

6.4.2 What are the causes and consequences of regional patterns of economic development in the UK?



The **North–South divide** refers to the **social** and **economic** differences between the **South of England** and the rest of the **UK**. Below are some reasons for these differences.



The North was a very industrial area, with lots of factories and coal mines. Tens of thousands of people became **unemployed** when these industries closed or relocated to other countries

House prices are lower in the North.

High Streets in the North have seen a much greater **decline** than those in the South. There is a higher percentage of closed retail units.

Unemployment rates are higher, and wages tend to be lower. This results in a **lower standard of living** and a lower **life expectancy** than in the South.

Smaller **towns** and **cities**



The area along the **M4** corridor between Bristol, London and Cambridge has attracted many modern, **hi-tech** manufacturing industries. These businesses are close to some excellent **transport links** and a **skilled workforce**.

Unemployment levels are lower and **wages** are higher. As a result, **the standard of living** is better.

More money is spent on **research** and **development** in the South.

London is a **global city**.

The South has some excellent **transport links**, including **motorways** and several international **airports**. This makes the area attractive to **MNCs** who can import and export goods easily.

Causes and Consequences of the North – South Divide

<p>Social</p>	<p>With a high population located along the M4 and M1, companies prefer to locate in the South for a number of reasons:</p> <ul style="list-style-type: none"> • Many world leading universities (e.g. Cambridge and Oxford) are located in this area. As a result, there are many highly skilled graduates available to work in the research and quaternary industry. • Plenty of prospective customers. <p>A consequence of this is lots of young people migrating from the North to the South to find work. This is known as the 'brain drain'. It causes problems in the Northern areas as there are fewer skilled people available to work and an ageing population in some parts.</p>
<p>Political</p>	<ul style="list-style-type: none"> • Over the past few years, the Government has tried to encourage investment and industry away from the South. An example of this was the BBC moving from London to Manchester. This was an attempt to boost the media industry in the region, as well as to keep costs down. However, many large companies are reluctant to move from the South. • The North has always traditionally voted for the Labour party, whereas the South tends to vote for the Conservative Party.
<p>Economic</p>	<ul style="list-style-type: none"> • London and the south are closer to Europe. MNCs and large companies are attracted to this area, not only because of excellent transport link, but also to be close to other markets and customers. • Most people in the North are employed in the Public Sector, compared to the South, where most people are employed in the Private Sector. The consequence of this is much higher wages in the South, compared to the North. • Many large, private companies are situated in the South. As a result, many educated individuals want to work for these companies in order to earn a higher wage.