



Keeping the nation healthy

LSE academics have helped shape and steer the National Health Service from birth. As it celebrates its 60th birthday this year, **Howard Glennerster** charts a story of visionaries, protagonists and pragmatists.

Several years before the establishment of the National Health Service in 1948, William Beveridge, director of LSE from 1919-37, played a crucial catalytic role. His visionary 1942 report on Social Insurance included, as the second of its baldly stated 'assumptions', that after the war the UK would have 'a national health service for prevention and for cure of disease and disability... a comprehensive national health service will ensure that for every citizen there is available whatever medical treatment he requires, in whatever form he requires it.' 'Treatment' would cover the whole range of care from the GP and hospitals to ophthalmic and dental care.

This bold statement, which went far beyond his brief, shook the Ministry of Health, which was discussing far more piecemeal and tentative reforms. It caught the public imagination and the Ministry was afraid that Beveridge might even be given the job of designing such a service. To head this off and respond to the popular expectations the report had raised, the ministry set about concocting a more radical plan, though still not as radical as the one that was to be adopted later.

The medical profession certainly saw Beveridge as a major protagonist. The BMA were meeting as the 1945 election results came through. When his failure to gain a seat as a Liberal candidate was

announced the delegates cheered, little knowing that they would be faced with an even more formidable adversary – Aneurin Bevan!

It was in the 1950s that LSE academics began to exert a really important influence on the fate and shape of the NHS. The Conservative opposition had never been fully converted to the idea of a tax-funded NHS. Looking for means to reduce the tax burden and for other ways to finance health care, the new Conservative government of 1951 appointed a committee of enquiry into the cost of the NHS chaired by a Cambridge economist, Claude Guillebaud. He turned to the National Institute for Economic and Social Research. They employed a recent Cambridge graduate, Brian Abel-Smith (later professor of social administration at LSE), to do the economic analysis for the committee. The consultant for the whole project was the occupant of the new chair in social administration at LSE – Richard Titmuss.

The Guillebaud Report, in 1956, was to infuriate both the Treasury and members of the cabinet. The economic analysis, published later as a separate book by Titmuss and Abel-Smith, showed that far from taking much more of the nation's resources, the NHS was taking significantly less than had been the case in the 1930s. Particularly worrying, capital expenditure had fallen significantly and needed to rise substantially if new population demands (and building dilapidations) were to be accommodated. Significant charges would deter access. The report, as the NHS historian Professor Webster has put it, 'achieved stature as a minor classic of modern social analysis'. The big hospital building programme of the 1960s followed. So, too, did the steady rise in health spending as a share of the GDP. Not until Mrs Thatcher's time did any government dare to question the idea of a tax-funded NHS.

Above: After a seven hour meeting, the British Medical Association agree to cooperate in the new national health service, 28 May 1948
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ILLUSTRATED LONDON NEWS

Right: Beveridge arrives at the House of Commons to discuss his famous report. From *Picture Post* 1943
'Beveridge: The Fight Is On'
Kurt Hutton/Picture Post/Getty Images

Overleaf: A daily Ward Maid cleans and polishes the floors at Queen Mary's Hospital, Kent, 1960s
Mary Evans Picture Library



Titmuss continued to argue for the principle of a service free at the point of use in powerful writing and teaching; his last series of lectures, in the New Theatre in the East Building in 1973, was given to packed audiences who knew he had only a few months to live.

Abel-Smith became an adviser to successive Labour secretaries of state for health in the 1960s and 1970s – setting off from the School by half past eight to be there before his minister with an hour of work already done. He was involved in plans to restructure the NHS with Richard Crossman – plans that were overtaken by the new Conservative government of 1970. He was also involved in advising ministers to put in place a robust statistical method for allocating cash to local areas in a way that would match the likely demands different kinds of populations would put on local services. This gradually corrected the huge unfairness in the distribution of health services that originated long before the NHS was created. I serve with Gwyn Bevan on the committee charged with continuing that task and Peter Townsend has chaired the Welsh equivalent.

It was not until the late 1980s that another major attempt to rethink the funding and organisation of the NHS took place. This time there were no LSE academics involved from the inside. But when Mrs Thatcher set up her fundamental review of the service and asked for evidence, three of us produced a combined response: Nick Barr, Julian Le Grand and myself. Some kind of mixed private public insurance model was being explored at the time. We challenged this. Market and information

failures were so great in health, we argued, that the private insurance route for funding health was not a good one. It could lead to health price inflation and land the Treasury in even more trouble, quite apart from issues of fairness. Nor was large additional funding advisable before the service had been made more effective. We suggested experiments with more decentralised competition. I was later to hear from a reliable source that this line of argument proved influential, but who is to know, there were many others! When Blair found a decade later that more money was, indeed, not a panacea, he turned to Julian le Grand for advice at Number 10.

What is clear is that a former LSE director was important in putting the idea of a comprehensive national health service on the political map. Successive LSE academics have played a part in sustaining the intellectual, economic and moral case for a service free at the point of use and advising on how this could be achieved with humanity and efficiency. But in the end it is arguably not policy advice that has made most difference but rather the professional life of past students – researchers, community physicians, other doctors, medical social workers and managers and indeed more



than one secretary of state (Virginia Bottomley and Frank Dobson spring instantly to mind) – who have been trained at the School to use evidence about what works and what does not and to apply that evidence in a fearless way. That is the kind of work that colleagues in LSE Health and elsewhere are continuing to do and there is still a long way to go. ■



Howard Glennerster

is professor emeritus of social policy at LSE. He is author of *British Social Policy: 1945 to the present* (Blackwell 2007).



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