

Maintaining a north-south divide?

The recent events concerning the re-structuring of defence shipbuilding in the UK has led to a vociferous debate in the media over whether the south is forever penalised by governments, of whatever hue, to support the economy of the north.

Accepting that this was a business decision without any political interference, it remains symptomatic of how our nation has approached the equalisation of economic prosperity across the United Kingdom. Since the decline of the once prosperous labour intensive manufacturing industries that underpinned the Industrial Revolution, the north has struggled to replace these industries and sources of employment and wealth creation.

The last administration moved public sector bodies away from London, lock, stock, and barrel to centres of high unemployment. Additionally, government and EU funds were spent lavishly on regeneration projects. Of course,

it's also surprising that many of these areas contained key marginal constituencies, and this continues to be a government policy no matter which party is at the helm.

Unfortunately this mostly created jobs in the public sector and associated retail and service industries and we all know what's happened to those jobs in the last five years, with still further and deeper cuts to come in the public sector.

In some cases, businesses were encouraged to relocate from the South East using inducements taken from the very taxes that those businesses and ones like them, had contributed to the national purse.

However, rather than inducing businesses to move and creating more dependency on the public sector, perhaps we need a bifurcated strategy of creating true wealthy industries in the north, while still maintaining and assisting the engine of wealth in the economy of the South East?



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