Devolution and the shifting political economic geographies of the United Kingdom

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Introduction and context

In the aftermath of its sweeping election to power in 1997 the New Labour government moved quickly on its pre-election pledge to deliver for the United Kingdom a comprehensive programme of devolution and constitutional change. To a certain extent devolution was considered to be the Labour Party’s ‘unfinished business’ following an eighteen-year period that had witnessed a gradual decline in the legitimacy of Conservative rule in the Celtic nations (Mitchell, 2006). It was also heralded as a timely modernisation of territorial government, whereby the uneven and differentiated administrative devolution that had unfolded across the UK’s landscape since the late Victorian era—featuring a Scottish Office (since 1885), a Welsh Office (1964), a Stormont parliament in Belfast (1921), and the Government Offices for the Regions in England (1994)—would be injected with new democratic credentials and an enhanced policy relevance befitting the era of globalisation and the multilevel government of the European Union. To this extent the peculiarity of the UK’s historical and political geography was given due expression in the new constitutional map that emerged in 1999, featuring an elected Parliament for Scotland, elected Assemblies for Wales and Northern Ireland, a directly elected Mayor and Assembly for London, and unelected regional development agencies (RDAs) for the rest of England.

Not surprisingly, this momentous agenda of political and institutional reform provoked intense interest from academic and research communities, as throughout the early-to-mid 2000s The Leverhulme Trust’s Nations and Regions programme ran in parallel alongside the ESRC’s Devolution and Constitutional Change initiative. It is impossible here to do justice to each programme and their respective projects, but there is little denying that they offered a profusion of valuable periodical monitoring and mapping of the newly formed institutional arrangements (eg, Trench, 2004) as well as substantive analyses of emerging tendencies (eg, Adams and Schmuecker, 2006; Lodge and Schmuecker, 2010; Publius: The Journal of Federalism 2006; Regional Studies 2005; Trench, 2004) and fascinating insights into the post-devolution institutional architecture of particular territories (eg, Deacon and Sandry, 2007; Hazell, 2006; Keating, 2010; Paterson et al, 2001). Much of the most notable work has helped to uncover fresh intergovernmental networks, the asymmetrical relations of power and anomalies that have either intensified or come to the surface since 1999 (not least the West Lothian Question,1) and the ‘lopsided’ nature of the UK state given England’s size and related ‘spillovers’, as well as the scope for significant policy variation between the nations and regions and the extent to which devolution satisfies the democratic demands of citizens (Greer, 2009; Jeffery, 2007).

While acknowledging our debt to these research programmes and to the studies highlighted above, which have illuminated key aspects of the devolution process, it is our contention that the moment is ripe for a renewal of critical debate on the political economy and political geography of devolution. In no small part is this prompted by the shifting geo-economic landscape that punctuates the examination and analysis of devolution in 2012.

1Referring to issues arising from the ability of members of the UK parliament for Scottish, Welsh, and Northern Irish constituencies to vote on matters affecting only England. This was first raised in 1977 by the Member of Parliament for West Lothian, Tam Dalyell—hence the name.
The changing political and policy landscapes of the devolved UK

To be sure, the political map of the UK in 2012 is quite different from that of 1999; and of course some of this can be attributed to the constitutional reform which triggered the institutions of devolution. Nonetheless, the significant transformations that have unfolded since the mid-to-late 2000s may be having an even more profound impact on the political and policy landscape of the nations of the UK.

Firstly, following thirteen years of New Labour rule at Westminster, the 2010 general election saw the Conservatives emerge as the single largest political party in terms of votes and seats—but without a clear overall majority. After several days of seemingly interminable backroom negotiation the Liberal Democrats agreed to enter a coalition with the Conservative Party. The Party’s respective leaders, David Cameron and Nick Clegg, famously emerged in the garden of 10 Downing Street to herald a ‘new politics’ guided by a spirit of cooperation and eschewing the bipartisan vernacular viewed to be characteristic of Westminster. So, for the first time in two generations the UK had a coalition government, with Cameron and Clegg as Prime Minister and Deputy Prime Minister, respectively. One thing which did not change, however, was the Tories’ dismal showing in Scotland, recording 16% of the vote and retaining their one seat. Their new coalition partners, the Liberal Democrats, won eleven seats and 19% of the vote, while the Scottish National Party (SNP) gained six seats and 20% of the vote. The Labour Party won forty-one seats and 42% of votes cast, reinforcing its position as the most popular party in Scotland.

Secondly, the maturing of the institutions of devolved government in Northern Ireland, Scotland, and Wales, which had not unexpectedly fostered some geographical differentiation of policies such as the funding of higher education and social care for the elderly, was given a seriously unexpected turn a year after the 2010 general election. For in May 2011 the Scottish Parliament elections led to a monumental victory for the SNP. Its emergence as the majority government was an outcome that many political pundits had deemed impossible under the semiproportional representation of Edinburgh’s Parliament (see Mooney and Scott, 2012). In Wales Plaid Cymru had a disappointing result in May 2011, the Conservatives gained ground, and Labour won thirty seats—one seat short of an overall majority—marking a sharp contrast to the situation in Scotland.

And, thirdly, the economic crisis which developed in late 2008 following the subprime mortgage crash in the US and subsequent financial meltdown was undoubtedly impacting on the policy-making landscape of the contemporary UK, as well as on governments in Belfast, Cardiff, Edinburgh, and London. In 2011 the UK, as much of the rest of the Western world, experienced what most commentators have identified as the deepest financial crisis since the Wall Street crash and great depression of the 1930s. The crisis of 2008 has a massive significance given its far-reaching impact on the world economy, bringing with it repeated pronouncements of a prolonged economic slump. The financial crisis—and the reactions to it by different governments and transnational institutions—has major implications for our understanding of devolution today and the future shape and direction of devolution and territorial policy across the UK (see Bell, 2010).

Themes and perspectives

Given this changing context, a further critical exploration of devolution and decentralisation is therefore very timely. The papers chosen to be included in this theme issue explore different aspects of the changing political geographies of the UK, and we emphasise that this is a UK-wide focus. Each is linked with a concern to contribute to the development of a critical political economy of devolution. In addition, there is
a shared focus on changing territorialities, territorial inequalities, and new forms of scalar and networked forms of governance and politics. Given the outcomes of the 2010 UK general election and the elections for the Scottish Parliament and Welsh and Northern Ireland Assemblies in May 2011, this is timely in helping to synthesise the important insights that exist already about the political contingencies of UK devolution but which seek to transcend the limitations highlighted above.

There are a number of themes that are of particular interest to us here, which have emerged in debate on devolution over the past thirteen years and more, including the question of legitimacy, uneven political and institutional powers and capabilities, divergent paths of policy, and strategy. Importantly, however, this theme issue seeks to transcend much of the existing literature on devolution, decentralisation, and a focus on institutional change by seeking to develop a political economy approach to devolution, interpreting devolution and ongoing political change as part and parcel of wider shifts in the UK space economy and society at large. This will enable a deeper excavation into the political anatomy of the United Kingdom of Great Britain and Northern Ireland which reveals a further set of questions demanding systematic academic analysis—questions which are taken up in a number of different ways by the papers in this theme issue. In particular, we highlight three interrelated dimensions which we believe can offer fresh insights into the political geography of UK devolution.

The new administrative and political spaces of devolution

If devolution may have represented some sort of ‘settled will’ on behalf of the ‘Celtic’ nations (itself, of course, a matter of some conjecture not least following the May 2011 elections in Scotland as well as longer existing tensions in the North of Ireland), the question of territorial government has continually resurfaced in England since 1999. While ‘the English question’—in relation to political representation, democratic expression, and territorial identity—has demanded considerable attention (Hazell, 2006; Jones and MacLeod, 2004), we also see a growing range of spaces and ‘spatial imaginaries’ variously assuming political resonance and policy relevance, not least through the formation of English regional assemblies (Rallings and Thrasher, 2006), a concern to develop competitive core cities and city-regions (Gonzalez et al, 2006; Harding et al, 2006; Marshall and Finch, 2006; Rodriguez-Pose, 2008), local areas and ‘communities’ (Raco et al, 2006), alongside transregional spaces orchestrated around ‘fuzzy boundaries’ such as the Thames Gateway and The Northern Way (Allmendinger and Haughton, 2009; MacLeod and Jones, 2007; Pike and Tomaney, 2009; see also Varró, 2012).

The South East of England plays host to a number of these newly invented ‘shadowy’ territories and ‘soft spaces’ (Allmendinger and Haughton, 2010), but is itself very much a space actively constructed around and through a complex geometry of state orchestrated policies and partnership arrangements (Cochrane, 2012), while the London city-region is being summoned through ever more labyrinthine geographies of governance as it confronts the profound challenge of marrying global-city status economic competitiveness with responsible ecological sustainability amid an atmosphere of corporate and fiscal anxiety. Further, and perhaps in response to a purportedly widespread public disenchantment with mainstream party politics (Hay, 2007), the post-2010 election coalition agreement promised “a fundamental shift of power from Westminster to people” and said that the new government would “promote decentralisation and democratic engagement” and “end the era of top-down government by giving new powers to local councils, communities, neighbourhoods and individuals” (Cabinet Office, 2010, page 11). In June 2010 Eric Pickles, Minister for Communities and Local Government, declared that his priorities were localism, localism, and localism.
In December 2010 the government introduced the Decentralisation and Localism Bill (DCLG, 2010) for England as a key component of the government's flagship 'Big Society' policy, with the assumption that localism and decentralisation have a positive effect on community empowerment.(2)

Several of the papers in this collection analyse these emerging spaces of devolution, enlightening us about their role in shaping a 'polycentric state' (Morgan, 2007) and in fostering political representation, community engagement, and democracy. Interestingly, the structure and functioning of London's central government itself—namely, Westminster and Whitehall—appear to be largely unaffected by devolution, raising some doubt about the extent to which political power has been devolved in any meaningful sense of the term. Indeed, as Morgan (2007) outlines on a more general level:

"New Labour has shown itself to be something of a modern Janus: while it is formally committed to devolving power—as evidenced by its track record in London and the Celtic nations—it is at the same time pathologically obsessed with control. Be it the party, the government, the Commons, the Lords, the media, local government or indeed the devolved administrations themselves, New Labour seems congenitally bent on manipulating outcomes to such an extent that its commitment to devolving power, so clear in principle, seems more equivocal in practice" (page 1238).

Suggesting that not much has changed with the replacement of regionalism with ‘meaningful localism’ by the coalition government, it has been argued that:

"Although regionalism is a 'non-policy' in Whitehall, the government continues to operate a hybrid system and has centralised regional funding through a regional growth fund. Councils, meanwhile, have been granted more financial freedoms, but local government finance is still principally controlled by central government" (Smith Institute and Regional Studies Association, 2011, page 2).

This is in spite of the abolition of regional plans, RDAs, regional government offices, and regional assemblies in favour of:

"government ... sponsored business-led Local Enterprise Partnerships, new enterprise zones, and .. local incentive schemes and funding tools, like the new homes bonus and TIFs [tax increment financing district]. These measures are supported by related 'localist' initiatives, such as reforms to business rates and council house finance, the promise of local referenda, more city mayors, and new community-led schemes under the banner of local empowerment and the 'Big Society'” (page 1).

In this regard it may be instructive to locate analyses of devolution within recent debates on 'postdemocracy' (Crouch, 2004) and a postpolitical vernacular (Swyngedouw, 2009), whereby it is contended that a growing concern with technocratic management, staged 'participation', and ensuring populist consensus and 'good governance' appears to have done much to evacuate the public realm of meaningful agonistic political debate and engagement (MacLeod, 2011; Swyngedouw, 2011; Varró, 2012).

The changing political economic geographies of devolution

The process of devolution is also entangled with a whole series of economic, social, and other significant policy spheres [see Shaw et al (2009) on the case of transport policy]. While this might seem plainly obvious, at times much of the writing emerging from the aforementioned ESRC and Leverhulme research programmes seemed overly

(2) Of course, readers should be reminded that in its final term of office New Labour had begun to champion principles of decentralisation and citizenship engagement: part of an explicit endeavour to 'reinvent' government by 'bringing devolution to the doorstep', hereby invoking the neighbourhood as a key site of political participation (CLG, 2008).
preoccupied with the minutiae of the changing constitutional and administrative architecture itself, often to the neglect of examining how the devolved political and administrative arrangements might be either an agent or an obstacle in shaping the wider arena of policy and, more substantively, the landscape of urban and regional economies and individual and community livelihoods (cf Tomaney, 2009). In considering this we would do well to remind ourselves that while New Labour bestowed its programme of politico-administrative devolution, the Blair–Brown state project simultaneously nourished the country’s own variant of neoliberal ‘total capitalism’ (Leys, 2008; Peck and Theodore, 2007): a post-Fordist financialised regime of accumulation that has effectively subsidised the rich and powerful while further entrenching a privatist ethos, as exemplified in the Private Finance Initiative (Hall, 2003).

Further, this mode of growth has served to shape an acutely uneven geography of localities, cities, and regions (Martin, 2009). To this extent, searching questions require to be posed about how, amid a host of mantras pertaining to ‘new deals’ and ‘social inclusion’, New Labour’s devolved UK has witnessed inequalities escalating towards American proportions (Dorling, 2006; 2010; Irvin, 2008; Minton, 2009; Wilkinson and Pickett, 2010) and continuing into the coalition government’s tenure (Danson and Trebeck, 2011; Jin et al, 2011).

Several of the papers here encourage a deeper excavation of the uneven political economic anatomy of a devolved United Kingdom amid the era of (post)neoliberal capitalism. Danson and Lloyd (2012) extend the idea of ‘varieties of devolution’ (Cooke and Clifton, 2005) to critically assess the extent to which specific powers have been devolved to the nations and regions and how these have meaningfully shaped and influenced national and regional growth and competitiveness and have been delivered by differing institutions and organisational infrastructures. Pike and colleagues (Pike et al, 2012) draw on institutionalist approaches and quantitative methods to develop an evolutionary political economy of the persistence of spatial disparities across the UK, the North–South divide being one classic instance (Martin, 1988). In excavating the contemporary relationship between spatial disparities, economic policy, and politico-institutional decentralisation they offer a sobering assessment of the ‘economic dividend’ that was so widely anticipated to flow from the competitiveness imperative inculcated in the new institutions (also Morgan, 2007; Rodriguez-Pose and Gill, 2005) which needs to be set alongside growing local and regional economic geographical disparities.

Law and Mooney (2012) investigate the tensions in Scotland around the drive for a competitive nationalism in the context of a class divided society with large numbers confronting the sharp edges of financialisation and neoliberalised marginality vis-à-vis degraded and insecure work and increasingly hard-pressed welfare and social service provision (Mooney and Scott, 2005; 2012; Viebrock, 2009). Analogous themes are examined in the paper by Murtagh and Shirlow (2012), who contend that public administration perspectives on devolution heralding the peace negotiations in Northern Ireland, a restored regional democracy, and political discourses of justice and welfare insurance need to be balanced against a neoliberalised ‘creatively destructive’ political economy (Brenner and Theodore, 2002): one that plays host to a twin-track accumulation regime where an emerging urban renaissance features pristine gentrified and consumption districts but is punctuated with intensifying social, class, and geographical inequalities.

**Theoretical interventions in the political economic geography of devolution**

The third dimension provoking this proposed special issue is the search to explore conceptual and theoretical tools with which to explain the geography of devolution in the early 21st century. Existing work has done much to examine the relationship
between institutional power and territorial politics, though the acknowledgement by one key participant that “there is a reluctance among many scholars to theorise the subject [of devolution] at all” (Bradbury, 2006, page 560) is itself surely instructive.

Nonetheless, important developments in political theory (Mouffe, 2005; Rancière, 2006; Swyngedouw, 2009) might help to transcend the erstwhile preoccupation with merely mapping the institutional and governance arrangements and to begin uncovering prevailing democratic political deficits across the United Kingdom, and in particular to interpret the coevolution of institutional transformations with, for example, mutations of neoliberalism (Law and Mooney, 2012; Murtagh and Shirlow, 2012). Moreover, those theoretical perspectives on spatial politics which disturb a conventional neatly formed territorial epistemology (cf Amin, 2004; Bulkeley, 2005; MacLeod and Jones, 2007; Morgan, 2007) might just be capable of offering fresh insights with which to unpack the geometry of power and influence while also having suggestive implications for theory, praxis, and policy (Amin et al, 2003). Several of the papers here draw on these perspectives to help further unpack the political geographies of devolution and to comprehend the structuration of fuzzy territories like the Northern Way and the topological maps of policy formulation in postdevolved UK (see Cochrane, 2012; Pike et al, 2012).

The discussion and debate around devolution and decentralisation, therefore, connect with many other strategically important issues in the context of the contemporary UK; these include a renewed emphasis and concern with the politics of territory, territorial identities, and territorial justice and injustice, not least in relation to policy making and issues around divergence and convergence. This in turn is crucially interlinked with the contestation of territories and of regions and regionalism. In part this is also demanding a refocus on territorial politics in the UK—that we indeed ‘rethink territory’ (Painter, 2010).

With the election of the UK coalition government following the May 2010 general election, the matter of decentralisation has been brought back into sharp focus, not least with the renewed emphasis on ‘localism’ that accompanies the ‘Big Society’ narrative. Against the ‘Big State’, the Big Society offers an alternative, though hardly novel, perspective on minimal state—at least minimal in relation to social welfare provision. In Britain: Building the Big Society (Cabinet Office, 2010) the UK Prime Minster David Cameron emphasises the particular role that community has to play in this vision:

“We want to give citizens, communities and local government the power... to come together, solve the problems they face and build the Britain they want. We want society—the families, networks, neighbourhoods and communities that form the fabric of so much of our everyday lives—to be bigger and stronger than ever before” (page 1).

That the Big Society rhetoric is, alongside UK coalition government social and economic policies, deeply contradictory should not detract from the fact that against the rhetoric of decentralisation there is a reduction in state intervention and regulation at the ‘top’, but a more authoritarian, punitive, and harsher intervention into the lives of those deemed as ‘problematic’ at the bottom. These contrasting tendencies open up again the question of the nature of neoliberalism post 2008 (see Peck, 2010).

It is clear from the papers in this collection that the devolution agenda is dynamic and does not offer a settled outcome as yet. While the Celtic nations are each progressing along a similar path, albeit with perhaps different ultimate destinations, the picture in England is much more complex and unresolved. The abolition of many of the instruments and power bases of the regions within England in favour of a ‘meaningful localism’ appears to have neither strong roots nor consensus support in
its constituencies. The papers presented here are a contribution to the ongoing debate and discussion on governance and government in the UK but cannot be the final word. As the economic and financial crises and their aftermath impact upon the countries of Europe, so the feedback into the political geographies of the nations and regions of the UK will make these developments more complex and demanding for researchers, policy makers, and practitioners. Undoubtedly, there will be a return to the topics and arguments in future issues of this and other journals as the dialogue and events evolve in unexpected and varying ways.

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