Geo Factsheet



Number 44

Regional Inequalities In Britain

This subject is very frequently examined at A Level. There are four key elements:

- 1. What is the nature of regional inequality in Britain?
- 2. Why are such regional inequalities a problem?
- 3. What schemes have been used to address them?
- 4. How successful have these schemes been?

This Factsheet will summarise the nature of regional inequalities in Britain. A second Factsheet will evaluate the negative consequences of regional inequalities and the success or otherwise of the policies which have been used to redress them.

Traditionally, geographers and economists have spoken of a North/South divide, with a boundary drawn as a line between the River Severn and The Wash (Fig 1). The South has long been considered the affluent half of Britain, containing as it does the capital with its concentration of governmental and corporate power and also a dense concentration of affluent new towns and country towns which have benefited directly and indirectly from the boom in producer services, business services and high-tech industries, for example along the M4 corridor. In the North there are cities still struggling to recover from deindustrialisation and the huge decrease in manufacturing production which occurred in the 1970s and 1980s. Many geographers believe that this crude division is far too simplistic; parts of **Cornwall**, for example, have local unemployment rates which nearly match the worst unemployment rates of areas of **Scotland** or the **North-East**.

There is also disagreement about how regional inequality should be measured. Traditionally, criteria such as unemployment rates, migration patterns and levels of investment have been used, but it can easily be argued that criteria such as house prices, levels of ownership, crime rates, school staying-on rates, car ownership rates and mortality rates are just as valid indicators of affluence or deprivation (Table 1).

Fig 1. The North/South Divide



Table 1. Indicators of regional inequality

Indicator	Uses or Problems
Employment Rate	Definition of unemployed can be controversial: How should part time workers be counted? Do the people who have taken premature retirement count as unemployed? Do people on Government Training Schemes count as unemployed? Statisticians usually concentrate on male unemployment but social changes throughout society are making this bias seem illogical.
Migration Patterns	Accepted as a reliable indicator because people are assumed to be able and prepared to move from one region to another in search of work. However, migrants are not representative of the whole community they leave - they tend to be younger, more self-sufficient and better educated. Recent studies have also shown that many migrants do not move in search of work. The time between successive measurements is usually 5 or 10 years, during which time many short-term migratory patterns have been missed.
GDP per head	Increasing income does not necessarily mean increasing wealth. As GDP increases, quality of life may suffer as, for example, pollution increases.
Crime Rates	The major differences are between urban and rural areas within a region rather than between regions.
Household Tenure	The British population has an unusually strong desire to own their own home and this is therefore deemed to be a good indicator of regional prosperity. Factors such as the Conservative government's 'Right to Buy' policy need to be taken into account.
Mortality Rates	Standardised mortality rates calculate death chances which are independent of age. SMR is simple to calculate but provides an indicator of a complex set of variables including lifestyle, income levels and health. There is a strong correlation between SMR and other indicators such as availability of work.

Some of the most important indicators will now be analysed in more detail.

1. Unemployment

The unemployment gap narrowed in the early 1990s because recession hit the South harder than the North. Many economists believe that this **regional convergence** in unemployment rates signalled the end of the North/South divide. However, the gap has now begun to widen again and, by 1997, the South East and South West had the lowest unemployment rates and the North East had the highest (Table 2)

Table 2. Unemployment by region

	1992	1995	1997
N.East	11.8	11.4	9.8
N.West & Merseyside	10.1	9.0	6.9
Yorkshire	10.1	9.0	6.9
E. Midlands	8.8	7.5	6.3
W. Midlands	10.7	9.0	6.8
Average	10.3	9.2	7.3
Eastern Co	7.7	7.5	5.9
London	12.0	11.5	9.1
S. East	7.8	6.4	5.2
S. West	9.1	7.8	5.2
Average	9.1	9.2	4.1

High rates of local unemployment remain in areas which are still suffering from deindustrialisation, e.g. Glasgow - which in 1997 had the highest unemployment rate in the whole of the UK - along with Merseyside, Clydeside, Mid Glamorgan, North East England and South Yorkshire. However, many inner London Boroughs also had very high local rates of unemployment. The M4 corridor is an employment 'white spot', where all counties have 80% or more economically active adults in employment. Similarly, those English counties which have remained predominantly rural also have low unemployment rates.

However, the major determinant of whether an individual who wants to gain employment *will* gain employment is not where they live but whether they have skills and education - individuals with no qualifications are much more likely to remain unemployed for long periods.

There are also large regional differences in the proportions of 16 and 17 year olds stopping on at school. The areas with very low staying-on rates - east London, the Black Country, the north East and many urban areas in Scotland, also have very high unemployment rates. The great majority of the lowest 'stopping on' rates are in Scotland. Similarly, in terms of GCSE success, there still appears to be evidence of an approximate north/South split. Here, the indication is that educational attainment is greater North of the divide. However, the dramatic negative effect of London can clearly be seen; the percentage of sixteen year olds attaining five or more GCSE A-C grades is higher in the South East, South West and Eastern Counties than in any of the northern areas. It is also worth noting that, in every region, girls are out-performing boys.

Table 3. Education - Percentage gaining five or more GCSEs

	Male	Female
N.East	34	43
N.West and Merseyside	39	48
Yorkshire	35	43
E. Midlands	38	47
W. Midlands	37	46
Average	36	45
Eastern Co	43	53
London	38	47
S East	46	56
S West	45	55
Average	34	42

GDP per head

Between 1985 and 1995, London had the highest GDP per head, being an average 25% above the UK average. The South-East and Eastern regions also had above average GDP per head (Table 4). However, as previously noted, GDP is only a summative measure of all the economic transitions which have occurred and high GDP/head in a region does not necessarily mean that average personal incomes are high.

Table 4. GDP/head by region (1995) (UK Average = 100)

N.East	86
N.West and Midlands	91
Yorkshire & The Humber	90
E. Midlands	98
W. Midlands	95
Eastern Co	108
London	123
S.East	111
S.West	95

3. Household tenure

Over the last 20 years, there has been a dramatic increase in the percentage of homes which are owner-occupied. This is partly due to the Conservative government's 'Right to Buy' initiative which allowed Council tenants to buy their previously rented house at a subsidised level. There is no clear North/South split between ownership or renting and house prices and costs of renting tend to be highest in the increasingly gentrified inner cities.

Table 5 shows the regional variation in average house cost. Although there is a discernible North/South difference, this hides the disproportionate expense of housing in London which, in 1996, was 80% higher than the average in the North. The value of a house is also used to determine the amount payable as Council tax, the lowest band being A, the highest H. Table 5 reveals some strong inter-regional differences.

Table 5. Average dwelling prices by region, 1996

	First-time buyers	Other	All buyers	% of dwellings in Council Tax Bands A - C
United Kingdom	48.7	91.2	70.6	
N. East	36.1	68.2	51.0	88
N. West	41.6	76.9	57.6	81
Yorkshire & the	39.9	74.3	55.9	83
Humber				
E. Midlands	40.9	76.7	58.9	81
W. Midlands	44.8	83.2	64.3	78
Eastern	50.9	92.5	73.4	64
London	67.2	123.0	94.1	44
S. East	58.4	108.6	87.6	51
S. West	49.4	82.6	68.0	66
England	50.1	93.0	72.2	68
Wales	42.0	69.6	54.9	na
Scotland	37.7	76.1	56.7	na
Northern Ireland	34.9	63.0	47.7	na

Table 6 provides data on household overcrowding, where overcrowding is defined as more than 1.5 persons per room of the house. Inner London and Clydeside show that this is mainly an urban problem and one that is related to the age of the housing stock.

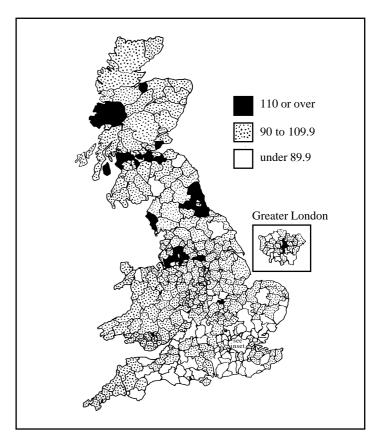
Table 6. Districts with the highest levels of overcrowding and average dwelling size (1991)

District	% Households overcrowded	Average rooms per household
Tower Hamlets (Inner London)	11.1	3.93
Newham (Inner London)	7.6	4.47
Hackney (Inner London)	7.5	4.06
Monklands (Strathclyde)	7.1	4.29
Brent (Outer London)	6.7	4.54
Glasgow (Strathclyde)	6.1	3.83
Motherwell (Strathclyde)	6.0	4.23
City of Westminster (Inner London)	5.7	3.73
Inverclyde (Strathclyde)	5.6	4.25
Slough (Berkshire)	5.5	4.61

4. Mortality

The standardised mortality ratio (SMR) is an age-adjusted measure of mortality likelihood. This allows comparison of people's chances of dying in different places, irrespective of their age. An SMR greater than 100 means that people in that particular area have a greater than average chance of dying. This can be seen from Fig 2. Individuals who live in the South and South-East have the least chance of premature death whilst the greatest chance of premature death occurs amongst individuals who live in cities in northern England and in Scotland. In other words, where you are born has a great effect on how long you will probably live.

Fig 2. Standardised mortality ratio 1991



5. Migration

In 1996, England and Wales experienced net growth through inmigration, while Scotland and Northern Ireland experienced net outward migration. London continued to lose population, the South East and South West experienced most gains (of 29,000 people). Within England, London has experienced the greatest fall in population but the South East and South West grew in population as a result of net in-migration. Migrants tend to be disproportionately made up of mobile, self sufficient individuals. Thus, given that the northern regions are losing such individuals to the South, it may be that this also represents a loss of skills, entrepreneurial ability and spending power.

Some economic geographers have claimed that the North: South divide no longer exists. However, in terms of indicators such as unemployment, educational attainment, household values, household quality and mortality there are wide regional differences. The next Factsheet will critically examine the consequences of such differences, both for the prosperous regions and those which are deprived.

Acknowledgements: This Geo Factsheet was researched and written by Cath Brown

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