

Institute for Public Policy Research: State of the North 2019 Report

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Introduction

IPPR's 6th annual report into the State of The North's (SOTN) Economy allowed me as a summer intern to study the complex, vital discussions of domestic policy within the UK and its regions. Every year SOTN reports have been extremely influential, often being discussed by the House of Lords directly. However, by nature, these reports have sometimes suffered from being narrow in geographical scope. Thus, with SOTN 2019 IPPR strives to make the North a national story.

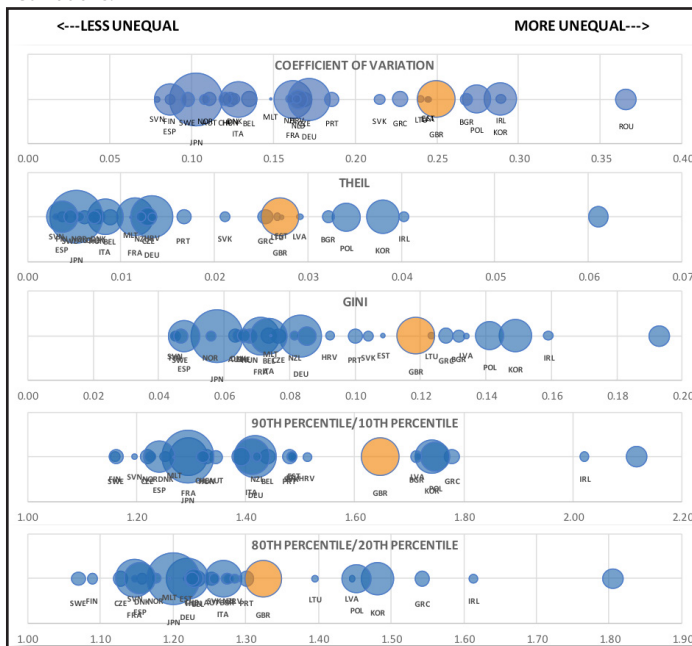
Objectives

At a time of great upheaval, uncertainty and division, instead of looking inward this year's SOTN looks outward – to the country and across the developed world. We investigate how divided but interdependent we are as a country, comparing the UK to nations overseas. This international analysis contextualizes English realities within an international system. SOTN 2019 looks to settle debates regarding the extent of regional inequality in the UK by (1) specifically analysing divisions in economic productivity (2) while simultaneously studying the extent of our national political difference. Productivity and political opinion offer two examples of how SOTN 2019, yet to be released, analyses both the divisions and connections of English Regions. Yet, through the rest of the report's analysis SOTN continuously reminds us that devolution has a crucial democratic dividend which needs to be further untapped. Realizing the value of our paradox, by studying how we are both divided and connected, offers an escape from unbalanced geographic differences.

Method

(1) Productivity Divides

In order to analyse the extent of regional differences in productivity our analysis looked at Eurostat Data on "Gross Value Added" per worker, the most substantive variable to study effective economic output. Economic regional productivity divergence was then calculated via 5 statistical inequality metrics. The Nomenclature of Territorial Units for Statistics (NUTS) geographical classification for statistical production across Europe was used to substantively compare geographic areas, across 3 subnational levels NUTS1/2/3. For our analysis, NUTS 3 regions were recoded into "functional urban areas" in order to provide a demographically significant comparison. In fact, when factored improperly metropolitan areas overly skew regional diversions. Another variable, national population, was then added to or analysis in order to provide a visual representation to compare the UK to similarly sized nations.

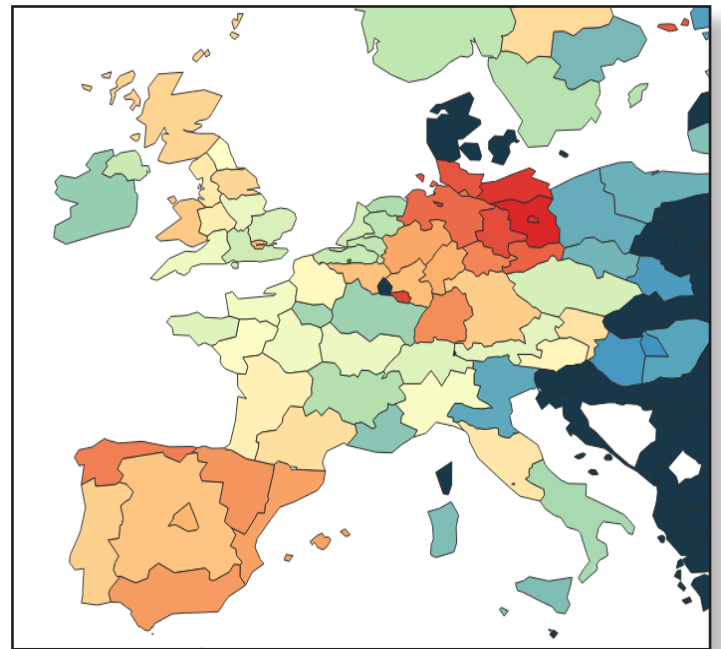


Indices of regional inequality in productivity (GVA per worker, 10-year average)
Bubble area = country population

(2) Political Convergence

2018 European Social Survey data was collected and put through extensive data clearance in order to reclassify results by European NUTS 1 Regions. After deciding to use survey results regarding placement on the Left Right Scale (0-10) the average for each region was calculated and inputted into QGIS, a mapping software, which provided a clear visual representation of the results. Various statistical techniques were then used in Excel to study the data and compare regional deviation within and between countries.

Results and Conclusions



EU political divergence by region: Average Regional political standing on a Left-Right Scale (0-10), ESS 2018

(1) Productivity Divides

Our analysis finds that, in terms of productivity, the UK is the most regionally unequal country of its size and level of development (regardless of which measure is used to compare regional inequality). The only countries which are more regionally unequal are those in Eastern Europe, or those who are far smaller.

(2) Political Convergence

When analyzing divergence on the Left Right Scale, the UK is actually less politically divided than other countries, in fact Regional Variance in political opinion based on this metric shows the UK as the 3rd most regionally homogenous among the 22 European countries analysed, preceded only by smaller countries, Estonia and the Netherlands.

Key Skills Learnt

International Comparative Statistical Inequality Analysis, Mapping Software, Excel coding.1)