

The Case for a More Balanced Approach to Spatial Economic Growth and Development Policy in the United Kingdom

Policy Intervention with the Regional Studies Association

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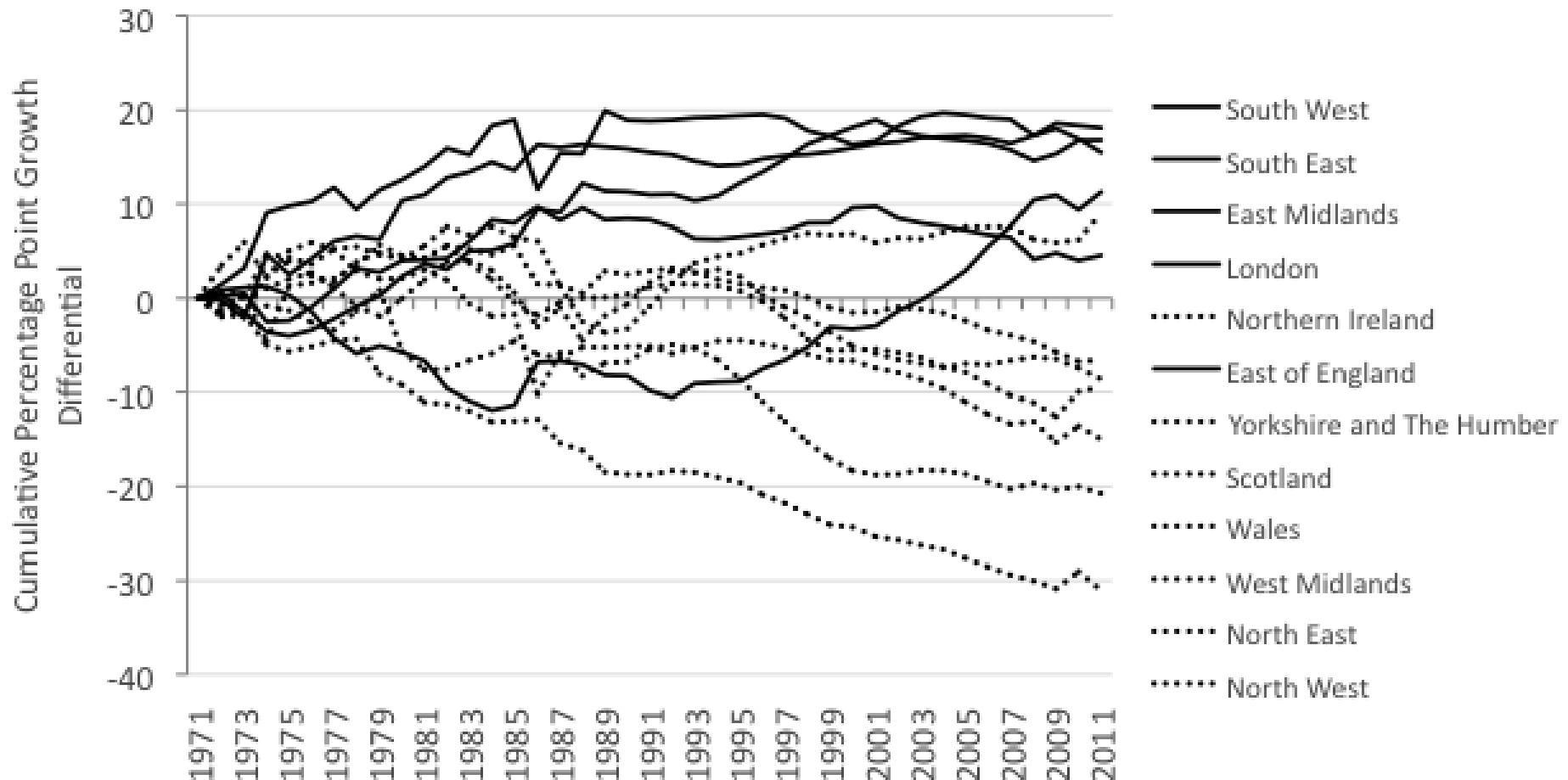
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“Our economy has become more and more unbalanced, with our fortunes hitched to a few industries in one corner of the country, while we let other sectors like manufacturing slide. Today our economy is heavily reliant on just a few industries and a few regions – particularly London and the South East. This really matters. An economy with such a narrow foundation for growth is fundamentally unstable and wasteful – because we are not making use of the talent out there in all parts of our United Kingdom...it doesn't mean ignoring London...but it does mean having a plan to breathe economic life into the towns and cities outside the M25...”



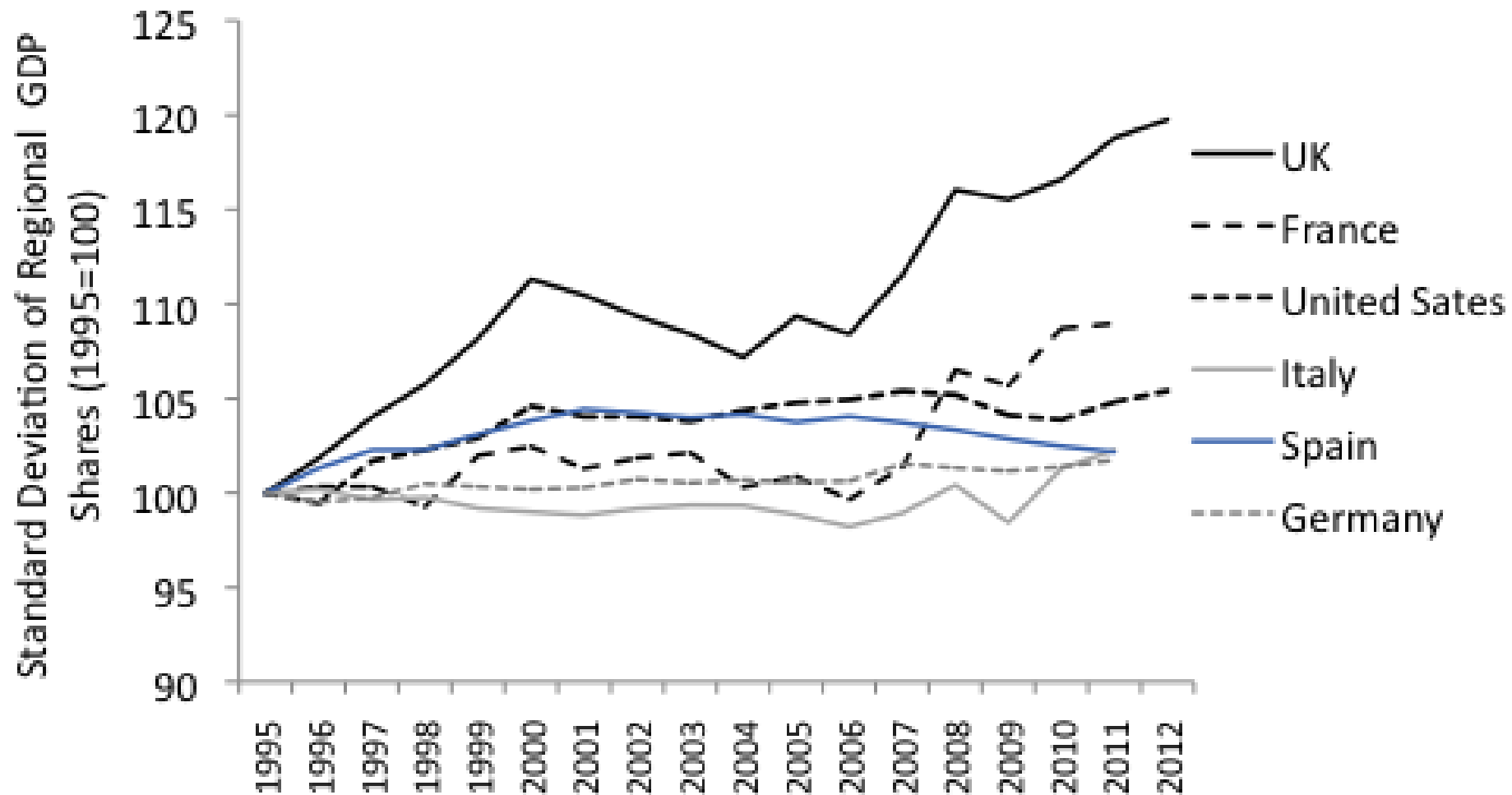
Source: Cameron, D. (2010) Transforming the British economy: Coalition strategy for economic growth, Transcript of Speech, <https://www.gov.uk/government/speeches/transforming-the-british-economy-coalition-strategy-for-economic-growth>

Regional Cumulative Percentage Point Differential Growth Gaps of GVA (2005 prices), 1971-2011



Source: Cambridge Econometrics

Spatial Imbalance in the UK and other Major European Countries Compared, 1995-2012



Source: Cambridge Econometrics

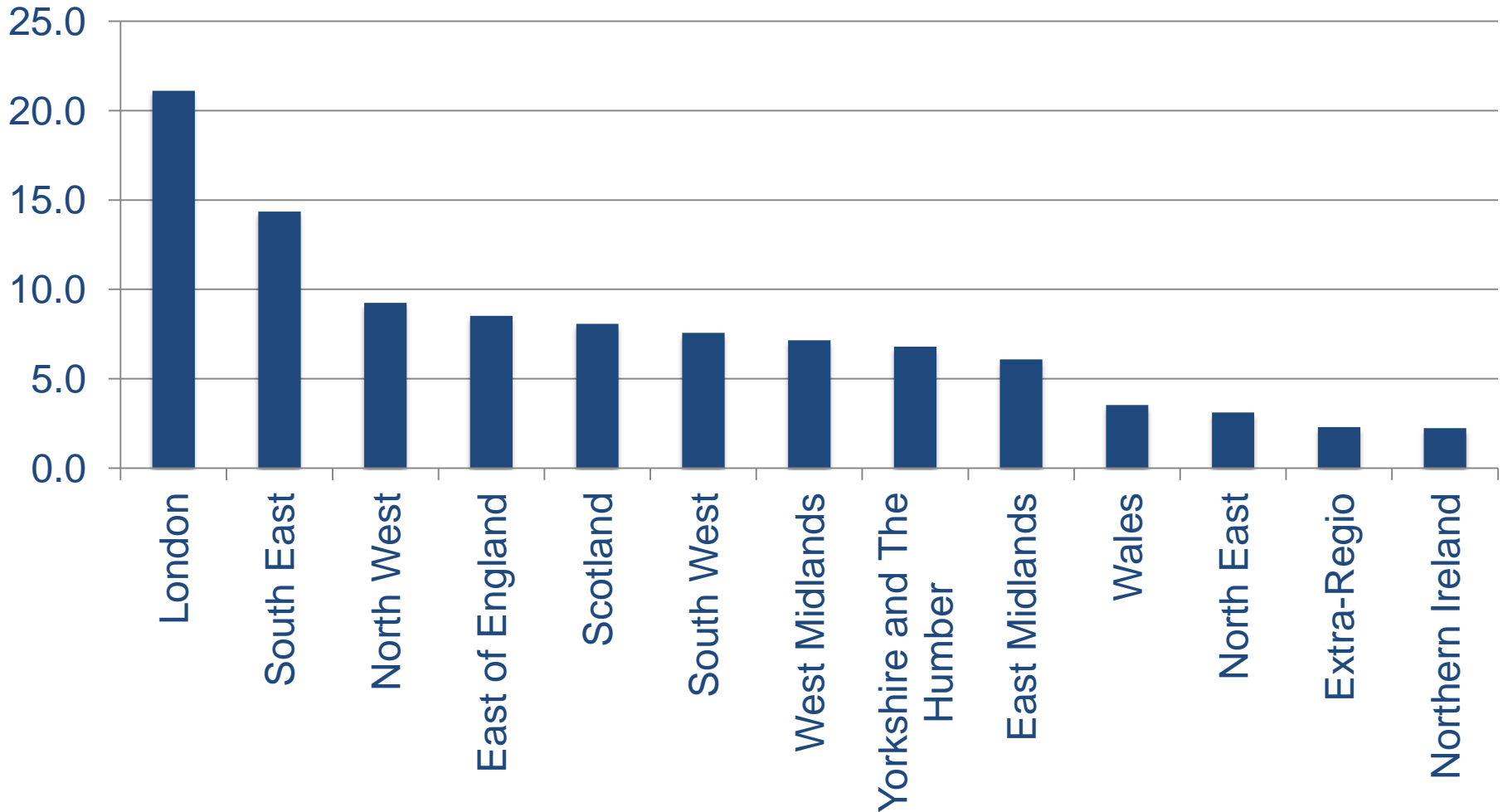
Total identifiable expenditure on services by country and region per head in real terms, 2011-12*

	2011-12 out-turn (£)	Index (England = 100)
London	9,757	113
North East	9,530	111
North West	9,319	108
Yorkshire and the Humber	8,667	101
England	8,618	100
West Midlands	8,524	99
South West	8,294	96
East Midlands	8,105	94
East	7,902	92
South East	7,679	89

* Real terms figures are the nominal figures adjusted to 2012-13 price levels using GDP deflators from the Office for National Statistics (released 27 June 2013).

Source: Calculated from HM Treasury (2013: 117, Table 9.4) Public Expenditure Statistical Analysis 2013, Cm 8663, The Stationary Office: London.

Shares (%) of total GVA by NUTS1 region, 2011



Source: Calculated from ONS (2012) Regional Gross Value Added (Income Approach), December 2012, http://www.ons.gov.uk/ons/dcp171778_291684.pdf, Accessed: 2 July 2014

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Panel Debate

Ben Harrison (Centre for Cities)

Richard Kenny (Birmingham City Council)

David Marlow (Third Life Economics)

Jacqui Ward (Department of Business, Innovation
and Skills, UK Government)