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**WAS THATCHERISM ANOTHER CASE OF BRITISH EXCEPTIONALISM? A  
PROVOCATION**

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## Was Thatcherism another case of British exceptionalism? A provocation

### Abstract

This paper splits into two main ideas. First, provide a broad overview of the history of management thought in the UK, from its early manifestation in the 19<sup>th</sup> century to the establishment of the first business schools in London and Manchester in 1965. The second part of the paper deals with developments in the 1980s. Anecdotal evidence suggests that during the governments of Margaret Thatcher there was a radical shift in British management practice and thinking. Some of these changes ran in parallel to global trends in capitalism (and specifically the advent of neo-liberalism). Others were idiosyncratic to the UK. But there is no systematic evidence to clarify whether these changes resulted from deliberate action by the Thatcher government and its supporters in British industry or whether Mrs Thatcher became a rallying point for an episode of globalization. In short, was the era of the “Washington Consensus” (Williamson, 1989) in Britain an episode of exceptionalism? Rather than offering empirical evidence to solve this question, the second and last part of the chapter puts forward a research agenda to explore changes in British management at the end of the 20<sup>th</sup> century.

### 1. Introduction

Genealogies of the term management readily point out to the erection of Stonehenge in 2,600 BC or that the law school at the University of Oxford engaged in training young men for the profession of estate management as early as the 12<sup>th</sup> century (Witzel, 2010, p. 4 and 9). These genealogies, however, are misguided as they equate purposeful co-ordination of human activity with current notions of “business management”. This is not to negate early contributors to management thinking in the UK such as Adam Smith, Charles Babbage and Edward Cadbury; or that the pioneering firms of Josiah Wedgwood and Boulton & Watt were already organised on essentially modern principles. But it is until the early decades of the 20<sup>th</sup> century when US engineers and business managers shape concept of “management” into form its current, modern notion (Le Texeier 2013, pp. 191 and 198).

In spite of the very early developments mentioned above and being the cradle of the Industrial Revolution, there was relatively little preoccupation in Britain about rationalising managerial activity. Up to the mid-20<sup>th</sup> century apprenticeship was the most common form of management training as managers learned their tasks and responsibilities on the job (Witzel, 2010, p. 8). This system responded to the corporate governance of British firms which for a long time was dominated by the so-called “personal capitalism” (e.g. Chandler, 1976 and 1990), a form of corporate governance where kin and family dominated positions of responsibility. The predominant view was that the conditions of every individual business were unique and thus, there was no point in sharing experiences to develop common practices while talent to support growth became attained through “grooming” selected family members or trusted outsiders.

While corporate management structures developed impressively in Germany, France and Japan during the late 19<sup>th</sup> and early 20<sup>th</sup> centuries, in Britain relatively little progress was made in this respect (Wilson, 1995, p. 134). Chandler (1976, p. 40) claimed that this apparent lack of progress in developing a professional “modern” managerial class explained the UK’s relative poor economic performance and the US as a world economic powerhouse in the early 20<sup>th</sup> century. Many have taken exception of this account. For instance, Wilson (1995, p. 131) argued that the internal environment in the UK and the foreign markets where British firms were active, were more conducive to an individualistic and atomistic approach to corporate governance. Wilson (1995, pp. 131-4) also claims that ‘institutional rigidities’ delayed the development of corporate capitalism in the UK as it was until the late 1940s when professional management became increasingly institutionalised both as a concept and as part of British society. This is not to say that firms remained small in the UK<sup>1</sup> but that British management (and therefore, British management thinking) had its unique evolutionary path (Wilson & Thomson, 2006, p. 10).

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<sup>1</sup> Large-scale companies began to appear in the UK after the merger waves of the 1890s (Wilson 1995, p. 131). By 1912 a significant number of British firms were as large as American and European counterparts (see Wardley, 1991, 2006). Following the merger wave of the 1920s, British firms were certainly at par with Americans and Germans large-scale firms (Golbe and White, 1993).

The remainder of this chapter splits into two main ideas. First, provide a broad overview of the history of management thought in the UK, from its early manifestation in the 19<sup>th</sup> century to the establishment of the first business schools in London and Manchester in 1965. This first part of the chapter emphasises the development of higher education in business and management. Developments in the 1970s and 1980s observed important changes in both the underlying economic infrastructure and the model of British capitalism. Anecdotal evidence suggests that during the governments of Margaret Thatcher there was a radical shift in British management practice and thinking. Some of these changes ran in parallel to global trends in capitalism (and specifically the advent of neo-liberalism). Others were idiosyncratic to the UK. But there is no systematic evidence to clarify whether these changes resulted from deliberate action by the Thatcher government and its supporters in British industry or whether Mrs Thatcher became a rallying point for an episode of globalization. In short, was the era of the “Washington Consensus” (Williamson, 1989) in Britain an episode of exceptionalism? Rather than offering empirical evidence to solve this question, the second and last part of the chapter puts forward a research agenda to explore changes in British management at the end of the 20<sup>th</sup> century.

## 2. Early Contributions to British Management Thinking

Table 6.1 illustrates some of the key developments to ascertain a concept of management in Britain before the “era of modern business”. Table 6.1 aims not to be exhaustive but to show there were sustained attempts from the mid 19<sup>th</sup> century to the start of the Second World War. The main commonality of entries in Table 6.1 is that they failed to engage with a large number of practitioners in industry.

**Table 1: Milestones in the proto-history of British management thought**

Year	Event
1867	Editorial from <i>Engineer</i> implicitly recognises the need for “administrative training” for railroad engineers.
1914	Publication of E.T. Elbourne’s <i>Factory Administration and Accounts</i> .
1915	Shortages in supply highlight the need to advice SME manufacturers of armament and ammunition. The emergence of management in manufacturing is recognised.
1920	Institute of Industrial Administration is established.
1924	Institute of Industrial Administration becomes moribund but not wound up.
1927	Liberal Party report calls for the creation of a national “institute of management”.
1930s	“Management movement” (design programmes for vocational management education).

Source: Brech (1999).

Efforts as those portrayed in table 6.1 also failed to find relevant space within British higher education. Concerns with the rise of France, Germany and the USA in the late 19<sup>th</sup> century resulted led to the establishment of the so-called “commercial universities” such as London School of Economics and Political Science (1895) a Faculty of Commerce at both the University of Birmingham (in 1901) and the then Victoria University of Manchester (in 1904).<sup>2</sup> However, universities (and the broader society) largely sneered the need for professional management training. Courses at commercial universities attracted just a handful of students while apprenticeships, class and recruiting-from-within remained the route for top positions. In other words, efforts

<sup>2</sup> The universities that had royal charter prior to 1880 in England, Scotland, Wales and Northern Ireland (in inverse order): Victoria of Manchester (1880), Queen’s Belfast (1845), Durham (1837), London (1836), Oxford (1248) and Cambridge (1231).

such as those in table 6.1 or those of Lyndall Urwick (1891-1983) to introduce scientific management to UK industry were largely a result of isolated attempts to build a systematic body of knowledge around management thinking.

There appears to have been a turning point during the inter-war period. This was partly a response to the wave of mergers and amalgamation of unprecedented magnitude sweeping British industry. Often called “management movement” or “rationalization movement” associated with a growing literature on the subject of management training, a marked acceleration for professional training of managers (while looking for an overhaul of managerial practices and the application of “scientific” solutions) and the emergence of professional associations of practicing managers (whose numbers remained low until the 1950s)(Wilson, 1992, pp. 2-3).

In the 1940s, the war effort brought together people from different disciplines and walks of life while working together to solve specific problems. A case in point was the much celebrated effort at Bletchley Park where mathematicians of the standing of Alan Turing worked with house-wives particularly adept at solving cross word puzzles in trying to find a solution to decoding Nazi communications. A notable result of these type of background was Anthony Stafford Beer (1926-2002), a long time contributor to the area of operations research (Ackoff, 1979).

According to Larson (2003) a second important development during the war was the secondment of Norman Kipping (1901-1979) to a regional division of the Ministry of Production in 1942. Kipping trained as an engineer in the private sector and when in post during the war had the power to enquire into failed deliveries. These enquiries often led to the conclusion that bad management was to blame. In 1946, Kipping was appointed as director general of the Federation of British Industry (FBI), a body that would play a key role in the establishment of graduate and postgraduate teaching in business within the UK. For instance, in 1947, Clive Baillieu (then president of the FBI) reported to the Ministry of Education on matters pertaining “to the education .. for management in industry and commerce” (Larson 2009, p. 6).

A number of other important and related developments took place during the 1950s and beyond. First and in the context of the “cold war”, the Ford Foundation financed initiatives to export US management techniques (and thinking) across “allied” countries and particularly western Europe (Locke, 1984, 1989, 1996, 1998). An early result was an intense exchange of ideas through visits of top managers as well as promising talent from indigenous firms to learn first hand of developments in the USA. Some of these were promoted and even sponsored by the Ford Foundation but they became a regular feature across most industries and western European countries by the mid 1960s. The growth of US-based multinationals in the post-war period reinforced learning about US management methods, techniques and thinking.

Another result related to the efforts of the Ford Foundation was the establishment of clearing houses of business teaching case studies in the US (in 1961) and shortly after in Europe (namely Ireland, France, Germany, Spain, and Sweden in 1973, to merge into the European Case Clearing House in 1991) (Bátiz-Lazo, 2013, p. 187). These centres became a beacon to recuperate and distribute what was to become the quintessential pedagogic tool for postgraduate education and a witness of how Europeans in general and British in particular embraced the American educational model in business and management.

A second post-war development was the appointment in 1947 of Urwick as advisor on matters “to the education .. for management in industry and commerce” at the Ministry of Education (Wilson, 1992, p. 1). This resulted in a two-stage course known as National Scheme of Management Studies in 1949, which by 1960s was being pursued by some 1,600 students at 175 institutions (idem). Through the Board of Trade, the British government was also instrumental in establishing a British Institute of Management (1947) which offered a Diploma in Management Studies. However, attracting suitable teaching staff was a problem.

The establishment of the Baillieu Committee marks the beginning of significant shift in thinking about management and management training programs that took place during the second half of the 20<sup>th</sup> century in Britain. The Baillieu Committee recommendations resulted in the establishment of the British Institute of Management by the Board of Trade in 1947. The Ministry of Education and the Institute of Management then offered a Diploma in Management Studies in 1951. However, attracting suitable teaching staff was a problem. Students were also not readily forthcoming at a time when nationalisation was rampant, and British industry leaders were somewhat reluctant to allow the government further interference with their affairs. However, the establishment of the British Institute of Management is significant because although there were professional bodies representing functional activities, there was no comparable body for general management thinking and for the development and promotion of better management.

Baillieu Committee members included Lyndall Urwick, a well-known management consultant in the 1930s, a prolific author on the topic of management, and a former colonel in the British Army (Larson 2003). Urwick articulated a need for a business school linked to a British university and was instrumental in the creation of the

Administrative Staff College in 1945 at Henley-on-Thames.<sup>3</sup> Its success then inspired the creation of another independent school, Ashdridge Management College (1959) near Berkhamsted.

The end of rationing and the relative economic prosperity of the 1950s shielded British industry from the criticism during the preceding decades – as well as alleviating the need for immediate remedial action in the betterment of its management (Larson, 2009). Kipping at the FBI and most business leaders largely ignored the British Institute of Management's Diploma of Management Studies. Instead, the FBI and most of its largest corporate members spent the 1950s striving to demonstrate to university graduates that industry offered a wide range of intellectual challenges and rewarding career possibilities, including commensurate remuneration.

But economic growth also translated into staffing problems (shortages and high turnover) at the big employers such as the high street [or Big Five] banks. These problems were exacerbated by Labour's nationalization policies as well as their support and the growing power of unions across the economy. The launch of the 'Sputnik' satellite by the Soviets in 1957 was a turning point as it spurred the US and its allies into educational, military and political action. The Ford Foundation's initiatives are illustrative as they were also critical in the adoption of US-style management in the UK and elsewhere (Locke, 1984, 1989, 1996, 1998). These initiatives included an intense exchange of ideas through visits of directors (representing their firm, a trade association, or both) as well as promising talent from indigenous firms to learn first-hand of developments in the USA. Many of these visits were promoted and even sponsored by the Ford Foundation. But not all of them were. For instance, in 1948 Anglo-American Council on Productivity (AACP) was established. The AACP consisted of leading industrialists and trade unionists on both sides of the Atlantic and was financed by Marshall Plan aid. Urwick himself participated in the AACP activities related to management development in the late 1940s (Larson, 2003). "Fact finding" tours became a regular feature across most industries and western European countries by the mid 1960s.

Another result related to the efforts of the Ford Foundation was the establishment of clearing houses of business teaching case studies in the US (in 1961) and shortly after in Europe, namely Ireland, France, Germany, Spain, and Sweden in 1973, to merge into the European Case Clearing House in 1991 (Bátiz-Lazo, 2013, p. 187). These centres became a beacon to store and distribute what was to become the quintessential pedagogic tool for postgraduate education and a witness of how Europeans in general and British in particular embraced the American educational model in business and management.

Around this time Keith Joseph (1918-1994) returned from a tour of the USA, from which he developed an interest in US style business education. Joseph was a Conservative MP between 1956-1986, his appointments included state minister to the Board of Trade (1961-1962) and in 1957 he was Minister of Housing and Local Government. Joseph combined public office with the private sector as he was involved in the running of his family's housing and construction firm Bovis Holdings Ltd. Upon his return from the USA, Joseph established the Foundation of Management Education (FME) in 1960, by raising funds from private sources to support nascent university courses in management subjects. Joseph became FME's first chairman and remained involved in promoting US-style management for a very long time.

The competitive threat associated with the growth of US-based multinationals across western Europe in the post-war period at the same time that privileged access to former colonies ended for British firms further reinforced the need to learn about US management methods, techniques and thinking. But so did the end of military conscription. In Britain the demobilisation of between 5000 to 7000 officers (i.e. through Duncan Sandys' *Defence White Paper*, 1957) prompted a discussion at the FBI around the benefits of retraining officers for management positions (Larson, 2009).

Finally in 1961 a Committee on Higher Education or *Robbins Report* (1961-1963) was formed under Macmillan's Conservative government (1957-1963). Under the chairmanship of Lionel Robbins (1898-1984), whose family business was in agriculture while he grew to lecture in economics at the LSE and Oxford, the Committee's aim was to consider the changes in education "quite carefully" resulting from the enormous cohort born after the war. The committee heard and endorsed the FBI's view to create the first British business schools modelled after American examples. This view was shared by others and specially powerful individuals such as Lord William Rootes (1894-1964). When published in 1963 the Committee's recommendations led to the establishment of business schools in Manchester and London in 1965 as part of existing universities but with considerable autonomy. The first business schools in the UK were a "decisive turning-point in the history of British management education" (Wilson, 1992, p. 1).

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<sup>3</sup> It changed its name to Henley Management College (1981), was awarded Royal Charter in 1991 and in 2008 became part of the University of Reading.

All these developments associate and feed into the slow but steady end of the practice of appointing school leavers for in the job training. This change of attitudes to management training took place both within government and in industry. But these developments coincided with the expansion in the number of British universities with the establishment of, for instance, Warwick, Lancaster and Leicester, thus creating a bedrock for the adoption of US-style management within British industry.

### 3. Neo-liberalism

In 1981, the American academic Martin Wiener, published his seminal text *English Culture and the Decline of the Industrial Spirit*. In it, as the title suggests, Wiener posited that British industrial decline was caused by cultural as well as economic forces and that in the late 19<sup>th</sup> and early 20<sup>th</sup> centuries ‘a cultural reaction against the disruptive force of the industrial revolution “inoculated” the rapidly growing middle and upper-middle classes with values and attitudes resistant to economic innovation and growth’ (Wiener, 1981, pp. xv-xvi). Rather than promoting ‘industrialism, technology, capitalism and city life’, British national identity, aided in no small part by the public schools and Oxbridge, promoted ‘quasi-aristocratic lifestyles’. According to Wiener a consequence of this was that ‘industrial and technological careers remained decidedly inferior to that of careers in government or the professions’ and the outcome was ‘an economy less dynamic and a polity less supportive of economic development than would otherwise have been the case’ (Wiener, 1981, p. xvi). At the time of its publication, the central tenets of the Wiener thesis struck a chord within the ranks of the Conservative government: a copy of the book was even handed out to each member of the Cabinet by the government’s Education Secretary, Sir Keith Joseph (*The Economist*, 2001). In its condemnation of the death of enterprise culture – a term not used in the book but later coined by some of its Conservative admirers (Wiener, 1981, p. xvii) – Wiener’s thesis not only chimed with the emerging enterprise agenda of the 1979 Conservative government but provided an intellectual explanation for Britain’s decline as an economic powerhouse and added weight to the declinist interpretations of neo-liberals and Thatcherites. Thus, Britain’s pre-occupation with social class and the prioritisation of ‘classical’ education over (more) economically productive subjects including science, engineering and business explained why – unlike its major industrial rivals in France, Germany and Japan – the British business class was not afforded the same esteemed social status and thus failed to attract talented individuals. This phenomenon, coupled with excessive government interference in business and industry, and an overly powerful trade union movement, provided an explanation for the erosion of Britain’s standing as an economic power. Raising the status of business in British society was an important goal for industrial advocates of management education in the post-war era (Larson, 2003).

Drawing inspiration from the ideas of Adam Smith the central tenets of ‘Thatcherism’ drew considerably from the advocacy of limited government intervention in economic affairs and applied the central tenets of ‘free trade’ doctrine to late 20<sup>th</sup> century Britain. As an early ‘Thatcherite’ blueprint posited in 1977, British business would be stimulated by the ‘removal of unnecessary restrictions on business expansion, to encourage new firms and new work opportunities, rather than excessive pre-occupation with existing problem areas’ (Conservative Party, 1977). Encouraging enterprise and competition as a means of stimulating ailing British industries, neo-liberal philosophy was also seen by many prominent Thatcherites as a means of addressing a weak and ineffective management culture. Believing that negativity permeated ‘management-think’ in Britain, re-installing ‘competitive enterprise’ (Thatcher, 1976) provided the foundation for the development of a new and enlightened approach to management cultures and philosophies. However, the extent to which the central tenets of Thatcherism impacted on management practice and education merits far greater attention than it has hitherto received. While economic think-tanks including the Institute for Economic Affairs (established in 1955), Centre for Policy Studies (1974) and Adam Smith Institute (1977) were all engaged in promoting ‘enterprise’, business and management culture in one form or another, there was no clear sense of how this would translate to or transform management education models in the HE sector. While the Conservative party election manifestos all engaged to a greater or lesser extent with the enterprise theme, none of them specifically sought to address a management skills shortage. While the 1979 manifesto had discussed the need for British businesses to ‘stand on their own two feet’ (Conservative Party, 1979) and the 1987 manifesto called for the production of ‘highly qualified manpower to compete in international markets’ (Conservative Party, 1987), it was only the 1983 manifesto that directly called on Universities and Polytechnics to ‘generate new ideas and train a skilled workforce’ this was directed specifically at technology, science and engineering rather than business and management (Conservative Party, 1983).

In fact, there is little in Thatcher’s own papers or memoirs to suggest that she was a passionate advocate of business and management education, and rather than being an advocate of business education, Thatcher epitomised the traditional ‘in-house’ management ethic that had dominated British industry in the late 19<sup>th</sup> and early 20<sup>th</sup> centuries. As an advocate of what she described as ‘Victorian values’ – historians do take issue with her interpretation of the values she associated with the Victorian period (Evans, 1997) – Thatcher was more

inclined to see thrift, hard work and determination as the bedrock of a successful business. Brought up as the daughter of an entrepreneur – her father ran a modest but successful greengrocers in Grantham – she had witnessed the challenges facing small businesses at first hand. Despite later having direct experience of the world of businesses and management as a research chemist and through marrying a successful businessman, there is little doubt that her father's experience and world-view left a significant imprint on her view of private enterprise and entrepreneurialism. Put simply, Thatcher believed that it was less a lack of expertise in management principles, or the lack of an entrepreneurial appetite, that held back British business, much more the stifling bureaucracy created by post-war British governments. There is little evidence in her personal papers to suggest that she saw management education as a solution to the problem, particularly if it was delivered through the Higher Education sector. Although it would be unfair to suggest that Thatcher held a dim view of British Universities – she frequently acknowledged the world-leading research undertaken across the sector – she did believe that reform of the sector was long overdue if Britain was to become a world leader in education. In addition to a major overhaul of the sector – which ultimately led to the elimination of many polytechnic colleges and the birth of the 'post-1992' University - Thatcher wanted British Universities to become more entrepreneurial and to develop closer ties with the business sector. Before becoming Prime Minister, Thatcher had called for 'greater emphasis on the needs of industry in higher education'. Although this predominantly meant that the HE sector should focus more energy on developing science and technology streams, she also lauded the values of business studies programmes and heralded the rise of Business Schools as a developing area of FE and HE provision (Thatcher, 1974).

Later, as Prime Minister, one of the explanations for introducing tuition fees was that students would be more discriminating about the courses they chose and would be drawn to more vocational subjects, including business and management (Thatcher, 1993, pp. 598-9). But she was sceptical of the capacity of academics to develop business leaders because she believed that, too often, the theoretical and abstract intellectual debates lacked the capacity to instil the practical skills in the 'real world' of business. These were concerns echoed by leaders in the business community who questioned the relevance of management degree programmes (Harding, 2003, p. 73) and were consistent with those of academics who, in the 1960s, argued that 'management' could not be 'taught' in an artificial, classroom setting. In fact, Thatcher saw polytechnics, rather than Universities, as more useful laboratories for developing the skills required for management and business even if, by the end of the Premiership, she was concerned that 'Thatcherism in education meant a philistine subordination of scholarship to the immediate requirements of vocational training'. This was 'not my kind of Thatcherism' (Thatcher, 1993, pp. 598-9).

However, the major developments relating to enterprise and entrepreneurialism initially took place outside the academy, not within it and were facilitated by various government initiatives. Prior to the 1980s, policy initiatives targeted at small firms were limited (Fraser and Greene, 2004, p. 5). In the period between 1971 and 1981 a total of just 33 policy initiatives were launched (Fraser and Greene, 2004, pp. 5-6). But under the Thatcher governments, the number of initiatives tripled to over a hundred. These enterprise policies aimed to increase the quantity but also improve the quality of small businesses. Entrepreneurialism was encouraged and promoted in an attempt to increase significantly the number of individuals entering self-employment (Fraser and Greene, 2004, p. 6). Among these initiatives were 'Enterprise Zones' (launched in 1981), the Business Expansion Scheme (1983) and Small Firm Loan Guarantee Scheme (1981). Through the Enterprise Allowance Scheme (1982) over a million new businesses were established. Allied with these developments were concerted attempts to shift the non-pecuniary career preferences of individuals (Fraser and Greene, 2004, p. 6) through a series of programmes including the Technical and Vocational Educational Initiative (1983), Mini Enterprise in Schools Project (1983) and Youth Training initiatives including Training for Enterprise (1983). There is little doubt that these initiatives stimulated an appetite for business, entrepreneurialism and management and that UK Universities responded to these opportunities. It has been suggested that entrepreneurs optimism was higher in the 1980s than it was after Thatcher's left office in the 1990s (Fraser and Greene, 2004, p. 7; Thatcher, 1993).

By championing the virtues of entrepreneurship, free markets and the private sector, Thatcher's governments did influence the growth of business schools in the HE sector and individuals such as Keith Joseph and Lord (David) Young were key figures in pushing forward that agenda. Joseph had been a long-standing advocate of management education. Having toured the US on a Ford Foundation scholarship in 1957, he had been impressed by the quality of business education provision. That experience led him, alongside the businessman and Harvard MBA graduate John Bolton, to establish the Foundation for Management Education (FME) in 1960, a body that was established with the specific intention of expanding this field of study in British Universities (Denham and Garnett, 2001, p. 140; Larson, 2003, p. 5). Through the FME, Joseph had also influenced the Franks Report (1963) that advocated the development of management education along American lines. By the 1980s Joseph, now an influential advisor to the Prime Minister, wanted management principles instilled in the public sector and in sections of the civil service. Lord Young too was keen for Business Schools to provide practical advice for entrepreneurs and saw self-employment and the development of business acumen as a means of reviving the

failing regions of Britain like the north-east which, he believed, had become too reliant on state-controlled industries. In addition to supporting the development of Business Schools, Young was also keen to remove the shackles which restricted enterprise to 'let the animal spirits take over' (Guthrie, 2010).

As has already been suggested, Business Schools did not feature prominently before the Conservative party came to power in 1979 and were relatively small in size and number. But under the Thatcher governments this changed dramatically. During the 1980s there was significant expansion in the number of UK business schools and consequently the number of school leavers registering for degrees in Business expanded significantly as a consequence. As has been noted, there had been no business schools in the Britain until 1965 and grew steadily thereafter to 28 by the early 1980s (Ivory et al, 2006, p. 6). By 1985, there 47 institutions were granting postgraduate management qualifications (Larson, 2003). By the end of the 20<sup>th</sup> century, there were 120 business schools in the UK (Ivory et al, 2006, p. 6).

Similarly, the popularity of the Masters in Business Administration (MBA) degree programme also blossomed in the 1980s, becoming especially popular with aspiring management elites (Learmonth, 2013). Between 1959 and 1987 only one new MBA programme per year had appeared in the UK. Between 1987 and 1992, the figure grew to seven a year (Amdam, 2007, p. 594). The rise of UK business schools also attracted a considerable number of international students and helped push the boundaries of 'internationalisation' as a key performance indicator (KPI) for the UK HE sector. The London Business School in particular was lauded as the best business school in Europe by the end of the 1980s because of the internationalisation of its curriculum (Fragueiro and Michelini, 2014, pp. 39-69). So prominent was the international community in British Universities by the early 1990s that the Conservative party general election manifesto even celebrated the 'high percentage of foreign students' studying in British universities. Although seldom lauded as one of the successes of the Thatcher era, business education was heralded as one of the central components of the 're-skilling' of Britain. As early as 1987, Thatcher was arguing that 'the ability to manage, and the scope for enterprise have been restored to business managers and management has increased in efficiency and stature' (Thatcher, 1987).

It would be wrong, however, to view these developments as an endorsement for the central planks of Thatcherism. Although neo-liberal philosophies permeated the ranks of the civil service during the 1980s and became dominant in economics departments and business schools in the US, the HE sector that developed in the UK may well have entertained philosophies that were hostile to Thatcherite dogma. It has been suggested that the reform of the HE sector which led to a reduction in funding in the Humanities and Social Sciences, but an increased prestige in Business Schools, saw some academics with neo-Marxist leanings redeployed in the new Business Schools. Consequently, this inadvertently led to the emergence of business theories that were predominantly left of centre (Learmonth, 2013). Moreover, echoing the fears of Thatcher and a number of business leaders, the fear remained that business and management studies came to be studied and taught as an academic endeavour and that staff were recruited and promoted on the basis of their academic scholarship rather than their ability to engage with practical business problems (Ivory et al, 2006, pp. 8-9).



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