Danny Dorling: British society is heading for "levelling down"

In his new book "Shattered Nation: Inequality and the Geography of a Failing State", Danny Dorling paints a bleak picture of life for many UK citizens today. Standards of living are falling across the country, yet policy-makers from across the political spectrum have failed to put forward effective measures to reverse this decline. In this Q&A with Bea White, he explains why radical change may be inevitable for a country that has run out of both money and options.

There is a perception that the shift to a Labour government in 1997 marked a sea change in British politics and efforts to make society fairer. But you argue that there was actually considerable ideological consensus between the New Labour and the Conservative government which preceded it. What is the evidence for this?

We had huge hope at first and Labour initially had a lot of credibility in the late 1990s. New Labour did do some good things – opening up to migration was a massive boost, and they increased health spending and spent more money on social housing.

It was only when I looked at the <u>Gini coefficient</u>ⁱ of income inequality worked out by the OECD that I saw it hadn't moved by more than 1 per cent in any year for 20 years. Our inequality was at a level where we managed to beat every other country in Western Europe. Now Bulgaria is the only country that's more unequal than us.

So they didn't change inequality. And it's really only in hindsight that you look back see actually that was a massive failure. They wanted to seem competent. The technocrats took over. They wanted to grow the City of London – that was all about trickle down as the policy. The idea was the city gets bigger, so then we'll have more Sure Start centres, and we'll build brand new Academy schools. Brilliant. They built these schools in the poorest parts of town. It was great, but then suddenly we found that almost all secondary schools and universities had been privatised.

It was Labour that brought in £1000 a year tuition fees, and then raised it to 3000. It was Labour who made a deal that led to it becoming £9000 a year under the Conservatives. So they were absolutely in cahoots ideologically then, and they were in 1997 it just wasn't quite as obvious.

When Thatcher was asked about her greatest achievement, she said "New Labour".

What Tony Blair and Gordon Brown did by moving Labour rightwards is that they pushed the Tories way over to the right. It would have taken a super superhuman effort and ability and knowledge to turn around the biggest rise in European inequality which occurred under Thatcher. But when Margaret Thatcher was asked about her greatest achievement, she said "New Labour".

You explain that Britain is an outlier in terms of its inequality levels across the board, in comparison to its neighbours but also in contrast to global trends. If British people are aware of this, why do they tolerate it?

I don't think that people are aware of it. People do not know the real rate of child poverty, that the proportion of children who are poor in the southeast of England, that's excluding London, is higher than Scotland. Hardly anybody is aware that that children in Scotland are less likely to be poor by the government's official measure than those in the richest part of England (and that's mainly something that occurred under New Labour). Hardly anybody knows that that there are more poor families per head in the southeast. In Oxford it is one third. We have babies being washed in cold water in now because people haven't had their boiler on for 18 months. Unbelievable.

We think it's inevitable. We think "Of course we've got to have retirement at age of 68, 69 or 70, they must be mad in France" or "We can't possibly let in refugees like they let it in Germany." We've become more American and less European in our thinking. Even if there is awareness, it's just seen as pie in the sky.

You mention the disparity between England and Scotland. What is the impact of inequality on devolution and campaigns for it to be taken further?

The SNP [Scottish National Party] are criticised for not looking after public services enough, but they can only do that if they can raise taxes, by more than they are currently allowed to raise them. If you want to have a better housing system in Scotland, you can't do that with some of the lowest taxes for people who are earning two or three times the average income. By low I mean lower than the take tax in other similar European countries on high earners. So it leads to pressure for greater devolution; it pushes towards more independent powers.

They and we are running out of money now in the UK. We can't borrow more, we can't tax it, we can't print it because then the cost of food will go up too much. So we're going to turn around to Scotland and tell them they're going to have less money to spend in future. Labour have retaken a seat to Rutherglen, which they held at every election, apart from the last one, and now they think they're going to sweep across Scotland. But things are different in Scotland now.

When it comes to addressing the spatial inequalities across the UK, do you think the Levelling Up agenda and its policies are taking an effective approach?

Well, at least we're talking about it. But nothing that is currently being planned is going to make things more level.

In 2015, George Osborne promised that if we followed his economic plan we would be the richest country per capita on the planet by 2030, apart from a few tiny oil states. When Boris [Johnson] resigned, he made almost exactly the same promise, but slightly watered down. At the start of last summer, [Keir] Starmer makes the same promise, but only among the G7 countries. So we are promised the sunlit uplands every time, but it's never as good as the last promise. And we are never going to get there given what's happened to the country.

There comes a point when you can only tax the rich, otherwise people will starve.

So the most likely scenario is levelling down, because when the money runs out, you're going to have to tax people at the top more. There comes a point when you can only tax the rich, otherwise people will starve. So we're going to level, but it's not up!

In higher education, we've seen increasing pressure on institutions from industrial action. How do you view these campaigns?

UCU, my union was arguing that people like me – a well-paid university professor needed a higher percentage increase than what we're being offered because it's still below inflation. They lost their dispute and I think that's good news. It essentially means you can't send your children to a private school, which the majority of academics in Oxford do. Or you can, but you're going to have to ask more money from the grandparents.

It may be painful, but it's actually levelling and it's levelling down. The smallest pay increases are going to the highest paid people. My salary could go down by 10 per cent four times before life will get really difficult and I'll still be much richer than most people in Oxford after that.

We've run out of money and the rich like me are going to have to become more normal. And the irony is this: It's not [Jeremy] Corbyn doing this, it's [Rishi] Sunak.

At the recent party conferences we saw the parties setting out their stalls towards the general election. Did you see indications that there will be policy proposals that might effectively address the issues you raise?

We're a position now where we're forced to address them – sterling has become a dangerous currency and there's a real risk of the country going bankrupt.

The last time this happened was during World War One – when the war went on for so long that we had to raise money, and then we began to raise it from the rich as an emergency taxation that never went away. And then we became more and more equal, with levelling down for everybody.

What happened in the past was that – when the middle classes couldn't afford to pay the doctor in the 1930s – that's when a health service became a viable idea. We got comprehensives when the middle class could no longer afford to go private. Progressive things like the Health Service and comprehensive education have been driven by the middle class in their self-interest for their children because they're not

as rich as they were before. And it tends to be the middle class who get what they want.

It's interesting Sunak has come out fighting on the anti-environment stuff. It wouldn't take much for them to introduce some progressive policies – like a Sovereign Wealth Levy as an emergency measure on income over a certain amount. They could introduce tax policies that show a different ethos, even if they don't raise much money.

What will [Keir] Starmer and [Rachel] Reeves do then, are they going to follow suit? Is Labour going to be the party of lower taxes for the rich?

And the policy that you can't buy cigarettes from 14 onwards – that's a that's a nanny state policy. And it's Sunak's flagship policy!

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There's a danger we could become more unequal. And you don't become a society where people care for each other overnight. Your children have to go to the same schools. It takes about two or three generations. When society becomes really unequal, we no longer think about each other as human beings. The lower orders are lower orders again. We need a shift in moral compass, decency, how people should be treated and thought about. And it happened before the question is: are we on the edge of it beginning again?

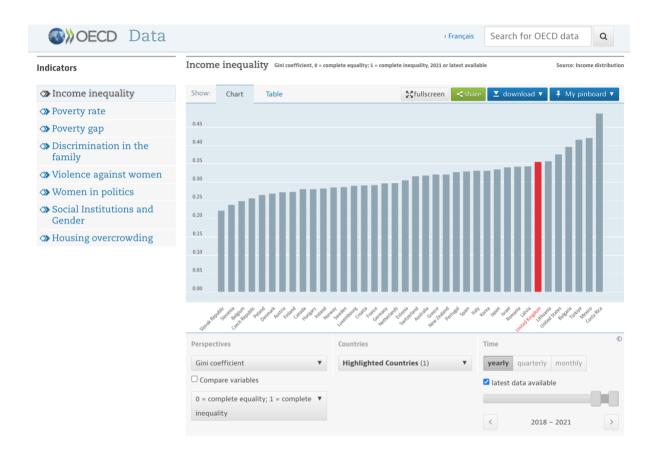
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i https://data.oecd.org/inequality/income-inequality.htm





Pictured: Rishi Sunak promoting the Levelling Up agenda in 2021 Source: Kia Leanne (2023) Is the Island levelling up or levelling down? Isle of Wight Observer, January, https://iwobserver.co.uk/is-the-island-levelling-up-or-levelling-down/