**Sam Bright**
**In conversation with Andrew Kelly**

**Andrew Kelly:** I'm Andrew Kelly from Bristol Ideas and I'm director of our biennial Festival of the Future City. We've long been concerned by - and discussed often in our work - the damaging effects of our over-centralised country. This is not just a political problem. There are major economic, social and cultural problems too. For too long, we have seen areas outside London and the South East decline, people and places left behind. Levelling up has become a core part of the political rhetoric, especially since the 2019 general election, but action on levelling up has been limited. As journalist Sam Bright says in his new book, *Fortress London: Why We Need to Save the Country from Its Capital,* we need new ideas. Sam, thank you for joining us.

**Sam Bright:** Pleasure.

**Andrew**: You're from Huddersfield. You've worked for the BBC. You've written for many publications and are now investigative editor at Byline Times. What has this and your education taught you about London and regional inequality?

**Sam:** Well, I'd say certainly journalism is one of the most concentrated and centralised professions, and quite damagingly so, I think, because of its combination with low wages. You'll obviously see a vast concentration of jobs in the financial sector in the City of London, but at least those people can afford to live in in the capital. I think journalism is one of the professions where you need to be highly educated, you need to be highly skilled, but the industry has suffered in recent years. Many young journalists find it difficult to break into the fortress, to break into the capital and find work. I think that means invariably that it's those with the capital, with a stake in London, who can perhaps live with their parents during early career opportunities, or who have family wealth – the bank of mum and dad – to rely upon. Those are the people that are able to break into this quite socially exclusive profession.

And I think that's been borne out in media coverage of certain events in recent years. Obviously, Brexit was a big one that the media didn't see coming, and I'm sure there'll be plenty more in the future, because although there's been some efforts to try and diversify journalism, unfortunately, certainly from my experience, it seems as though 'region' is still lacking in that diversification effort.

Obviously, we've seen laudable efforts to take the BBC to new places. Media City is a remarkable endeavour in many ways, based in Salford. Obviously, Channel Four has opened a new headquarters in Leeds. But compared to the vast scale of the newspapers and the broadcasters and the BBC, New Broadcasting House in central London, these efforts are actually quite marginal in terms of redistributing jobs to other parts of the country.

So on the whole, yeah, it's a pretty bleak picture from my point of view. And I've been one of the fortunate ones who's come from a small town in the north and has managed, with a tremendous amount of luck, to make my way in the first decade of my career.

**Andrew:** I want to come back to journalism. Let's look at some more detail in the book. You commissioned a special opinion poll on attitudes to London and the regions. A big headline figure for me was 70 per cent of respondents from all UK nations and regions, including 59 per cent of Londoners, believe that London has been given preferential treatment by the government since 2005. What other key points did you find from this research?

**Sam:** Well, like you mentioned, I think it's staggering that people in London do recognise actually the imbalances that exist within the country and are concerned about them. I think one, not necessarily from the opinion polling that I undertook, but from some research from party political polling that I saw that complements this, is the fact that Labour Party members in the south of England place regional inequality very high up in terms of the orders of concern.

The Labour Party is known for many things in recent years in terms of tackling injustice, but I think it's fair to say that regional inequalities have not been higher up – in terms of the institution of the Labour Party, in terms of the Labour Party leadership, it's not been at the top of the agenda, which is one of the reasons why we saw the red wall seats flip to the Conservatives in 2019. But the fact is that Labour Party members themselves really consider regional inequality to be a formative inequality in modern Britain.

So I'd say that both the opinion polling that I commissioned and the other opinion polling that I saw from other sources confirmed there's a sort of disjuncture between the institutions of power in this country – whether that's Whitehall or whether that's the political parties – and what individuals, what you might call the silent majority, really believe about regional inequality. There's widespread concern, not just in the north, not just in the traditional areas where you might think they'd have grievances about regional inequalities, but actually in those places that have benefited to some extent from these regional inequalities in recent years. My book's trying to reframe the argument, really, it's not just about the north south divide – it's about London, and to a wider extent, the South East, and everywhere else. As you'll know, the South West has its own acute regional problems, and I'm sure we'll come on to that.

**Andrew:** One of the things, in terms of wider context setting, certainly some of the work we've done and in reading your book, is there is still this strong attachment to a place where people come from, but it's undermined by the declines that we've seen and underinvestment, but also by people moving away from the place to get work elsewhere. I think going to London is one of those options for people, which means that a lot of younger people leave a place. It's not something which Bristol suffers particularly from, I would say, because we have high student retention, for example, but a lot of other places have this problem, don't they?

**Sam:** Yes, it's really interesting, actually. People assume that London is rootless, that people in London are very flexible – in David Goodhart's dichotomy they're Anywheres rather than Somewheres, and they're very flexible, very mobile, etc., and they have a lack of attachment to place. But I don't think that's true. If you actually pay attention to what the conversation is in London, particularly amongst working-class communities, it's a concern about gentrification. And that goes for all – I'm not talking about white working class, I'm talking all working-class groups. Gentrification is a massive problem in London, and that stems from a real attachment to the place and wanting to preserve a sense of community.

What I've argued in the past is that this concern stems from exactly the same problem in the north or other parts of the country, in that they want to preserve their sense of community and they're concerned about the fact that graduates have to leave in droves to the capital, and highly skilled people who've graduated from Russell Group universities flock down to London and then gentrify London. So you've got a dual problem of the small towns in the north losing their sense of self, because young people are fleeing, while creating the same problem in London through gentrification. So my argument is if you solve the brain drain, you solve that problem in two places in the country, not just one.

**Andrew:** And certainly gentrification is an issue which is of concern to Bristol communities, I would say. You worked on David Goodhart's book, am I right in saying that?

**Sam:** Yes, I did – I researched it.

**Andrew:** We've had David speak a number of times, and I've always been struck by his work. Sometimes it's controversial, but I've found it very useful in some of the work that we've been doing.

You give the example of Port Talbot as one of the places where people have a strong attachment to the place, a certain generation, but then younger generations are moving away. Just talk us through that as a case study.

**Sam:** Yes, Port Talbot is a fascinating one, really, because of its industrial heritage. Obviously, the Tata steel plant on the banks of Port Talbot sort of looms over the town, and that's been the source of employment there for decades. And as we all know, the headlines seem to pop up periodically that the plant's on the brink of collapse and so - very acutely - there is this concern in Port Talbot that it just can't retain young people. So you've got an extremely ageing population in Port Talbot, you've got what will be classified in economic terms an 'unskilled' population there, and you've got young people who increasingly go to Cardiff for work or more distantly to Bristol and then to London, and you've got a relatively deprived part of the country, which means that you've got combined health problems in that area as well, on top of the area being quite demographically un-diverse.

So it's sort of the epitomisation of, although you wouldn't classify it as a red wall area, but what we consider to be that sort of left-behind part of the country that was inclined towards Brexit and certainly has been inclined towards more radical political solutions in recent years.

One of the main new employers in the area is Amazon, so that's the new dominant economic power in South Wales, these massive Amazon factories, which don't offer the secure work that the steel industry used to. And it's not particularly skilled work either. Unless you're going into management, you don't necessarily need to have graduated university to work in some of these factories.

So you've really got the divergence between the old declining industrial power of the steelworks and the new emerging tech power of Amazon, and all the problems that come from that, particularly low wage, insecure employment, but you've got job opportunities. Port Talbot is a real sort of tough nut to crack.

**Andrew:** When I was reading your book I was thinking about where I grew up, and I grew up in a place near Wolverhampton. At that time, and for many years after, but now gone, the company Goodyear was a prime part of the town. It was a big employer, played its part in supporting the football club and other charitable initiatives. And that's now gone as a company, to be replaced by who knows what, really, in terms of longer-term employment opportunities. My father worked for Goodyear most of his life, and my brother worked for Goodyear virtually all of his working life. When they go, those can leave quite an impact on those places.

**Sam:** Yes, definitely. And I mention in the book my family has a history of working for the ICI in the north of England – several of my family members work for the ICI. And you can see that sense still in them, when I talk to them about it, of employment providing a common existence for the town and a sense of identity, that has now been fractured.

It's almost as though the town – I'm talking particularly of Widnes, where my family's from – the town's in sort of a state of paralysis, waiting for the next boom to arrive and hoping and believing that it deserves the next boom, because we're one of the wealthiest countries in the world and we have one of the strongest cities in the world, and they probably look over at Manchester as well, and see Manchester's recent boom and think, why

are we being left behind? We carried the Industrial Revolution, we had the wool on our backs and we were a manufacturing hub of the nation, and now what have we got left?

I think this is largely missing from the Brexit conversation. We talk about these left-behind areas, but we don't really, I don't think, understand emotionally what it means for these places to feel as though the modern economy is surging ahead and you're left static. That must be incredibly disorientating for people young and old in those places.

**Andrew:** There's a new book out by Richard Vinen on Birmingham, published by Allen Lane, interestingly, a big history of Birmingham. Reading a book like that, just as you've talked about Manchester there, reminds you of how significant some of these cities were at certain points in history, particularly under the mayoral leadership of Chamberlain [in Birmingham] for a brief period and the transformation of those places. It wasn't always like this, was it?

**Sam:** No, definitely not. Lots of the economic studies show that we were a lot more regionally unified at the start of the twentieth century – sorry, no, we *weren't* regionally unified at the start of the twentieth century, because we'd had the end of the industrial era. Then we got steadily more unified during the interwar years. Since then, we've reverted back to an economic model and to regional inequalities that are more similar to the start of the twentieth century and the middle part of the twentieth century. So we've gone backwards. I think the question is, how exactly has that happened? Why hasn't the government sought to prevent those inequalities from widening? And also why now, after a series of political and economic convulsions, is it still not high up the political agenda to close these gaps? There seems to be a real lack of ideas, which is one of the reasons why this forum is so valuable, to actually address those questions, despite the fact that it's clearly at the top of people's minds.

**Andrew:** Let's go through some of those inequalities. I'm glad, by the way, that you made the point about this is London and the South East. I've often felt that a city like Bristol has many advantages, huge advantages, over other places, but still needs levelling up within the city. It still has areas of deprivation, it still has issues around education, some of the things you talk about in the book. It still has, as most places do, issues around social mobility and inequality. Let's just talk about a few of these things. You talk about, in terms of education, how there was that very good programme called the London Challenge, but that was done for London and then rolled out rather begrudgingly, I thought, and then stopped.

**Sam:** Yes, the London Challenge was phenomenal in terms of its in terms of its impact. I'm usually sceptical, highly sceptical, about the effectiveness of government policy and its ability to bring about really transformative quick change. But the London Challenge was a great example of this. London schools at the beginning of the New Labour era were really the runt of the litter, they were the back of the pack – secondary schools and primary schools.

It was almost a cliché that wealthy families in the capital wanted to get their kids out to the home counties to try and get them educated at that time. So what New Labour did, in combination with investing massive amounts in schools, which we can't dismiss as a factor, was they created this programme. It wasn't that top-down, really, it was creating a forum for schools to be able to share best practice. So schools that shared similar characteristics, perhaps they had a large number of ethnic minority students, would be partnered together, the highly performing schools with schools that were lagging behind, so that the schools that were performing well could share with the less effective schools what they'd learned and how they'd been so successful. I think that's an incredibly effective tool. Not only because, well, for one reason, it meant that the policy could persevere through changes in the Department of Education, because it was essentially just providing the tools to schools to

share their own knowledge, rather than dictating through a centralised process what exactly the school should be believing and what the best practice was, which might change – one minister might have a different opinion to the previous minister. And effectively, it was just providing a forum, a basis for information sharing. But yes, it was tremendously effective in London.

London has now soared ahead of the rest of the nation. You're twice as likely to go to university if you're educated in London versus the north of England, if you're on free school meals, which is an incredible advantage for the most deprived students. But unfortunately, it was only rolled out to the Greater Manchester and Black Country regions quite late on during the New Labour era. It showed some signs of being effective but wasn't really run for long enough for us to see the massive benefits that we saw in London materialise in those parts of the country. And then when the coalition came in obviously it was austerity years, so we had harsh cutbacks to school budgets and we also had the abandoning of the London Challenge programme.

I spoke to the founder, Tim Brighouse, and he was just tearing his hair out at the fact that this hugely successful policy, which actually, I'd say, wouldn't violate Conservative principles massively, because it wasn't based on central government diktat, it was very much in terms of giving the tools to communities to solve their own problems. You could see it in terms of community conservatism, which is something that Michael Gove, who took over as education secretary, seems to believe in, but that wasn't the case – he had his own ideas and the policy was scrapped, unfortunately,

**Andrew:** The next area is about social mobility, and the fact that younger people seem to believe that they have to move away to be socially mobile. One of the great tragedies of our time, I think, is this lessening of social mobility, certainly the belief that the future generation will be better off than the previous generation, which in my family's case is very clear has happened. People in the future will not have the same benefits as that.

**Sam:** Yes, and I think this comes down, quite largely, to the housing crisis that we see, particularly in London. It's this sort of perpetual battle between the jobs boards that you see online. You know, you can search in London and see ten times, 20 times more job opportunities in the capital and your eyes light up – I've been there – you see the riches, and you see the salaries, and you think, wow, I can make it, I *can* be more successful than my parents, and then you go on Rightmove, and you look at the rents, and you're like, ah, that's why the wages are higher. For the first few years of my career, am I going to be able to afford those rents? And also I don't know London, I've never lived there, it's a big place, it's different from anywhere else in the UK. You hear stories of crime, and you hear stories of people who've gone down there and have just not been able to make friends and have been lonely in this huge city. And then you've got your parents - I mean my parents, they do have even more antipathy towards the capital because they see it as draining the resources of the rest of the country and they don't want to see young people fleeing there.

As a result, people are pinned into where they've grown up, or they might go to the nearest 'hub', which might be Leeds in my case, close to Huddersfield, or Manchester as I mentioned, or Newcastle. And that's great for those cities – they've been regional success stories in recent years. But these small towns are still suffering and can't quite get their foot on the economic ladder. And so, yes, I think solving the housing crisis involves actually largely redistributing the economy to other parts of the country, which would benefit London and would help to reduce the heat that we've seen in the London rental market that has boomed even after coronavirus. Like you say, it's London or bust to a large extent at the minute, which creates massive problems.

**Andrew:** And linked to this – they all link together, of course – but linked to this is about health and place. Some of the most significant research I've seen on this, and you cover it in your book, is by Sir Michael Marmot. We've had him speak a number of times. I still hope one day that Bristol will be one of his Marmot Cities, because I

think it's a great tool for moving a place forward. But we do have this issue, don't we, about declining quality of health and actually life expectancy now in places. Some places have always had lower life expectancy than the wealthier places, but also within those places you have higher life expectancy and then not so far away much lower levels of life expectancy.

**Sam:** Yes, and as my friend Emma Dent Coad, who was former Kensington MP, always tells me, Kensington is the most unequal borough in the whole of the UK. You've got the stucco mansions of oligarchs next to Grenfell. You've got life expectancy for men living near Harrods close to 90 years, and then you've got North Kensington where the life expectancy is closer to mid-to-late 70s. So you've got a 20-year age gap nearly within Kensington itself. So yes, there are massive internal health inequalities in the UK and also regionally, as you mentioned.

You look at the rust belt of the United States and obviously you see there the massive opioid epidemic, which is of a different magnitude to this country, but we've certainly got health problems that relate to economic decline, that relate to substance reliance, pollution. North East England has astronomical rates of male suicide compared to other parts of the country, and I think that relates very directly to the economic position of certain former industrial places in the North East over recent years.

It's that sense of a lack of opportunity, as we just mentioned, a lack of hope, a sense of stagnation, a sense of not being able to break free of the circumstances in which you were born and in fact going backwards and seeing your school friends leave and seeing your family die young. And as a result, that creates a mental health crisis, not just a physical health crisis in these places.

Again, we've seen that during coronavirus. Coronavirus ripped through the places that are reliant on key workers, where housing conditions are worse, where people are more likely to cohabitate than not. And once again, I'm sure this will be borne out in the coronavirus inquiry, but Marmot, as you'll know, recommended in 2010 a series of reforms to improve the health of the nation and to rebalance these health inequalities. He said in his report ten years later, in 2020, that we'd actually gone backwards, that austerity had very directly impacted the health of the poorest places in the country while the South East had got richer and had got healthier.

In a political sense it's quite a conundrum, regardless of what you think about the political parties and where they stand at the minute. The fact is that austerity was the tool of one political party that caused certain poor areas of the country to get less healthy. And then those areas of the country voted for the party that had imposed that upon them. When poor people are essentially voting to be sicker, I think that's quite a dangerous situation. Even though obviously it wasn't what they intended to vote for, it was effectively the consequence of voting for the austerity party.

**Andrew:** What do you think about the argument of agglomeration? A big city, clustering around it, and economic benefits. It certainly works in the case of London and the South East, there's no question about that. It probably works in certain respects in Bristol as well, and the west of England, but what about places like Leeds and Manchester and Birmingham? Is this the way to go, to strengthen those places and have this beneficial impact elsewhere?

**Sam:** We've got a dual problem in this country – we don't like to make it easy for ourselves. We've got an overall productivity problem. Obviously, we lag behind major European countries, in particular Germany – Germany is 10 per cent more productive than us. But also Germany has less pronounced inequalities of productivity than we have. And so in order to increase overall productivity, you have to invest in these areas of agglomeration because you're going to get the greatest benefits and the largest gains in the cities where you've got the highest

skills that can really tap into our competitive advantages, which is the service economy, that's what we do now. But that's not necessarily going to fix the inequalities of productivity, because you want to invest in the small towns.

The problem is that it takes a lot more investment to improve those parts of the country than it does somewhere like Manchester. So I think you've got to try and do both, if you can, I think, to solve the overall productivity problem. You've got to incubate new sources of economic strength in cities and then you've got to provide a new era of – I don't want to say 'unskilled' because it isn't unskilled at all – of vocational work in small towns that is secure, is well paid. But also you need to provide the connectivity to the cities to be able to ensure that those towns can benefit from the wealth growth of the likes of Manchester, Leeds, etc.

Our transport infrastructure, particularly in peripheral parts of the country, is woeful at the minute, and I think that we could massively reduce regional inequalities by improving that infrastructure. I was on a train line when I was younger that stretched from – a rural train line – from Huddersfield to Sheffield. And if you took the full journey, which came once an hour, it would take well over an hour, when if you did the journey by car you'd be able to do it in comfortably under an hour between those two places. If you fixed that sort of problem, you'll create a great deal more social mobility, and you'll be able to extend the economic gains of cities to a much wider geographic area, I think. Unfortunately, small towns and rural areas of the country exist in economic silos at the minute, and you can see why they've been stuck as a result.

**Andrew:** I want to come back to some of the solutions in a moment. Just a couple of other big issues. We've talked about journalism. In journalism, there are a number of issues, aren't there, beyond what we've talked about so far? The first is about the decline in local media, which means that it doesn't even get the coverage within the place itself that it deserves. And as a result, you've got journalists who don't get the right training to be able to move up in their own newspapers, and actually go eventually to London.

I think of someone like Harold Evans, when he was editor of the *Northern Echo* and worked on the *Manchester Evening News.* He turned that into a major campaigning newspaper, daily newspaper, and ended up as the great editor of the *Sunday Times*. But that's an opportunity that's gone. And then the second one is about the regional coverage in the national press itself. And I thought it was very interesting recently that one of the finest regional journalists, I think, is Jennifer Williams, who was on the *Manchester Evening News*. She's now the northern correspondent for the *Financial Times*. So a loss to Manchester in that way, though obviously she keeps reporting the kinds of story she was interested in covering at the time. But these are two significant problems, I think. I can't think of many aspects of national press that I read where I think actually they've covered areas outside London adequately. John Harris on the *Guardian*, I suppose, is one example of that.

**Sam:** Yeah, it's few and far between though. Obviously, one problem feeds the other, as you allude to. The lack of local reporters stepping up into national titles means that there's just not that expertise. There's just not the regional expertise. As a result, it's just not covered, it falls through the cracks. I think if you look at the regional terrain as well, the most effective and successful regional papers tend to be clustered around those successful cities in the north. The *Manchester Evening News*, as you mentioned, the *Liverpool Echo,* the *Yorkshire Post*, which is obviously centred around Leeds to a certain degree. It's those areas that are cut off economically that also have a desert of news.

I think there's very little appetite, unfortunately, from the government to be able to fix this problem. We're talking the day after one of the Conservative leadership hustings where Liz Truss seemed to blame the media for Boris Johnson's downfall, which is quite a Trumpian approach, and quite worrying to a large degree. But we've also seen a retrenchment of the national press in recent years, a real declining in Fleet Street, the numbers of

reporters on the beat in areas that you'd say are more social affairs, crime, health, the sort of things that really do affect people across the country, and perhaps you'd say more acutely, in areas outside of the South East. They've declined and have been replaced by people covering more clickbait topics like celebrity, because that's where the traffic is, and the newspapers are still heavily based on advertising income.

Advertising income has declined in recent years, so you need to generate as many clicks as possible. Those sort of nuts-and-bolts stories of hospitals and schools etc. don't get the readership anymore.

In terms of just the basic policy coverage of the press, I think that's gone into freefall in recent years. And then you've got the political lobby, which is dominant on the front pages of the newspapers, which then feed into the coverage of the broadcasters, which will be written by lobby journalists pretty much every day. We saw during coronavirus that the questions to the medical officers and the Prime Minister were led by lobby journalists, political journalists, rather than specialist health reporters, which I think was one of the reasons why the coverage perhaps wasn't as nuanced as it should have been during that crisis. And of course, 'lobby' journalists – the name of lobby stems from literally the place in the Palace of Westminster that these journalists are allowed to access to interview MPs and speak to their advisors, etc. So it is hyper-London focused, and it's not just in the capital, it's in this sort of enclave of the capital, this political heartland that is very much separated from the experiences of the rest of the country.

So yes, it's a very acute problem that we've got in the media at the minute.

**Andrew:** I'm very impressed with the *Yorkshire Post* at the moment and the kind of old-fashioned campaigning zeal of the editor, who's very active, and also the way that a number of – I think all – the northern papers got together to campaign for certain things – similar front pages on each of them on particular themes. I was very impressed with that. I went back for family reasons to Wolverhampton and I picked up a copy of the *Express & Star*, which still seemed to cover much more than I thought a local paper at this current time would be able to cover. I was much encouraged by that. But generally it has been this decline which has led to all sorts of problems.

Another problem is devolution and the way that this has turned out. Blair and Prescott stopped their work on it when the Tyneside proposal failed. Only Bristol voted in favour when Cameron wanted to introduce the city mayors. I actually heard him speak at one of the events on this, when he talked about once the referenda in the different cities were over, he would chair a committee of the mayors. That was rapidly dropped when only Bristol wanted it and the rest had been appointed by their councils. So devolution is a bit of a dog's breakfast, isn't it?

**Sam:** Yes, it is. It's a quite messy patchwork at the minute, and the government seems to want to rapidly fill in the blank bits of the country that aren't covered by the current devolution settlement. I think that is the right approach. I think there's still a balance to be struck, as we've seen in Bristol recently, between hearing the views of local people and making sure they have a devolution settlement that they're happy with, that they have a democratic input, but also ensuring that local opinion doesn't stymie the powers that we're attempting to give to regions.

I think the big problem that we have currently is we'll see when that patchwork is filled in the natural inequalities of the country come to the fore again. Greater Manchester and the West Midlands are clearly miles ahead in terms of the powers that they have, and you don't see that changing even when Cornwall gets its agreement, when obviously North Yorkshire is going to get its. Manchester and Birmingham are powerful economically and devolution doesn't do anything really to redress that balance. So I'm very worried that we will

still have the London mayor that will be governing a place of ten million people, and then you'll have a couple of others that will govern major cities and will have clout in the national media, and then you'll have a patchwork of others that will represent actually relatively small populations with more limited powers. And you're just essentially institutionalising the regional inequalities that we already have.

I think filling in the map of the country in terms of this current devolution agreement is good – I wouldn't like to see us change again, because I think it'll take us another 30 years to get to the place that we are currently. But once we've filled in the map with city region areas etc., I'd like to see a top layer, another layer of devolution added whereby broader regions, across the South West, for example, or across the North, can come together in a democratic process to legislate for a wider geographic area and can solve problems that otherwise would be reserved to the head honchos in Manchester and Birmingham etc. Otherwise, I think that the democratic settlement in this country will be quite weak compared to Germany, for example, which has a much more effective system of regional government.

**Andrew:** And that was a point I wanted to come on to in the book, which is about who does this better? You give the example of Germany, and I've long been impressed by what Germany has done, obviously since the Second World War when things began to change substantially and they do have more powerful regions, they do have powerful regional leaders. But they've also spent a lot of money over many decades. It's been the work of decades, not a parliamentary term, hasn't it?

**Sam:** Exactly. For two reasons, this is sort of built into the German psyche and into the constitutional settlement. Obviously, the postwar era, there was an appetite and a need for Germany to be decentralised so that we didn't see a repeat of the authoritarianism, of dictatorship, Nazism, etc. Ironically, it was British lawyers that helped to frame that constitution, that devolved constitution in the postwar era. And then obviously with the fall of the Berlin Wall, we've had over the past 30 years a deep, ingrained sense that the country needed to be unified, and the way to do that was to rebalance, geographically, East and West. And so that's been a concern of all parties. That's not something that's up for debate. It's not a political tool in the same way that it is in this country.

I've spoken to Lisa Nandy, who heads up Labour's levelling up work, and she says that she wants to create the same sort of ethos in this country, where it's ingrained. I think Brexit could have been our moment of sort of national acceptance of this as a form of inequality that transcends party politics. But Brexit was just so polarising that the campaign for regional equality is now quite heavily associated with a certain part of politics. I think the left, to some degree, despite it being irrational for them to believe this, they're quite hesitant about tackling regional inequalities, despite the fact that the left is set up to address injustices and inequalities, particularly economic ones. So I think we're still in a place where we haven't made this a national mission. We'll see what the next prime minister does.

**Andrew:** Gordon Brown's heading up this constitutional review at the moment for Labour, isn't he? And I do hope that that will look at not just the devolution work and powers and the role of mayors and local authorities, but also at wider issues like proportional representation, like – well, we'll come on to some of these in a moment – but reforming the way government operates centrally, even where it's placed. Do you have any hopes that Labour will do that?

**Sam**: I'm not sure. I'm not sure. Having any sort of hope where the Labour Party is concerned is quite dangerous at the minute, but you've always got to have that lingering sense that eventually they will get their act together.

I think there are two different wings of the Labour Party at the minute where this is concerned. There's the central office, which is actually quite conservative where these issues are concerned. I'd say that they probably

won't go that far beyond what the Conservatives are proposing in terms of devolution. That was one thing that was praised in the Levelling Up White Paper and subsequently in the Queen's Speech, the scale of the ambition from the government where devolution is concerned and really accelerating these city region deals. So I don't think Labour has much space to go that far beyond. That's certainly the approach of Nandy and Starmer. And then on the other wing, you've got the likes of Burnham and Clive Lewis, who's obviously down in Norwich, who believe fundamentally that we need constitutional reform in this country, both to fix the democratic constitutional issues that we've seen in recent months but also to award greater powers to the nations and regions.

Burnham, I think perhaps for the first time in my book, said that he'd like to see the House of Lords abolished and replaced with a Senate of the Nations and Regions alongside proportional representation in the House of Commons, and that's obviously very much an approach of Clive Lewis, who's spearheaded the proportional representation campaign. I'd say that's probably a step too far currently for the Labour leadership, despite the fact that Starmer did lead on these sorts of ideas in his leadership campaign. So maybe the next iteration of the Labour Party will see this as the way to fix the problem. But for the minute, I'd say that the Labour Party wants to extend, continue the devolution settlement that we've seen from the Conservatives, on top of greater investment in public services and more effective investment, and certainly more equitable investment, through levelling up, not just ploughing money into Tunbridge Wells.

**Andrew:** As came up recently in the Conservative Party election campaign.

**Sam:** Yeah, exactly. Rishi Sunak boasting that he'd changed the funding formula to give the leafy Tory shires more money, as opposed to what New Labour did, which was obviously such a shocking policy of putting money into deprived urban areas, as though they need any money!

**Andrew:** One other country you point to where there have been improvements in recent years is France, and I was quite interested in their Minister of Territorial Cohesion there. And also the way the Prime Minister meets in a national conference of the territories, I think every seven years, to agree priorities with the state.

**Sam:** Well, exactly. France is in quite a similar position to us in terms of its regional inequalities. It has an all-powerful urban centre in Paris and marginalised, quite demographically old and white, rural farming areas that have actually been inclined towards Marine Le Pen in the in the far right in recent years. I think probably because of France's constitutional settlement, and the fact that it has more flexibility in its republic than we do in our system – we're quite hamstrung through merely being able to operate through the House of Commons system – but France does have these mechanisms to listen to the regions and to try and implement some sort of coherent regional agenda. But even then, this is the scale of the problem, and it's why I'm not hugely optimistic, unfortunately, about fixing these problems anytime soon, in that France has vast regional inequalities. I think the inequalities between Paris and the rest of France are only marginally better than the inequalities between London and the rest of the UK. I'd say that France, perhaps due to its size and particularly its transport links, its improved transport links versus the UK, perhaps has a greater number of powerful cities than we do. But it is really still stuck in in a bind that UK is in as well.

**Andrew:** Moving forward, you've talked about some of the proposals in the book. There's little point tinkering around, isn't there? You talk about how it's not a question of a few extra train stations, more police officers and hospitals. It's about fundamental change, and that's at a number of levels. I just want to talk about a few of those. The first is about how we pay for this. Germany has the solidarity tax, which was introduced after reunification to pay for reunification and other things, and it's quite a substantial amount of money, isn't it? It's something like 5.5 per cent currently, I think, additional to the income tax that people pay?

**Sam:** Yes, exactly. And it's widely accepted. This is a question about sort of the national attitudes towards this problem, that allows that sort of taxation to happen in Germany in a way that unfortunately I just don't think that it could in this country. And I think left-behind, more deprived areas of the country would actually resent being the recipient of a surcharge. I speak from a northern perspective primarily here, but we're quite proud, a 'we don't need any of your money' sort of attitude. So I don't think that would work in terms of just lifting the German model, but I think certainly earmarking pots of money from taxation of the landlord economy in London, the inflation of property prices down there, obviously the high-end industries that operate primarily in the City of London, in the square mile of London, trying to levy more aggressive taxation, as has been talked about since the Ed Miliband era of wealth taxes, land taxes, etc., to then earmark and channel back through – not in a crude way, in the way it that operates in Germany, but just through the natural operation of tax and spend – to put booster rockets on national investment schemes, in railways, in regional investment banks and in universities, academic institutions, scientific hubs. I think the Oxford-Cambridge-London triangle is actually a really good model where this is concerned, because Oxford and Cambridge aren't particularly large, but they've got highly skilled specialisms that deliver high wage work, academic institutions that feed these new powerhouses of industry in those local areas.

I guess the question is, what competitive advantage do northern areas have? A lot of the vaccine development took place in North East England; we've still got great chemical and scientific expertise up in the North East. As I mentioned in the book, you'll have seen, I think Durham University is one of the great wastes unfortunately. You have many highly skilled graduates from Durham that unfortunately just flee down south every year after they've graduated. How do we retain some of those people in high wage, high-skilled employment while, frankly, giving them the benefits of lower housing costs in the North East? I think people would relish that, particularly if they could go and live and work near Newcastle, which provides the cultural benefits similar to that of living in London. You can have a great night out in Newcastle. So I think that sort of model is what we need to concentrate on.

But like you say, I think it's fundamental, I think it relies on political change, I think it relies on being a lot more ambitious in terms of the scale of the money that we want to raise and spend on levelling up. One of the proposals that I've put forward is to move Parliament out of London, because I think that would be a symbolic act from our political leaders to say we take regional inequality seriously, we want to be more connected to the people, we think that Westminster has become a bubble, etc., etc. But also practically, you'd get vast numbers of civil servants, of journalists, of businesses that rely on contracts from the government moving along with the institutions of power that would actually create a big bang moment, I think, where regional inequality is concerned. Obviously, there are a vast number of challenges, not least that it will never be implemented by a government because it's far too ingrained in the capital. But it is that scale of thinking that I think we've got to come to terms with rather than just tinkering around the edges.

**Andrew:** And those big political changes, like reforming the House of Lords, making it an elected Senate of Nations and Regions, even the idea of moving Parliament out of London, yes, it's unlikely to happen, but there's no better time at the moment to do that, given that they're going to spend billions of pounds refurbishing the Palace of Westminster.

**Sam:** Well, exactly. You think about the cost of it – it's astronomical. I think the lower end of the cost estimates are around ten billion pounds. The National Insurance hike that has been put on all our wage packets recently amounts to 12 billion pounds' worth of income for the government every year, so that shows the scale of the investment that's needed. I borrow a very good idea from Danny Dorling, which suggests that Downing Street should be turned into a boutique hotel, and we could sell off Whitehall real estate for a vast amount of money

and spend liberally in some other parts of the country. And at least we know it's got a big enough wine fridge. So like you say, I think this is the perfect opportunity to do it.

There were suggestions about the House of Lords moving to York, which I thought would have been a very good idea. Although you won't really want to separate the institutions of power, at least it would have been some symbolic action. But it did feel as though that was slightly a threat to the House of Lords. That they were sort of jostling about Brexit, and Boris Johnson was saying if you're not careful, we'll send you up north. So yes, it doesn't look like it's going to happen, but if only it would.

**Andrew:** The final area is about the economy, and you talk in the book about the foundational economy and strengthening that. Just tell us about that.

**Sam:** Yes, so the foundational economy is… I mean, it sounds quite novel, because the way in which economics is traditionally framed is looking at the industries in which you produce highest growth in terms of your inputs to GDP, and those tend to be high-end services, financial industries, technology, etc. A lot of government attention goes towards creating the next giants of big tech, wanting to create a British Apple or whatever. And as a result, we have an immense amount of speculative spending, in the western world in general, on technological high-end service development. Meanwhile, over the past 12 years, particularly in this country obviously, we've seen pay restraints in public services.

The foundational economy essentially posits that if you improve the material circumstances of those key workers, essentially, as we've come to know them, and the public services in which they work – and this isn't necessarily to say that they're all public services; the foundational economy is basically the services that sustain the basic elements of public life, many of which are privately owned – but if we improve the circumstances of the people working in those industries and the operation of those services, you're actually increasing the material wealth of roughly half of the population. And that's, I think, a core issue in the current cost of living crisis, and particularly the question of strikes at the minute, in that we're looming towards a recession but we've also got inflation.

Some people have suggested that we need to hold down wage growth,  when the best way to guarantee that we won't go into recession, and will come out of this stronger as a nation and with less poverty, is to ensure the wage growth particularly of public sector workers and those in the middle-to-lower end of the wage spectrum, because those are the people who won't pocket the overwhelming majority of their income, won't send it offshore, won't cause the housing crisis to worsen. They will spend it. They will spend it in their shops, they'll spend it in their supermarkets, they'll spend it in local independent stores, and the health of the nation will improve immeasurably.

Unfortunately, at the minute, the traditional economic thinking is quite abstract, and thinks of things only in terms of raw GDP growth, rather than who are we actually growing the economy for? Who is benefiting? I'm particularly concerned about which areas of the country, too.

**Andrew:** Essentially, we need to think long term, and this is the work of decades. It's a bit like Germany and the approach they had. How do we make this happen in terms of getting beyond the electoral cycles of four to five years – or even shorter in recent experience – and company bottom lines, which increasingly are quarterly, not even annually anymore?

**Sam:** Well, exactly. This is a political crisis combined with a corporate crisis, like you say. The terms of CEOs in big corporations at the minute are incredibly short. Financial institutions make a lot of money not through investment, but merely through swapping cash, moving cash around the system and taking a margin.

I think there's got to be regulatory reform, and the likes of Richard Murphy are more knowledgeable than I am about these sorts of things. But certainly incentivising, through national investment banks, long-term investment from commercial institutions that would traditionally just exploit and look for short-term gains over long-term investments. I think he's suggested creating a national investment bond or something like that, that would allow those institutions to put their money in and have a guaranteed return that will then be invested into the development of critical infrastructure in the country. The fortunate thing about financial services is that, as I say, the problem is that they're quite abstract in an economic sense, but because they are abstract, they can move quickly, and we can also regulate them quite quickly. And I think that will be a natural move for the next Labour government to do.

So on a commercial level, I think those sorts of changes, those sort of tweaks would make sense, alongside the political reform that we've talked about – creating a constitutional settlement that extends devolution across the country, creates regional institutions of power that are strong, that have national clout, institutionalising that within the Westminster system or within the traditional parliamentary system.

I think a council of the regions is a brilliant idea. I think that would naturally gain media attention. You'd have Andy Burnham, Andy Street, Dan Norris, whoever the new mayor of North Yorkshire is, all clustering together at one moment. And if you had national leaders joining along there, it would look quite similar to the French model of this seven-year cycle of listening to the regions and their interests, where you could thrash out the agenda. And this could become a national moment of debate that could happen on maybe a two-year, three-year basis that would then institutionalise this idea that we're going do this regardless of the political party that's in power – this is a national mission.

To a large extent, the mayors are very good at that. There's a great amount of collaboration between the Conservative mayors and the Labour mayors. And I was struck, actually, by the collaboration between the likes of Steve Rotherham in Liverpool learning from Andy Street, who's a Conservative. Steve Rotherham's a Corbyn acolyte, and he's learning off Andy Street in the West Midlands. That's great. They're doing what's effective, not what's ideological. The more that we can institutionalise this, I think it's really about baking it into the structures of how our democracy operates, either through the House of Lords and how the House of Commons operates, or through other sorts of mechanisms and forums for conversation and policymaking. That's what we've got to do. We can't just rely, I think, on the goodwill of the people to see this change through. It's got to be fundamental structural reform.

**Andrew:** And these changes will be good for London too, wouldn't they?

**Sam:** Yes, exactly. I think Londoners are – I include myself here, as someone who lives in London – desperate to see their housing costs reduce, and that would be a natural consequence, albeit a long-term one, of regional rebalancing. There has been the accusation levelled at me about this book, and I think fortunately it's usually from people who haven't read it, who say that, oh, you're trying to chop off the tallest tree. And I'm saying, no. I want London to grow. I'm not saying that I don't want London to grow, and that we want to sort of pilfer London's riches. That's not what I'm saying at all. What I'm saying is, wouldn't it be to the benefit of London if London's overall growth, whether that's GDP, income levels for the richest, etc., if they grow more modestly than they have in the past, but other problems that the capital has, particularly housing, are alleviated? So if the incomes of ordinary Londoners grow modestly, perhaps more modestly than they did in the past, but housing

costs reduce or stagnate or there's at least a period of relief, ordinary Londoners will get richer, they will get wealthier. I think once that is explained, actually, to Londoners, they totally get it. I think that's one of the big problems that we have about the regional conversation at the minute. It feels as though lots of people are pointing fingers at London. London's to blame, London*ers* are to blame for this problem. And what I'm saying in my book is that London itself needs to be saved from the capital. It needs to be saved from the system that the capital has created, where you've got rampant exploitative landlordism, you've got massive wage growth in a few high-end sectors, you've got gentrification and you've got the highest poverty rates in the country. Regional rebalancing would solve that as much as it solves the problems of the red wall. It's about recognising – and hopefully, I think, the Labour Party has a large role to play in this – and making people realise that this is a national mission that includes London, doesn't exclude London.

**Andrew:** Well, *Fortress London* is published by Harper North, which is part of HarperCollins. That's itself an interesting example of a publisher moving out of the capital, and at least, as a number of other publishers are, including moving to Bristol, setting up regional offices.

**Sam:** Yes, exactly. Full credit to HarperCollins for initiating HarperNorth, and they like to say to me, it's not a project, it is a new division entirely of HarperCollins, with its own editorial freedom to commission the books that it wants to commission, including mine, and obviously it published Brian Groom's tremendous history of the north of England recently, which is the sort of book that you wouldn't see on your bookshelves traditionally, so all power to them.

And yes, hopefully it provides an example for more institutions. I think this is a big problem, actually. A big economic problem is that we've got talent in some parts of the country that isn't being fully utilised because people simply can't access the capital. And I was told by a journalist that if the BBC moved certain programmes up north, they'd have a lack of talent. And I was tearing my hair out and thinking, no, there are dozens of young journalists who could serve those flagship programmes in the north of England, they're just not given the opportunities to do so. Hopefully that'll be a more prominent feature of public life in years to come.

**Andrew:** Well, thank you, Sam. The book is full of ideas. We do urge you to read it, and it deserves wide debate. We'll certainly be returning to this theme in our work and in October 2023 when we run our next Festival of the Future City. Sam, we hope you'll be able to come to Bristol and join us for those debates. As mentioned, *Fortress London* is out now from HarperNorth, and we do encourage you to read it. Thank you for joining us, Sam.

**Sam:** Thanks, Andrew.

*This interview has been lightly edited for length and clarity. The full version of the interview is in the recording.*