Social Macroeconomics

Working Paper Series



Socio-political consequences of regional economic divergence in Britain: 1983-2018

January 2021

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Working Paper. Comments welcome.

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2nd December 2020

Socio-political consequences of regional economic divergence in Britain: 1983-2018

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Abstract:

Regions and nations of Britain have become still more economically divided in recent decades. This is sometimes supposed to have led to misery, distrust and political alienation in poorer regions, which might accordingly have developed more left wing, pro-welfare and authoritarian attitudes. This paper assesses the extent to which social and political attitudes in different regions and nations of Britain have indeed become more polarised, in line with regional economic divergence. Our analysis is primarily based on the British Social Attitudes (BSA) survey series, which started in 1983. Keeping Scotland separate, within England and Wales we find broad North-South regional economic divergence, especially with respect to London, but surprisingly little sign of corresponding divergence on a wide variety of social and political attitudinal measures, including happiness, interpersonal trust, political trust, political engagement, economic values, liberal values and party support. There have been only slight tendencies for worsening self-reported health outcomes and greater political alienation in the North relative to the South, but also some convergence on economic left-right attitudes and party support. One possible reason for the absence of much North-South socio-political divergence is that greater prosperity in the South may have been a mixed blessing, as greater income growth has been accompanied by intra-regional inequality and higher cost of living. While there has been remarkably little change in broad North-South socio-political divides over the past forty years, in various respects both London and Scotland have followed distinct trajectories.

Key words: economic inequality, regional divergence, Britain, health, happiness, interpersonal trust, political trust, political alienation, party identification, party support, political values, public opinion.

Acknowledgments: This research was supported by a grant from the Social Macro hub of the ESRC NIESR Rebuilding Macroeconomics initiative. The authors are very grateful to various people for useful comments and suggestions in the development of this research, including Ben Ansell, Alex Betts, Paul Collier, John Curtice, Danny Dorling, Philip McCann, Rob McMahon, Sergi Pardos Prado, Lindsay Richards, and participants at the European Political Science Association 2020 panel where a previous version of this paper was presented.

Introduction

One of the most important post-war economic developments in Britain has been a widening of regional disparities, particularly between the North and South. In the 1970s and 1980s this was primarily driven by a decline in manufacturing and other industry, which had a greater impact on the North. In more recent decades the North-South divide has been expanded by the success of London in the South as a global city, attracting both financial and human capital (Collier 2018). As well as an economic divide, there are North-South divisions on life-expectancy, premature death, morbidity, height, diet, smoking, alcohol consumption, exercise and various other health, and causes of health, outcomes (Dorling 2011; Dorling & Thomas 2016). With economic and physical health divides also come North-South divides on aspects of mental health (Baker 2019).

This paper considers how much these North-South divides extend to various social and political attitudes. Do people in the South feel happier and healthier than those in the North? Does living in the more prosperous South make people more trusting of one another, and in the political process? Are those in the North more politically disengaged and alienated as a result of their worse economic circumstances? Are Northerners more in favour of welfare spending and redistribution? Has greater prosperity led to more liberal attitudes in the South? And to the extent that there are North-South divides on any of these outcomes, have they widened along with the regional economic divergence?

On a political level there is immediately a puzzle. In the 1980s the economic divide was coupled with a political divide between a poorer Labour voting North and a more prosperous Conservative voting South. But by 2019 the richest region, London, had become the most Labour voting and the North-South partisan gap was at its narrowest in over four decades. Why has this partisan divide narrowed, and in London's case reversed, while the economic divide has widened?

Perhaps part of the explanation is that rising prosperity in London has been a mixed blessing for the South. Incomes there have increased far faster than in the North, but mainly at the top of the income distribution, leading to more within-region inequality which may have had negative social consequences (Wilkinson & Pickett 2009). Also, not all economic indicators show regional divergence. The North-South divide on unemployment has narrowed as unemployment had declined in recent decades overall.

Our attention in this paper is primarily on the broad North-South divide. Here the North includes Wales and the English Midlands as well as the Northern regions of England. This commonly used North-South split of England and Wales is artificial, and hence our use of capital letters. It is justified partly because the economic and socio-political developments we will be discussing are typically similar for Wales as for the regions in the English North and Midlands. By contrast, developments in Scotland have been quite distinct, so that nation is analysed separately. The South includes the Government Office Regions of the South West, South East, London and the East of England and before the 1990s their historical predecessors. However, our graphs also show developments for London and the Rest of the South (that is the South excluding London) because there are often stark differences to highlight. These groupings of regions and nations capture the main sources of variation in Britain and so they facilitate identification of the main patterns and developments.

This paper has four central sections. First we show and discuss the main regional economic developments in Britain, where possible since at least 1983. We then review previous research suggesting effects of regional economic circumstances on socio-political outcomes, identifying the main mechanisms and possible outcomes for Britain. The third central section explains the nature of the British Social Attitudes (BSA) survey and other data, and the methodology we use to identify regional developments in socio-political indicators. We then present and discuss a series of graphs showing those developments. The paper does not include any regression analysis of the regional panel data to estimate causal effects, which we leave for future research. The final section concludes with an analysis of the broad patterns in regional economic and socio-political developments, and what they suggest might be the main issues for further investigation.

Regional Economic Divergence in Britain

Figure 1 presents estimates from Geary and Stark (2016) of regional GDP per worker from 1911 to 2001, along with ONS (2019) figures for gross value added using the income approach since 2001. The estimates are plotted relative to the UK average (benchmarked to 100). The two series are not strictly comparable as can be seen from the gaps between them in 2001, but the discrepancies are not so great as to obscure the pattern of change. Whilst the North-South divide is more than a century old, Figure 1 reveals how the first half of the 20th century was characterised by declining regional inequality with greater growth in the poorer regions. Since the 1970s, North-South inequality in productivity worsened. largely as a result of greater relative growth in London. The North-South divergence was exacerbated by Thatcherite policies in the 1980s, and by later governments (Martin 1988), with regional inequality increasing as a result of globalisation, technological advancement, and a decline in collective bargaining (Kenworthy 2007). Following the 2008 financial crisis, London has been in relative decline, but the scale of pre-crisis growth there means that London's GDP was in 2015, at 22.7% of national output, still well above the corresponding level of 18.7% in 1997 (TUC 2017). The regional economic divergence in recent decades in Britain has been among the greatest in developed countries (Kenworthy 2007; Smeeding 2005; McCann 2019) and inequality between regions is as marked as it has ever been Britain (McCann 2016).

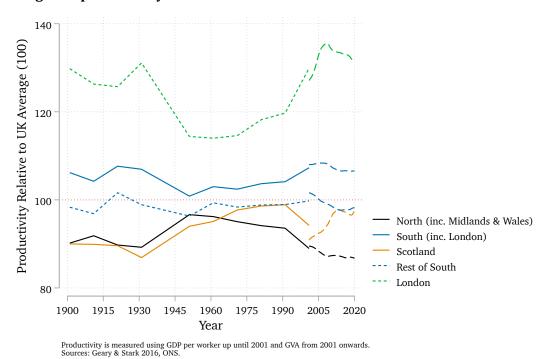
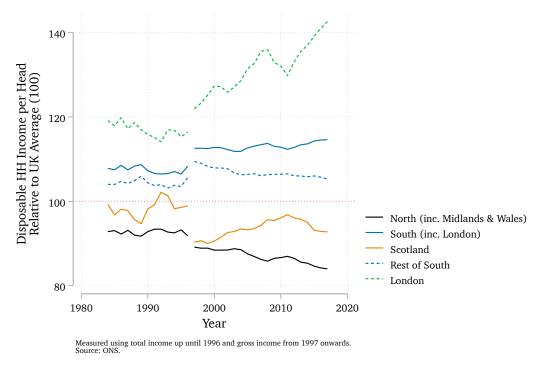


Figure 1 - Regional productivity since 1900

Higher productivity naturally has knock on implications for disposable income and disparities in earnings between the North and South are long-running (Blackaby & Manning 1990). Earnings in the South have been consistently above those in the rest of the country, and this has become increasingly pronounced over time. In 1997, gross disposable household income (GDHI) per head in London was £13,121, with the lowest being £9,295 in the North East. In 2007, this rose to £21,402 and £12,827 respectively, and in 2018, to £29,362 and £16,995 (ONS 2020a). Figure 2 plots regional gross disposable household income (GDHI) per head, which reflects the amount of spending money left after taxes and benefits (ONS 2020a). Due to changes in ONS methodology, GDHI per head is calculated using total income until 1996 and gross income from 1997 onwards. As a result, direct comparison between these time periods cannot be made. Despite this, Figure 2 highlights substantial differences between and within regions. Across the period, the South has had above average levels of material welfare, whilst the North

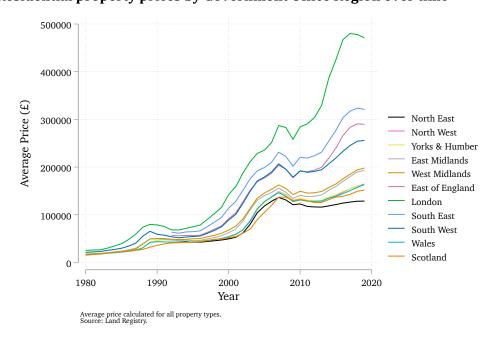
and Scotland have been below average. Since 1997, levels of GDHI per head relative to the UK average have increased in the South, particularly for London, whilst having declined in the North.

Figure 2 - Regional gross disposable household income per head



Unsurprisingly, as regional incomes have diverged, so too have regional house prices. Figure 3 plots the simple average house price for all residential property types by region over time. Unfortunately, it is not straightforward to combine these data on Government Office Regions into a valid equivalent measure for our broad regions. However, it is very clear from Figure 3 that in all four Government Office Regions within the South, house prices have been consistently higher than those in regions further north. Over the last two decades especially, prices in the South, and particularly in London, have increased to levels far in excess of those elsewhere in the country.

Figure 3 - Residential property prices by Government Office Region over time



While high house prices in London and the rest of the South are an indication of prosperity and people wanting to live in those places, they also mean higher housing costs for people there. More broadly, the cost of living is also much higher in London, with relative regional consumer price levels of goods and services being 7% higher than the UK average in 2016 (ONS 2018).¹

Although average incomes in London and the South have increased much faster than in other regions, the growth has not been evenly spread among all people in each southern region. Incomes for the top earners have increased faster than those at the bottom of the income distribution, creating more within-region inequality. In her studies of inequality within and between regions from 1976-1995, Heather Dickey (2001; 2007) found that London had consistently the greatest GINI coefficient of any region. Although average earnings between regions converged over that time period, within-region inequality grew and became the major driver of overall inequality at the national level.

From our calculations in Figure 4, incomes in all regions have continued to become more unequally distributed, but inequality within the South, and especially London, has continued to rise faster than that within the North. Figure 4 presents the annual income at the 10^{th} and 90^{th} percentiles for full-time employees within each region (of work rather than residence), derived from the Annual Survey for Hours and Earnings (ONS 2020b). While incomes for the bottom 10 percent have increased only modestly and at similar rates in all regions, incomes for the top 10 percent in each region have increased faster in the South than in the North or Scotland. Much of that substantial North-South divide is due to London, where the gap between income at the 90^{th} and 10^{th} percentiles rose from £36k in 1999 to £72k by 2018. Since those figures are for those working in London, a fair few of those salaries will be taken by people living elsewhere in the South and commuting. By being based on place of work, Figure 4 may thus fail to reflect the greater similarity between those resident in London and those living elsewhere in the South.

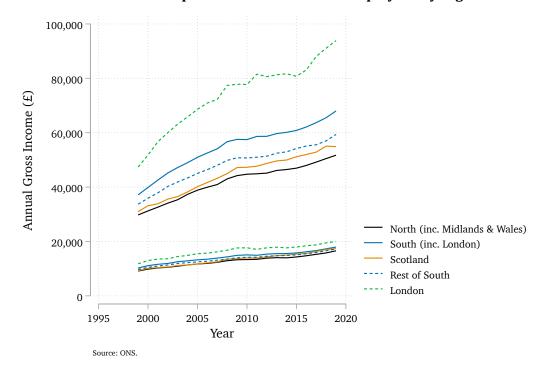


Figure 4 - Income at 10th and 90th percentiles for full-time employees by region of work

¹ Although the ONS have published several regional price levels since 2001, each use different methodologies which prevents comparison over time. Prior to 2001, there are regrettably no consistent sources of regional cost of living measures.

² Estimates for such are unfortunately not available prior to 1999, nor are GINI coefficients for individual regions. More recently, revised versions of income brackets produced through analyses of tax records have indicated that income inequality may be underestimated as a result of top incomes being underreported in surveys (ONS 2020e). As a result, within region inequality as a whole may be even greater than shown.

Thus far we have seen massive regional economic divergence over the last four decades, in productivity, incomes, house prices and within-region inequality. On unemployment, however, there has been convergence, at least in the absolute chances of being unemployed. Figure 5 below shows unemployment benefit claimant rate in each region over time (ONS 2020c). On average unemployment has been much lower in the new millennium than it was in the final two decades of the last one. In the downturns of the 1970s and 1980s jobs were lost disproportionately in the, mainly northern, manufacturing sector (Fothergill et al. 1985; Begg et al. 1986). With lower overall unemployment since 2000, even during the "great recession" after the financial crisis, the scope for regional differences has diminished. Thus, there has effectively been convergence in regional unemployment claimant rates. Scotland and the North have consistently suffered from more unemployment than the South. But whereas the percentage of unemployment benefit recipients was around 4.6 percentage points higher in the North than the South at the height of mid 1980s recession, the corresponding gap at the worst point of the great recession was less than half the size, at 2.0 points. Moreover, unlike on income, house prices and inequality, unemployment in London has fluctuated broadly in line with the national trend. With respect to unemployment the North-South divide has contracted.

15 Jobseeker's Rate (%) 5 North (inc. Midlands & Wales) South (inc. London) Scotland Rest of South London 0 1970 1980 1990 2000 2010 2020 Year Source: ONS

Figure 5 - Unemployment benefit claimant rate by region since 1974

To conclude this section on regional economic developments, while there is a dominant theme of regional divergence with an increasingly richer South, especially London, relative to more northern regions, the story is not a uniformly positive one for London and the Rest of the South. Greater income, wealth and prosperity in the southern regions has been concentrated among a minority in those regions, leading to greater within-region inequality and overall inequality for the country. This may have more negative social implications for the country and the southern regions especially than the positive growth in prosperity. Another issue associated with greater house prices and income for the few in the most prosperous regions is higher cost of living in those places, stretching those on low incomes especially. So, London has become richer at a faster rate, but that has been accompanied by more inequality and various social problems, including overcrowding, pollution, (violent) crime, drug use, homelessness etc. Greater prosperity in London relative to other regions may well have failed to generate the kinds of pro-social benefits that we see more prosperous countries enjoying relative to poorer ones. We now turn to consider and develop theoretical arguments for how regional economic developments might affect social and political outcomes in different regions.

Theory and previous literature on potential mechanisms

This section discusses ways in which economic differences between regions might lead to different social and political outcomes. We review previous research findings that suggest regional economic divergence might be associated with regional socio-political divergence. We outline various theoretical arguments whereby macro regional economic developments might, via individual-level attitudes and behaviour, affect region-level socio-political differences.

The main conclusion from this review and discussion is that there are many possible connections and they are often in different directions. Although we could delineate possible patterns of macro association between our five regional economic variables and our twenty or more socio-political outcomes, such a list would be bewildering and include many hypotheses in opposite directions. So we refrain from setting up explicit expectations for regional social and political trends, and we make no formal evaluation of particular hypotheses. Nonetheless, our review and discussion of the theory and empirical literature does suggest some dominant themes that deserve particular attention and discussion when we turn to the regional socio-political trends. For instance, a major overarching question is whether economic prosperity brings better outcomes on health, welfare, trust and political engagement. There is also an important question about whether relative deprivation breeds demand for redistribution, welfare and economic equality, but also authoritarian social conservativism.

There are two basic ways in which regional economic differences might be related to socio-political ones: compositional and contextual effects. Compositional effects are straightforward consequences of aggregation of individual-level effects. For instance, if higher incomes make people happier then, other things equal, regions with higher incomes will have higher levels of happiness. Contextual effects are effects of living in a particular place, often because of identifiable characteristics of that place. For example, in the US, state-level inequality has been found to reduce happiness (Blanchflower & Oswald 2003).

Traditionally, contextual effects are processes of influence on the people in a particular area, but the nature of a region also affects who comes to live in it and who choses, or is forced, to leave. For instance, McMahon et al. (1992) and Gallego et al. (2016) show a tendency for people with economically right-wing attitudes to move to places, disproportionately in southern England, which are more prosperous and where more people already have such attitudes. The net effects on, and then of, homophilous sorting through internal migration are conceptually both compositional and contextual.

Even regarding a stable population, the compositional and contextual effects can operate independently or together. They may confound or reinforce each other. There is also the possibility of cross-level interaction effects, whereby the contextual effect of one variable depends on the value of some individual-level variable. For example, if only the poor become unhappy as a result of the rich getting richer in their region. Prior cross-national research, which may also apply at the regional level, suggests inequality has a greater negative impact on poorer individuals' political interest and participation due to unequal power distribution (Goodin & Dryzek 1980; Solt 2008).

Even if a cross-level interaction implies that a contextual effect is specific to a particular section of the population, it may still be the dominant cause of regional developments after aggregation. For instance, if those in the bottom 80% of the income distribution are dismayed by the much higher income of the top 20%, average happiness may go down even if those at the top are happy with their higher incomes and not bothered by the inequality.

A further possibility we need to consider is that effects of economic variables (at either the individual or regional level) on a particular social or political outcome might have knock-on implications for other social and political outcomes. Indeed, it is quite likely that some patterns and developments for some of our socio-political outcomes will be correlated with others at the regional level given the strong individual-level causal processes established in previous research, and so if any one of them is associated

with economic outcomes it may well be that several are. For instance, Caughey et al. (2019) find social and immigration conservatism to be correlated with each other, with both being found to be negatively associated with economic mood.

Such correlations might change over the course of four decades. Looking at BSA data between 1986 to 2007, Paula Surridge (2012) found that correlation between liberal-authoritarian and left-right scales increased over time. So a regional effect for one might increasingly generate a regional divergence over time for the other.

As well as different correlated mechanisms reinforcing each other, there is the potential for the effects of different causal processes to cancel each other out. A key issue here is that positive effects of prosperity might be offset, or even overwhelmed, by negative effects of inequality (e.g. Layard et al. 2012; Wilkinson & Pickett 2009). For instance, Oswald and Wu (2010) find individuals' self-reported life satisfaction and mental health to be far lower in more wealthy states, after controlling for the positive effects of higher individual level incomes in wealthy states. Pittau et al. (2010) find similar counter-acting effects when looking at between-region inequality across the UK and a number of European countries between 1997 and 2002. The net outcome was a non-linear effect whereby higher regional income ceases to have much effect on wellbeing past a threshold level.

In addition to all these, and other, possible processes that might lead to changing regional socio-political divides, there are a series of developments, such as changes of government, referendums, changing policy agendas and various idiosyncratic events, such as the 2009 MPs' expenses crisis, that might affect one or more of our socio-political indicators. These things and other relevant prior research are introduced as necessary in the context of discussing particular outcomes below. Before that we explain the nature of our data on socio-political factors and how we have analysed it.

Data and Methodology

To measure socio-political attitudes over time we use data from the British Social Attitudes (NatCen 2020a) survey series. This is the highest quality and longest running social survey series in Britain. We use data from its inception in 1983 to 2018, the most recent survey available.³ The data include two weights, a standard main weight and an additional self-completion weight for 2018 depending on variable type.⁴

The BSA is a three-stage clustered sample. Since the number of neighbourhoods, as primary sampling units, varies between survey years from around 150 to 300 estimates of regional effects from any one survey are sensitive to the particular neighbourhoods that happened to be selected. We deployed three strategies to alleviate that problem: further poststratification by age and education within region, taking five-year moving averages⁵ and aggregation to broad North/South regions.

Further poststratification was achieved by iterative raking to ONS population survey estimates (ONS 2020d) for age by region for 1971-2018 and education (degree status) by region for 2005-2018.6 Whilst the item-response theory model (e.g. McGann et al. 2019) provides an alternative methodology, the approach used in this paper makes fewer assumptions about the data and the nature of the response mechanism and should provide a robust way of showing what the trends are.

³ No survey was conducted in 1988 or 1992. In 1995 there are no survey responses for Wales and in 1998, none for the North East or Yorkshire and the Humber. Series are interpolated for such.

⁴ This additional weight was introduced in 2018 as a result of statistically significant differences between the profile of response types.

⁵ This was applied after interpolation for missing years with a simple average of two lagged, current, and two forward values. At the very beginning and very end of the series the five year moving average becomes a three year average.

⁶ Between 1981-1990 the population survey breaks down age into 15-19 and 20-24 age groups and we use only the latter, from 1991 onwards this becomes 18-24. Unfortunately, education is not available prior to 2005.

Our approach does not provide confidence intervals, but the usual rule of thumb of plus or minus 3 percentage points is likely to be reasonable for our North and South estimates at any one time point. Since sample sizes for Scotland and London are smaller, more caution is needed when interpreting changes in those places. When interpreting regional differences, we have considered whether they are substantial enough and stable for a few years to be meaningful. When regions move in parallel, or divergence or convergence is sustained, it is particularly clear that what we are observing are real patterns in regional differences. When regional differences vary idiosyncratically from year to year it is more likely to be the result of sampling variation and other statistical noise.

Variables were selected partly to maximise the period of study, however whilst some cover the entire period, others are only available over a shorter period of time. In such cases, other measures we considered from alternative surveys proved no better than the BSA in terms of their time coverage or question wording, with the exception of health and wellbeing. As the BSA has only infrequently asked questions on self-reported health and wellbeing, with measures only available over a shorter period of time, to maximise the period of study, we additionally make use of data from the Health Survey for England (HSE) (NatCen 2020b) which dates back until 1994 and also provides a larger sample size. *Self-reported general health* is measured on a 1-5 scale by the question "how is your health in general?", with a final variable derived by taking the proportion of "bad" or "very bad" responses. We also make use of a derived *General Health Score (GHQ-12)*, which represents the number of times an individual gave a response which indicated negative wellbeing across twelve questions that collectively address a number of health concerns in daily life, including much related to mental health.⁷

In addition we pay particular attention to one of the GHQ-12 component questions, that on *happiness*. From that item, we identify the proportion of respondents stating "less so than usual" or "much less than usual" when asked whether, over the past few weeks, they had been "feeling reasonably happy, all things considered". We also include a *BSA measure of happiness*, based on the question "if you were to consider your life in general these days, how happy or unhappy would you say you are, on the whole?". This is measured on a four-point scale, ranging from very happy to not at all happy, and a variable was created to reflect the proportion of "not very happy" or "not at all happy" responses.⁸ Unfortunately there are no consistent time-series measures of life-satisfaction with sufficient yearly coverage and data at the regional level, and so we are unable to include such in our analysis.

To measure *interpersonal trust*, we make use of two variables. The first is the proportion of respondents agreeing with the former half of the statement "generally speaking, would you say that most people can be trusted, or that you can't be too careful in dealing with people?". The second, is the proportion of individuals saying that people are fair "most" or "almost all" of the time, when asked "how often do you think that people would try to take advantage of you if they got the chance to and how often would they be fair?"

Social and political values are measured using a variety of variables. These include traditional *liberal-authoritarianism*, *welfarism* and *left-right* scales. Scores for each respondent were calculated using typical BSA conventions by averaging the individual questions making up each scale, which range from 1-5.9 If an individual had over two missing items out of five (responses of "don't know" or "not answered") for the left-right scale, or over three out of six items for libertarian–authoritarian and welfarism scales, their responses were excluded. Under this threshold, responses of "don't know" were treated as the midpoint and "not answered" were replaced by the mean of the other items in that scale for each respondent. For welfarism, although two additional scale items were introduced in 2000, we do not incorporate these to ensure consistency over time. Similarly, as a number of individual scale items were missing for 1997, we treated the whole year as missing. Having calculated the scales, final variables for each scale were created by calculating the percentage of individuals below the midpoint, including responses of "don't know" in

1

⁷ See Appendix for full list of twelve self-reported variables used in derived wellbeing measure.

⁸ In some years, this question is asked using a seven-point scale, ranging from completely happy to completely unhappy. This measure covers a shorter time period, but we include this as an alternate variable in the Appendix.

⁹ See Appendix for full list of variables included in each scale.

the baseline.¹⁰ This resulted in three variables reflecting the proportions of liberal, left-leaning and prowelfare individuals.

Attitudes towards *taxation* and *government spending* are measured as the proportion reporting a preference for government to "reduce taxes and spend less on health, education and social benefits", in comparison to alternatives of "keep taxes and spending on these services at the same level as now" or "increase taxes and spend more on health, education and social benefits". Attitudes towards the *income gap* are measured by the proportion of respondents stating, "too large" in response to the question "thinking of income levels generally in Britain today, would you say that the gap between those with high incomes and those with low incomes is…?"

Interest in politics is measured by the question "how much interest do you generally have in what is going on in politics", with the final variable calculated as the proportion of "a great deal" or "quite a lot" responses. Duty to vote is measured by the proportion of individuals saying "it's everyone's duty to vote" in response to the question "which of these statements comes closest to your view about general elections?", with alternatives of "it's not really worth voting" and "people should only vote if they care who wins".

Two *political trust* variables were created to reflect the proportion trusting either government or MPs "just about always" or "most of the time", when asked whether they trust British governments of any party to put the needs of the nation above interests of their own political party, and secondly, whether they trust politicians of any party in Britain to tell the truth when they are in a tight corner.

Party support is derived from questions about whether an individual considers themselves to be a "supporter" of a party, "closer" to one than others, or more likely to "support" one than others in the event of an election. From these questions, variables were derived for Conservative support, Labour support and the proportion supporting no party at all. Finally, to measure strength of party allegiance a variable was created which reflects the proportion of individuals reporting very strong party support, with other party supporters and those with no party identification also in the baseline.

In graphing socio-political attitudes over time, each region's percentage point difference from the British average was calculated for each variable annually to enable clearer understanding of regional divergence over time. In testing robustness, different cut-points for variables were also compared, which made little difference.

Regional trends in social and political survey indicators

In the following sub-sections we look at temporal and between-region changes in wellbeing and social outlook, political alienation, social and political values and in turn, partisanship and political consequence. In general, we present overall temporal changes, but on occasion, instead or in addition, show regional deviations from the GB average.

Health

In line with the cross-national correlation between health and wealth, within Britain health outcomes are better in the richer South than in the North. To see how people in different regions assess their own health, particularly mental health, Figure 6 shows the mean General Health Score from the GHQ-12 instrument on the Health Survey for England (HSE), with high scores indicating worse outcomes. Intriguingly the General Health Score showed practically no North-South difference when the series began in the mid 1990s, 11 and the richest region, London, has some of the worst scores, and is consistently

¹⁰ Further investigation indicated regional percentile trends over time are largely congruent with using scale means.

¹¹ Before taking a five year moving average, the first three years of the survey show slightly lower (better) scores for the North than the South, so the absence of a gap at the start of the series is not just a statistical accident for one year.

worse than the rest of the South. The General Health Score is compiled from a series of indicators which tend to show similar patterns. Looking at all of these measures individually, it is evident that faster rising wealth in London has not led to greater wellbeing overall.

2.0

1.75

Health (1.5)

North (inc. Midlands)
— South (inc. London)

Rest of South London

Figure 6 - Mean General Health Score (GHQ-12) by region (high scores worse)

Source: Health Survey for England.

1990

1.0

1980

In addition to the GHQ-12 questions, the HSE also asks respondents to rate their health overall from very bad to very good. Figure 7 shows the percentage in each region reporting "bad" or "very bad" health. This self-reported health measure shows a small (2 percentage point) but consistent difference between the North and South. Although General Health Scores for London are very similar to those in the North, self-reported health in London is closer to that for the rest of the South and has improved slightly relative to other regions in recent years.

2010

2020

2000

Year

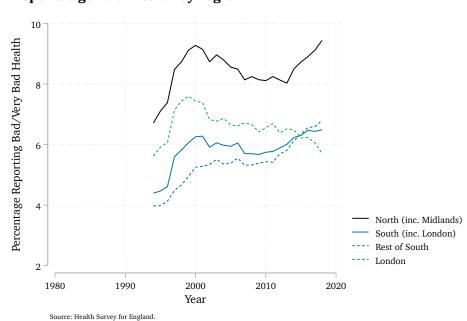


Figure 7 - Self-reported general health by region

Happiness

Within the HSE there is an item asking whether, "over the past few weeks" the respondent has, "been feeling reasonably happy, all things considered". The percentage saying "less than usual" or "much less than usual" for each region is shown in Figure 8 below. Although a measure of recent happiness relative to usual happiness this is not ideal for our purposes, it might be expected that if a region has a particularly high proportion of people recently feeling more unhappy than usual that is a sign of lower levels of happiness more broadly, compared with other regions. On that basis, happiness levels were pretty similar in the North and South in the mid 1990s when the series began, but since then a small but consistent gap has opened up. 12 Those in the North are slightly less happy than those in the South. Despite its greater wealth, London has tended to have similar proportions of people reporting recent unhappiness as in the North. However, in the last five years London has converged with the rest of the South.

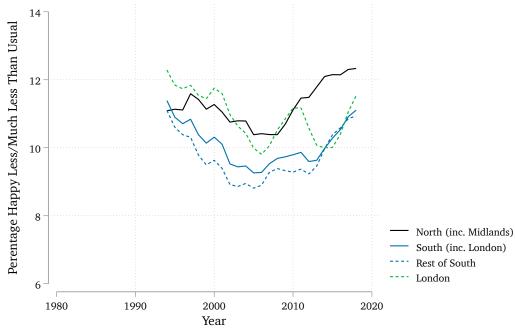


Figure 8 - Self-reported recent feelings of being less happy than usual, by region

Source: Health Survey for England.

The BSA questions on happiness are also useful to confirm that there has not been much of a gap between the North and South in well-being. Since there are not many years in which the relevant questions were fielded, we cannot sensibly smooth the data over time and so any particular survey might suffer from sampling peculiarities that affect the regional differences. With that in mind, the main lesson from Figure 9 is that there is practically no difference in happiness between the North and South. London's apparent trend towards unhappiness is sensitive to how the responses to the happiness questions are summarised.¹³ But there is certainly no evidence that London's higher and faster rising incomes have resulted in greater happiness in the capital, either absolutely or relative to other regions.

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¹² Before taking a five year moving average, the first two years of the survey show slightly lower percentages being recently less happy in the North than the South, so the absence of a gap at the start of the series is not just a statistical accident for one year.

¹³ London appears in Figure 9 to have distinctly lower levels of happiness than the rest of the South and the North, and this seems to be confirmed by Figure A.2-3 in the appendix with the BSA 7-point happiness scale. However, further analysis reveals there are practically no differences in the regional means. The final spike in Scotland at the end of the series might be a freak result from a small sample, but it might be related to politics after the independence-referendum.

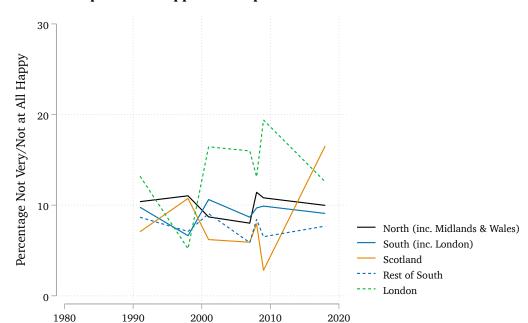


Figure 9 - BSA self-reported unhappiness - 4-point scale

Overall then, people in the North have on average reported feeling less healthy and less happy than those in the South in recent decades, but not by much, and on some indicators in some time periods, not at all. None of this outweighs the hard data showing substantial North-South divides on mortality and morbidity (Dorling 2011), but it is important to note that despite the gaps in economic circumstance and in health outcomes, people in the South do not *feel* much healthier and happier than those in the North. Furthermore, despite the regional economic gaps widening considerably, especially with respect to London, regional gaps in self-reported health and well-being have not consistently widened.

Year

Source: British Social Attitudes.

Interpersonal Trust

As we discussed in our theory section, there has been considerable interest in the idea that economic prosperity and interpersonal trust are mutually reinforcing, with higher trust in richer countries. This may operate as a compositional effect via education, as there is a long-standing gap in trust between those with high and low education (Heath et al. 2018, Figure 8.13) and given that more prosperous places have attracted more graduates.

On the other hand, economic inequality has long been associated with lower interpersonal trust, not only as a determinant (Uslaner 2002; 2008; Björnskov 2007), but also as an consequence (Björnskov 2012; Serritzlew et al. 2014). Interpersonal trust is arguably the product of participation in community groups, which is less common in economically unequal societies (Alesina & La Ferrara 2000). As a result, regions with high within-region inequality may be expected to have lower interpersonal trust.

Figure 10 below shows regional differences in one of the two BSA time series on interpersonal trust, that with the longest time span. As with Figure 9 above there are too few years in which the question was fielded for smoothing and so, short-term changes in regional differences might be due to sample design effects. But what is striking is the consistent absence of an overall North-South divide on interpersonal trust.

 $^{^{\}rm 14}$ See Figure A.4 for alternative measure of interpersonal trust.

North (inc. Midlands & Wales)

South (inc. London)

Scotland

10

1980

1990

2000

Year

Source: British Social Attitudes.

Figure 10 - Percentage trusting (saying people are fair rather than taking advantage) by region

Despite research showing lower levels of interpersonal trust in more racially diverse countries and areas (Alesina & La Ferrara 2000), ethnically diverse London has higher levels of trust than other regions on average. This may be because London's population is younger and more highly educated, both groups who are generally more trusting. Separating out London reveals that those in the North are slightly more trusting than those in the South outside London. This difference is the opposite direction from what would expect if interpersonal trust was greater in richer regions of Britain.

Political Engagement and Alienation

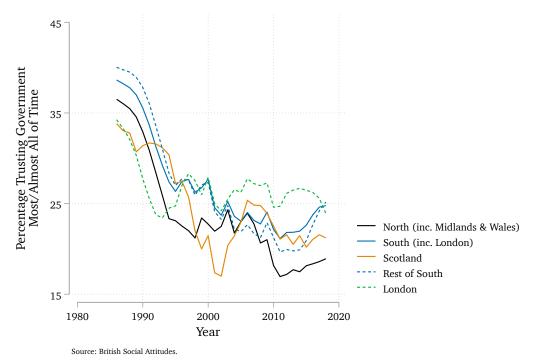
In this section we consider a set of indicators of which Almond and Verba (1963) described as civic culture: a kind of political culture conducive to democracy. Societies with a civic culture have citizens that see themselves as participants in the political process, in a democracy that they trust and feel obligated to. The opposite of civic citizenship is disengagement, distrust and alienation from the political process. These things are typically more common among poorer and marginalised groups in high income democracies, and so, if compositional effects are dominant we might expect to see that the poorer North has become more untrusting, disengaged and alienated from the political process.

We start with political trust. Cross-national research suggests the possibility of both compositional and contextual effects of economic circumstances on political trust (Dalton 2004; Lawrence 1997; Lipset & Schneider 1983). Moreover, national economic perceptions have been found to be subjectively shaped by local conditions (Ansolabehere et al. 2014; Reeves and Gimpel 2012), providing reason to believe that there might be contextual effects of regional economic circumstances, with less affluent regions exhibiting lower political trust.

Looking at within-country differences in political trust in European states (including Britain) between 1999-2011, Van Erkel and Van der Meer (2016) find that trust is determined by longitudinal comparative performance, especially with respect to national unemployment levels. By extension, we might expect regional levels of political trust to converge if they are similarly responsive to regional unemployment rates, since they have converged as shown in Figure 5 above.

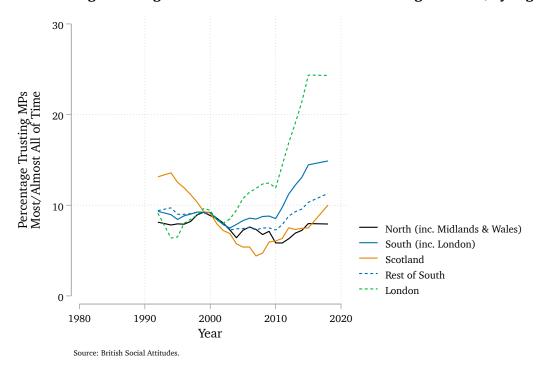
Figure 11 shows the percentage in each region who trust in government, "to put the interests of the nation above party". The main feature is the substantial decline in that trust since the late 1980s. That decline has been common to all regions and nations. They follow a similar, but not quite parallel, pattern of decline. Even though, as we saw above, Northerners and Southerners are pretty much equally likely to think of other citizens as trustworthy (apart from a period in the mid 2000s) those in the North have been slightly less likely to trust government than those in the South. After the financial crisis (2008) and, perhaps importantly, the MPs expenses crisis (2009), trust in government dropped more sharply in the North and the gap with the South re-emerged. It then further widened under the Conservative led government from 2010. Although by 2018 the North-South divide on trust in government was about as wide as it had ever been by this measure, the gap was still only around 5 percentage points.

Figure 11 – Percentage trusting government to put the interests of the nation above party, by region



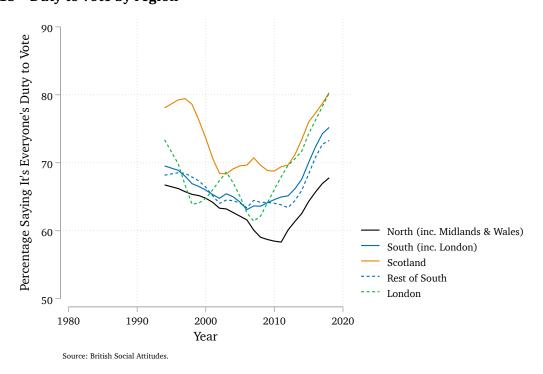
A similar pattern of North-South divergence since the late 2000s is true of another aspect of political trust, that is trust in MPs to "tell the truth even when in a tight corner". The percentage believing that MPs do this at least most of the time is shown in Figure 12 below. Again, the North-South divergence is modest, but discernible. More striking by this measure is the recent relative rise of political trust in London relative to other regions. That is enough to account for about half of the North-South divergence. London follows a similar but more modest turn towards being relatively more trusting in government too.

Figure 12 - Percentage trusting MPs to tell the truth even when in a tight corner, by region

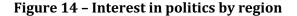


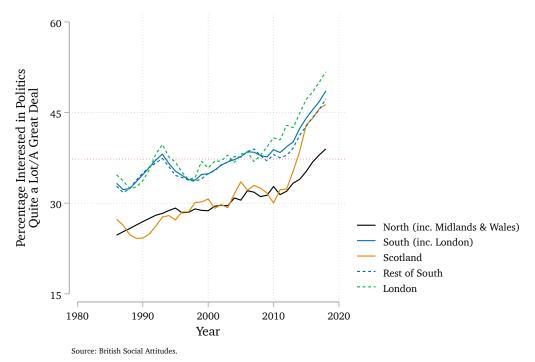
Another indicator of a positive civic culture is a commitment to the electoral system and a widespread feeling that everyone should participate. The BSA series has a long running question asking people whether there is a duty to vote. Figure 13 shows that belief in a civic duty to vote has revived in all regions since 2010 after experiencing a decline up to that point. Scotland has consistently had greater proportions thinking that voting is a duty. Within England and Wales, the North-South divide was very modest but has widened since the mid 2000s. The South, and particularly London, have increasingly a stronger sense of duty to vote relative to the North.

Figure 13 - Duty to vote by region



If people are disgruntled with their economic circumstances and disaffected by the political process, they can stop paying attention and lose interest. Overall across Britain, Figure 14 shows us that people have become more, not less, interested in politics, perhaps as a result of higher levels of education. By and large, the rise in interest has followed a similar trajectory in the North as in the South, but starting from two different levels. As Figure 14 confirms, political interest in the South has been consistently greater than that in the North, with a fairly constant gap. Levels and changes in political interest in London have been much the same as elsewhere in the South. The part of Britain that stands out as following a different path is Scotland, where the 2014 independence referendum sparked a sharp rise in interest in politics.





Although people have become more interested in politics, they might still have become disenchanted with the political process and the political parties that dominate it. Figure 15 shows there has not been much of a North-South divide in the numbers of people without any party preference, while Figure 16 shows practically no North-South gap at all in the proportion with very strong party support. There has been a slightly greater increase in indifference towards parties in the North, which is likely to be a sign of greater disillusionment. The growth in support for the Scottish National Party has resulted in greater political affiliation and stronger party identification in Scotland. However, even with respect to Scotland, regional differences are small relative to the overall trends that have been broadly common to all regions and nations.

Figure 15 - Percentage not inclined to support any particular party, by region

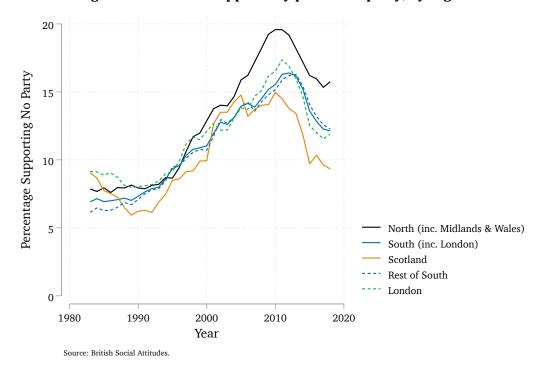
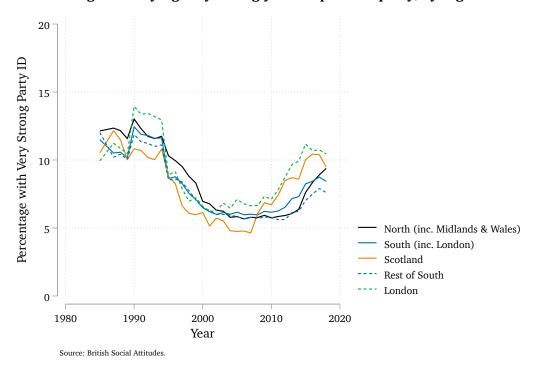


Figure 16 - Percentage identifying very strongly with a political party, by region



To summarise, there is far from a consistent story across our indicators of democratic culture and engagement. Political trust, feelings of duty to vote and identification with parties have fluctuated over recent decades, while interest in politics has risen fairly consistently. The extent and nature of regional divides also differ between our indicators. In the late 1980s and early 1990s the only substantial North-South divide was on political interest. Since then small North-South gaps have emerged on political trust, duty to vote and on the percentage indifferent to parties. In all cases the North appears to have a weaker civic culture (in Almond and Verba's sense) than the South, but not by much. While there are surely areas

of severe political alienation within the North, it would not be fair to characterise the North as suffering from much more political disaffection than the South.

Economic attitudes

As the economic interests of different regions diverge we might expect regional divergence in political values and policy preferences. We start by looking at a broad composite scale designed to measure economic left-right, specifically socialist-laissez-faire, attitudes. As one would expect given lower incomes in the North and given that those on lower incomes are more likely to favour redistribution (Fieldhouse 1995; Heath et al. 2018), Figure 17 below reveals that a consistently greater percentage of those in the North are on the left of the scale. The substantial North-South gap in the mid 1980s was nearly 9 percentage points. Intriguingly there is little sign of the steady shift rightward that Caughey et al. (2019) find. Instead, the percentage on the left has oscillated over time in every region broadly in line with a national cycle. That cyclical effect at the national level has been shown to be linked to the alternation of government (Bartle et al. 2011) and our findings accord with that and other related research using different data. McGann et al. (2019) further show that despite being a separate polity, with its own parliament and government since 1999, policy mood in Scotland has moved in sync with that for the rest of Britain, on left-right and other issues. That is only roughly true of the BSA left-right scale.

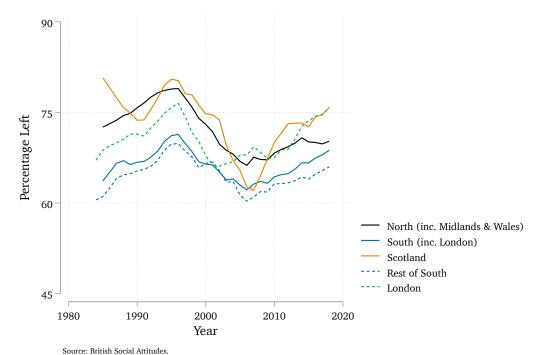
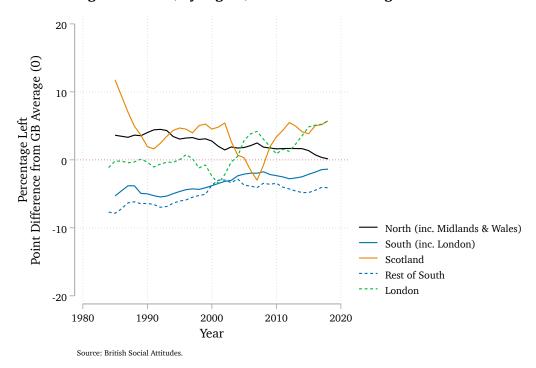


Figure 17 - Percentage on the left, by region

The changing relative left-right positions of the regions are easier to see in Figure 18 below. There has been a slow and steady convergence of North and South on the left-right scale. The line for London and that for the Rest of the South reveal that a substantial part, but not all, of the North-South convergence has been due to London becoming relatively more left-wing. Having been close to the national average throughout the 1980s and 1990s, London has joined Scotland in becoming one of the most left-wing parts of Britain in recent years.

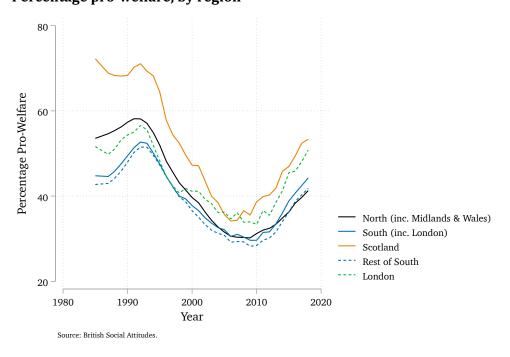
 $^{^{\}rm 15}$ Similar findings apply if we use the mean of the scale.

Figure 18 - Percentage on the left, by region, relative to GB average



A related composite scale in the BSA series is that concerning attitudes to the size of welfare payments and how deserving and honest welfare recipients are. Figure 19 below shows that support for welfare declined dramatically from the early 1990s to around the time of the 2008 financial crisis. This may be particularly related to Tony Blair and New Labour's right-ward shift in policy agenda (Curtice & Fisher 2003; Curtice 2007; Hills et al. 2009). During the great recession and the austerity period under the Cameron government, sympathy for welfare transfers recovered somewhat. All regions follow this pattern, largely in parallel with Scotland, which is (almost entirely consistently) the most pro-welfare region.

Figure 19 - Percentage pro-welfare, by region



The modest North-South divide in welfarism in the mid 1980s collapsed by the turn of the century. This accords with Taylor-Gooby's (2004) finding that that the North-South divide in thinking of unemployment benefit as too low narrowed between 1987 and 2003. Since then there has been practically no North-South gap. This is much more convergence than we saw for the left-right scale. In very recent years the South has been very slightly more pro-welfare than the North. But that difference disappears if we compare the North with the Rest of the South excluding London.

Just as we saw on the left-right scale, since the turn of the century London has moved from being a fairly average region, to being solidly on the pro-welfare end of the spectrum. The greater rise in house prices in London in recent decades might have been expected to reduce support for redistribution in London relative to other parts of Britain (Ansell 2014). But since home ownership in London has been declining over the last three decades to little over 50% (Greater London Authority 2019), any change in attitude among home owners might have been more than offset by more welfarism among those in the rental sector struggling with increasing housing costs. Another possibility is that faster rising inequality in London may have disproportionately increased support for redistribution among the rich in London because the rich may have become more fearful of the crime that comes from inequality (Rueda & Stegmueller 2015).

A further indicator that ought to be strongly related to economic left-right attitudes is support for increasing taxes and government spending, as shown in Figure 20. Responses to this single survey question show a strong cyclical pattern, with a peak in the early 1990s and a trough around about 2010. Similar, but not quite the same as that for the BSA welfarism scale.

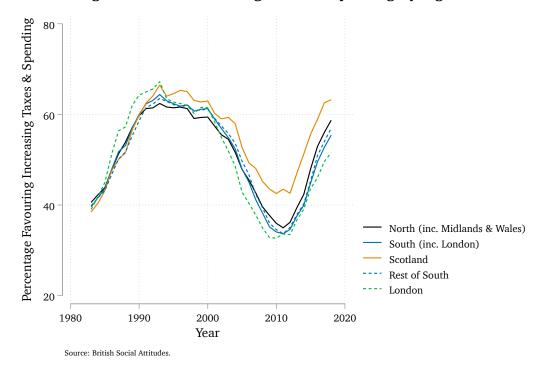


Figure 20 - Percentage in favour of increasing taxes and spending, by region

By comparison with the national trend, the regional differences in tax and spend preferences are tiny, with partial exception of Scottish divergence from England and Wales. Within the latter, the North-South gap is miniscule and almost non-existent. Rather than slight convergence as on left-right and welfarism there is slight divergence since around 2005. Just as the North is more left-wing and more pro-welfare, it is has been more often than not more pro-tax and spend, but only in recent decades and surprisingly not before the turn of the century. Also surprising on this measure, is London's relative turn to the right.

Despite turning to the left and becoming relatively more pro-welfare after 2000, Londoners have been slightly slower to embrace tax and spend than other regions. That there can be inconsistency in the direction of regional differences on these different economic attitudes is unsurprising given how small the gaps are. But the possibility also accords with prior findings of scholars who highlight disparities between implicit and explicit support for redistribution (Sefton 2005; Taylor-Gooby & Martin 2008; Hills et al. 2009).

Our final economic attitude, in Figure 21, regards inequality. As with previous indicators, attitudes to inequality follow a cyclical pattern in Britain as a whole and in the main macro regions. The vast majority consistently agree that income gaps are too large. What we have seen since the mid 1980s is variation in the strength of that consensus. Whilst concern about inequality declined sharply between 1994 and 2007, as previously noted by Hills et al. (2009), it has since grown slightly. Using a different BSA survey question, Clery and Dangerfield (2019) report an increase from 52% in 2006 to 65% in 2018 in the number of people who think there is "quite a lot" of "real poverty in Britain today".

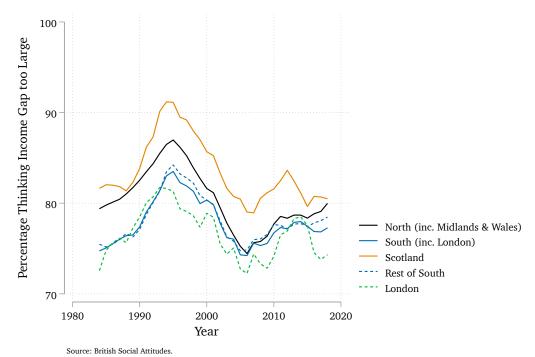


Figure 21 - Percentage thinking the income gap is too large, by region

By comparison with England and Wales, consistently more people in Scotland have been convinced that inequality is too high. As with the left-right and welfarism scales, the gap between the more left-wing North and more right-wing South in perceptions of inequality converges from a relatively modest gap in the 1980s to a very small one in the new millennium. For the left-right and welfarism scales the North-South convergence was facilitated by the move of London to the left and pro-welfare end of the distribution of regions. Despite London starting with more within-region inequality, and also experiencing greater increases in income inequality than other parts of Britain, London has remained consistently, albeit only slightly, more relaxed about income inequality, with little trend relative to the national average.

Overall, despite major changes in economic regional variation, there has been surprisingly little regional variation in how left-wing, how pro-welfare, how pro-tax and spend, and how concerned about income inequality people are. Typically across our different indicators there was more of a North-South gap in the 1980s and early 1990s, but it was never large. Scotland has fairly consistently taken a more left-wing position on these issues, and increasingly so. In most respects London has become more economically

left-wing relative to other regions, but not so in the attitude of Londoners to inequality, on which a slightly smaller majority agree there is a problem.

Liberalism

Economic attitudes are not the only political attitudes that might be affected by regional economic divergence. The so-called "second" cultural dimension is also relevant even though it is not ostensibly about economic issues. As we discussed above, societies that are economically better off and more secure tend to be more liberal, and are sometimes supposed to be more concerned about the environment and quality of life issues (Inglehart 1990). The BSA has a long-running composite scale for assessing the extent to which people are broadly liberal or broadly authoritarian and socially conservative in their outlook. The percentage of people in each region at the liberal end of the scale is shown in Figure 22. By this measure, people in Britain are more socially conservative than liberal, with less than 15% on the liberal side before 2010. Since then there has been a marked increase in liberalism, but still only to the point where 1 in 5 gave net liberal responses to the component questions. The trend, but not particularly the shape of the trend, towards liberalism accords with previous research based on other data, in Britain and other high-income countries (e.g. Caughey et al. 2019).

45 Percentage Liberal 30 15 North (inc. Midlands & Wales) South (inc. London) Scotland Rest of South London 0 2000 1980 1990 2010 2020 Year

Source: British Social Attitudes

Figure 22 - Percentage liberal, on the liberal-authoritarian scale, by region

Every region has become more liberal in broadly the same way but not to the same extent. Figure 23 shows differences from the national average. Unsurprisingly, London has been consistently the most liberal part of Britain. But London's distinctiveness waned slightly in the years up to the early 2000s. Although London led the charge towards liberalism over the last decade, the gap between the capital and the rest of the country is only slightly wider in 2018 than it was in the mid 1980s.

20 Point Difference from GB Average (0) 10 Percentage Liberal North (inc. Midlands & Wales) South (inc. London) Scotland Rest of South London -20 1980 1990 2000 2010 2020 Year

Figure 23 - Percentage liberal, on the liberal-authoritarian scale, by region, relative to GB average

The bigger rise of liberalism in London has contributed to a widening of the North-South divide in these values, but that divide has widened more in the last decade as a result of a smaller rise in the North than in the Rest of the South, which has remained consistently close to the national average.

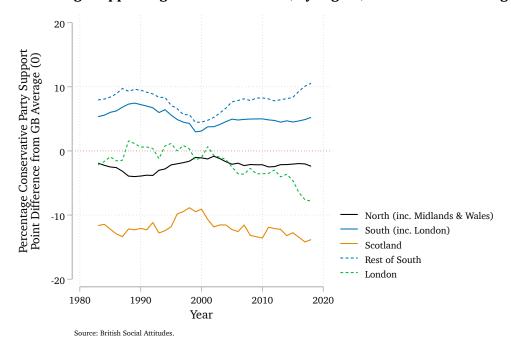
Source: British Social Attitudes

Party support

With substantial changes in regional economic interests and with more modest changes in the regional pattern of social and political attitudes, we might expect changes in party support over time. The BSA measure of party support for the Conservative and Labour parties is charted in Figures 24 and 25 respectively, both relative to the national average. They show that the North has been consistently more Labour, and the South more Conservative. The North-South divide in Conservative support has narrowed somewhat over the last four decades, but remarkably little. If we account for the fact that London has become noticeably less Conservative relative to the national average since the turn of the century, the gap in Conservative support between the Rest of the South and the North was wider in 2018 than ever. A large part of the turn of the South and especially London away from the Conservatives since 2015 has been the increasing realignment of party support with Brexit voting, and liberal-authoritarian values more generally (Surridge 2018).

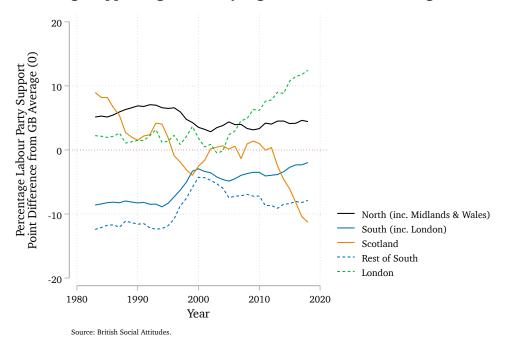
The politics of Brexit at the 2019 general election, with the greater surge in Conservative support in Leave voting areas of the North, will have further diminished the North-South gap but not dramatically. Conservative success in winning "red wall" seats in the North was much more driven by Labour's worse performance in those places than Conservative success. Moreover, the "red wall" seats, that is constituencies in the North (including the Midlands and Wales) that voted Labour in 2017 and Leave in 2016, are a minority of all the constituencies in the North, and the experience of the "red wall" seats is not fully representative of the North as a whole.

Figure 24 - Percentage supporting the Conservatives, by region, relative to GB average



Regional changes in Labour party support relative to the national average (in Figure 25) are more substantial than those for Conservative support above. The most striking development is Scotland's transformation from the most Labour supporting part of Britain to the least. Much but not all of that was in response to the politics of the 2014 independence referendum. Within England and Wales, the initially wide North-South divide narrowed sharply after Tony Blair became leader of the Labour party in 1994, from when the party attracted disproportionately more Southern than Northern voters to Labour. From the early 2000s the modest further narrowing of the North-South divide can be attributed to London's dramatic turn towards Labour. Indeed, if we compare the North to the Rest of the South the divide has widened since the early 2000s, but not to the scale it was in the 1980s.

Figure 25 - Percentage supporting Labour, by region, relative to GB average



Conclusion

To summarise our findings, over the last four decades there has been substantial North-South economic divergence on productivity, incomes, house prices and within-region inequality, which has been particularly marked with respect to London. However, unemployment levels in different regions have converged as unemployment overall has fluctuated around a downward trend. So not all economic indicators show regional divergence, and what divergence there has been has not all been positive for London and the rest of the South.

Socio-politically, many of the North-South differences have been small or non-existent, with little change and more convergence than divergence. There are modest divides on self-reported health and happiness that have widened slightly, but practically no gap on interpersonal trust. Among the attitudes to the political system, only on political interest was there a substantial North-South divide in the 1980s. That has stayed steady. On others, including political trust, duty to vote and party identification, modest regional divides have opened up. But Northerners are not much more politically alienated and disengaged than Southerners. On economic left-right values and attitudes to inequality, North and South have converged, and on related attitudes to welfare, and to taxation and spending, regional divides have consistently been marginal compared with broad national fluctuations. The trend towards liberalism in recent years has only been slightly stronger in the South than the North, and so the regional divide remains modest. Only on party support has there been a really substantial North-South divide. That divide has narrowed, but not tremendously. Overall on our socio-political indicators the story of the North-South divide is one of modest differences and little or no change.

By contrast, there have been two parts of Britain that have developed in very distinct ways over the last forty years: London and Scotland. Income, house prices and inequality have risen far more in London than elsewhere in Britain. At the same time, Londoners have gone from not being particularly distinct to becoming the most trusting of MPs, the most interested in politics, the most likely to identify very strongly with a political party, the least supportive of increasing taxes and government spending, the most relaxed about inequality, the most liberal and the most Labour supporting part of the country. Overall London has become more politically engaged and liberal. In 2016 it also became the only region of England to vote Remain in the Brexit referendum. All of these socio-political developments are perhaps most easily understood in light of the strong movement of young people and graduates into London (McCann 2016, Section 5.2). That, coupled with the increasingly liberal and cosmopolitan appeal of the Labour party, helps explain why London is now the most Labour supporting region of England. 16

But we should not ignore the fact that over the last two decades London has moved from being more right-wing than the national average (on par with the rest of the South) to becoming more left-wing than the North and just as left-wing as Scotland. Moreover, London's pattern of movement relative to the national average – with little change before 2000 but steady rise thereafter – is common both to left-wing values (Figure 18) and Labour support (Figure 25) but not liberal values (Figure 23). That suggests the movement of London towards Labour may have more to do with economic than cultural factors.

Economically, Scotland's income, house price and inequality, levels and trajectories, have been most similar to those of the broad North of England and Wales. In some ways Scotland has long, and consistently, been distinct from the rest of Britain in having a stronger sense of a duty to vote and in being more concerned about inequality and being more pro-welfare. In other ways, Scotland has made some distinct transitions from Northern to Southern levels of political interest, to having the highest levels of attachment to political parties, and the strongest demand for higher taxes and public spending. By far the most dramatic transition in Scotland on our indicators, has been from being the most Labour to the least Labour supporting nation or region of Britain. Much of that change in Scotland has been due to the distinct political conversation there, and the rise in support for independence and the Scottish National Party. It

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¹⁶ But whether those things are the full story remain to be established. We have also pointed to the possible effects of greater inequality in London on fear of crime and sympathy to redistribution among the rich (Rueda and Stegmueller 2015).

has been primarily a political development, even though it did have its origins in the economic benefits of North Sea oil (Collier 2018, p.58).

While there appear to be ready explanations for developments in London and Scotland, what is still remarkable and puzzling is the persistently small scale of socio-political North-South divides despite major economic divergence. This is also despite many good reasons and much published research suggesting that differing economic circumstances should lead to differing socio-political outcomes and preferences. What explains this puzzle?

One possibility, that we have already alluded to, is that the positive effects of rising prosperity in the South may have been offset by the negative effects of rising within-region inequality. But we should also not ignore the possibility that regional convergence on unemployment has helped close, or limit the further widening, of North-South socio-political divisions.

As we noted in the introduction, regression analysis has been left for future research. But already the macro-trends here do not suggest that modelling socio-political outcomes at the regional level over time will necessarily be productive. Partly because of data quality it would be hard to sensibly model the nuance of annual variation. But also the regional developments in socio-political outcomes we have identified do not fit well with the economic developments at the same level. Probably more productive would be analysis of individual-level data with more detailed measures of social and economic context that recognise geographical differences within regions, especially those between cities, towns and rural areas. Individual-level (ideally panel) data analysis would also afford analysis of how economic geography affects different kinds of people differently, especially according to life-course and positions in the labour market. Future research might usefully consider the intersection of regional differences with city versus provincial differences (Jennings & Stoker 2016; Martinez-Fernandez et al. 2012). However, issues with the geographical aggregation of the BSA data would be even more acute and would demand sensitive modelling.

Even though more detailed analysis is needed, our broad macro analysis provides a helpful insight into the discrepancy between North-South divergence economically and North-South convergence or similarity on several socio-political indicators. This should be a useful corrective to generalisations about regional differences, and especially extrapolations from economic differences to social and political ones. Slower economic growth in the North has not made all Northerners unhappy, politically alienated and socially authoritarian.

To clarify, we are not arguing that people in the North are just as healthy and happy being poorer as they would be if they were richer. Rather we observe that the dramatic relative increase in prosperity in the South has not produced much greater well-being for the vast majority of the Southerners, nor has it much changed their political values relative to the rest of the country. The puzzle of economic divergence not generating corresponding North-South socio-political divergence is perhaps due primarily to the presence of many people in the South on low and middle incomes whose lives are not made easier by living close to people who are increasingly much richer than them. As we have shown, most of the income growth in the South has been concentrated in the high-income groups, leaving most people facing not only more inequality but also higher costs of living. The negative effects of these factors may well have offset any positive benefits of higher incomes for most Southerners.

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Appendix

Health Survey for England Variables Making Up Wellbeing Measure

Over the past few weeks, have you recently...

- Been able to concentrate on whatever you're doing? [ghqconc]
 - o Better than usual, same as usual, less than usual, much less than usual.
- Lost much sleep over worry? [ghqsleep]
 - o Not at all, no more than usual, rather more than usual, much more than usual.
- Felt you were playing a useful part in things? [ghquse]
 - o More so than usual, same as usual, less useful than usual, much less useful.
- Felt capable of making decisions about things? [ghqdecis]
 - o More so than usual, same as usual, less so than usual, much less capable.
- Felt constantly under strain? [ghqstrai]
 - Not at all, no more than usual, rather more than usual, much more than usual.
- Felt you couldn't overcome your difficulties? [ghqover]
 - o Not at all, no more than usual, rather more than usual, much more than usual.
- Been able to enjoy your normal day-to-day activities? [ghqenjoy]
 - o More so than usual, same as usual, less so than usual, much less than usual.
- Been able to face up to your problems? [ghqface]
 - o More so than usual, same as usual, less able than usual, much less able.
- Been feeling unhappy and depressed? [ghqunhap]
 - o Not at all, no more than usual, rather more than usual, much more than usual.
- Been losing confidence in yourself? [ghqconfi]
 - Not at all, no more than usual, rather more than usual, much more than usual.
- Been thinking of yourself as a worthless person? [ghqworth]
 - Not at all, no more than usual, rather more than usual, much more than usual.
- Been feeling reasonably happy, all things considered? [ghqhappy]
 - o More so than usual, same as usual, less so than usual, much less than usual.

British Social Attitudes Composite Scales:

Individual Variables Making Up Attitudinal Scales

- Responses of either "agree strongly", "agree", "neither agree nor disagree", "disagree" or "disagree strongly".

Left-Right Scale

- Government should redistribute income from the better off to those who are less well off. [Redistrb]
- Big business benefits owners at the expense of workers. [BigBusnN]
- Ordinary working people do not get their fair share of the nation's wealth. [Wealth]
 - o NB. In 1994 only, this item was replaced by: Ordinary people get their fair share of the nation's wealth.
- There is one law for the rich and one for the poor. [RichLaw]
- Management will always try to get the better of employees if it gets the chance. [Indust4]

Libertarian-authoritarian Scale

- Young people today don't have enough respect for traditional British values. [TradVals]
- People who break the law should be given stiffer sentences. [StifSent]
- For some crimes, the death penalty is the most appropriate sentence. [DeathApp]
- Schools should teach children to obey authority. [Obey]
- The law should always be obeyed, even if a particular law is wrong. [WrongLaw]
- Censorship of films and magazines is necessary to uphold moral standards. [Censor]

Welfare Scale

- The welfare state encourages people to stop helping each other. [WelfHelp]
- The government should spend more money on welfare benefits for the poor, even if it leads to higher taxes. [MoreWelf]
- Around here, most unemployed people could find a job if they really wanted one. [UnempJob]
- Many people who get social security don't really deserve any help. [SocHelp]
- Most people on the dole are fiddling in one way or another. [DoleFidl]
- If welfare benefits weren't so generous, people would learn to stand on their own two feet. [WelfFeet]

BSA Happiness/Health Measures

Happiness is measured by responses to the question "if you were to consider your life in general these days, how happy or unhappy would you say you are, on the whole?". Some years include a four-point scale, ranging from very happy to not at all happy, and in such cases a variable was created to reflect the proportion of "very happy" or "fairly happy" responses. Other years include a seven-point scale, ranging from completely happy to completely unhappy. From this, a secondary variable was created by taking the proportion of "completely" "very" or "fairly" happy responses. Self-reported health is measured as the proportion of individuals reporting "bad" or "very bad" health in response to the question "how is your health for someone your age?".

Figure A.1 - Self-reported health

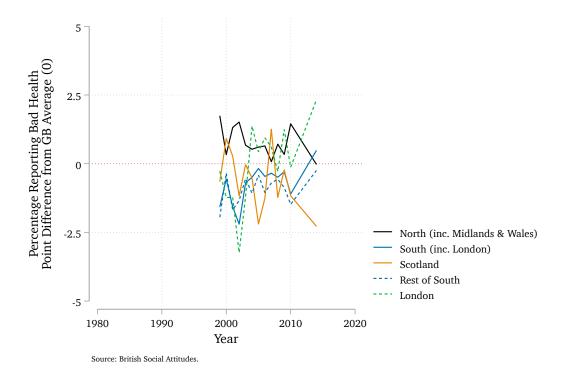


Figure A.2 - Percentage at least fairly happy from the BSA 7-point scale

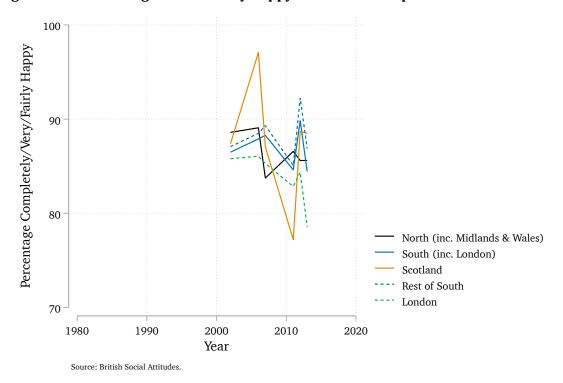


Figure A.3 - Mean happiness from the BSA 7-point scale

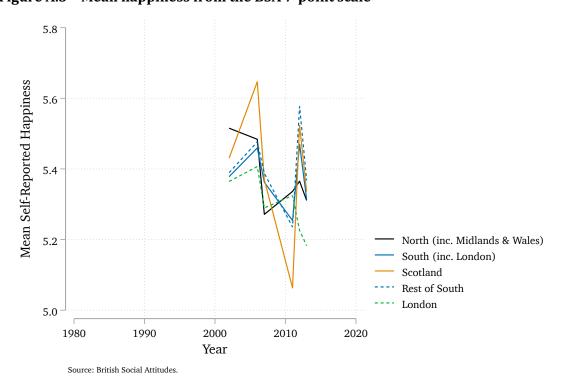


Figure A.4 - Interpersonal trust Soctrust 1-2

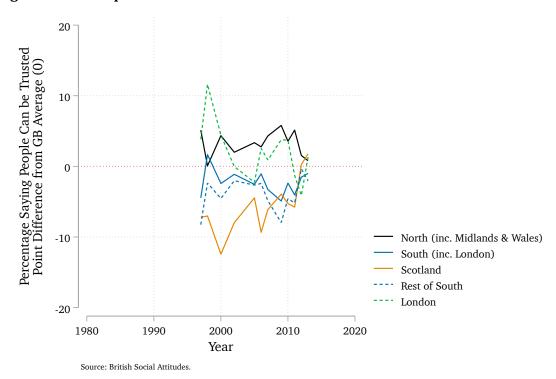


Figure A.5 - People Take Advantage vs People Fair, 4-point scale

