(Martin, et al., 2015)

* Regional disparities in economic and social conditions have been an entrenched and persistent feature of the UK landscape since the middle of the 19th C
* For much of the postwar period the gov’t decided that regional disparities were undesirable and thus sought policies to reduce them
* The scale of the spatial imbalance in the UK has been increasing faster than any other major European country
* Relatively slow growing areas that fail to generate sufficient jobs for their residents tend to export their population to other regions through outward migration. Sustained outward migration, often by those who are most enterprising, qualified and skilled is ultimately very damaging to the economic potential and social cohesion of the origin regions
* Social disparities have widened over the last three decades
* The UK is now one of the most spatially centralised nations, politically, financially and economically in the OECD group. Now politically the limits of what can be achieved to address economic and social development within such a centralised and dysfunctional system are being recognised across the political spectrum
* The issue is not holding back the propsperous south but attempting to enable theother regions to realise their full economic potential. To do this they need proper and fair access to the public and private resources necessary to gain a ‘second wind’ of more sustainable growth and development
* What is needed is a reassessment fo the UK’s spatial political economy. Policy at this stage would be about undertaking a long-overdue spatial rebalancing of the nations institutional and governance architecture to spatially decentre the power structures that drive and manage economic growth and development. Unless we have a greater spatial balance in these structures, the national economy itself will remain unbalanced

(Gardiner, et al., 2013)

* The case for intervention by gov’ts to reduce uneven geographic development is based on social equity and economic efficiency
* Some contend that uneven geographical development may create higher rates of national growth through the exploitation of increasing returns due to spatial agglomeration of economic
* Between 1919 and 938 LDN and SE attracted 75% of all new manufacturing plants and LDNs dominance in service employment also increased. While most of the Norther cities struggled with problems afflicting the ‘old economy’
* It was not until the recession of 1979-82 the NS divide became a prominent issue. This appeared in unemployment rates and other economic and social indicators
* During the period of 19791-2010 both output and employment growth rates have different markedly between regions from the national average with a discernable N-S divide
* In terms of GVA and employment, the South has had a positive cumulative growth since 1971, whereas the North has had a negative cumulative growth since 1971. The south acquired a 26% cumulative growth output advantage over the North, along with a 20% growth advantage in Employment
* This can be though of as a result of the increainsg returns of spatial agglomeration of firms, as the more competitive a region’s industries, the faster the growth of demand for the products, increasing output and thus productivity, creating a reinforcing cycle
* No theoretical model suggests that such a concentration would be beneficial in the long term, some emphasizing the fact that if allowed to progress too far it may have negative consequences for national economic performance and welfare
* The model they develop shows the widening gap between the ‘South minus DLN’ on the one hand and the North on the other beginning to open up in the 1980s and the turnaround in growth performance of the LDN economy from the early 1990s onwards. The North continued to fall further behind in terms of output growtyh, suggesting that industrial structure and/or regional competitiveness in this part of the country has deteriorated over time
* Since the early 1970s the North has experienced a progressively adverse industrial structure in terms of its contribution to the regions growth perofmrnace relative to the national economy, accelerating through the 1990s and the long boom years until 2008. LDN’s industrial mix effect has been the mirror image of the North
* The competitiveness effect which measures the extent to which a region’s industries are growing faster or slower than those same industries nationally showed a deteriroration in the North in the early 1980s, recovering slightly up to 1994, deteriorating once again up until 2010
* The total differential for the North is -49.1%. If it had growth at the national rate it would have been £49bn richer in output terms. Between 1972 and 2010 a cumulative gap of almost £100bn opened up between the ‘North’ and ‘South’. Economic structure accounting for 40% competitiveness around 56%
* The gap between the North and the South has tended to widen during periods of national economic boom
* The UK has implemented some for of regional policy aimed at narrowing the economic disparities between the ‘North’ and ‘South’ of the country for almost 90 years. The fact that the divide is still a prominent feature of national economic lilfe, is a testament to the entrenched nature of the mechanisms and institutional structures that produce and reproduce it
* The social equity argument focuses on the belief that employment opportunities and incomes should not differ significantly between regions. The economic efficiency argument is that the persistent existence of underutilised resources in slower growing regions is economic inefficient and that measures to bring those resources into productive use would boost local employment and inocmes but also contribute to national economic growth. Also concentration of economic activity and population in one region may have had inflationary consequences where congestion effects and supply constraints put upward pressure on wages and land and housing costs, which pressure then diffuse across the national economy
* The 2008-09 crisis can be said to be explained by the spatial and sectoral balances in the UK. It is argued that national economic growth has been too dependent on and overly concentrated in the South of London, while Northern areas have lagged behind
* In the 19th C distinctive regional patters of industrial specialisation became a key feature of Britain’s economic landscape. These were largely export driven, based on industrial specialisms in which particular regions of the country had built up comparative and competitive advantages such as textiles in the NW.
* Adverse shifts in Britain’s world trade position, associated with the decline of the empire and the rise of major new competitors, combined with restrictive domestic economic
* policies and recessions in the 1920s and 30s imposed sever shocks on the industrial North, leading to rapid structural decline and the emergence of acutely high unemployment.
* The South did not suffer as much due to the development of advanced manufacturing that clustered in the South during this period and hence benefitted from the ‘new economy’
* The Barlow commission of 1940 was the basis for the 1945 Labour gov’ts introduction of a radical new regional policy system intended to promote a more balanced distribution of employment across the country.
* The report showed the North relied disproportionately on slow growing industries and that there was a concentration of economic activity in the South would eventually lead to congestion. Thus they should encourage fast growing industries to relocate in the slow growing regions. This underlied the new regional policy framework introduced in 1945 which survived until the 1970s.
* From the late 1940s to the mid 1970s, perhaps as any as 500,000 industrial jobs were diverted from the South to the North or Britain. However during this period the divergence between regions was not clearly seen
* It was not until the recession of 1979-92 that the N/S divide became evident through regional employment rates and other economic and social indicators.
* Some argued that the divide would be short lived as the economic growth in south would stimulate growth in the North eventually
* Area of economic depression and deprivation have been more numerous in the North, while those of prosperity have been more numerous in the South
* The change in the 1990s of industrial structure was said to have removed the divide by making the North’s industry similar to the South by removing the manufacturing industry and thus future shocks would be felt the same. However there was still a mix of service activity and this influences regional growth rates
* From 1971 – 2010 the cumulative differential growth paths in GVA and employment in the British regions show a clear North South Divide.
* It is clear that both output and employment growth rates have differed markedly across region and these have been consistent overtime.
* These regional imbalance have tended to widen more in recovery and boom phases
* By 2010, the five Southern regions have pulled ahead of the rest of Britain, meanly ahead of the Northern regions.
* By 2010 the South had acquired a 26% cumulative output growth advantage over the North of Britain and a 20% cumulative employment growth advantage

(UKCES, 2011)

* There is a lack of clarity and agreement on what rebalancing means i.e. exports, imports, private v public spending and there is also little formal articulation of the reasons behind why this is being undertaken and how it may be achieved
* Rebalancing in the UK has come to mean a wide variety of changes in the UK economy relating to its sectoral structure, shifts from pubic to private sector activity, difference in economic performance across spatial areas, and/or the balance between economic, social and environment considerations
* This wide meaning means that policy makers have to adopt a wide approach in integrating many different policy areas
* There is no common agreement on what an optimal balance may be and tehre is little evidence that such rebalancing can occur in the UK context.
* Evidence and economic data confirm that the ‘rebalancing’ challenge is a long standing one. Sectoral change over the last 40 years has been driven by globalisation and resulting market and technological change, and this will continue to the be the case
* There are significant tensions and trade-offs involved in addressing the rebalancing challenge, with potential negative feedback effects between the macro and the microeconomic ‘rebalancing’ dimensions as one intervention may have unintended consequences elsewhere
* The evidence has shown that the rationales for specific government intervention in support of rebalancing activity have generally moved towards the need to address the underutilisation of resources and improve the competitiveness of places, focusing on place-based growth rather than redistribution.
* Using evidence, the key overall conclusion is that sectoral and spatial imbalances matter where they constrain the ability of an economy to increase and realise its growth and development potential due to:
* Unemployed and underutilised resources that could be used more productively
* Sectoral imbalances can restrict growth if they cause underinvestment in technological opportunity and change, and constrain its dissemination throughout the wider economy
* Make economies less resilient to the increase shocks and uncertainties that come from globalisation
* Policies that are more likely to succeed are those that set the ground rules and direction for prompting the market and building enablers for growth. This is instead of tilting the playing field
* It is important to be realistic about the extent of rebalancing that interventions might actually achieve over the SR. Significant shifts will be required to reverse imbalances in the geographical distribution of economic activity that have been caused by deep-seated historical legacies handed down from one generation to the next.

(Ward, 2010)

* It is true that there are inequalities within as well as between regions but there remains a deep, long term, continuing divergence between the North and the Greater SE
* In the current economic climate the gap is likely to widen, with serious economic and social consequences. The North will disproportionately hit by spending cut losses with private sector growth unlikely to fill that void
* Rebalancing without adequate resources is unlikely to fill that void
* In the post-war period powerful economic trends have served to reinforce the concentration and centralisation of economic power and activity in LDN and SE:
* The continuing decline of the older manufacturing industries
* The growth of the service sector
* The deregulation of the City of LDN after 1986, along with LDNs consolidation as a world financial centre
* Despite the spatial or regional policy of national governments, there has been a steady flow of skilled people into LDN and its surrounding area
* It seems reasonable to conclude that economic and social conditions in the North would be worse if governments had not made continual efforts to redress the economic balance
* The origins of British regional policy lie in the experience of mass u/e in the traditional industry regions between WW1 and 2. Rising concern with the ‘distressed areas’ led in 1939 to the appointment of the Barlow commission on the distribution of the industrial population. This highlighted the drift of the population ot the SE. Thus they advocated the creation of a central authority concerned with industrial location
* The labour Gov’t of 1945-41 established statutory industrial location policies; balance remained on the policy of the conservative gov’ts between 1951 and 64. The tools for which varied over the years
* Since WW1 regional differences in the UK have proved to be stubborn, successive gov’ts have dedicated substantial budgets to reducing these differences but they have only mitigated the position

(National Audit Office, 2013)

* Central gov’t needs to ensure that sufficient capacity is in place both centrally and locally to oversee initiatives, and make sure that timescales are realistic and that accountability is clear. Departments need to manage the range of initiatives and find how to measure their success

(Armstrong & Taylor, 2000)

* In the late 1920s persistent overcapacity and high unemployment in Britain’s staple export industries led to unemployment black spots due ot the geographical concentration of those industries. The response was to set up the industrial Transference Board to transfer workers to find jobs. By 1938 over 200,000 workers have received financial assistance under this scheme, helping unemploymed move to areas where job opportunities were more favourable. Although this was relatively small in comparison to the size of the issue
* During the inter war slump the gov’t introduced the Special Areas Acts of 1934 and 37,although the aid was very small. This was the first bringing the work to workers rather than the workers to the work
* Regional policy in the UK has always had two problems:
* Successive government have tended to set multiple objectives for regional policy to achieve.
* There has always been a deep seated tension between economic and social objectives of the regional policy
* IT is far easier to measure the effectiveness of regional policy objectives that are expressed in quantitive terms. This means 1) numerical targets have to eb set for each objectives 2) the time period within which targets are to be achieved should be stated and 3) weights should be attached to each objective so that priorities can be determined

(McCann, 2013)

* Traditional regional policies attempt to improve the relative attractiveness of investment in less develop regions
* Local and regional development policy is not about drawing lines or zones on a map, but rather engaging with the complex interrelationship between institutions, geography, and economic development.

(McCann, 2016)

* The UK has gradually been centralising over the last 70 years or more, beginning with the post war establishment of the NHS, and greater centralisation occurred under Thatcher due to political reasons
* In terms of regional, urban and local development there is now widespread public concern that there is very high degree of national governance centralisation and that this may inhibit the ability of policy-makers to design and deliver public services and the provision of public goods that are tailored to the needs and preferences of local citizens
* The level of subnational governance activities associated with economic affairs or regional development is one of the lowest in the OECD
* The UK interregional inequalities are seen by many citizens as requiring a different form of UK governance system which may be better able to respond to these difference through ‘bottom-up’ initiatives
* The UK has the largest interregional variation in regional productivity of any OECD country, with variation on the level of 106% of UK average GDP
* The UK was already a very unequal economy back in the 170s when the N/S divide began to appear again, but these inequalities in economic vitality and living standards have increased dramatically since the mid-1990s

(Rowthorn, 2010)

* Considering the NUTS level 1 regions which have an average population of 5 million and are grouped into two broad areas of the North and South, each with populations of 25-30m
* He chose the NUTS1 regions as data on these regions are readily available and it is a simple matter to aggregate them into the broad categories of the North and South
* This also allows him to focus on important development in recent decades, namely the gradual shift in the balance of population and economic activity towards the Southern Part of Mainland Britain
* **Employment and Demography**
* The dividing line between the North and South is seen to run between the Rivern Severn to the Wash
* Although both areas have failing and successful parts, the South as a whole has been more dynamic than the North in recent decades. It has suffered less from the decline of manufacturing and mining employment, and it has gained a disproportionate share of the new jobs in such dynamic areas as financial and business services
* Taken together the North and South form a system which exemplifies what in another context has been called ‘combined and uneven development’
* Total employment in the North reached an all-time peak of 12.8M in 1979, then falling sharply in the industrial slump of the early Thatcher years. This was followed by an irregular recovery, and by the turn of the century the number of people employed in the North was still slightly below the level achieved in 1979.
* Over the same period, 2.5m extra jobs were created in the South, where the industrial slump was less severe and the subsequent economic recovery was much stronger
* The contrasting employment experience of the two areas is mirrored in the behaviour of migration and population
* **Structural change – North and South compared**
* He presents no maps
* The relative de decline of the North has been masked by the rapid growth of public expenditure in this area. This expansion will not be repeated and future job creation in the North will depend primarily on what happens in the Northern private sector, above alls on its ability to produce tradeable goods and services
* The share of the North in private sector tradable has been falling for some decades and this trend looks set to continue, although more slowly in the past
* There is some way to go before the northern population catches up with the decline in its export base that has already occurred
* If there is a highly restrictive immigration policy, the declining share of the North may be accompanied by a fall in absolute numbers, driven partly by a resumption of net migration from North to South – either way the result will be a migration driven increase of population in the South. Such demographic changes are likely to prove unpopular and they may eventually provoke a political reaction and redoubled efforts to rebalance economic development in favour of the North. How successful they will be is unclear

(Bambra, et al., 2014)

* There are large and longstanding geographical inequalities in health in England
* Between 2009 and 2011 people in Manchester were more than twice as likely to die early (455 deaths per 100,000) as people living in Wokingham (200 deaths per 100,000 people)
* For the past four decades, the North of England has persistently had higher all-cause mortality rates than the South of England and the gap has widened over time
* England has some of the largest regional inequalities in health in Europe. The scale of the divide is such that the life expectancy gap between the poorest English regions – the NE and NW – and the richest – LDN and SE – was similar to the gap between the former West Germany and post-communist East Germany in the mid-1990s. What the history of reunification in Germany shows is that these regional differences can be addressed
* The root of this gap is largely acknowledged to be economic i.e. differences in GVA and employment. But there is also a political element to this with England having one of the most centralised political systems in Europe
* The English experience, and the comparison with Germany, illustrates the need for both national solidarity and greater local self-determination in addressing a problem of this scale and persistence. The question is whether England also has the will for such unification

(Hacking, et al., 2011)

* In recent years the UK government has set performance targets for reducing geographical inequalities in heath, specifically between local authority or primary care trust areas, and has encouraged both to reduce their internal equalities
* Plotting this in 9 regions, each Southern region has significantly better mortality and life expectancy at brith than the average for England, and each northern region has values that are significantly worse than the average for England.
* The persistent north-south divide in helath in England has posed a public health challenge, as well as a political and economic challenge to successive governments
* The north-south divide all cause mortality has been both substantial and persistent over the past four decades since 1965 in England, average 13.8% excess deaths in the borth compares with the South

(Copeland, et al., 2014)

* For the past four decades the North of England has persistently had higher all-cause mortality rates than the South of England and the gap has widened over time
* People in the North are consistently found to be less healthy than those in the South across all social classes and amongst men and women
* Whitehead and Doran suggest that this geographical health divide can be explained by social and economic differences, with the North being more deprived than the South
* This paper finds that the longstanding health divide in the UK reduces during a recession as measured by self reported ‘not good health’. Although they also find that the North has consistently greater levels of poor health than the South, even during recessions (those of 1990/91 and 08/09)
* Further research that uses more objective health outcomes (such as mortality data) that could examine the longer term effects would be beneficial

(Moller, et al., 2013)

* This study estimates the impact on mental health problems and limiting long-term illness and mortality in England of current unemployment and a rise in rates of unemployment
* They show that greater unemployment is associated with an increase in premature deaths, mental health problems and limiting long-term illness. This suggests that differential unemployment rates exacerbate geographical health inequalities
* Previous research shows that social protection can mitigate the negative health effects of unemployment
* Lower qualified workers and young people are more strongly affected by unemployment

(Johnston & Pattie, 1989)

* They consider the spatial patterns of voting in the 1979, 1983 and 1987 election and suggest that spatial location, rather than social class, determines your voting preference more than it did before
* The results they present provide clear evidence that over the period 1979-1987 votes in GB have been increasingly influenced by their local environment
* What this suggests is that the changing electoral geography of GB is lined to the changing economic and social geography because people in the relatively prosperous areas are more likely to vote for the incumbent government than those who live in the areas where revival has yet to come (if it ever does). This individuals perceived the national message presented by the parties, relative to their local circumstances

(Duranton & Monastiriotis, 2001)

* Numerous studies have shown that income inequalities across European regions are large and persistent, but while cross-country inequalities have been declining, within country inequalities have been rising in the last 15 years
* There results suggests than when controlling for the composition of the labour force (which job they have), regional inequalities caused by differences in returns to labour market characteristics have decreased significantly, while at the same time the differences in the composition of the labour force have become more accentuated i.e. more experienced workers in higher paying professions are increasingly concentrated in London
* Overall education accounts for 147% of the increase in regional inequalities
* They admit that their analysis only takes place at the regional scale for which the 1980s and 90s have also seen a marked pattern of rising inequalities within regions – this research must be extended for other important issues such as health or the educational attainment of youngsters

(Anyadike-Danes, 2004)

(Blackaby & Manning, 1990)

* The concept of a gulf between a prosperous, high-wage low-unemployment South and a depressed, low-wage, high-unemployment North has a considerable history
* These trends appear inconsistent with neo-classical competitive equilibrium theory which suggests labour and capital flows should eradicate these differentials
* Although actual net regional migration flows are generally in the anticipated direction, they appear insufficient to influence wage and unemployment differentials significantly
* Earnings differ across regions, although part of this is explained by the characteristics of the regional workforce
* The endurance of regional wage and unemployment differentials questions the significance of competitive labour market theory, which predicts their disappearance through actual or potential migration of labour and capital

(Martin, 1988)

* In the 1980s a debate broke out whether the country had become a ‘divided nation’, a society split between rich and poor, between unemployed and the employed, between those communities entrapped in impoverished inner-city areas and those living in comfortable suburbia and ex-urbia, between one nation residing in a depressed ‘north’ and another in a much more prosperous ‘south’
* The debate is not just over the existence or significance of local disparities, which can be found everywhere; the issue is also that these local disparities map out and form part of a broader ‘north-south’ geography of socio-economic inequality, and that this regional divide has become an increasingly prominent feature of British society
* The traditional view of the North-South divide was that emerged during the inter-war and post-war period, while there is also significant evidence that although the North was the manufacturing powerhouse of the UK prior to the war, it still had higher unemployment and lower wages even before the wars due to their inherent vulnerability to the trade-cycle. Meaning that the SE was ahead of the rest of the UK from as early as 1850
* The effect of the economic climacteric of the 1920s and 1920s was to consolidate the dichotomy between the N and the S. The impact was three-fold: in the ‘industrial periphery’ the structural collapse of the coal mining and associated heavy engineering sectors was superimposed on that area’s long-standing slower growth in manufacturing; the heartlands share of national manufacturing employment reached a peak in the 1920s and thereafter started to decline, as a result of a relative deceleration in industrial growth in the NW and York-Humbersie, while the South’s share began to rise sharply as it begand to benefit from the development of the new engineering and consumer goods sectors that the older regions of the ‘industrial north’ proved unable to attract or generate any significant scale sufficient to redress the decline of the 19th C stape industries; the SE’s pre-existing monopoly position as a financial and banking centre emained intact
* Since WW2 the pattern of regional development has had two dominant characteristics: a progressive concentration of economic activity and employment in the S and E and a progressive growth and extension southwards of a relatively depressed North (8)

(Keeble, 1990)

* VAT registration data reveals that recent growth in new and small businesses has been distributed unevenly between regions, and particularly with regard ot the North-South divide
* New growth in numbers of new and surviving businesses (All industries and services) was much greater and faster in Southern than in Northern Birtain
* 60% of the total national increase occurred in South West, East Anglia, Greater LDN and the Rest of the SE, while Scotland, North, Northern Ireland and Wales accounted for only 15% of the national increase, rising to 25% if NW and Yorkshire/Humberside are included