

Electricity and Nationalisation

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Nationalisation

Labour Party constitution, Clause IV, January 1918

McGowan Committee 1936

Jowitt Report August 1942- 'it is quite obvious that it is useless to rely on any voluntary system of reorganization'.

J.M. Keynes *The General Theory*, 1936- 'the power of vested interests is vastly exaggerated compared with the gradual encroachment of ideas'

Nicholas Kaldor

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Monopoly pricing

1946 Labour Party paper on 'Criteria for Nationalisation'- 'Monopolies are objectionable and should, other things being equal, be transferred to public ownership'.

Morrison, public corporation, *Socialisation and Transport*

Meade and marginal cost pricing

X-subsidization, Morrison. Rural and lower income groups.

Clow Committee, February 1948

Douglas Jay , Labour Party Research papers 1948, 1952 on future nationalization policy
Hugh Gaitskell, Ian Little, Tony Crosland

'public-monopoly nationalization....no longer seems the panacea that it used to'
(Crosland, 1956)

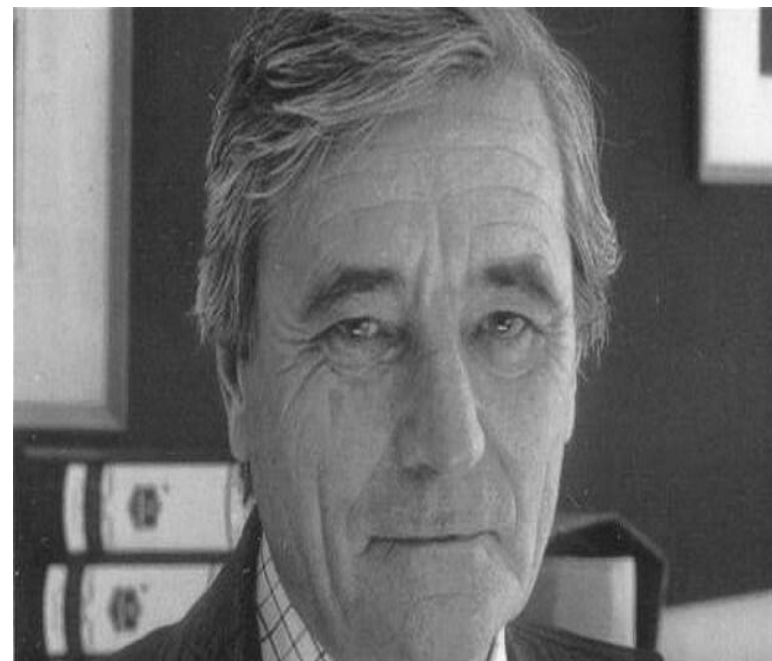
Meade, Morrison and Citrine



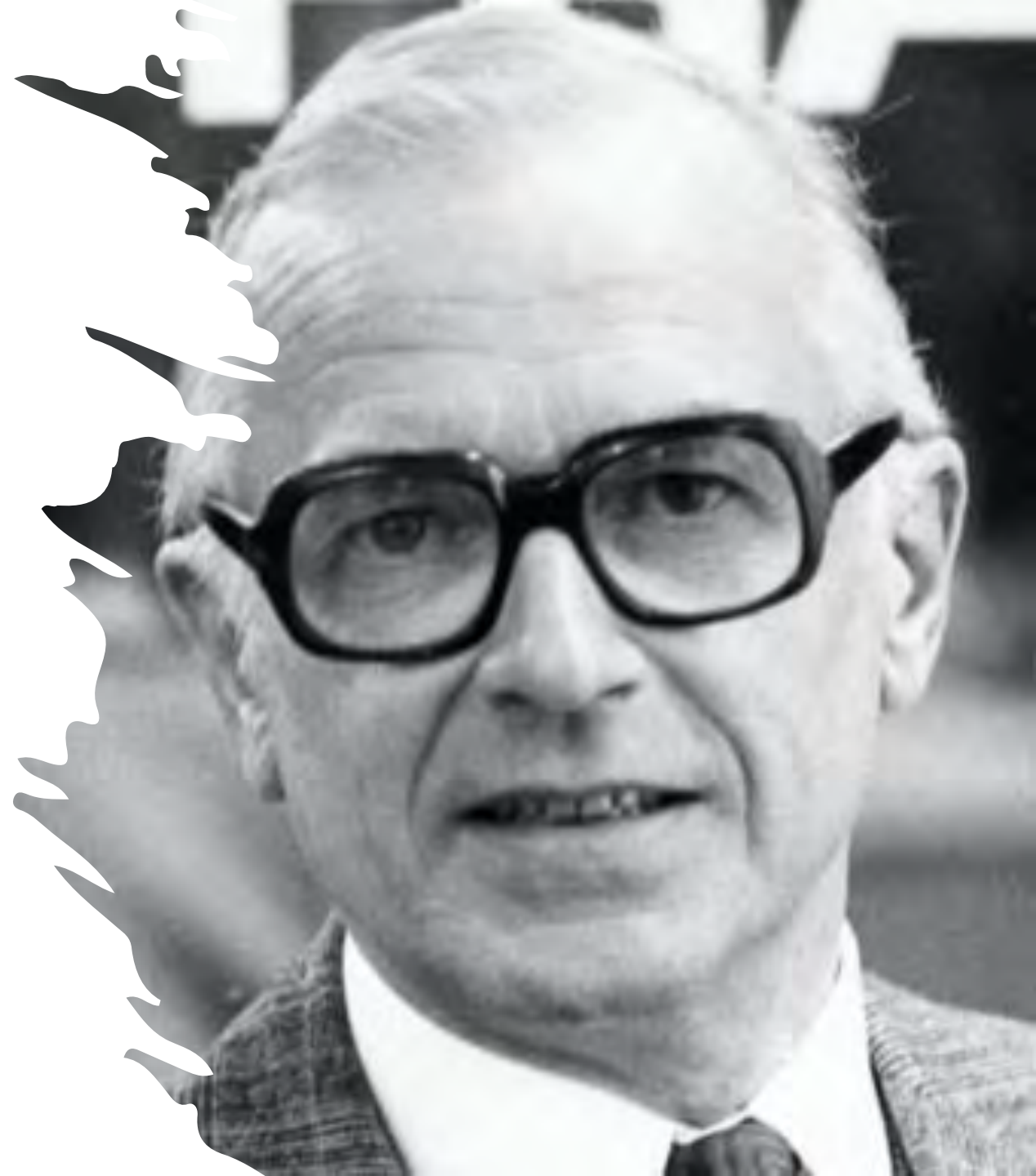
Hugh Gaitskell



Jay, Crosland and Little



Marcel Boiteux



Pierre Massé



French electricity

- NSHEB
- Le Plan Monnet
- La Note Bleue 1953
- Pierre Massé
- Le Tarif Vert 1958
- Marcel Boiteux
- Discount rates and hydro vz thermal. In part an opportunity cost rate, but also technological obsolescence vz physical lifetime.
- Systems and marginal choice
- Third French Plan (1958-1961)



Ralph Turvey



Time and the impact of ex ante, marginal analysis from the 1970s

- Health and the move to QALYs
- Education and the school-leaving age
- Higher education and fees
- Road traffic accidents
- Public housing



PUBLIC SECTOR EXPENDITURE

In £billion(2012-2013 prices) and as percentage of National Income

	Social Security	% of national income	Health	%	Education	%	Defence*	%	Public	%	Transport	%
	£ billion		£ billion		£ billion		£ billion		Order & Safety			
1949-1950	16.6	5.1	-		-		-					
1954-1955	18.8	5.1	-		10.3	2.8	30.4	8.2				
1959-1960	25.0	6.0	-		14.7	3.5	25.8	6.1				
1964-1965	31.5	6.2	-		21.8	4.3	28.8	5.7				
1969-1970	45.6	7.8	-		28.4	4.9	27.3	4.7				
1974-1975	55.2	8.2	-		38.8	5.7	31.3	4.6				
1979-1980	74.7	9.9	33.0	4.4	39.3	5.2	34.4	4.6	11.5	1.5		
1984-1985	98.5	12.4	38.6	4.9	40.3	5.1	41.5	5.2	15.1	1.9		
1989-1990	101.3	10.3	44.0	4.5	47.1	4.8	38.2	3.9	18.7	1.9	13.3	1.4
1994-1995	147.2	13.7	59.3	5.5	54.5	5.1	35.1	3.3	23.5	2.2	17.3	1.6
1999-2000	143.3	11.3	72.3	5.2	61.2	4.5	34.3	2.7	27.2	1.9	12.0	0.8
2004-2005	166.1	11.3	100.6	6.8	79.0	5.4	36.2	2.5	34.6	2.3	19.4	1.3
2009-2010	204.0	13.3	127.8	8.3	95.6	6.2	40.8	2.7	37.0	2.4	24.5	1.6

PUBLIC SECTOR EXPENDITURE

In £billion(2012-2013 prices) and as percentage of National Income

	Total Managed	%	Current	%	Public sector net	%	Depreciation	%
	Expenditure	GDP	Spending	GDP	investment	GDP	£ billion	GDP
	£ billion		£ billion		£ billion			
1949-1950	119.9	37.2	102.6	31.8	6.4	2.0	11.0	3.4
1954-1955	139.8	37.8	112.3	30.4	14.8	4.0	12.7	3.4
1959-1960	154.0	36.7	125.1	29.9	14.5	3.4	14.4	3.4
1964-1965	193.4	38.1	149.8	29.6	26.3	5.2	17.2	3.4
1969-1970	247.5	42.5	191.4	32.9	35.4	6.1	20.7	3.6
1974-1975	328.3	48.6	261.4	38.7	38.3	5.7	29.3	4.3
1979-1980	335.3	44.6	286.3	38.1	17.2	2.3	31.9	4.2
1984-1985	377.8	47.5	335.3	42.2	12.5	1.6	30.0	3.8
1989-1990	382.3	38.9	344.3	35.1	12.0	1.2	26.0	2.6
1994-1995	450.4	42.1	415.9	38.9	14.8	1.4	19.7	1.8
1999-2000	460.0	36.3	436.1	34.4	7.2	0.6	16.6	1.3
2004-2005	597.8	40.6	554.4	37.6	25.0	1.7	18.5	1.3
2009-2010	724.9	47.4	651.5	42.6	52.4	3.4	20.9	1.4

Further reading

C.R. Crosland, *The Future of Socialism*, 1956

Hugh Gaitskell, *Socialism and Nationalisation*, Fabian Tract 300, July 1956

Ian Little, *The Price of Fuel*, Oxford, 1953

J. Meade, D.N. Chester and J.M. Fleming, 'The socialisation of Industries', Nov-Dec 1945

J. R. Nelson, Marginal Cost Pricing in Practice, 1964