

A report on the economic recovery in britain in the 1930s

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A report on the economic recovery in Britain in the 1930s In the 1930s Britain's workers was experiencing signs of affluence. All this extra money was due to the living standard going up by 15 percent. This meant the money didn't come from wages being increased but the cost of living decreased. Gross Domestic Product (GDP) The affluence also came from the gross domestic product rate. In 1922 to 1938 the rate rose to the average of 2.1 percent per annum. The rates were a lot better than the years before the war which were at 1.1 percent in 1900 to 1913.

However, growth rates were very similar to the rates of the second half of the nineteenth century; this rate was at 2 percent in the 1856 to 1899. In the 1930s, the rate grew faster than the 1920s as between 1932 and 1937 the rate nearly rose to 4 percent per annum. This meant that Britain held her place and held on her own in the thirties which meant Britain picked herself up compared to the twenties when she lost her place. Housing Act The housing boom was just one of the ways that the affluence affected Britain. The housing act was also evidence of the affluence which could be seen for it.

By 1939 one in three families were living in houses which were built since 1929. Between both wars a massive four million houses were built. However, nearly half of the houses were built by private developments. The private developments were growing mainly in the south east. All the houses were built with a new standard of living, even the other half of the houses built, which were council houses. The council houses were put up for rent. As all houses had a new standard of living, the fittings included baths, hot water

and proper kitchen. Particularly in the private sector, the houses came to form the new suburbs.

Each home would also have a garden of a decent size and quality. Motor Vehicles Motor vehicles were just one of the industries which led the way. This was even included in a new range of industries that emerged and played an important part in the growth of Britain. In fact in 1924 USA was the world's main manufacturer by a wide margin. France was Europe's largest producer with 145, 000 vehicles, leaving Britain trailing along second with the 116, 000 vehicles being produced. However, by 1937 British production had tripled to 379, 000 and Britain took the lead in Europe, followed by Germany with 277, 000.

Oxford (Morris) and Birmingham (Austin) were the main manufacturing centres. Electrical engineering Electrical engineering grew at between 4 and 5 percent per annum throughout the inter-war period. Electrical engineering was just another new industry for Britain. In the 1930s electricity consumption increased by 70 percent per head. This was fire to the creation of the central electricity board in 1926 and the national grid. Both of these electricity supplies gave a boost to the industry. Britain and France led Europe and USA wasn't far behind.

Examples of the increase of consumption were that in 1919 there were 730, 000 consumers and then in 1938 the number of consumers grew to nine million. Other developments grew and reflected the fact that more and more people were spending money, which meant they had money. Most towns would have their own Woolworths and Marks and Spencer's and new magazines like ' Woman's Own' in 1932. These new magazines appeared <https://assignbuster.com/a-report-on-the-economic-recovery-in-britain-in-the-1930s/>

which included features on clothes and consumer durables. Wireless industry
Wireless manufacturers created the British Broadcasting Corporation which is now known as the BBC in 1922.

This was to provide programs that would encourage people to buy their products and spend. The BBC became part of the government charter which then started to be financed by a license fee in 1927. The BBC broadcasted to most areas of Britain but they were focused in Daventry in a radio station in 1925. By 1938 around 2 million radios were sold each year. This was known as wireless. The price had decreased from ? 30 in 1920 to around ? 7. Other electrical goods which found a mass market were vacuum cleaners and electric irons. Entertainment The cinema took the entertainment industry by a storm. In 1934 there were 4300 cinemas in Britain. 0 million people per week were attending the films on through the weeks. Audiences were huge, some cinemas were able to seat 1000 people, and some were as big as 4000 seats. The larger cinemas were based in Glasgow and Croydon. The four biggest companies which controlled the marker by the 1930s were Gaumont-British, the Associated British Picture Corporation, Odeon and Granda. Even though there was a British industry, American films were preferred. This was because Hollywood had already dominated the world's film industry and audience surveys usually showed that American films were preferred.

Even the unemployed could afford to go to the cinema as the tickets were so cheap. 80 percent of the unemployed youth of Liverpool and Glasgow went to the cinema at least once a week. An unemployed Londoner told a researcher in 1932, " The pictures (cinema) are my first choice because they make you think for a little while that life is alright". At least 14 percent of
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British industrial production in 1924 had been accounted for by these new industries. This proportion increased to 20 percent by 1935. The proportion of the staple industries in the same period had decreased from 37 percent to 28 percent.