Danny Dorling is a Professor of Human Geography at the University of Sheffield. He has spent his academic life mapping the social, political and medical geographies of Britain, concentrating on inequality and differences in life chances. He is the author of Injustice: Why Social Inequality Persists and more recently of So You Think You Know About Britain?, in which he examines a set of social and geographical issues in Britain from the north-south divide to immigration and emigration. In the first of a two part interview he discusses with Tom Mills the current patterns of inequality in Britain and the likely impact of the government’s cuts. The second part will follow shortly.

Let’s start with some geography, as you are a geographer. We’re in London. What is distinctive about London as a city and what is most striking to you coming here as someone who is based in a northern city?

Well I come here a lot so I guess I’m used to it. I think it’s interesting watching other passengers’ reactions when you get the train back up north. There’s often quite a lot of muted racism on the train. It’s not candid but you know, ‘Oh, hasn’t London changed?’ This is an anecdote that confirms the differences between London and the north of England. London is vibrant, cosmopolitan and young. But it’s also incredibly unequal. There’s no other rich city in the affluent world which has such gaps between the rich and poor. It’s fairly shocking, although it’s well hidden. People are in their particular quarters and areas and they mix in very proscribed and controlled ways. The rich do mix with the poor, it’s just that the poor person they are most likely to mix with is their cleaner. They don’t mix socially.
And is it true that disparity of wealth is now back to the levels of Victorian times?

In terms of wealth disparity, yes. But a key thing you’ve got to remember is that, depending how you measure it, we are now about a hundred times wealthier. You will still find some places with abject poverty. You will find people who die because they can’t heat their homes and you’ll find some cases of starvation; but it’s just a different world. However, the gap in terms of life expectancy, the number of years people can expect to live in the poorer and the richer parts of London, is back again to the same number of years. It’s just that people are living 60 years rather than 90 instead of 30 years rather than 60. The sense of unfairness is also coming back again; and it ought to be coming back again when you consider the different chances of you seeing grandchildren or enjoying your retirement. We’re seeing the houses which were divided into flats when we became more equal being made back into houses.

We’re seeing servants coming back again. They’re not called servants, they tend to be called ‘the help’ or something, but there’s definitely a rise in that kind of thing and an incredible increase in professional childcare. Often though the returned servants don’t ‘live in’. So someone comes and does some cleaning, someone else comes and does the decorating.

Having servants again is something which in previous decades was considered selfish and strange, but has now become normal. It’s not necessarily the fault of the rich. In a world which is becoming more unequal and one in which you are worried and scared about the situation you are, then financially, just to stay still, the two of you may need to work ten hour days to get the salary you need to pay the school fees and so on. (Note you are odd if you talk about school-fees as if everyone pays them!) And you end up not knowing your own children. I honestly think this is a lose-lose situation. The rich were actually better off in the 1970s when they were less rich!

Are we talking super-rich here? When you say rich...

Well there’s an inequality curve which looks the same no matter which part of the curve you look at. So London has some of the richest households in the world and the average increase in their wealth according to the *Sunday Times* this year has been £60 million. That’s just the increase in wealth, just a part of their annual income, £60 million! So this is the superrich, the world’s richest people. They can be found elsewhere, but just not in the same density. Just below them — who talk about ‘just having a few million pounds’ — is a whole another set of people, and beneath them are the bankers with their bonuses and their £400,000 who feel poor. Beneath the bankers are the GPs who are struggling to live on £120,000. From their point of view this is a struggle and above them there is this set of people who live where their parents may have lived and they feel squeezed out and pushed down. And of course beneath them are the university professors in London who feel like they live in poverty (often there’s a pair of them, they’re married and they say they struggle). You can go down to the pockets of poverty in London and it’s the same. If you are on disability benefit (if you still qualify, if you haven’t failed the new tests) then beneath you it is much worse. But above you there is someone who is working a bottom end living wage job who is doing so much better than you because disability benefits are being cut by £2,000 a year by this government, so you are suddenly £2,000 a year poorer. But everybody, the bankers and the very poor, can experience the same feelings – this is to generalise – that people just above them are getting on a bit better than they are, that people beneath them are doing worse and you look down you’re frightened and you look up and you say, ‘That’s unfair.’
How does that picture compare to a city like Sheffield? Does the same dynamic of inequality operate across the UK? How different does it get?

Many people think that they live in a particularly unequal city when you talk to them. What you tend to find is that most British cities have a remarkably similar inequality slope. They all have a rich part and they all have poor parts. The difference between the north and the south is that the north tends to have small pockets of affluence – so Sheffield has a pocket of affluence which is Nick Clegg’s constituency – surrounded by average areas, and then poor areas (pit villages). In the south the stereotype outside of London, say Oxford, is that you have a small area which is poor, surrounded by an average area, surrounded by a rich area (Oxfordshire villages). But the inequality gradients are similar.

In ‘So You Think You Know About Britain’ you describe the south as being anywhere near enough to live whilst working in London. Is that right?

Well, yes. The north-south divide is a very old line, it’s moved around. So it used to be the line between highland and lowland Britain but it has changed. What’s more important than being commutable is where people can see themselves migrating to. We know this because we have migration registers, we know where people move to and from and there’s this fear of crossing the line. Even though it makes enormous sense if you make your money down south to actually retire in the north and buy yourselves a nice house.

Is it that people want to be near their relatives?

It could be that. It’s hard to know exactly what’s occurred but the divide has become steeper, house price differences have become more obvious along it and just this last year this has accelerated because London’s been bailed out. Edinburgh’s been bailed out too because of the banks there. It’s the equivalent of Margaret Thatcher saying lets raid financial savings to save the mines – if that had occurred in 1984 we would still have coal-mines but we would also have great national debts. Today it’s similar, a whole industry that’s been completely saved rather than largely dismantled. Partly for good reason – what would have happened if this hadn’t occurred would have been dire in the short-term. But in the medium term it would be cheaper to keep at least one large bank as a simple state-owned safe bank.

Is it fair to say that when we talk about London and the south we are actually talking about the City of London and about financial services, and that those are at the heart of a lot of the problems you describe in your work?

Well the financial and accounting sector is the sector which has grown the most. Not grown in terms of employment (it employs 4%), it’s big enough, but in terms of GDP. The banks themselves represent 12% of GDP and financial services is much wider. It’s partly about making money from outside. You always have to have something which makes money from outside the country otherwise no-one will ever send you goods. Once upon a time we sent wheat up to the Baltic and then we got wheat from the Baltic because we manufactured things and sent them back. Now we do financial services. That creates a surplus which then cascades down very inefficiently to allow other people to do other things. But I see the problem as being wider than the financial services.
So you don’t see the City of London or the banks as driving the inequality necessarily?

There are actually several Cities. There’s the City of London, there’s the Canary Wharf cluster and then there’s Mayfair and the Hedge Funds cluster, and they all show up separately when banking is mapped. But no, I mean they just happen to be the thing that is at the top. It could have been something else. I’m not blaming bankers or banking for this. Although I think it’s worth looking at what good bankers actually do for the rest of the world. Their primary motive after all is to extract profit and there’s a lot of dodgy money that’s flowing through.

It’s more that you reach a stage of unsustainability. That’s what worries me. So if you just take the richest thousand people, their income increase last year was 25%; the year before it was 29%. It had dropped a year before with the crash. But they are now getting credit card level rises in wealth and everyone else is paying for this. They are partly getting credit card level rises in wealth because indirectly it is they and the pension funds of the richest that allow you and I to have credit card debt. Their wealth often comes at the expense of others’ misery. Now the conservative idea is that they’ve generated this wealth.

Right. They’re wealth creators aren’t they?

Wealth creators – the phrase is a joke. Even if you were working mining gold and you personally had found the best seam in Wales, say, you couldn’t actually mine £60 million worth in a year. This thing about working hard – the hypocrisy of the phrase! I’m getting paid now talking to you. Is this hard work? I talk to bankers and they are sitting in nice chairs having a nicer time than me. Someone working in a normal job would look at this and laugh when you call it hard work. I’m well within the top 5% of the richest people in Britain. So I’m up there too, I’m part of the problem. But I don’t think this creates a world that’s necessarily any good for me and I don’t even think it creates a wonderful world for the rich. Having a bit of money is nice. Being able to heat your house is nice. To have one or two holidays a year is nice. But there are massive diminishing returns after that as to how much you enjoy your third, fourth or sixth holiday a year.

It’s inefficient isn’t it?

It’s inefficient and also the pressure on your children to do well is enormous. You can’t have an honest relationship with your parents if you are relying on the inheritance. Say mum and dad are earning between £200,000 and £1 million a year. You’ve got to go to university. You’ve got to do fairly well. You’ve got to get yourself a job that pays between £40,000 and £50,000 a year (starting salary), just to fit in. There are so few jobs that pay this much, so your freedom of choice is dramatically constrained if you’re a child of the rich. That won’t get you a place to live so you need loans from mum and dad and so on. So your freedom to have an honest relationship with your parents is affected.

I get in so much trouble when I talk about the problems of the rich but it is worth concentrating on the rich because they are so much more powerful than the poor. So I can see the point of saying to people who are relatively wealthy that if the people above you could come down towards you, so they have less and you’re willing to give up a little, not as much as them, but little more than the people below you, then
we’d all be in a slightly less frightening environment. It means that if one of your children doesn’t do too well in the future it doesn’t matter that much, they won’t join another species.

Currently when you’ve got wealth gaps of 270 times, that means that if you’re in the top 10% of wealth in London and your child enters the bottom 10% then they become another kind of animal. Ever so rarely, but occasionally, someone marries someone from the wrong side of the tracks. And the social embarrassment! I mean for a start your two families may both speak English but they won’t be able to understand the words. We’re back to Pygmalion levels of differences in accents.

You mentioned appealing to the rich over inequality. Glasgow University commissioned a poll testing the popularity of a one off wealth tax on the richest 10% so as to pay off the national debt. It found slightly higher support for the measure amongst wealthy respondents. It’s even stronger in the United States where the poorest are most against what they call death taxes and generic taxes. The poor in America have been told to hang on to the dream that one day you or your children might make it. The very worst thing you can imagine if you are really poor in America is for one your children to become superrich, only for some bastard to come and take the money off them. If what keeps you going through the day is the idea of winning the lottery or that one of your children might be the one to strike lucky, then how can you keep that as your motivator and still believe that taxing the rich is good?

Many of the social trends you describe in your work took place under a Labour government. Now the Tories are effectively back in power. What will be the social impact of their cuts if they are allowed to go ahead? Well the government itself may just do half of them. Just £40 billion! There are signs of soft peddling but £40 billion is still enormous. How dramatic are they? They may still, even if reduced, be bigger than the 1930s cuts. Margaret Thatcher’s cuts were nothing compared to these. She did a 1-to-1 increase in taxation and cuts. This is a 4-to-1 cut.

What I couldn’t have predicted is that people are so innumerate. You could have said £80 million or £80 billion and it doesn’t mean anything to the vast majority of people. Take the university sector where our annual government budget this year is about £8 billion or £9 billion – next year it’s £2 billion. That’s three quarters of the money, and all the money going from social science. Nothing from the state will fund me anymore. So we’ve privatised universities at a stroke, but that’s the least of our worries. That’s just a few billion.

We’ve taken £2 billion off the poorest million sick people, reduced their incomes by £2,000 a year. You have what is really ethnic cleansing of the poor from cities (Boris Johnston’s phrase). It goes on and on. You’re going to have story after story of old people found dead because meals on wheels didn’t arrive and they’ve slowly starved. It might not be very many in national demographic terms, but it will be at least one or two a day and it will be enough to fill the newspapers. A child might die where the lollipop person used to be before they lost their job. These will all be individual stories of human tragedy. The thing I think which will slowly become infuriating is that at the same time we will see the
first real drop in living standards. The poor will become much poorer and at the same time that that’s happening the top 1% or 2% will be becoming much richer – richer than they have ever been before.

I’ve spent my life describing growing inequalities but I was talking about relative inequalities. This is absolute inequality growing. For the first time the poor will get a lot poorer. Under Thatcher the bottom 10% became a few pennies poorer, which was terrible in a time of rising affluence. But now we’re talking about people becoming £2,000 a year poorer and that’s simply the cuts for people who are sick. This is money that people use to buy soap, bus tickets and to pay for heating. The ill will have to decide how many more hours a day they want to be cold than they were before. And more will die.

But I don’t think this is a conspiracy. I could well be proved wrong. In 20 years time someone could show that actually they did all sit around in a room and were very nasty. They don’t seem to care particularly. George Osborne gave a reward scheme to Ministers, which ever Ministers cut the most were allowed into his special group which were allowed to cut other ministries. So Caroline Spelman and Eric Pickles got in and I think Caroline Spelman got in because she agreed to sell all our forests. She did that because they were all competing to be best at cuts like school children being set a maths test. Osborne set up a game where the more you cut the higher you were rewarded as a Minister for being mean.

_But they are being callous aren’t they? They have the best resources to predict the effects of the cuts, so surely they know what you know?_

Yes but they think the alternative would be worse. George Osborne talked about this before the election until he was told to shut up. They think that the alternative is that financial markets lose faith in Britain, that there will be a run on the pound, that we’ll lose our AAA credit rating and the country as a whole will be plunged into poverty. So they think that they are doing us good, that although it will be tough, the outcome (as far as the Tories are concerned) would be better than the alternative. I don’t know them. I think some of them like Danny Alexander and George Osborne are more problematic and more vicious and some of them are not so nasty. But I don’t think anyone in there is truly psychotic. They are severely misguided but they’re not there to try and make the world a worse place.

We do have a very large debt. We do look rather like Greece and Iceland and Ireland. We rely on this pompous idea about how wonderful our bankers are – but it’s a myth. I can see many other ways of dealing with all this but not one which would allow us to stay as rich as we were in 2007.

_In recent years the Tories have tried to present themselves as sensitive to issues like inequality and social exclusion. What do you make of the right’s response to these social issues?_

The right has always been genuine. Keith Joseph, who was Thatcher’s mentor, apparently as a child used to sneak out and give food to homeless people. That was rare for a child to do and there were relatively few homeless people before Thatcher. There’s a big spectrum in the Conservative Party which overlaps very much with the Labour Party. Differences are not that great. I’ll put it really crudely: when you go to Oxford if you’ve got a double barrelled name and you look a bit posh you’d do better in the Conservative Party. If your Grandfather was working class and you’ve got a single barrelled name
and your first name isn’t quite as posh (as Gideon say), you’d do well in the Labour Party. But you’re still in the top 1% if you go to Oxford. These are not different people. There are some very nice people in the Conservative Party and there are some quite nasty people in the Labour Party.

Britain has a problem which is not to do with the Conservative Party. He’s a way to illustrate it: if you look at the United States, Americans come out with really stupid statements that sound really silly when you hear them. Now look at us from the perspective of mainland Europe. Mainland Europe’s not a Mecca, but to them (normal Europeans) we are the America of Europe, with our pompous Labour Party, our pompous Conservative Party and our non-alternative of a Liberal Party. The stupid things we say and the fact that we have the highest poverty rates in Western Europe and the biggest credit card debt and the lowest life expectancy in our poorest areas – we are the Americans of Europe. We are not as bad as America. They actually have falling life expectancy in parts of Detroit. Now we can say, ‘Isn’t it great that we’ve got an NHS and they haven’t.’ But just like Americans don’t see anything wrong with America and talk about ‘socialised medicine’ as bad, we don’t see what’s wrong with Britain and talk of nationalising a bank as bad.

Tom Mills is a freelance investigative researcher based in London, a PhD candidate at the University of Strathclyde and a contributing editor to the New Left Project.

Danny Dorling’s latest book is So You Think You Know About Britain?.

You can listen to an extensive archive of his talks and lectures here.