



Life post-Brexit in the Divided Realm

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Abstract

Following the confirmation by the UK Parliament that the UK would leave the European Union on 1 January 2021, this article analyses the likely impact of BREXIT on socio-spatial inequalities in the UK. It argues that inequalities will be further amplified, in contrast to Prime Minister Johnson's claims that inequalities will be 'levelled up', drawing on the historical trajectory of capitalist development in the UK, the policy priorities of the UK state and theories of uneven and combined development

Keywords

Uneven development, crisis, austerity, neoliberalism, socio-spatial inequalities

Early in the morning of 24 June 2016, the day after the European Union (EU) referendum, as the overall result became clear, David Dimbleby, the anchor-man on the BBC's referendum coverage, with a wave of his hands, announced 'we're out'. With this it was confirmed that the UK would be leaving the EU after some 45 years. This outcome was seen by many at the time as a surprise, especially in more affluent parts of London and southern England, but to many living in the former industrial areas of the north of England and Wales it came as much less of a surprise. It was later described by Goodhart (2017) as the result of a conflict between people who were attached to living 'somewhere' as opposed to those who were more mobile and could live 'anywhere'. As such, and as Watkins (2020: 10) was later to point out, the Brexit vote famously divided the country along sub-national, social, regional, class and generational lines. London, Scotland, Northern Ireland, the big cities, the middle class and the youth voted to stay in the EU. The bulk of England without London, Wales, the small towns, the working class and the elderly voted to leave. While erasing some of the

more finely grained nuances as a result of the way in which various attributes of people and place combined to affect voting patterns, this is nonetheless a concise summary of those voting for and against remaining in the EU.

Overall, the narrow margin of victory for those wanting to leave – 52% to 48% – set the scene for a fractious period of continuing disagreement and a protracted and often ill-tempered debate as to the merits of remaining versus leaving. Not least, this was because the referendum result came to be seen as representing a revolt of the provincial classes – ignored, maligned and impoverished – against the cosy metropolitan consensus on Europe, the benefits of immigration and the belief that national economic prosperity trumps personal experience of hardship (Shipman, 2017: 579).

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As with the period leading up to the referendum, the waters in the post-referendum debate were again muddied by fake news, dis-information and outright lies. The situation was further complicated by Mrs May's ill-judged decision to call a general election in 2017, which resulted in the Conservative party losing its parliamentary majority and to her losing her job, replaced as leader of her party and as Prime Minister by Boris Johnson. He immediately pressed for a general election on the basis of the need 'to get Brexit' done and fulfil the will of the people as expressed in 2016. The eventual 2019 election was *de facto* a one-issue referendum on EU membership and gave Johnson a substantial parliamentary majority and the mandate to confirm that the UK would indeed leave the EU on 31 December 2020.

It is important to reflect on why there was a vote to leave in 2016, confirmed in 2019, and to reflect on what the consequences of that vote will be for the UK's position in the global geo-political order and economy, for the future of the national economy, polity and society and for the manifold socio-spatial divisions within the national territory. The outcome in 2016 reflected an unholy alliance of disenchanted Labour voters in the old industrial areas of northern England and south Wales voting to leave (Beynon and Hudson, 2021), alongside those in established areas of anti-EU sentiment in the south and east of England, the origins of which went back to the opposition within the Conservative party to the EU – or the European Economic Community (EEC) as it was then – from the outset in 1957. As the right-wing of the Conservative party clung on to obsolete visions of the UK as an imperial power, a deep rift opened up within the party. This led the Conservative government to reject the opportunity to join the newly forming EEC – a fateful decision that was to have both short-term and long-term consequences. Subsequent attempts to belatedly join in the 1960s were vetoed by the French President De Gaulle and it was not until his departure that a Conservative government led by the Europhile Prime Minister Heath decided to join from 1 January 1973, a decision that was confirmed by a referendum in 1975 after Labour replaced the Conservatives in government in 1974. However, deep pro- and anti-European divisions

continued within both Conservative and Labour parties so that the relationship with the Europe continued to be an uneasy one (Oliver, 2016).

Almost four years after the 2016 referendum vote, the UK stands on the verge of leaving the EU, perhaps forever but certainly for the foreseeable future as the bulk of the establishment, albeit often reluctantly among pro-remainers, has come to terms with seeking to make the best of Brexit and a bad job (Watkins, 2020: 11). Having become Prime Minister (at the last minute deciding that campaigning on the basis of leave provided his best chance of fulfilling that ambition), Johnson could finally 'get Brexit done' (although in reality this barely got Brexit started). In an atmosphere of celebration and hubris at having 'got Brexit done', the process of negotiating the year-long transition period to finalise the terms of leaving the EU began. It did so with a weak and inexperienced government, a Cabinet that was a disparate collection of remainers and leavers (the latter, 'chosen for their devotion to Brexit and loyalty to Johnson . . . have revealed themselves as dangerous blunderers': Mishra, 2020: 9), led by a Prime Minister 'of unique incompetence, deceitful, panicky, often inattentive to essential business' (Mount, 2020: 8) and seemingly in thrall to his unelected chief advisor. However, the official narrative, intended to convince the electorate, was that leaving the EU was going to be easy. Likewise, negotiating free-trade treaties with other countries, which apparently were queueing up to sign deals with the UK, would not be a problem. Given the UK's negotiating skills, it was all going to be so easy, with great benefits to the UK, restored to its rightful status as a sovereign national state with control of its own borders and laws. However, it was never going to be easy or straightforward and it is doubtful whether political elites were so deluded as to believe that it would be. The process of leaving had hardly started when it was rudely interrupted and further complicated by the arrival of an unwelcome immigrant in the form of COVID-19 (on which more later), which was no respecter of the national frontier. As a result, preparations for Brexit were pushed onto the back burner, maybe even right off the hob. With any extension of the transition period ruled out by the government, it looked

increasingly as if UK could leave the EU on world trade terms in 2021 (which was arguably always Johnson's intention).

Will the UK economy be robust and resilient in the face of a further shock from Brexit in the international context of what increasingly looks likely to be 'the mother of all recessions' (Frederic Janbon, CEO of PNB Paribas Asset Management, cited in Beams, 2020)? As COVID-19 has graphically revealed, the UK has a structurally imbalanced and weak national economy, with unprecedented falls in economic output and gross domestic product (GDP; almost 20% and 25%, respectively, in the period March–May), an annual decline in GDP of between 10% and 15% (probably the worst in the G20 and the worst in the UK in 300 years: Office of Budget Responsibility, 2020b), increases in government borrowing (so that following a record monthly increase in May 2020, total government debt was greater than the magnitude of the national economy for the first time in over 50 years: Office of Budget Responsibility, 2020a), major companies announcing plans for significant job cuts¹ and registered unemployment forecast to rise to as much as 4,500,000 in 2021. This is despite eye-watering and unprecedented levels of state intervention in the economy and labour market running into hundreds of billions of pounds (745 billion by June 2020 and still rising). It looks increasingly likely that the national economy will be mired in an unprecedentedly deep and extended recession as the UK leaves the EU.

While the roots of the UK's contemporary economic structure lie deep in the history of capitalism and imperialism, the structural imbalances have been amplified by a succession of central government policy choices over the last half century or so that have made clear that the issue was less one of party political choices and more one of a deeper imperative shaping the relationship of the state to economy and society (Hudson and Williams, 1996). While it is correct that the Thatcherite neoliberal project was a critical moment in this, it is also important to remember that the seeds of this approach were sown in the response of the Labour government in the mid-1970s to the demands of the International Monetary Fund (IMF) in return for support of the national economy. The resultant cut

backs in public expenditure and support for the nationalised industries led to major closures in the car and shipbuilding industries, and abandonment of the new Plan for Coal and of a major programme of modernisation for the steel industry (Beynon and Hudson, 2021). Deindustrialisation has a long history, clearly has cross-party origins and pre-dates Thatcherism. Nevertheless, after 1979 it undoubtedly was savagely accelerated and increasingly absolute in terms of both the nationalised industries and the private sector, as outward investment soared following the abolition of exchange controls on capital exports after 1979.

More generally, as Thatcher sought to undo the post-war social democratic settlement and to erase socialism (as she saw it), the approach of her government was strongly neoliberal, selectively cutting back on the scope of state involvement in economy and society. There was a particular emphasis on ending state provision of production in the coal, steel and electricity supply industries and encouraging Foreign Direct Investment from overseas in what remained of the manufacturing sector. At the same time, however, there was great emphasis on selective state involvement to restructure and deregulate some markets to encourage the expansion of the private sector. This was crucial to a strategy of encouraging financial services, with the deregulatory Big Bang in 1985 intended to build on the legacies of Empire and reinforce the position of the City of London as a global financial centre. The consequence of these policy choices was to further erode the position of the UK as a manufacturing economy, although capital based in the UK remained involved in manufacturing, relocating production as part of the process of 'global shift' (Dicken, 2011). Responding to the abolition of capital export controls, between 1979 and 1986 the UK's 40 largest manufacturing firms cut employment in the UK by 415,000 while increasing it elsewhere by 125,000 (Hudson and Williams, 1996: 45).

Rather than seek to reverse these policy directions and emphases of the Thatcher years, Blair's New Labour governments, if anything, reinforced them. Jenkins (2004: 4) described Blair as 'Thatcher's most devoted follower, progenitor of what deserves

to be termed “Blatcherism”. Gestures of concern for the plight of the old industrial areas – such as the establishment of a Coalfields Task Force – were both rare and ineffective and led to a steady erosion of Labour support in its former heartlands. Neo-imperialist ventures with the USA in pursuit of oil in the Middle East also did much to erode support for Labour. While the focus on the City of London and finance as a national economic strategy and the lauding of the City of London by both Prime Minister Blair and Chancellor of the Exchequer Brown may have endeared New Labour to some in London and ‘middle England’, to many others, historically part of its core support in the now-deindustrialised areas of peripheral Britain, it merely served as further confirmation that they were marginal to the concerns of both major political parties. At best, for them financialisation might lead to some jobs in a call or contact centre, back offices and warehouses, inferior in quantity, quality and remuneration to those lost in industry (Beynon and Hudson, 2021).

The fragility of the economy was painfully revealed by the financial crisis of 2008/2009 ushering in the Cameron–Clegg ConDem (Conservative Liberal Democrat) coalition and then successive Conservative governments, pursuing the politics of austerity, further cutting state policies and support for the poor and unemployed. Recession and social crisis intensified from 2010, when the ConDem government complemented City bailouts with increased fees for university students and pro-cyclical austerity, ‘deepening the regional immiseration of the deindustrialized north’ (Watkins, 2020: 5). However, austerity did not simply intensify regional immiseration there but also had a more generalised effect, disproportionately affecting the poor wherever they lived. As a result, there was a further deepening of socio-spatial divisions and inequalities within the UK (MacLeod and Jones, 2018; Martin et al., 2016): divisions and inequalities that were further revealed, re-inscribed and reinforced in 2020 by COVID-19.

It is against this background that Johnson’s post-electoral pledge to ‘level up’ socio-spatial inequalities must be seen. In 1985, shortly after the ending of the historic coal miners’ strike and in the midst of the Thatcherite revolution, Prince Charles had spoken of his fears of the UK becoming a Divided

Realm, although in truth it had for long been deeply divided on multiple socio-spatial dimensions – class divisions inherent to capitalist societies, age and gender inequalities and racial legacies from an imperial past that have resulted in the deep divisions exposed again in the ‘Black Lives Matter’ movement in 2020. Class lay at the centre of these divisions, and related in varying ways to them, in the same way that a magnetic field influences the shape and location of the bodies that surround it (Frase, 2015). Moreover, these divisions typically overlapped and were expressed in the demographic, ethnic and socio-economic composition of places at differing spatial scales.

As a result, inter-related cultural and socio-economic divisions literally fell into place, reflecting the centrality of uneven and combined development as integral to capitalism. Such divisions were visible at multiple spatial scales. While often referred to as a macro-regional division between North and South, a better conceptualisation of macro-scale division is between a core in southern England centred on London and a periphery that includes the devolved nations of Northern Ireland, Scotland and Wales as well as the rest of England. This is a divide between a once-industrial and now largely deindustrialised periphery and a consumption-oriented core in southern England, which increasingly became a service zone for international speculation, insurance and re-investment based around global finance, the City of London and living off the legacies of Empire and the rents realised from a variety of assets (Nairn, 1981: 386–388). However, and critically, overlaid on this broad dichotomous core–periphery division there are more finely grained patterns of inequality between and within rural and urban areas, between and within conurbations and smaller towns, and so on.

This complex map of divisions formed the context for Johnson’s post-electoral and post-Brexit proclamation of a ‘levelling up’ agenda, aimed particularly (with an eye on future electoral prospects) at those parts of Labour’s northern ‘red wall’ that turned blue in the 2019 election. In the north east of England, the former solidly Labour constituencies of Bishop Auckland, Blyth Valley, North West Durham and Sedgfield returned Conservative Party MPs in the 2019 general election. While all these areas

suffered badly as a result of the Thatcherite assault on the nationalised industries, job losses in these industries began there in the 1960s. People there had been living for decades with a sense that governments of both major political parties were insensitive to their concerns, Labour (in both its Old and New guises) because it took their votes for granted and the Conservatives because for many years they could not envisage winning these seats.

It is in the context of this history and the more immediate unprecedented impacts of COVID-19, both on the national economy and in revealing and reinforcing socio-spatial divisions and inequalities, that the Divided Realm will leave the EU. It is difficult to share the Prime Minister's optimism – maybe hubris would be a better term – that the complex multi-scalar socio-spatial divides between and within macro-scale regions and nations, between the affluent and those suffering the effects of unemployment and poverty, can be 'levelled up'. For a while at least, they may to a degree be 'levelled down' as the central London economy shrinks under the impact of COVID-19. Longer term, however, it seems to me more likely that these divisions will widen further as the UK economy is increasingly marginalised globally, increasingly detached from the EU and access to its markets, while remaining structurally imbalanced and dependent upon promoting the City of London as a global financial centre. Conversely, the 'red wall' and analogous areas will be at best the location of back offices, contact centres and warehouses providing poorly paid employment and at worst areas that are home to a surplus population, surplus to the labour-power requirements of both capital and state, dependent upon stretched and shrinking welfare budgets.

There is no evidence of a coherent government strategy to pivot (to use the politically popular jargon) the economy back onto a sophisticated manufacturing base that would provide significant numbers of well-paid jobs for the residents of those parts of the former English 'red wall' that turned blue and similar areas in the Celtic nations ravaged by industrial decline followed by a decade of austerity. As Mount (2020: 8) puts it, the government 'is incapable of pursuing a steady policy for more than five minutes'. While there is considerable merit in

seeking to shift economy and society onto an environmentally less destructive course, it will take a lot more than vague talk about a 'green industrial strategy' to revive both those bits of the 'red wall' that turned blue, let alone those that did not.

Clearly, there are questions as to whether Prime Minister Johnson can deliver his promises to the new Conservative voters in the formerly solid 'red wall' in the (hopefully) post-COVID-19 context of Brexit in a way that will secure their future electoral support. The Conservative Party will no doubt seek to position itself to try to and hold onto those seats and win a future general election. If the appearance of holes in the former solid 'red wall' constituencies is evidence of a new Conservative working class, however, then it is one that is still in the making. As Watkins (2020: 19) emphasises, '[t]he 2019 northern working-class Tory vote doesn't yet represent a new electoral cleavage in a strong Lipsettian sense – a new party alignment offering a collective identity for the *longue durée*'.


There are also more fundamental issues raised by Johnson's 'levelling up' promise, however: just how realistic is it and what would be required to realise it? Is this another example of the necessary being impossible, the impossible necessary in terms of state policy (Offe, 1975)? How amenable are deeply rooted multiple and inter-related inequalities in a capitalist social formation to amelioration via reformist policy interventions? Since class relations and uneven development are integral to capitalism, it is difficult to imagine that Johnson will be advocating their abolition. As such, there are very real limits to the extent to which the complex map of uneven development of class relations and material differences in living conditions and life chances could be evened out and inequalities fundamentally narrowed, let alone eliminated. Even if they were, and they no longer influenced other socio-spatial cleavage planes, other dimensions of inequality would remain, although the extent to which they could in practice be disentangled from their heritage in capitalism is debatable. Not least, the roots of racial inequality lie too deeply embedded in the imperial past to be easily abolished so that the '... the new-fangled welfarism of Britain ... will remain precarious without a full reckoning with slavery, imperialism and racial capitalism' (Mishra,

2020: 14). Clearly, any policy initiatives to reduce inequalities and produce a more socially just and democratic society are to be welcomed but there are very real doubts as to whether these will be delivered by a Conservative Government under Johnson in the context of a post-COVID-19 and post-Brexit Divided Realm.

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Note

1. As of early July 2020, these include the following: Airbus; Boots; British Airways; Café Rouge owner Casual Dining Group; Upper Crust owner SSP Group; Daily Mirror publisher Reach; EasyJet; Harrods; John Lewis; Marks and Spencer; Prêt à Manger; Rolls Royce; and shirt maker T M Lewin (various press reports).

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