Assessing The Success Of Thatcher's Economic Policies 1979-1990

It can be said that Thatcher's economic policies were successful. This is seen on numerous occasions, by inviting more and more people to have a stake in society and be a part of the economic growth using the right to buy. Moreover by immensely dropping inflation by a quarter of what it was by 1975.

Firstly, the most important of Thatcher’s policies, monetarism, worked exactly as Mrs. Thatcher wanted it to. This is evident from the inflation figures of the time, through Howe’s spending cuts and drops in money printing, brought inflation down from around 18 percent in 1980 to 4.5% by 1983. Through doing this it showed that monetarism and Thatcher’s fresh new outlook on controlling inflation worked. It also cemented their government as economically competent as through less government spending and money circulation they were able to rapidly drop inflation. This can be thought of as Thatcher’s most successful policy as inflation had been ruining Britain's economy for the last 10 years, so by Thatcher dropping inflation successfully it would mean the end to the vicious cycles of strikes and the economic consequences from them - showing this is more successful than any other policy.

Thatcher’s second most successful policy was the right to buy. To ensure everyone benefited from the economic growth of the United Kingdom, Thatcher wanted to ensure all people had a stake in society for the long term through the policy of right to buy. Through an artificially reduced price and mortgage cuts, after owning a council property for a set amount of time anyone could buy it off the government, this brought property ownership up by 12% by 1990. Right to buy gave many people an asset which they would more likely than not always make a profit off of. This ensured over time more and more people could get healthier and wealthier and therefore keep the economy growing. Moreover this portrayed Britain as a functioning wealthy society compared to other countries as so many people seemed rich enough in the economy to buy a house and own property when compared to other european countries. This can be thought of as the second most successful policy as it is a long term policy that opened opportunities for people that previously could not buy houses and this wealth would be passed down through their children giving them the new found wealth as well. While shares however would be sold off quickly when prices rose making that certain stake very short term and not very effective.

Mrs Thatcher's third most successful policy was selling companies to ordinary people first. This policy evidently worked and made people wealthier as from 1979 to 1900, the number of shareholders went from 3 million to 11 million. By doing this more and more people had higher net worths and assets making them richer. Furthermore, and once again, this gave many people a stake in society which let them benefit from the growth of the economy, and over time themselves contributing to the economy’s growth. This however can be thought of as the least successful out of the three, this is because inflation dropping stopped miners striking and the economic consequences of that, which in the 70s brought the country on its knees. As well as the right to buy which is long term and provides much more wealth to the owner than a share would. Moreover, shares themselves as the time were set to low and when put on the market would shoot up in price and would be sold off to large corporations.

To conclude so far, Mrs. Thatcher’s economic policies when considered are leaning towards success. This is due to the long term wealth that many people received from owning shares and accessibility to homes. When comparing unsuccessful policies such as deregulation of banks, which led to the elite getting richer while the poor were left behind, this can be dismissed. THis is the case as Thatcher ensured equality of opportunity was much more prevalent with her policies of free private education for the talented so that they could grow up and have jobs which gave them high pay.

The first of Thatcher’s policies which was notoriously unsuccessful was her public spending cuts. As is evident in many communities in the north were mine closures to cut spending devastated towns economically to the point where some still suffer to this day. This shows despite Thatcher's policy reducing inflation, it in the process managed to decimate thousands of families incomes and drag many down to poverty. However this point can be dismissed as Mrs. Thatcher did not cut spending at all. Bny 1990 spending across Thatcher's tenure had increased by 13%. Showing Mrs. Thatcher did in fact make an effort to better public services.

Secondly, Thatcher’s policy of quality of opportunity is seen as going wrong when considering the different regions of the country. There is lots of evidence of many cities having huge divides and being deservedly called “cardboard cities” as many would be homeless and live on the streets while the very few would be greedy and rich. This shows that even though Mrs. Thatcher tried her best to provide equality of opportunity, it became more and more evident that very few were able to do something with their lives and by 1985 3.5 million people were unemployed showing her economic policies did not work. However, this point can be dismissed as Mrs. Thatcher provided many a policy to provide economic equality. This is seen with, “right to buy”. Where long term council householders were able to at discounted price and mortgage rate exemptions, making it even easier to buy, to have their own home. This ensures even more people who otherwise couldn't, to have a stake in society and benefit from the economic growth hitherto not being the case.

In conclusion, when fastidious with both sides of the argument, it is clear to see that Mrs. Thatcher’s policies were successful. Although it is easy to argue that they were not when looking at the immediate effects of certain policies such as increasing vat, leading to an 18.5% inflation rate initially, it eventually manages to be fixed. So when assessing Margaret Thatcher's policies it is important to remember her policies were very long term as Britain before her arrival, Britain was so fundamentally broken. So when looking in the long term, inflation with her policy of monetarism stayed at around 4-5%, her right to buy brought opulence to people that previously could not have access to it and her lack of spending did lead to an overall increase in spending. So despite best efforts from many people to downplay her achievements, one merely has to look at the overall picture to discover the true benefit to Britain it had as no one of her policies would have fixed a Britain on its knees overnight.