

The Great Divide

The North/South divide has become the centre of political debate. It provides an important clue to the new political geography of Britain.

The country is experiencing a new kind of political and social polarisation. And, argues **Andrew Gamble**, Thatcherism has a major stake in this new division



More and more the unemployed travel South to look for work

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aking sense of the new politics that emerged in the 1970s remains a crucial task for the Left. One of the most pressing questions is why so much of it has been dominated by the Right. The Conservative administrations of Chirac, Reagan, Kohl, Thatcher, and Nakasone have important differences but they share many ideas and policies and they continue to hold the political initiative.

This success of the Right has occurred against a background of mass unemployment, and cutbacks in welfare programmes. The end of the long period of rapid growth of the 1950s and 1960s plunged Western capitalism into a profound structural crisis. National governments have had to grapple with the need to facilitate major restructuring of parts of their economies to take advantage of the developing patterns of

a new international division of labour. The contraction of major industries which this involved provoked some major industrial disputes, such as the British miners' strike in 1984/5, as governments have backed employers and managements seeking to rationalise production and employment in line with changing world market realities.

Why should the return of mass unemployment prove such fertile ground for the Right? More than 30m are now unemployed in the OECD countries. Yet it is rightwing ideas that have come to dominate national political agendas. There is nothing inevitable about this. As Goran Therborn has persuasively demonstrated, there is not one common experience of unemployment. States have fared very differently depending on their institutions and the policies they have adopted. There is as a result a wide variation within Europe in the size of the unemployment problem.



Among European states Britain has one of the worst records of unemployment and one of the most rightwing governments. Mass unemployment shows no sign, however, of breaking the Conservatives' grip on power. A major reason for this is that the level of unemployment does not simply vary between states; it also varies between regions within states. Persistent levels of high unemployment are a potent cause of social and political division and marked regional inequalities. In Britain recently there has been much comment on the growing 'North-South divide' and its political and economic implications. Far from attempting to restore national unity and prosperity the government has intensified the divisions which mass unemployment and restructuring have brought. It has clearly exploited these divisions by protecting those groups vital to its electoral prospects at the expense of

the poor and the unemployed.

There is certainly growing evidence of regional disparities which cannot be ignored and in which the uneven distribution of jobs plays a crucial part. Regional data on income and wealth reinforce the picture of an increasingly divided society. The large variations in the price of housing in different parts of the country is a sharp reminder of how disparities in prosperity and prospects between regions have grown.

The bulk of job loss has also been sustained by industries in the North and the Midlands. The number of bankruptcies and the extent of the labour shake-out have had a devastating effect on many former industrial centres. Areas like the East End of Sheffield which once boasted the greatest concentration of special steels and engineering in Europe have seen most of their factories close. Parts of the North have acquired an image of

being rundown and derelict. An industrial shutdown on an unprecedented scale has been taking place.

The idea of a North/South divide needs, however, to be handled with care. Firstly it does not begin to compare in scale with the much greater North/South divide between rich and poor countries, or even with the kind of regional disparities which have long been a feature of some states, such as Italy. Secondly while there are undoubted and growing inequalities within Britain, these are only partly regional. North/South has become a metaphor for these inequalities, but it needs emphasising that the kind of inequalities that are identified are not located exclusively in northern areas of Britain.

The phenomenon referred to as the North/South divide can therefore be found throughout Britain and in all communities. The restructuring of the economy has been very uneven. Bankruptcies and job losses are concentrated in the old industrial and urban areas. But there is no area of the United Kingdom that is uniformly depressed or which does not have pockets which are linked to the sectors of the economy which remain competitive in world markets.

New industries and new technologies, established on greenfield sites, with new workforces and new industrial relations structures, utilising the numerical and functional flexibility described by John Atkinson and Denis Gregory (*Marxism Today* April 1986) are found in all regions. Such firms increasingly divide their workers into 'core' workers and 'peripheral' workers, and are often backed by foreign capital.

This makes the pattern of support for the political parties in the present period more complex than is sometimes assumed. Long-term trends in electoral behaviour do indicate that the regional concentration of Labour and Conservative party support has become more marked. The regional variations in support have attracted considerable attention in every election since 1974. In 1983 when Labour hardly won a seat in the South outside London, the Conservatives did poorly in many northern areas, particularly Scotland.

But despite these trends there are many important factors that are linked to political identification and electoral choice, such as housing tenure, and public or private sector employment, which cut across regional boundaries and ensure that all the parties remain national in their support to some extent, and limit the degree of regional polarisation.

Council house tenants and owner occupiers are to be found in all constituencies. Similarly many public sector jobs, for example in defence or the inland revenue, are determined by national criteria. They provide a

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cushion of support for even the most depressed region, while providing a stratum of income earners whose earnings and prospects are not directly tied to the local or regional economy. This degree of insulation may make their political attitudes very different also.

Another reason for being cautious about the evidence for growing cleavages in the voting patterns of different regions is that the number of seats in parliament and local councils which parties secure is often highly misleading about the regional support parties actually command, because of the distorting effects of a first-past-the-post electoral system. Labour's current dominance of Scottish politics is based on less than 50% support, and the same is true of a Labour stronghold like Sheffield.

The changes that are taking place therefore should not be exaggerated. The factors that promote convergence rather than polarisation in the occupational and social structure and political attitudes of regions need to be noted. Nevertheless the inability of governments to resist the rise in unemployment in Britain has become increasingly important in shaping the terrain of British politics. It is possible that the growing intensity of regional divisions will change the party system by undermining the basis of national politics, just as the growth of Scottish and Welsh nationalism threatened to do in the 1970s.

Regional divisions **have seldom been very** significant in British politics. Ireland is the major exception. But the other parts of the United Kingdom were always full participants in the British empire and shared in the industrial and commercial success of British capitalism in the 19th century. The relative evenness in the development of all parts of the economy made national politics possible when the franchise was extended. Mass parties emerged that competed for office at the centre by contesting as many constituencies as possible, and campaigning on national programmes.

Mass politics in Britain has been dominated by national issues. The politics of class has been one major focus. Against that the Conservatives deployed a politics of the nation, identifying themselves with the symbols of the state and as the protectors of the institutions and legitimate interests of civil society. In his speech at Crystal Palace in 1872 Disraeli described the objectives of the Tory Party as being to maintain the institutions of the country, to uphold the empire, and to elevate the condition of the people.

The Conservative Party's skilful development of one nation politics made it a national political force. As the party of the Union, tariff reform, and social imperialism the Conservatives drew strong support in Scotland, in Northern Ireland, and in many of the major

industrial cities of Britain, including Liverpool, Birmingham, and Sheffield. The party became the main bulwark of defence against the industrial and political challenge of the labour movement but under Baldwin, Churchill, and Macmillan it also pragmatically accepted the widening of government responsibilities in both the management of the economy and social policy.

The problem faced by the Conservative leadership in the 1970s was that the old formulas of one nation politics on which they had relied were crumbling; the party had suffered serious electoral reverses; its reputation for competence in governing had been seriously impaired; and it appeared increasingly ineffectual and out-of-touch. The decline of Conservative support in Scotland and the North and the severance of the historic ties between the Ulster Unionists and the Conservatives meant that the party's identity as a national party appeared threatened.

The cumulative decline of the British economy and the end of the British empire seriously weakened the basis for the old kind of Unionist politics. Margaret Thatcher became leader of the Conservatives in 1975 when the party had just recorded its lowest percentage of the vote in any election this century, and in which its vote appeared more regionally concentrated than ever before. Its long alliance with the Ulster Unionists had just been severed and its base in Scotland was under strong attack from the Scottish Nationalist Party. The question that confronted the new leadership was how to make the Conservative Party a national party again.

To rebuild support the Conservatives have had to find a new national appeal. The ambition of the Conservative leadership in the 1970s was to make the focus of that new appeal the reversal of Britain's long economic decline. Economic regeneration would provide a project in which all could participate. Re-establishing the responsibility of individuals for themselves and their families, reducing collective welfare provision, cutting taxes, privatising state services, and curbing union power would create a new united and prosperous nation.

The achievements have fallen far short of the rhetoric. One explanation is offered by those radicals on the new Right who are now disillusioned with the government. They argue that policy-making has come to be dominated by short-term crises and tactical considerations. The vision has gone. There no longer seems any disposition in the government to tackle major problems such as reform of the labour market or privatisation of the health service, education and pensions. They suspect that the political interests of the Conservative Party in maintaining itself in office are winning out over the ideological programme of creating a free enterprise economy.

Administering an existing state with a minimum of doctrine and commitments is something Conservatives have long practised. What disturbs many on the new Right is that the longer it has stayed in office the more the Thatcher government has come to resemble the calculating, trimming, office-seeking Conservative governments of the past.

A second explanation presented by Bob Jessop and others is that the government has begun to develop a new form of two nation politics, not because it has abandoned its ideological objectives but because the changing structure of the society makes it in its political interest to do so. Societies have become increasingly segmented. This has created the problem which Peter Glotz has called the one third/two thirds society; a majority of citizens in employment with reasonable security and rising real incomes; a minority comprising the poor and the unemployed. A H Halsey has recently written of the polarisation between 'a majority in secure attachment to a still prosperous country and a minority in marginal social and economic conditions'. (*Social Trends* 1987).

Political parties and governments have reacted in different ways to this. On the Right it has produced a politics of inequality aimed at protecting the position and consolidating the support of particular groups, especially high wage earners and those core workers who enjoy secure private sector jobs. The marginalisation of the unemployed, the peripheral workers, and the poor is the direct result.

The Thatcher government was one of the pioneers of this approach. The Thatcherites accept that the old basis for national politics has been destroyed and that only if the economy and society are reshaped and purged of the deformities of social democracy can the unity of the nation be restored. But since this cannot be done quickly, if at all, the government in the meantime becomes the protector of the two thirds society against the demands and needs of the one third. This is why it has acquired its reputation of being ruthless, inflexible, and uncaring. If two nations are now emerging in Britain, there is no doubting with which nation the Thatcher government is identified. The implication (generally unspoken) of Thatcherite policies is that the poor deserve their fate.

One reason why it makes political sense for the Thatcher government to abandon the one nation tradition of the Conservative Party is the growing regional concentration of Conservative support, even if the two nations cannot be crudely identified with the North and the South. The period of the Thatcher government has accelerated not reversed the decline of Conservative strength and influence in Scotland, the major English cities, and Ulster. It has also further reinforced its image as

the party of the South and the internationalised sector of the economy - that part of the economy which is fully integrated into the international economy by remaining competitive in world markets.

This is the second reason why a two nations politics now makes sense for the Conservatives. Thatcherism carries through to its culmination the dominant strand in Britain's development; full integration into the world economy requires the liquidation of many structures and programmes which were the fruits of a temporary world pre-eminence. The next stage in the internationalisation of the British economy is seen to require the dismantling of the greater part of the old industry, its communities and the remaking of its working class.

As the old industrial structure disappears so the rationale as far as the Conservatives are concerned of the old political accommodation with the labour movement disappears also. The policies which British governments have pursued since 1974 to manage the economy have not produced economic revival or even very credibly laid the foundations for it. The weakness of the British economy in world terms has been starkly exposed. The recovery since 1981 has been limited. Only parts of the economy have succeeded in becoming or remaining competitive in international markets. Britain's chief internationalised sectors now comprise the overseas plants of foreign multinationals, domestic plants of its own multinationals, and companies selling financial services. Britain is ceasing to be a leading centre in the development of new technologies, new companies, and new products.

Nevertheless the decline continues to be relative rather than absolute. The internationalised sectors of the economy are buoyant, prosperous, and expanding, in marked contrast to the still sluggish performance of the traditional manufacturing sector. The Thatcher government is the first government to abandon the pretence that the latter can be preserved. It has identified Britain's future with the expansion of the former. Modernisation and restructuring of this kind are not new. In the last 10 years however the pace and scale of the restructuring have grown enormously.

The problem for government however is that there is little prospect of absorbing all the population that was sustained by the old industrial structure into the new. The Thatcher government planned to throw off the shackles of high taxation and high public spending programmes inherited from social democracy to inaugurate a new enterprise culture. Despite the revenues of North Sea Oil and the sale of public assets, this ambition has been frustrated because managing the recession has involved huge increases in the outlays on the budgets for policing

and social security. Adequate policing, surveillance, and income maintenance of the dependent populations concentrated in particular regions and cities has become an ever more pressing problem.

In this period of world economic restructuring and faced with legacies of economic decline, the British Conservatives have adapted their policies to the new realities. The exhaustion of the old one nation political formula of Baldwin and Macmillan and the absence of a spontaneous economic revival has led the government to concentrate on preserving its political base in the expanding sectors and prosperous regions. The pressures to maintain public order in civil society and continuing prosperity has produced policies that have increased the freedom and mobility of private capital while strengthening the powers of the state against those groups excluded and marginalised.

This policy of systematically dividing the nation appears viable so long as the present voting system persists and so long as the Conservatives can assemble an electoral coalition of approximately 40% of those voting. The protection of the living standards of those in secure employment is vital to this political strategy. Underpinning the benefits enjoyed by 'core' workers in firms by delivering tax cuts and maintaining tax privileges becomes essential. Even increases in public spending are permitted when public anxiety rises over the standards of collectively provided services such as health care and education.

Such tactics of consolidation are accompanied by attempts to weaken and divide the opposition and to deny the Labour Party national political legitimacy by identifying it with the radical politics of sectional minorities. In pursuit of this aim the Conservatives have attacked the institutional bases of labourism in British society, in particular the trade unions and local government.

The strategy has met with some successes but also with some failures, particularly the attempt to deny the Labour Party contributions from the political funds of the trade unions. The confident predictions that many Thatcherite commentators were making in 1983 that Labour's decline was terminal have proved premature. The strength of support for collectivist welfare programmes remains high, and Labour has not been transformed into a party of permanent opposition mobilising support from the unemployed and the dependent in the depressed regions against the central state.

Instead Labour has attempted under Neil Kinnock to breathe new life into a Labour version of one nation politics. This is based on the idea of a revitalised social democracy, involving an extension of citizenship rights and major

new government spending programmes and interventionist agencies to improve economic performance and reduce unemployment and poverty.

The strategic problem Labour faces is much greater than simply how it is to win the 112 marginals it needs to have a majority in the House of Commons. Eight years of Thatcher government have been very successful in fostering a climate of passivity, resignation, and declining expectations about what governments can achieve. Alternative policies lack credibility. Labour's one nation politics depends on convincing sufficient voters that it knows how to restore the British economy to the levels of growth needed to sustain the high spending programmes for rebuilding social democracy.

This is an immensely difficult task. The priority given to the international sector of the economy by the Thatcher government has not brought national economic revival, yet any alternative programme to rescue the British national economy and its public sector would at best no longer command the support of the international sector and at worst would be actively sabotaged by it.

Such a programme must also attract support across the segmented labour market. If Labour is not firmly rooted among 'core' workers it cannot win an election. Yet if it wins an election with substantial support from employed workers, will it be able to carry through a programme that gives jobs back to unemployed workers and restores the cuts in welfare and social programmes, and begins a serious attack on poverty? The risk any future Labour government clearly faces is that its radicalism will evaporate once the government is confronted with the acute problems of managing the economy and keeping the confidence of the financial markets.

The British economy has become very unbalanced in its structure. The polarities and the division have become marked and this makes it very difficult to achieve a national economic or social programme. An increasingly segmented society is likely to breed an increasingly segmented politics. The national political institutions like the Labour Party and the TUC which have sustained Labour's national programme may crack under the strain.

Some unions like the EETPU in the name of the new realism seek to organise only 'core workers' and articulate very clearly their attitudes and aspirations. Others are either rooted entirely in the declining industries, or attempt to maintain a political role by acting as a bridge between employed and unemployed. Organising peripheral and casual labour is essential if the strength of the labour movement is to be maintained, but it is also immensely difficult in a context of mass unemployment.

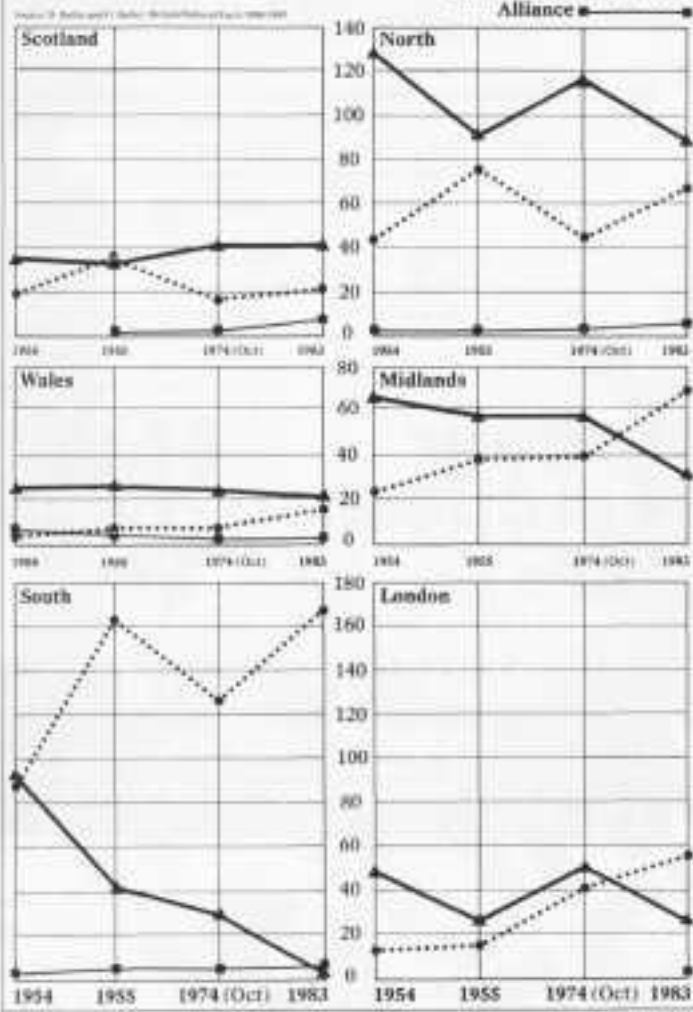
The segmented society therefore

'Growing inequalities of income together with ever more marked disparities between regions will breed a politics of growing repression, subsidy, and dependence'



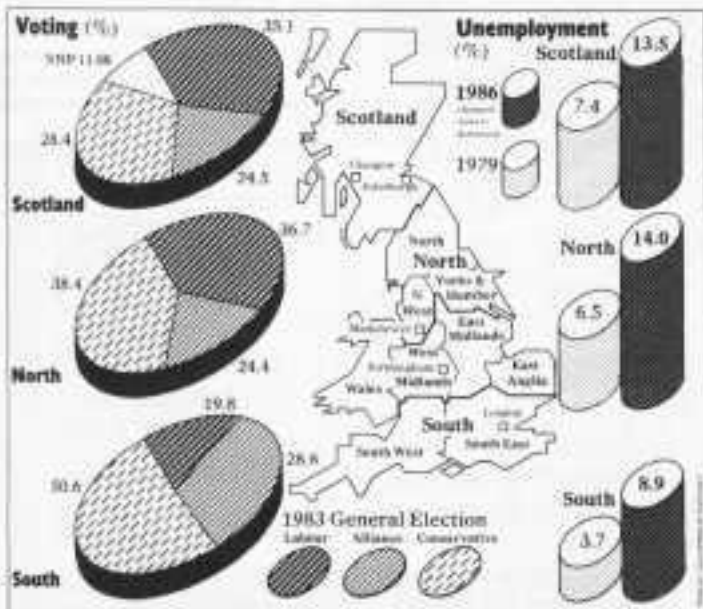
The North South Divide

Seats Won in General Elections by Region



The unemployment figures show the cleavage between the North and the South, with regional disparities becoming more marked since 1979. The 1983 election saw the North South division expressed

with a new intensity. The Conservatives achieved only 28.4% of the vote in Scotland, it scored over 50% in the South. The table shows the changing number of seats held in each region by the three parties.



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threatens to split not only British politics along new lines but also to fracture the labour movement. On this scenario there will eventually be at least two TUCs. Core workers and their union representatives will increasingly be drawn towards either the Conservative Party or the Alliance parties. Labour becomes the vehicle for the peripheral workers, for the unemployed, for blacks, for all the radicalised and marginalised groups in Britain.

Both internal and external pressures to make Labour the party of the new underclass gathered pace in the 1970s, but such an outcome now seems unlikely. Under Kinnock Labour has not abandoned the contest for office at the centre to the Conservatives and the Alliance. Labour's problem is that even the old Labourist coalition never succeeded in winning more than 50% of the vote in a general election. Kinnock's Labour Party in a multi-party system has a solid core of support up to 40% of the electorate, but has not yet succeeded in pushing its share higher.

An increasingly segmented labour market, growing inequalities of income and wealth, together with ever more marked disparities between regions and between inner and outer urban areas will breed a politics of growing repression, subsidy, and dependence for the underclass and growing protection for the core workers. The process is already well advanced. In areas like West Belfast, Brixton, Handsworth, and Toxteth the security state has taken over. Jobs and incomes that are not tied either to the security budget or the welfare budget become the exception. Both the repression and the dependence of these areas and their populations comes to be subsidised by the rest of the society.

Dependence and repression may breed radicalism. But they can also breed passivity and resignation. This kind of pattern is well established in the United States, where presidents are elected with the support of little more than 25% of the total electorate, because so many of the poor and the marginalised do not bother to vote. The political process comes to reflect a restricted agenda of issues, and becomes a diversion for the rich, the powerful, the privileged, and the secure.

Britain under Thatcherism is well down this road. The process is not irreversible. There are real opportunities for left policies that restructure production, raise the level of employment, reduce inequalities, and protect unskilled and peripheral workers. As Therborn shows, unemployment is not a force of nature; it can be overcome, with the right mix of institutions and policies. But it can only be overcome and the way opened for a strengthening of the Left in Britain if the political party of the Left can find a way of bridging the two nations divide. #