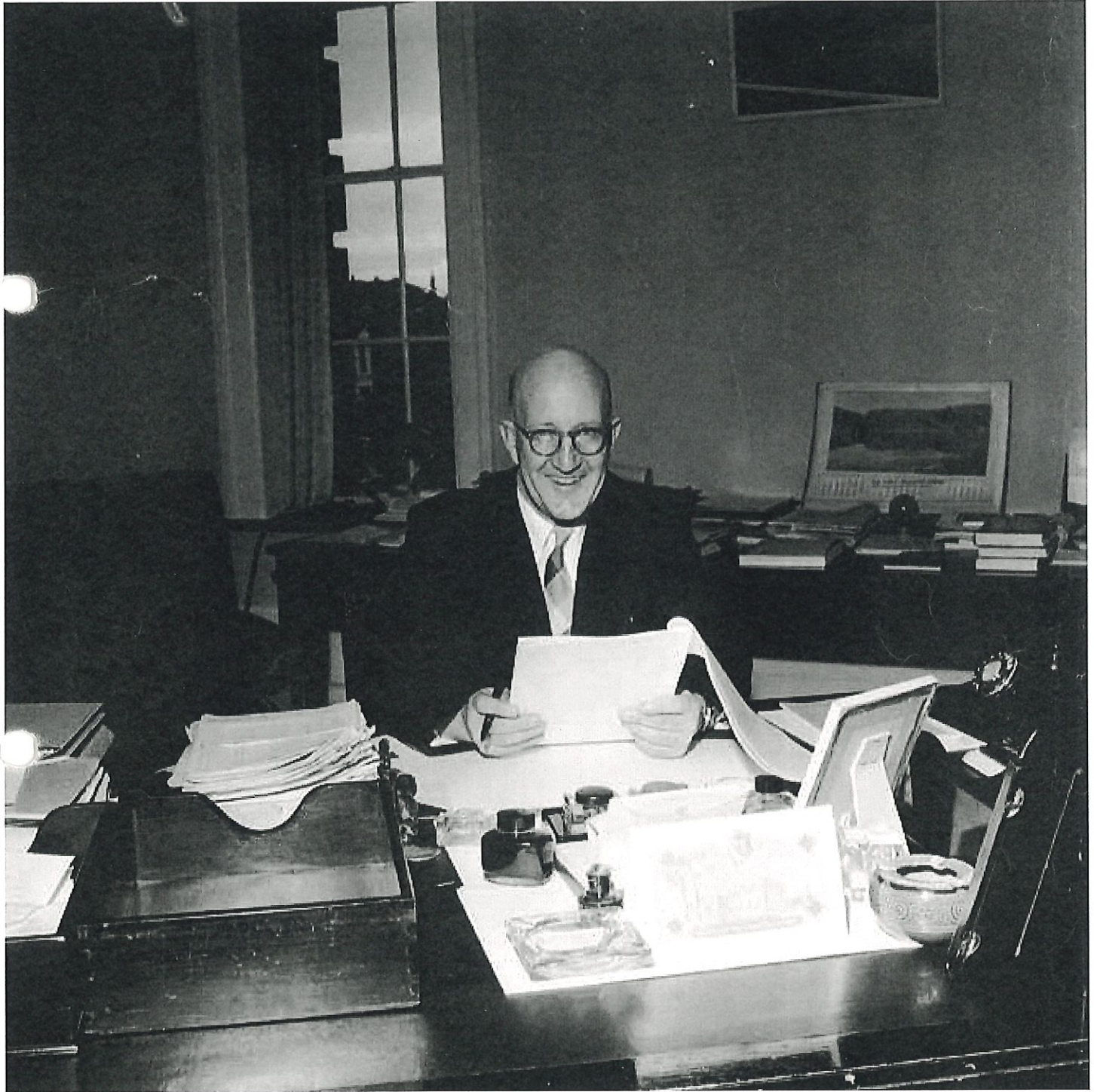


1958

Story: Balance of payments

Arnold Nordmeyer and his 'black budget'



The most famous balance of payments crisis in the second half of the 20th century occurred in late 1957. Arnold Nordmeyer was the minister of finance in the recently elected Labour government. He attempted to deal with the crisis by reducing demand for overseas goods through imposing additional taxes on cars, alcohol and tobacco. In a strict economic sense this was a logical response to the crisis, but politically it was a disaster and the Labour Party was saddled with the memory of

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Nordmeyer's 'black budget' for the next decade. Nordmeyer is shown here on 26 June 1958, just hours before delivering the budget.

About this item

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