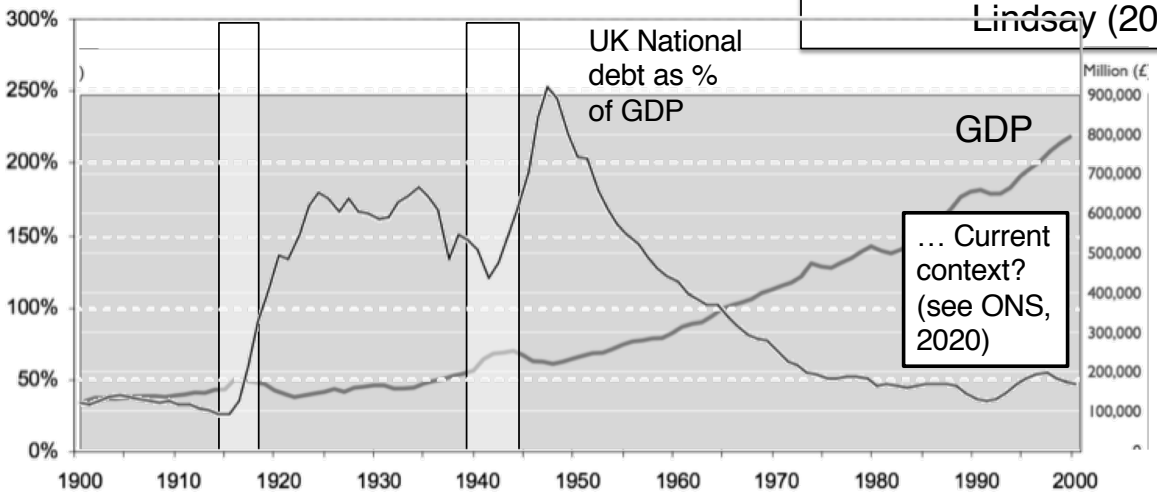
Health – NHS (from Beveridge Report 1942): reflected dissatisfaction with health services by end of 1930s (ibid:403)

Education – state-provided education up to age of 15 was only introduced after WW2 (ibid:400-1)

Visualising public sector growth [p]

National debt as % of GDP

(Clark and Dilnot, 2002:5)

- Captures impact of (unanticipated) inflation and real economic growth

See also Crawford et al (2015) O'Hara (2009) and Lindsay (2003)