

**The longer-term labour market and
community impacts of
deindustrialisation: a comparison of
the Northumberland coalfield and the
Monongahela Valley mill towns**

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I, Paul Sissons, confirm that the work presented in this thesis is my own. Where information has been derived from other sources, I confirm that this has been indicated in the thesis.

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Abstract

The research focuses on the longer-term impacts of past regional deindustrialisation and, more specifically, the ways in which individual and household decisions have interacted with the local public welfare and cultural context to produce profound long-term community changes, critically affecting future generations of workers. It compares the reasons for, and impacts of, these adjustments in two study areas; the Northumberland coalfield in Northeast England, and the Monongahela Valley steel towns of Southwestern Pennsylvania.

Very different patterns of initial responses to job losses were observed between the two areas. These may be characterised as a distinction between ‘place-based’ coping mechanisms in Northumberland, where workers adopted strategies which allowed them to remain in place, and the ‘mobility-response’ in the Mon Valley, as large numbers of industrial workers migrated away to seek employment elsewhere.

Individual workers decisions were influenced by several factors. Most significant were the types of alternative work available locally, and the opportunities and constraints arising from different public welfare systems, transport infrastructures and education and training systems. Prevailing local cultural attitudes, norms and values, were also crucial in informing opinions.

It is found that in the longer-term there has been no self-righting of the labour market. Instead, a new, more troublesome equilibrium has been established. In Northumberland the growth in economic inactivity has created areas where worklessness has become a norm among social networks, influencing the aspirations, motivations and expectations of subsequent generations. This reflects the failure of British public welfare policy to mitigate the place-specific impacts of industrial decline. In contrast, the longer-term impacts of migration from the Mon Valley left a collapsed housing market, creating a social-demographic

shift as the former working class population was been replaced by an incoming population more dependent on benefits or marginal employment. This process reflected the broader failures of American social policy.

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Chapter 1) Deindustrialisation – a study of the past?

Introduction to the research

1.1 Introduction

This research is concerned with the longer-term impacts of deindustrialisation in two areas, the Northumberland coalfield in Northeast England and the Monongahela Valley (Mon Valley) in Southwest Pennsylvania, both of which suffered the collapse of their dominant industry during the 1980s. The research focus is on how the immediate adjustments to job loss have influenced subsequent, path-dependent, development. Labour market responses to deindustrialisation have been strongly influenced by public, particularly welfare policy, and have been heavily structured by age, gender, race and social capital. 20-25 years after closures some sections of the population have not successfully adjusted to the post-industrial economy. They are increasingly socially, economically and geographically isolated, and often this disadvantage has become inter-generational, cumulative and structural. The task of this research is to examine these processes in order to better understand the longer-term impacts of deindustrialisation, a process which goes far beyond the initial short-term labour market shock. Taking a longer-term perspective also enables a more informed critique to be developed of past and subsequent policies, showing how the policy framework, which in both countries was inadequate in different ways, has wrought destructive long-term effects.

Chapters 2 and 3 will review the past literature relating to deindustrialisation, labour market, and community change. While the immediate consequences of job losses were extensively researched during the 1980s and early 1990s, as academic fashions changed deindustrialised communities became a neglected focus of study, even though for many economic conditions continued to deteriorate. Chapter

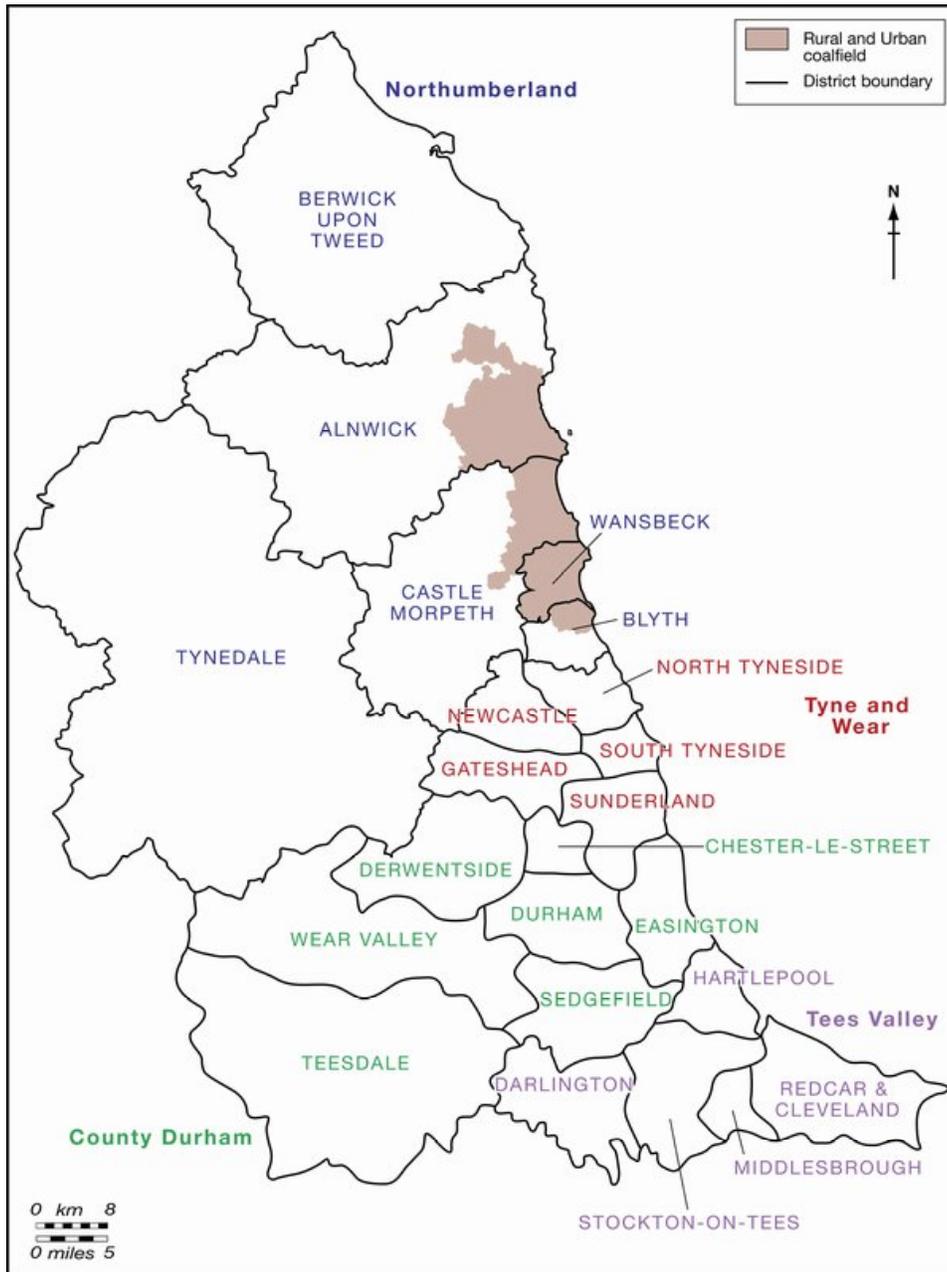
4 sets out the study's methodology, outlining how effective investigation of these issues can be achieved through multi-method research, which combines quantitative and qualitative insights. The empirical evidence is then presented in chapters 5 and 6. Chapter 5 examines the short-term adjustments to job losses which occurred in the 1980s, describing the different drivers of change in the two study areas. Chapter 6 then explores trends through the 1990s and subsequently, thereby bringing us to the present deprived conditions in many communities. The final chapter draws out the main conclusions from the comparative analysis of the two study areas.

1.2 Introducing the study areas

The two areas represent quite extreme examples of industrial decline. They are not the large urban areas which have often been studied as examples of deindustrialisation. Instead they are small town communities which had historically been dominated by their local industries. This made them vulnerable to industrial closures in a way that more diversified urban labour markets were not, making their collapse more complete. Their peripherality also presents complex problems to policy-makers in replacing lost labour demand, so that their cases are of distinctive theoretical and practical importance.

The Northumberland coalfield contained around 140,000 people in 2001 (see Figure 1.1). Deep mining began in the late 19th century, before which the area was largely agricultural. The production relationship with coal, which had lasted over a hundred years, was largely brought to an end in the 1980s, as Bates, Ashington, Lynemouth, Woodhorn and Shilbottle collieries closed. Ellington colliery remained open and was transferred into private ownership but it too closed in 2005.

Figure 1.1: The Northumberland coalfield in the Northeast region



The Mon Valley is the watershed area around the Monongahela River which flows from Pittsburgh towards the state border with West Virginia (see Figure 1.2). Located along the banks of the river, and stretching around 18 miles south from Pittsburgh's city limits, the mill towns and suburbs cover an area of 109 square miles (Southwestern Pennsylvania Commission 2005). It included a population of around 180,000 people in 2000. During the 1980s the Valley suffered from the closure of five large steel mills, at Homestead (Homestead Works, 1986), Duquesne (Duquesne Works, 1984), McKeesport City (National Works, 1987 and Christy Park, 1986), and Clairton (Clairton Works, 1984). This all but ended the area's relationship with the steel industry that had began more than a hundred years earlier, attracting tens of thousands of immigrant workers.

Both these areas were mono-industrial; the dominant industry was the reason the towns existed. The 1980s therefore represented a radical break with their origins and recent history. Of particular interest since then has been the role of national systems of welfare. The US has a more laissez-faire model and exhibits a more advanced form of neoliberal governance. The UK retains a greater commitment to public welfare, though recent and ongoing reforms question how long this will remain the case.

Figure 1.2: State map of Pennsylvania with the Mon Valley

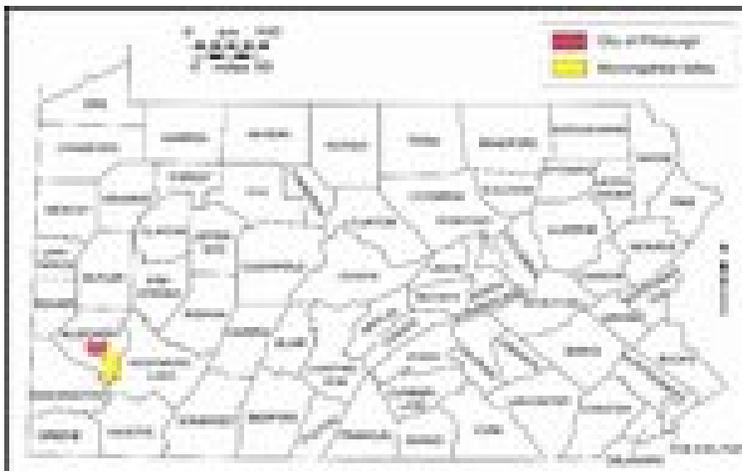
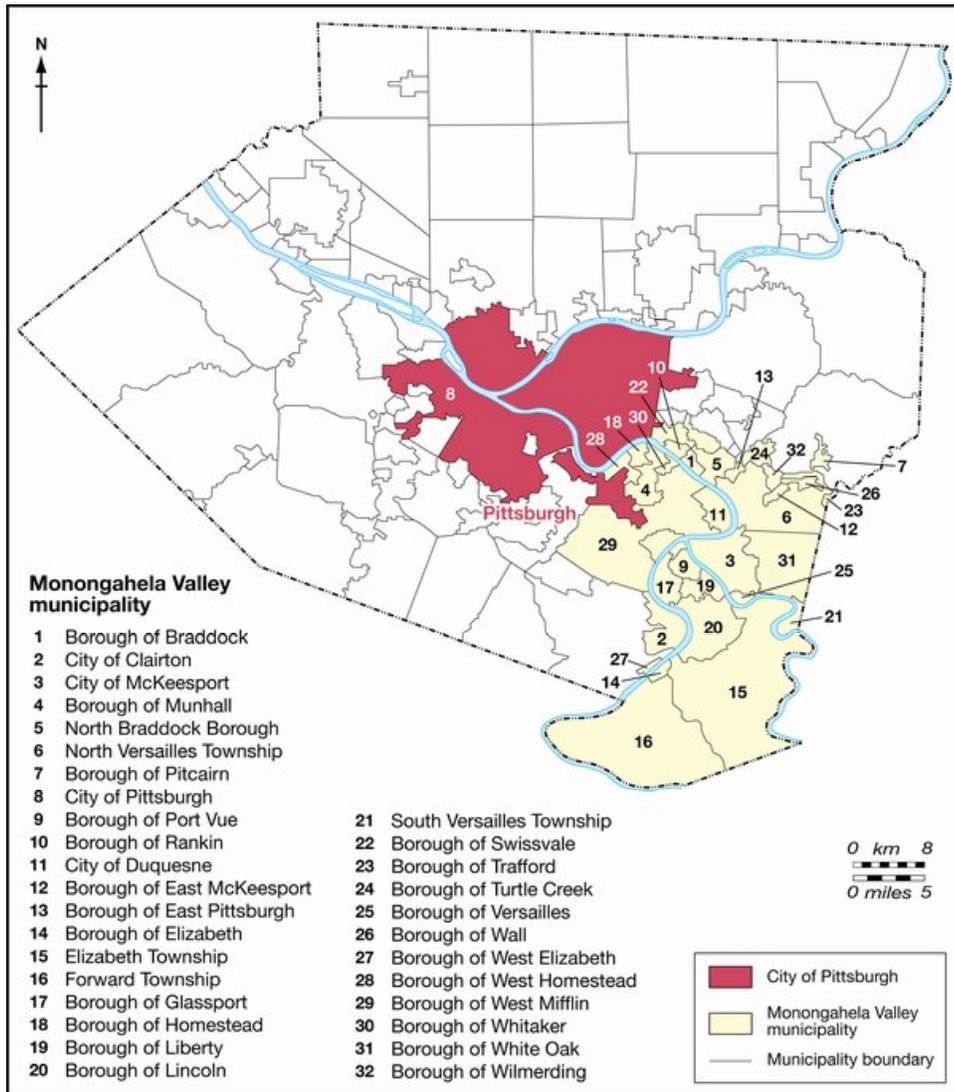


Figure 1.3: Pittsburgh and the Mon Valley



1.3 Why is this research important?

The disciplinary space for revisiting deindustrialisation remains largely unexplored as many geographers have rushed to embrace studies of embeddedness, governance, network approaches and high-tech growth, working primarily in successful regions (Barnes et al, 2007). These recent disciplinary turns, described by Martin and Sunley (2001; 155) as the ‘retreat from political economy’, mean that much of the debate about deindustrialisation is now more than 20 years old.

Examples of the types of research presented here, which employ case study methodologies extended across both time and space, are rare in geography (Barnes et al, 2007; 32). In the 1980s geographers described the community impacts of deindustrialisation, with a focus largely on the areas in which we now map poverty and deprivation. Such a snapshot approach misses a full analysis of the processes and events which occurred during the extended period after industrial closures. Only through such analysis can we really understand the full impacts of deindustrialisation. It is crucially important to understand the local specificity of the development trajectory; for example, the process whereby a life on benefits becomes normalised, or the fundamental fractures which have developed in some local communities. The contribution of this research is to investigate such longer-term development trajectories, following processes of progress and decline after the dust had settled on closures.

With this focus on exploring the path-dependent influences of short-term adjustment on longer-term development trajectories, the key questions to be addressed are:

- 1) To what extent have deindustrialised local labour markets recovered in the period since closures?

- 2) Since the major heavy industrial closures, what factors have influenced people's decisions about taking employment or remaining unemployed, migrating or out-commuting? How are the labour market decisions of later generations of workers different from those directly affected by the original closures?
- 3) How have different segments of the labour market (e.g. by gender, age, and ethnicity) experienced deindustrialisation and post-deindustrialisation?
- 4) How does the labour market restructuring process differ between the UK and the US? Particularly important may be the roles of welfare and employment policies and their changes over the twenty-five year period; the effectiveness of local public and private capital investment programmes; and the availability and quality of alternative employment, locally or within commuting distance.
- 5) What have been the longer-term outcomes of the most significant short-term labour market adjustments?

1.4 The benefits of this research

It is hoped that this research will add to our understanding of the long-term implications of deindustrialisation as an ongoing process, still affecting many of the communities that lost industrial jobs in the 1980s. It is only by understanding the continuing impact of deindustrialisation that we can really appreciate the scale of the problems still faced in these communities. The conclusions may also be relevant to communities in other parts of the world, where the policy response will be equally important in determining outcomes as the global divisions of labour continue to shift.

At a practical level the research may also be relevant to wider policy debates on welfare and employment policy reform, as well as to local government economic development agencies, non-governmental organisations (NGOs) and grass-roots actors within the case study areas. These include, for example, Alliance (formerly the Coalfields Communities Campaign) in the UK, and the Steel Valley Authority (SVA) and the Mon-Valley Initiative (MVI) in the US.

Chapter 2) Theoretical perspectives

2.1 Introduction

This chapter outlines the key theoretical accounts of local economic and labour market change which frame this research. Working within a political-economy tradition I draw upon various heterodox positions, particularly institutional and evolutionary approaches to understanding the causes and impacts of industrial change. Such a multi-strand approach is required to grasp the complexity of economic processes and the important role of local specificity (Hudson, 2004; 459; Storper, 1997; 279; also Hudson 2001).

There are three important ways in which this research builds on the established theoretical insights detailed here. These are the comparative nature of enquiry; the longer-term perspective which provides a more structural reading of contemporary problems; and the scale of analysis, studying the more neglected small towns of industrial production.

- To make sense of developments in one country there must be a comparative standard by which to judge them. The comparative element of this research is also important, however, in the context of the Americanisation of British and European social policy. As welfare state and economic development policies are reoriented towards an increasingly hegemonic US model, it seems particularly appropriate to evaluate what this model has meant for those communities so badly affected by employment loss in the 1980s, and what it might mean for them in the future. This can be compared and contrasted with the UK experience of public welfare under comparable industrial decline.

- As the effects of deindustrialisation created structural decline in many localities, a more nuanced account of what happened next is clearly required to understand the monumental changes which affected not only those who lost industrial jobs, but also subsequent generations of workers faced with radically different opportunity structures. Issues of inter-generational and area effects, and their implication for economic futures, need much greater consideration.
- Much of the literature on male economic restructuring focuses on large urban areas; the city, or more recently the city-region. This largely overlooks the small (company) towns in which much industrial production took place, towns which were vulnerable to deindustrialisation in ways in which the cities, with their more diverse labour markets, were not (Laxton and Sissons, 2006). These places remain largely understudied.

Structure

We begin by examining the most influential theorisations of deindustrialisation accounting for the major trends of economic development in nations, regions and communities in advanced economies. These focus on the immense changes in the global geography of production which occurred in the 1970s and 1980s as a response to the crisis of Fordism.

Attention is then turned to the role of the state in the aftermath of deindustrialisation. It is argued that the triumph of neoliberal supply-side thinking in labour market policy, and discourses related to local competitiveness, fail to take into account the distinct geography of uneven development. They represent an extremely poor substitute for state planning aimed at reducing the scale of the inequity. We shall examine the contribution that comparative research can make to

debates about the role of governments in social welfare. There is a need to understand inadequacies in the planning systems of both countries if the ongoing structural changes associated with deindustrialisation are to be addressed.

The implications of geographical development 'in place' are then examined. First, local labour markets are defined as the places within which identities are formed. However, geographically uneven development cannot be understood solely through a focus on what happens *within* place. The study areas are also sites of interactions with broader regional, national and international scales, which play a key role in creating economic growth or decline. This analysis draws on institutional approaches to explain how such interactions are mediated and influenced at the local level by the institutional environment and changes in institutional arrangements. Evolutionary approaches also highlight the importance of local specificity, local economic histories, and the path-dependent nature of economic development.

Finally, we consider how best to treat structure and agency, arguing that 'bounded indeterminacy' best conceptualises an individual's decision-making process, whereby individual agency works within broad social structures (Massey, 1995; 316).

2.2 The causes and impacts of deindustrialisation

Changes in technology and international competition during the 1970s and 1980s resulted in large losses of mining and heavy manufacturing employment from some regions of advanced industrial economies. During this period, wages began to be seen as a drag on competitiveness, rather than a facilitator of consumption, bringing an end to the cycle of Fordism which had supported economic growth through the post-war period (Peck and Tickell, 1994). In the search for a more profitable spatial fix arising from cheaper labour costs,

production in many basic industries shifted from more to less developed countries. It is this restructuring of the capital circulation process by technology and relocation, which creates and sustains spatially uneven development, as places 'rise and fall' (Swyngedouw 2000; 49; Castree et al, 2004; 69; Hudson, 2001; 261).¹

Industrial change served to radically alter the ways in which affected localities were connected within the 'spatial division of labour'.² In the US this change was most often described as the shift of manufacturing industry from the 'rustbelt' to the 'sunbelt' (Pike et al, 2006; 84; Essletzbichler, 2004; 603). It is this 'shift' of locality which forms the cornerstone of deindustrialisation theory, as Bluestone (1984; 43) outlined when replying to critics who questioned the validity of the concept:

'the aggregate trend in employment is inadequate to prove or disprove deindustrialization if inter-industry and interregional worker mobility is insufficient to clear labour markets. What counts in an economy where mobility is imperfect are the trends in specific industries and regions. There is, for example, no disputing the fact that worldwide employment is expanding rapidly, but if it is declining sharply in the United Kingdom, the growth in other countries would not in any serious way offset the costs imposed on Britain.

Likewise private and social costs are imposed on workers and communities within the United States to the extent that those dislocated from declining industries in particular regions cannot find employment in equally productive jobs in other sectors. The level of imposed costs is a positive function of the rate at which employment is declining in particular sectors and regions and a negative function of the economic system's capacity to absorb dislocated

¹ The devalorisation of capital is necessarily 'time and place specific, as production has to occur in place' (Hudson, 2001; 261).

² A 'spatial divisions of labour' approach refers to a region's industrial functional specialisation, the geographical concentration of particular production tasks or industrial sectors which can help explain regional development trajectories (Massey, 1995; Pike et al, 2006; 84; Castree et al, 2004; 91).

workers into other areas of the economy. For this reason the velocity of sectoral and regional specific deindustrialization and the overall absorptive capacity of the economy are the proper phenomena to study. It is in this regard that deindustrialization is no myth.' (Bluestone: 1984; 43)

Past economic shifts still leave an indelible mark on today's landscapes of labour and locality. Processes of deindustrialisation, whilst driven by global economic imperatives, impacted manifestly at the local level, emphasising the tensions between labour and capital which are produced by their relative (im)mobility (Beck, 2000; 47).

Processes of deindustrialisation have produced localities, and even entire regions, which are now on the periphery of the global economy and 'largely disconnected from the decisive circuits of capital and major growth mechanisms' (Hudson, 2005; 581-582).³ They are typified by their weak, or non-preferential, spatial relationships (Massey, 1995; 355; Allen et al, 1998; 56; Hudson, 2001; 257- 258). Their local economies tend to be dominated by low-skilled manual production sectors with an absence of higher-skilled, managerial and Research and Development (R and D) employment, which tends to be located in core urban areas (Massey, 1995, 335; Peck, 1996; 156). For such areas, the key question becomes how to reintegrate themselves most effectively into new circuits of growth. Some suggest that to develop a region there must be an upgrade of its functional specialisation into higher level activities, for example R and D or head offices, which provide more highly skilled and better paid jobs. In practice, this is not easily achieved.

Among areas which underwent the structural shifts associated with deindustrialisation, those previously dominated by a single sector were most severely affected, as loss of industry created profound local

³ For example see Pike et al's (2006; 205) grim assessment of the prospects for regional development in the Northeast.

economic and social disruption (Sadler, 1992). Disinvestment decisions cost large numbers of well-paid blue-collar jobs, and even in cases where they may have been replaced numerically (and this is by no means assured), the new jobs created have often tended to be qualitatively different. The net result for many localities has been less secure jobs and lower wages, as the growth of poorly paid entry-level jobs, particularly in the service sectors⁴, has offered little chance of career progression for less educated workers, especially men (McDowell, 2003; Weis 1990; 6).

The impacts of deindustrialisation have therefore gone beyond those directly affected by the original closures. In the aftermath, changes in the gender division of labour meant increasing dependence on female employment (Hudson et al, 1992; 51) but, crucially, employment opportunities for new generations of workers were also affected (Beatty et al, 2005; 7). As Danson (2005; 292, summarising from Beatty et al, 2002; Anyadike-Danes et al, 2001; and Martin and Tyler, 2004) describes:

‘Low employment is not just a problem for generations who suffered job losses during the rundown of the mines, steelworks and shipyards; uneven development and chance in a capitalist economy ensure that such patterns become difficult to shift when national undifferentiated policies are applied and dominate the policy response’

Young working class people cannot expect to fill positions similar to those of their parents, while any hope of alleviating employment disadvantage in declining areas must now be ‘premised on services’ (Weis, 1990; 3; Esping-Anderson and Regini, 2002; 4). Such a change entails not just an economic shift, but critically a social and cultural adjustment, as the attributes of masculinity which were valued within

⁴ Of course the service sector incorporates a vast range of diverse subcategories (see Thurrow, 1989; 180-181; Sayer and Walker, 1992).

basic industrial production are generally not those sought by service sector employers (McDowell, 2000; 395-396).

Deindustrialisation in the UK

Large numbers of jobs were lost in mining and manufacturing industries in the UK in the 1970s and 1980s. Production in basic sectors shifted to less-developed countries which offered cheaper factor inputs, but more advanced sectors also moved to more technologically competitive countries, for example Germany and Japan. One result was the growth in both the 'extent and intensity of non-employment', leading to concern that the 'losers' from processes of economic change would become increasingly "'isolated"- in socio-economic and spatial terms' (Green, 1995; 373). The net result of these structural changes therefore was the start of a significant deepening of geographical and social inequality.

Two important labour market trends developed from this loss of industrial jobs. First, there was a growth of more flexible employment relationships, with increasing numbers of people involved in less secure, contingent, and often part-time work (Green, 1995; 374).⁵ Such employment has often been most apparent in the types of jobs attracted to former industrial areas. Secondly, since the mid 1980s rates of economic activity between the sexes have converged; male participation declined, while female participation increased (Bryson and McKay, 1994; 5). In deindustrialised areas the growth of female employment was partly the result of household coping strategies for mitigating male job loss.⁶ In some cases this involved the replacement

⁵ See Doogan (2001; 439) and Taylor (2003a) for a discussion of the extent of this insecurity.

⁶ In addition some of the observed increase in female participation in areas of decline is linked to increased family breakdown which has been strongly correlated to (male) job loss. It has been estimated that of the 1,161,000 increase in lone parents between 1971 and 2001 some 38-59% is attributable to the decline in male employment (Rowthorn and Webster 2007; 25). Under these circumstances in some cases women

of male with female incomes, as women became the household breadwinner. However more often it would involve both male and female household members working to compensate for lost wages, since many of the jobs created did not pay sufficiently for a single income to maintain a family (for example see Hudson et al's, 1992 study of the Derwentside District).

The impacts of disinvestments in basic industries, however, went far beyond their implications for the local employment market. They had wide ranging economic, social and cultural effects on communities which had been built around their production relationships. The all-encompassing nature of these relationships in mono-industrial communities meant that many features of what can be termed civic engagement were closely related to employment, from local politics to support for sports teams and bands. Not only were local economies destroyed by the collapse of industry, but their basis for social organisation was undermined, as occupation ceased to be the prime basis of cohesion (Parry, 2003; 227).

Younger generations of workers therefore now encountered a fundamentally different opportunities base. The 'natural progression' of young men from school into the workplace, which offered an opportunity for stable and well-paid employment '[i]rrespective of educational attainment' as long as they generally behaved within 'an acceptable framework', had disappeared (Lloyd, 1999: 1). This took away the traditional rites of passage and breadwinner roles that had sustained past generations of young men, as subsequent generations grew up 'fearing there will be no jobs for them' (Coote 1994; 2).⁷ Many in deprived communities have struggled to adapt to these new realities, as evidenced by the poor educational performance of boys, and rising

have become the household's sole breadwinner; though in other cases they will be reliant on the benefits system.

⁷ While women have added waged-worker to their domestic roles

crime and violence, now key areas of policy concern (Hearn, 1998; 41-44).

The decline of coal

The conditions which devastated deep mining in the UK were created by changes in the international division of labour, as new centres for extraction were established in other parts of the world, and by technological developments in alternative energy sources (Hudson 2005; 585). Also of importance was the selling off of other nationalised industries, as formerly politically mediated supply ties for coal to electricity and steel production were broken, making collieries more vulnerable to international competition (Hudson, 2005; 585; Beynon et al, 2006a; 2).

This collapse saw in excess of 250,000 jobs lost from the coal industry from the beginning of the 1980s (Fothergill, 2001; 241-242). The speed and scale of this decline made it Western Europe's 'definitive example' of deindustrialisation (Beatty et al, 2005; 4-5). It was not solely the direct job losses either: for each colliery which closed, negative multiplier effects and the loss of purchasing power meant further losses of employment in the locality (Fothergill and Witt, 1990; 11 cited in Waddington et al, 2001; 80).

To compound the difficulties in these areas, alternative opportunities tended to be particularly scarce in the coalfields as a result of earlier National Coal Board (NCB) policies, supported by successive governments, which had discouraged other investments so that they could dominate local labour markets (Cricher et al, 1995; 70). This had intensified labour's dependence on coal production.

For redundant miners the consequences frequently included long-term unemployment and inactivity, damaging health impacts and, in some

cases, increasing problems of substance misuse (Waddington, 2001; 31-55). The mental stresses of job loss were compounded by the 'breadwinner ethic' in ex-mining areas (Dicks et al, 1998; 306; Wheelock 1994 cited in Nayak, 2003; 9). Throughout their histories coalfield communities had been organised around a gender division of labour based on the male breadwinner, giving priority to paid male employment assisted by women's domestic labour (Parry, 2003; 230). When this was no longer the case, men often felt 'doubly redundant'; not only unable to provide materially for their family, but also 'culturally excluded' (Dicks et al, 1998; 306).

For the broader coalfield communities, the job losses and multiplier effects, created a radically changed opportunities base affecting subsequent generations, resulting in an increasing incidence of poverty, high levels of economic inactivity, poor educational attainment, rising incidences of crime, social disorder and substance abuse (Beatty and Fothergill, 1996; Beatty et al, 1997; Fieldhouse and Hollywood, 1999; Hollywood, 2002; Waddington et al, 2001; Gore and Smith, 2001).

Deindustrialisation in the US

The drivers of deindustrialisation in the US in the 1980s included a 'corporate profit squeeze', the overseas outsourcing of some production by American multinationals, and increased international competition in mining, metals and labour intensive consumer goods (Markusen and Carlson, 1989; 35-49). There was also the transfer of capital from northern to southern states as wage differentials provided the rationale for plant relocation to the south (Rodwin, 1989; 6).⁸ In addition, many productive firms underwent a diversification of their core businesses in the 1970s and 1980s, diverting capital from productive investment in slow and mature sectors into 'stock market speculation, the purchase of

⁸ For an empirical example of this migration of capital using RCA see Cowie (1999)

exotic financial products, and mergers and acquisitions' (Peck, 2002; 188-189; Clark, 1989; 207-208).

The brunt of these corporate strategies, resulting in large-scale disinvestment in industries such as automobiles, textiles and steel, was borne by America's industrial workforce who lost the well-paid and secure employment that had characterised post-war economic growth (Peck, 2002; 188-189). In its place came the expansion of various forms of 'contingent' low wage jobs: part-time, temporary and casual work, which employed as many as one quarter of the US workforce by the mid 1980s, as the employment structure became increasingly polarised (Bluestone and Harrison 1988; 124; Peck, 2002; 208). This growth in low-wage employment significantly increased the number of working Americans not earning enough to lift them out of poverty. Being employed no longer guarantees a liveable income (Cormier and Craypo, 2000; 691 & 697 also Krugman, 1994; 23-24).⁹ This trend was especially apparent in the Pittsburgh area when recovery in the late 1980s saw a growing number of workers in poorly paid, part-time trade and service employment (Beeson and Tannery, 2004; 21).

Again, the impacts of this economic decline went beyond individual job losses, to include wider multiplier effects, 'social trauma' and the erosion of community bonds (Bluestone and Harrison, 1982; 65-66). In addition, the loss of social organisation which followed made deindustrialised areas more run-down and dangerous (Wilson, 1997; 20).¹⁰

⁹ Working poor households are those in which one or more members are working but in which the household income is below the government defined poverty level for a household of that size. It has been argued that figures of working poor in the US are underestimated because the official poverty line is based on an outdated cost-of-living formula that under-estimates the amount of money needed for self-sufficiency 'at a customary standard of living' by between a half and two-thirds (Cormier and Craypo, 2000; 697).

¹⁰ Wilson (1997; 20) defines social organisation as encompassing the prevalence and strength of social networks, the extent of collective supervision of, and individual responsibility to address neighbourhood problems, and finally the extent of participation in formal and informal organisations (for example, church groups, residents groups and localised networks of friends).

Steel decline

Steel production in the US went into rapid decline in the early 1980s, resulting in heavy and geographically concentrated job losses. Between 1974 and 1989 national employment in the integrated steel industry fell from 512,000 to 168,000 (Hall, 1997; 73). The decline stemmed from rising labour costs, outdated machinery, increased environmental regulation and foreign competition (Benhart and Dunlop, 1989; 179 cited in Angstadt and Benhart, 2000; 166).

Like other US corporations US Steel, the Pittsburgh area's major industrial employer, took steps to protect its bottom-line from increased foreign competition by diversifying. In the late 1960s and early 1970s the company developed interests in real estate, hotel ownership, chemicals, and other manufacturing areas (Warren, 2001; 311-313). In 1982 it purchased Marathon Oil, an immediate effect of which was the need to cut costs in the steel division. Many local stakeholders, particularly the unions, posed the question whether the money spent on these acquisitions might have been better spent upgrading the uncompetitive steel plants which would close shortly after (ibid; 311-313).

In affected communities, mill closures left a legacy of 'lost jobs, mortgage foreclosures, suicides, broken marriages and alcoholism' (Hoerr, 1988; 11). The towns faced a downward spiral, as their tax revenues, which were heavily dependent on the industry, declined to such an extent that infrastructure could no longer be maintained. Many also experienced significant population loss (Yamatani, et al; 1989; 179; Singh and Bangs, 1988; 1; Wilson, 1997; 44; Gillette, 2003). A lack of reinvestment, and the boarded-up shops which now constitute main streets, are further legacies of this industrial change (Benhart and Benhart, 2000).

The five county region surrounding Pittsburgh¹¹ lost some 34,813 jobs in steel operations between 1974 and 1996, with employment falling precipitously from 40,373 to 5,560 (New Steel, 1996; 37 cited in Warren, 2001; 346). These losses were concentrated in the Mon Valley where plants closed at Homestead, Duquesne, Clairton and at Christy Park and National Works in McKeesport. This left the mill towns as ‘depressing vistas of decay’, transformed from important centres of production into communities largely reliant on pension cheques and social security transfers (Cunningham and Martz, 1986; Warren, 2001; 336).

2.3 The role of the state in mitigating deindustrialisation

Generally, in capitalist economies state activity is concerned with regulating conditions to allow markets to operate efficiently. The state is also one of the institutions through which social risk is managed, however, the others being the market and the family (Esping-Anderson, 1999).¹² Traditionally, cases of local economic collapse have mandated increased government intervention in ‘supplementing or replacing market mechanisms’, for example through the provision of welfare services, creating conditions to attract private sector investment, public investment in services, and in some cases creating public sector jobs (Hudson, 2004; 453; 2001; 271). Within liberal welfare regimes like that of the US, and increasingly including the UK, however, there has been an ongoing ideological project aimed at minimising the state’s role in economic management, to ‘individualize risks, and promote market solutions’ (Esping-Anderson, 1999). The perceived dominance of hypermobile capital and the need to project an ‘entrepreneurial culture’ has provided the rationale for governments to reduce spending

¹¹ The Pittsburgh Metropolitan Statistical Area (MSA)

¹² Of course in reality the impacts of government action go far beyond this and state influence permeates virtually all aspects of social and economic life (Painter, 2000; 362; Hudson, 2001; 48-49).

on social programmes and to make labour markets more flexible (Swyngedouw, 2000b; 66). Attention is now turned to the constituent parts of this project, looking firstly at the now dominant supply-side orthodoxy in labour market policy before discussing the important, and in many ways regressive, changes in the conception of local government and governance. Finally, comparative differences will then be set out in the roles of public welfare in the two countries.

Supply and demand-side policies

The appropriate balance between supply and demand based policies in areas of high non-employment has been the focus of much debate in recent years (examples include Campbell, 2000; Webster, 2000, 2006; Gordon, 2003; Green and Owen, 1998; Peck and Theodore, 2000; Wilson, 2003). In both the US and the UK, however, government-led employment expansion has slipped almost entirely from the policy agenda with thinking now firmly rooted in supply-side responses to enhance 'employability' through 'flexibility'. Policy makers have decided 'either that they cannot influence where jobs get created or that uneven development for labour does not really matter because people will respond through outward migration, wage moderation or retraining' (Turok and Edge, 1999; viii). Policy debate therefore focuses on barriers to employment rather than on lack of jobs. Some such barriers are presented as 'structural difficulties' in matching jobseekers to vacancies. These can include poor transport links, the housing market and the fixed costs of taking up employment (Bryson and McKay, 1994; 8). Others emphasise the importance of 'attitudinal barriers', suggesting the greatest obstacles that the unemployed face are their own attitudes towards work (ibid; 8). In such an explanation the failure is not that of the market, but of local people to adjust sufficiently (Hudson, 2005; 589). This emphasis on attitudinal barriers informs US, and increasingly UK, 'Workfarist' policies, rooted in the belief that problems of labour market disadvantage lie in the

“preparedness” of those out of work to accept “flexible jobs” ’ (Peck and Theodore, 2000; 455-456; Peck, 2001; 6).¹³

Such a supply-side focus neglects the widely varied geography of labour demand which, in the absence of a hypermobile workforce, is crucial in determining the success of any intervention. Supply-side measures are often most relevant, and stand the greatest chance of success, in areas where there is strong demand for labour, but have been found to be much less effective where more limited opportunities exist to turn an individual’s enhanced employability into employment (Martin, 2000a; 469; Beatty and Fothergill, 2001; 21).¹⁴ This paradox is illustrated by recent research in the UK on the success of the New Labour government’s flagship New Deal programmes. New Deal’s success has varied widely between tight and slack labour markets. The former offer plenty of private-sector employment options while the latter depend heavily on ‘residual’ options, raising employability but not employment (Peck and Theodore, 2000; 739; Sunley et al, 2006). This casts considerable doubt on the validity of the entire concept of individual employability outside the context of the level of local demand (McQuaid et al, 2005; 194).

It is apparent that to tackle labour market disadvantage in many former industrial areas, a suitable mix of supply and demand-side interventions is required (Beatty et al, 2005; 32). Supply-side policies are necessary, but not sufficient, tools for tackling unemployment and social exclusion. The slow rate at which deindustrialised areas have adjusted to job losses presents a strong case for demand-side action. The context of vastly differing geographies of demand leads Webster (2006; 115) to conclude that nothing short of a ‘specific recovery plan for each area’ is required. As the current reliance on macro-economic growth, trickle-down and ‘consumption led expenditures’ has largely failed to provide

¹³ For a full treatment of workfare see Peck (2001)

¹⁴ Similarly Peck and Theodore’s (2001, 434) review of US workfare experiments found ‘precious few conspicuously successful programmes’

depressed communities with the investment in the employment infrastructure which would enable them to recover (Brooks, 1995; 108; Babcock, 1997; 258-259).

In reality the policy focus on supply-side responses shows few signs of abating, and has recently been supported by Florida's (2002) 'Creative Class' thesis, enthusiastically seized upon by policy-makers in the US, and increasingly the UK (see Peck, 2005).¹⁵ For Florida, instead of attracting jobs, successful city economies need to create the 'right people climate' which will enable them to attract members of the 'creative class' (2002; 13).¹⁶ A 'class' which is defined by its ability to 'add economic value through their creativity' (ibid; 68-69), thus driving economic development.

Such scenarios offer little comfort to deindustrialised localities. They work firmly 'within the grain' of neoliberal strategies, emphasising inter-place competition, place marketing and 'middle-class consumption' (Peck, 2005; 740-741). In this sense it is an extension of the 'entrepreneurial' urban strategies described by Harvey, a zero-sum 'beggar-thy-neighbour' competition for mobile public and private investments' with instead the emphasis on mobile people (1989, cited in Peck, 2005; 761).

Such an approach fails to acknowledge that, while competition between places may create winners, there are also serial losers; places with the least capacity to compete. These have suffered social and physical decline and are largely the types of places that better-off white-collar (or for Florida, no collar) workers tend to avoid (Massey, 1995; 328). For

¹⁵ Florida's assumptions (and methods) have become the subject of considerable controversy (see Peck 2005).

¹⁶ Florida's 'creative core' and 'creative professionals' include:

Creative Core: scientists and engineers, university professors, poets and novelists, artists, entertainers, actors, designers and architects, non-fiction writers, editors, cultural figures, think-tank researchers, analysts and other opinion-makers.

Creative Professionals: those 'who work in a wide range of knowledge-intensive industries such as high-tech sectors, financial services, the legal and healthcare professions, and business management.

America's deindustrialised small towns the portents of such an approach are not good. In the new competitive supply-side ethos they are considered to be among the ranks of 'hopeless places' (or the 'wrong kinds of place'), 'small places with huge working-class backgrounds' which, in Dreher's words, are 'not even worth the effort trying to turn them around' (2002; 4).

Governance and state restructuring

The role of government remains important in shaping development in localities, particularly in decisions on taxing, spending and redistribution. In recent years, however, attention has shifted towards ideas of 'regional competitiveness' and local governance, re-defining the role of the state in managing economic decline (Pike et al, 2006; 134 & 150). Local governments in Western Europe have increasingly been adopting the tendencies of economic boosterism which have for so long been prevalent in the US (Caroline and Goldsmith, 1998; 103).

This shift in local governance is characterised by the greater role afforded to the private sector in economic development, as well as by a much greater emphasis on the local as the terrain of response. As the local is perceived to be the most suitable site for an 'adaptation to the requirements of global capital' to be staged (Swyngedouw, 2000b; 68). Such a shift is nevertheless extremely problematic. Is the local scale actually a site of empowerment, or does such localism simply breed ever more destructive interspatial competition (Brenner and Theodore, 2002; vi)? Changing scales of governance also alter the geometry of power within which each locality sits, simultaneously empowering some while disempowering others (Swyngedouw, 2000b; 70-71). For deindustrialised localities this has happened at a time when the structures which had previously represented them, particularly the unions, were also disempowered. For those who find themselves at a disadvantage in this competitive process, the localisation of governance

renders them even more impotent as the power of the local is eviscerated within a 'globalised world political economy' (Herod and Wright, 2002; 9).

Within this changing framework of governance, increasing importance is also being placed on public/private partnerships in shaping the 'entrepreneurial practice and ideology' needed to compete successfully with other localities (Swyngedouw, 2000a; 53). This competition, legitimated and rationalised by 'tales of municipal turnarounds', 'little victories' and a lack of any realistic alternatives, rests on the 'economic fallacy' that all can win (Peck and Tickell, 2002; 393). Structures of governance have also served to blur the boundaries between the public and private sectors, generating serious questions over accountability and the use of public funds (Pike et al, 2006; 128-130; Castree et al, 2004; 111; Swyngedouw, 2000a; 53; 2000b, 70; Harvey, 2006; 26). The issue is again one of power relations. Parker and Feagin argue that in many American cities entrepreneurial elites have developed '*private-public partnerships* in which governments are little more than sycophants and the servants of business' (Parker and Feagin, 1990, 216; their emphasis).

While in neither country is there any great sense of accountability of such partnerships to local citizens there is an important distinction in the central government role, as the main funder in the UK, instead of state and more local funding in the US. On one hand local partners are held more accountable by central government for the effectiveness of expenditure than is the case in the US. On the other, of course, the central role that government plays in determining the narrow scope of project eligibility limits opportunities for more radical and experimental, locally-based approaches to regeneration.

An example of the restructuring of government responses is the new policy prescription of 'Task Forces' in the UK which aimed to revive

ailing communities. These are ad hoc bodies and partnerships of the 'usual suspects' from public and private bodies directed to addressing specific policy problems associated with industry decline (Pike 2004; 2150-2151).¹⁷ They are largely temporary, unaccountable and closed to scrutiny (Hudson, 2005; 593; also see Castree et al, 2004; 111 and Hudson, 1998; 24 on the Urban Development Corporations). Such bodies, under the strong guidance of central government, utilise largely conventional policy instruments, mainly orthodox interventions aimed at addressing 'short-run to medium-run market adjustment' (Pike, 2004; 2150).

Such public-private partnerships represent state withdrawal from effective planning, as national level income redistribution and balanced economic growth is replaced by localities competing with each other for investments and people. They embody nothing more than an attempt to 'paper over the consequences of economic decline', while doing nothing to address long-term structural weaknesses that persist in disadvantaged localities (Hudson, 2005; 593; Pike, 2004; 2151). For localities that lack the 'competitive edge' such policies do not bode well. The question largely missing from this now dominant narrative of 'globalization-competitiveness' is, 'what kind of economic development is required and for whom?' (Lovering, 2001; 353; Pike, 2004; 2143;).

The value of comparative research

The trans-Atlantic comparison is of central importance to this research, especially the role of the state and governance structures in the study areas' adjustment processes. Particularly significant is the extent to which a more neoliberal agenda has been followed through. The UK welfare regime has been a mixture of European corporatism and

¹⁷ In regions which are 'institutionally thin' such governance structures tend to be dominated by elite coalitions drawn from 'regional government offices, local authorities, development agencies, the business leadership'; in some cases this may act as an obstacle to 'institutional renewal' and growth (Amin, 1999).

American neo-liberalism. With many European countries aspiring to adopt the 'American model', the UK can be viewed as the 'transmission belt that connects the American model (in all its neo-liberal force) to the future of social policy in Europe' (King and Wickham-Jones, 1999 and Peck, 1998 cited in Cochrane et al 2001; 148; see also Martin, 2000a; 469; Weiss, 1997; 3-4). Appendix I reproduces OECD figures on national social expenditure and show how the UK does represent a kind of half-way house between the US and the continental European social welfare models. Total social expenditure as a percent of GDP in the EU (15) in 2001 was 24.0% compared to 21.8% in the UK and 14.8% in the US. Proportionately most is also spent in the EU on old age benefits, followed by the UK and, further behind, the US (8.8%, 8.1%, 5.3%). Sickness benefits (2.9%, 2.5%, 1.1%) and family benefits (2.2%, 2.2%, 0.4%) follow similar patterns. Spending on unemployment benefits and active labour market policies are closer together between the US and the UK.

Continental Europe's social model has historically been differentiated from that of the US by its greater employment protection, more generous welfare state benefits, working time regulations, and the fact that wage levels have largely been determined through collective bargaining (Esping-Anderson and Regini, 2002; 11-12).¹⁸ However, labour market flexibility, and particularly wage flexibility, is likely to become a more important characteristic of continental European labour markets under a single currency and intensified global competition (Esping-Anderson and Regini, 2002; 53). Indeed the concept of competitive relationships has been enshrined in the EU through the Lisbon Agenda (2000; 2005). Within this context it seems appropriate to compare how economic shocks impact disadvantaged labour markets under the different UK and US systems, and how ideas of labour market

¹⁸ It is accepted that there is significant diversity between different European states labour market and welfare systems (see Esping-Anderson 1999; Esping-Anderson and Regini, 2002; and Taylor 2003a; 2003b). However, as the OECD (1998; 1999; 2002) figures illustrate, the general trend is for more generous and protective regimes in Europe (EU15) than in the US.

flexibility, supply-side policy, and emergent workfare regimes manifest themselves in areas of industrial decline.

In the UK the retrenchment of the public welfare model towards that of the US in recent years is clear from the literature on policy transfer, particularly in labour market policy. While individual policies tend not to be imported wholesale, the general approach to reform in the UK has echoed that in the US by focusing on issues of welfare dependency and compulsion. The net result has been the ‘tendential’ but incomplete ‘Americanisation’ of UK social policy (Peck and Theodore, 2001; 450). For example, the New Deal programme was ‘copied’ from US workfare experiments (Martin, 2000a; 469). For Daguerre (2004; 42) this represented a ‘paradigm shift’, reinforced by the 2001 measures which further emphasised the ‘work first’ principle.

While the direction of change is similar in the two countries there remain practical differences in the application of welfare to work policies, with an obviously less complete transformation in the UK. This is outlined in Daguerre (2004; 47 & 52):

- Reform in the UK has been much more incremental. There is no UK version of the Personal Responsibility Work Opportunity Reconciliation Act (PRWORA).¹⁹
- The process of reform in the UK is less ideological than it has been in the US.
- The American legislation is much tougher on single mothers than in the UK where they are ‘encouraged to work, but not required to do so’.
- In the US the introduction of the two year limit on welfare payments was a watershed.²⁰ Welfare recipients must be in work

¹⁹ PRWORA was a 1996 Clinton reform which dramatically changed the US welfare system as it required recipients to ‘work’ in exchange for benefits

²⁰ This refers to welfare payments not Unemployment Insurance which was already time-limited at six months

related activities after two years. A five-year time limit was also introduced under which families who have received welfare assistance for a total of five cumulative years (or less if the state deems) will be ineligible for cash welfare payments (states will have the option of providing non-cash assistance) (Department of Health and Human Services, 2005)

- Criteria and levels of assistance are defined at the national level in the UK; in the US states have a considerable degree of discretion over welfare policy.²¹

Some of this difference, and some of the more regressive aspects of change in US social policy, reflect the different national governmental structures. Institutionally in the UK central government remains extremely important and the decentralisation of policy-making has been very limited.²² In contrast, under the US federal structure, the states have significant powers including over some aspects of welfare. For example, for the Temporary Assistance for Needy Families programme (TANF), the state governments fund half the cost and determine eligibility and benefits levels (Rushefsky, 2002; 30). This decentralisation of power to the states, which increases competition between localities, also ‘destroys their ability to fund high quality social programs’ (Peterson, 1995; xiii).

The more specific empirical dimensions of the comparison are sketched out in the following chapter, but it is important to note that the envious glances which many British policy makers direct at US welfare reform are based on one outcome: a desire to reduce welfare rolls. Of course getting people off welfare and into work may be a laudable aim, if regulatory mechanisms ensure that work pays a living wage and is appropriate for the individual. However, as we shall see in the next

²¹ Peck and Theodore describe how workfare policies in the US have taken the form of ‘local experiments’ (2001; 432).

²² Though there has been some significant recent decentralisation of economic development policies to Scotland and Wales and, on a more limited scale, to the Regional Development Agencies in England (See Robson et al, 2000)

chapter, around one quarter of the US workforce is classed as working-poor, placing into sharp focus the desirability of ‘forcing’ people to take whatever menial, casual, low-wage work is available. A far greater emphasis is therefore required on the individual and community impacts of welfare reform, rather than looking solely at the aggregate number of claims.

2.4 Understanding geography, development in place

Local labour markets

The technical definition of a local labour market, on the demand side, is the ‘labour supply shed’ or ‘worker recruitment space’ of local employers. On the supply side it is the geographical area in which workers can change their jobs without changing their residence: their ‘employment field’ or ‘job search space’ (Martin, 2000a; 458). The more the employment field of workers and the labour supply shed of employers coincide spatially, the more easily defined and more self-contained the local labour market will be (ibid; 458).

It is also within the labour market that local economic shocks are absorbed through labour market adjustments. These adjustments include changes in levels of net commuting, net migration, unemployment, economic inactivity (withdrawal from the labour market), or demographic change. The literature on plant closures has generally placed great emphasis on the short-term impacts, including negative multiplier effects, which serve to depress local demand and incomes (Tomaney et al, 1999; 402), and the short-term imbalances in labour markets through which typically the brunt of closures is borne by older and less-skilled workers (for example see Hinde’s [1994] work on the closures of British Shipbuilders yards in Sunderland). However, given the ongoing difficulties faced by many deindustrialised local labour markets, there is clearly more to this than short-term imbalances.

Labour markets are much more than a series of employment relationships and economic adjustments however. They are diverse and complex social systems which are not reducible to a simple commodity market. They are internally heterogeneous, within which different groups of worker are differentiated by skill levels, commuting patterns, and by their degree of attachment to a place of residence.²³ But more importantly, they are not just places to work; they are also places to live. Local labour markets become distinctive and long lasting localised ‘communities and cultures woven into the landscape of labour’ (Storper and Walker, 1989; 157). The distinctive individual history of communities and cultures can in turn provide the foundation for the formation of identity subsequently among residents and workers (Hudson, 2001; 262). Such landscapes of labour are dynamic and are redrawn over time by economic, social and demographic trends (Green and Owen, 1998; viii).

Labour markets should therefore be viewed as social constructs which influence the decisions of their residents and workers.²⁴ While conventional economic wisdom suggests that financial incentives are crucial for individual and family work and non-work decisions (workers may have higher incomes than non-workers), a range of factors other than income can also be influential (Bryson and McKay, 1994; 2). These can include family (parenting or caring) commitments, assessment of the opportunities available in the local labour market (discouraged workers), or individual commitment to work. These factors combine with the prevailing aggregate demand to set a labour market’s employment rate.

²³ This may be a cultural attachment, but can also result from low mobility within the housing market (Martin, 2000a; 460).

²⁴ Such a view of labour markets as social constructs has been reinforced by the trend in increasing female supply of labour. The live/work patterns of women tend to be more tightly spatially defined than those of men, primarily because of caring responsibilities. This increases the importance of local demand and the boundedness of labour markets.

Labour markets have not only use values but also emotional values; benefits people derive from where they live that are not reducible to economic factors (Castree et al, 2004; 65). It is through the development of these emotional values that deep and complex relationships to place are formed. Such attachment can be particularly strong in mono-industrial communities which came to be seen as 'closed'. The processes by which this boundedness was achieved are detailed by Hudson (2001; 265; see also Castree et al, 2004; 71):

'Places that came to be seen as closed communities, associated with a strong sense of place and deep attachments to them on the part of their residents, often developed in that way out of necessity. This was one way of coping with the fact that they were created "from scratch," discursively and materially, with people often thrown together from a wide variety of locations. As the local indigenous population typically was unable to meet the burgeoning demands for labor-power, labor had to be imported from other locations. From the outset, therefore, they were in part constituted via their relations with other areas, as open, porous, and hybrid places.

The issue is not whether places were objectively bounded and closed but rather why people living *in* them constructed images of them as such. The subsequent development of place-specific institutions and identities, and a sense of community by their residents, was a way of surviving and dealing with the risks and uncertainties of their precarious existence, especially in monoindustrial places (such as colliery villages and towns).'

Missing from the modern literature however is, 'what happened next?' After the production relationship on which communities were based disappears, does a process of unbounding occur whereby the communities disintegrate and ultimately die away completely? There are clearly elements of this already evident as the proportion of the

population with a direct (or even indirect) relationship to the old industry declines. These are important questions for the future sustainability of places. Attachments to place can outlast investment decisions (Hudson, 2001; 262-263), but for how long and under what conditions?

Pratt and Hanson (1994; 10) have observed that, 'most people lead intensely local lives' whereby their homes, workplace, friends and leisure activities are situated within 'a relatively small orbit'. The most obvious dictate of this (often) intense localism is time and money (ibid; 11]). In part because of these financial constraints, tightly geographically bounded spheres of life are often especially associated with deprived communities, and they remain settings in which identities are forged (Page, 2000; 22; Amin and Thrift, 1995; 9). This can be both a positive and a negative process. Arguably, post-decline, this identity formation has become more problematic. Past work on deindustrialisation presents a somewhat static picture of the social basis of communities, while more recent work on poverty and social exclusion tends to remove localities from their historical context. This area of identity formation is an important, and under-researched, area.

Networks and relational geographies

While for individuals' everyday lives the local may be important in forming identity, the potential opportunities base within which they operate is largely dependent on external factors. Flows of money, commodities and people, which are crucial in a region's economic development, occur in relative space-time (Harvey, 2006; 143).²⁵ Localities cannot be examined, therefore, as closed containers, but are 'nodes in relational settings' constituted from their wider social relations with other places (Amin, 2002; 391-392; Castree et al, 2004;

²⁵ In recent years, on average the 'frequency', 'intensity' and distance of these spatialised social relations has tended to increase as places become more open (Hudson, 2001; 257- 258; see also Castree et al, 2004; 64-69).

67; Allen et al, 1998; Yeung, 2005; 47-48).²⁶ It is the different ways in which they are connected, and their ‘contrasting mixes of growth dynamics’, which create intra-regional differentials (Hudson, 2001; 257-258). Research such as this therefore needs to be sensitive to both the local and to broader spatial relationships influencing development outcomes.

Institutional insights

The recent re-emergence of interest in institutional approaches has ‘revived regional political economy’ in geography by encompassing issues of local context, the evolutionary nature of economic development and the power relations and conflicts which are inherent in the economic system (Tomaney et al, 1999; 402; Martin, 1994; 43-44).²⁷ Institutionalist insights reveal how current economic successes and failures are partially a product of past institutional frameworks, habits, routines, knowledge frames, network relations and regulatory environment (Amin, 2001; 1238-1239). Such institutions may not necessarily be local, but may be ‘institutions at a distance’. Examples include national policy, head office strategies and the routines of corporate elites (Amin, 2001; 1238-1239).

While institutional structures are not the sole cause of uneven development, they ‘enable, constrain, and refract’ economic development in ‘spatially differentiated ways’ to produce geographically differentiated outcomes (Martin, 2000b; 79). These structures support a locality’s relational network, with the local and regional therefore being significant scales in institutional research:

‘It is at the regional and local levels that the effects of institutional path dependence are

²⁶ Increasingly the non-local is ‘in the local’ (Castree et al, 2004; 67-68; 260; see also Hudson, 2001; 257- 258; Allen et al, 1998; 1-2). Places become, as Swyngedouw (1997) memorably termed it, ‘glocal’.

²⁷ On ‘old’ institutional economics see Amin (1999; 367-368).

particularly significant. Institutions are important “carriers” of *local* economic histories. Different specific institutional regimes develop in different places, and these then interact with local economic activity in a mutually reinforcing way. If institutional path dependence matters, it matters in different ways in different places’ (Martin 2000b, 80, his emphasis; see also Amin, 1999)

A central distinction in institutionalist research is between the *institutional environment*, which includes customs, norms and social routines, and *institutional arrangements*, formal organisational structures including markets, firms, unions, statutory bodies and the welfare state (Martin, 2000b; 79-80). The evolution of such institutions consists of ‘periods of relative stability (or slow change)’ which are ‘punctuated historically by phases of major transformation’ (Martin, 2000b; 85; Hudson, 2004; 451; 458).²⁸ While in some cases such ‘major transformation’ may follow from radical economic change, this is not necessarily the case. Grabher’s (1993) work on the Ruhr, for example, demonstrates how a region can become ‘locked in’ by outdated and outmoded institutions, as relics from the industrial past. Such outdated institutions then serve to become a structural weakness, holding back restructuring and integration into new circuits of growth (Essletzbichler and Rigby, 2007; 9).

For some, the promotion of new institutional networks is seen as a potential route to increasing competitiveness and economic growth for old industrial regions (see Cooke, 1995; Kitson et al, 2004). It is assumed that the ‘soft’ attributes of territories that are ‘winners’ are among the key determinants of competitive success. This implies that the task for those regions which have lost is to ensure conditions that will allow them to do the same (Hudson, 2001; 281). In practice, however, attempts by places that have ‘lost’ from global economic

²⁸ See Martin (2000b; 78) who considers how the upheavals in the global economy in the last two decades have led to the ‘institutional landscapes of capitalism being redrawn.’

restructuring to adopt the structures of those that have ‘won’ have generally been unsuccessful (Dunford and Hudson, 1996 cited in Hudson, 2001; 282). It is apparent therefore that, while policy aimed at breaking lock-in and fostering new institutional forms may be beneficial for struggling regions, this is not itself sufficient to secure economic development (Pike et al, 2006; 95).²⁹

A further element of institutional thought, of particularly relevance here, is work on cultural processes, which inform individual and group norms and conventions and mould social structures. Such norms and structures are significant for economic development because of the crucial role they play in transmitting ‘knowledge, attitudes, and values from one generation to the next’ (Martin, 2000b; 81). Hudson’s (2005; 586) work has been especially significant in showing the ways in which an inappropriate institutional environment from an earlier era can bar moves to a new and more positive development trajectory. Discussing the ‘perils of instituted behaviour’ he describes the habits and routines established as part of the identity of the traditional economy in the Northeast (ibid; 587). Some of these have been relatively easily transformable; in particular the breakdown of the established gender division of labour, as more women entered the labour force. Others have proved more resistant to change, however, and represent what he describes as ‘cognitive lock-in in the terms of the ways people think of the labour market and their possibilities’ (587-588). He identifies three specific examples, each of which has significant policy ramifications:

1. A reluctance to commute among some in the region, stemming from the old life/work patterns of industry whereby workers were housed close to their workplaces.³⁰

²⁹ For example see Hudson (1995; 196- 216) who argues that the national and local economic climate is a central determinant of whether strategies which promote institutional change will be a success. Similarly Amin (1999; 366) notes that such institutional tweaking will count for very little in the absence of expansionary macro-economic policy).

³⁰ He develops this point by arguing that the region should be viewed as ‘a series of small, discrete, and spatially bounded labour markets, rather than forming an

2. A limited ambition towards education and skills achievement, based on past community experience of sons following fathers into jobs via recruitment through personal networks and on the job training.
3. The culture of dependency on wage labour which is a limiting factor in developing endogenous SMEs in the region.³¹ (Hudson, 2005; 587-588).

Such insights are of central importance in understanding the development trajectories of places that have undergone radical economic decline. They are nevertheless restricted by being limited to describing lock-in from the previous industrial era. A fuller understanding of aspiration formation and entrenched patterns of dependency needs to be sought by encompassing new norms forged in the social and economic environment of deindustrialisation, and how these combine with those which already existed. A key aim of this research is therefore to describe and account for institutional continuity and change during the period of radical economic restructuring by examining why some institutions, social structures and norms remain robust, while others are modified and even crumble.

The evolutionary nature of economic development

Just as a locality is not a closed-box, it is equally important not to treat it as a blank slate. Any approach to understanding local labour markets and communities must be grounded in an understanding of an area's unique history and an appreciation of the ways in which past phases of development exert a strong influence over present and the future prospects (Martin and Sunley, 2006; 399; Scott and Storper, 2003; 579). For this reason evolutionary approaches embrace the 'the path

integrated labour market in which people are linked to employment opportunities across the region' (587)

³¹ See Hudson (1995; 197-198) for the evolution of this dependency.

dependent [or more accurately path-contingent³²] character of development', placing current development outcomes within a locality's historical specificity (Hudson, 2004; 459 also Martin and Sunley, 2006; 402-403; for an excellent example of path-dependency see Cronon, 1992). As Pike et al have shown, the importance of exploring the influences of historical specificity have been embraced by a number of influential geographers in recent years (2006, 35-37):

- 'local and regional development trajectories are strongly path-dependent' (Sunley, 2000)
- 'future development is unavoidably shaped by their own historical evolution' (Clark, 1990)
- '[P]henomena happening in the present 'trail long tails of history' (Allen et al, 1998)

Path-dependency in economic development can be particularly salient in monoindustrial communities, where previous dependence on a single industry and the absence of a recent history of innovation often means they lack the economic and social capacity to become 'learning regions'. They are also often typified by the absence of the 'institutions and (cooperative) relationships' between local and regional actors which are important for fostering innovation (Essletzbichler and Rigby, 2007; 9). Further to this, when new technologies are being developed, business location decisions tend to seek out 'diverse pools of skilled labour, industries, firms and institutions' which are often in short supply in old industrial regions (ibid; 10).³³ In the context of this distinctly un-level playing field it is hardly surprising that many old industrial regions struggle to attract forms of investment that might enable them radically to alter their development trajectory.

³² Development is path-contingent in the sense that the actions, practices and 'systematic interactions' of agents can produce change, either subtly or radically, in future development trajectories (Hudson 2004: 463).

³³ In addition to this, in many less favoured regions social capital has been seriously damaged by 'economic hardship, state-dependency, [and] elite domination' making its renewal a daunting task (Amin, 1999; 373).

This research is sensitive to the path-dependent nature of development, but also incorporates the longer-term impacts of initial adjustments to economic restructuring. The historical economic structure of the study regions is not the only influence on their future trajectory, though it clearly has a strong bearing on education and training structures, their built environments, perceptions of the area, and their institutional structures. The immediate responses to the challenges of economic restructuring also need to be incorporated into our understanding of path-dependent development.

2.5 Structure and agency

This analysis has emphasised a structural reading of the consequences of deindustrialisation. Human agency nevertheless retains considerable scope to work within, change, and challenge these structures. There is a long history in geographical writing of balancing the relative importance of structure and agency (Hudson, 2006; 381). This balance depends on neither under- nor over-socialising individuals (Granovetter, 1985). The structural determinism or ‘metanarratives’, inherent in some treatments of global economic change, which ‘closes off space for human action and political practice’, need to be avoided. The multiple and complex structural parameters within which agency can operate must nevertheless be acknowledged and explored. These include the basis of such ‘broad structural relations’ as class, gender and ethnicity. These may have determinate effects, although these are contingent and can be analysed only through empirical research (Massey, 1995; 303-304; Hudson, 2003; 745; Jessop, 2001a; 1226; Sayer, 1997, 473).

Human behaviour (both individual and collective) may thus be understood as ‘instituted’, simultaneously both ‘enabled and constrained’ by the social structures within which it operates (Hudson, 2004: 451). Agency is therefore subject to ‘bounded indeterminacy’,

within which individual agents are neither ‘blind followers of rules’ nor ‘fully autonomous actors’. Rather, they are restricted in what they can and cannot do: they are ‘boxed in’ (Amin, 2001; 1238; Massey, 1995; 316). It is within this ‘bounded indeterminacy’ that agency operates but, as explained by Granovetter, such structures can never fully predict outcomes (1985; 487):

‘Actors do not behave or decide as atoms outside a social context, nor do they adhere slavishly to a script written for them by the particular intersection of social categories that they happen to occupy. Their attempts at purposive action are instead embedded in concrete, ongoing systems of social relations’.

These broad social structures vary widely across time and space, as history and structural location become key determinants of the many different constraints under which actors operate (Amin, 2001; 1238; Granovetter, 1985; 486). This variability is crucial as what people know and how they will react to a given situation depends, in part, on their positionality in terms of the key dimensions of social differentiation, including class, gender and ethnicity (Hudson, 2004; 450). This positionality enables some actors to choose a path of action more or less skilfully than others (Jessop, 2001a; 1226). As Wilson (1997; 55) explains, it is through these key dimensions of social differentiation that the ‘decisions and actions [of those in deprived inner-city Chicago] occur within a context of constraints and opportunities that are drastically different from those present in middle-class society’.

Structural relations thus influence and constrain human agency, shaping not only the opportunities available, but also how we think, feel about and experience our environment, creating and reproducing cultures, norms and expectations. For example, drawing on Bourdieu’s work (1981; 309), Hudson (2004; 464) describes how ‘members of a “class

fraction”, by sharing common histories, share similar habitus³⁴, creating ‘regularities of thought, aspirations, dispositions, and patterns of action’. Such regularities are linked to positionality in the social structure and are continually reproduced. Commonalities of identity are experienced as “people like us”, and may also relate to other social features, including gender, ethnicity or where a person lives (Hudson, 2004; 463). For example, Bourdieu describes how childhood experience can create the disposition of young workers to identify with, and wish for, a work experience similar to that of their parents.³⁵

‘The dispositions inculcated by a childhood experience of the social world which, in certain historical conditions, can predispose young workers to accept and even wish for entry into a world of manual labour which they identify with the adult world’. (Bourdieu, 1981, 314)

Research such as this must therefore place individual agency clearly *within* the structural constraints of social differentiation and living in a deindustrialised locality, with both its opportunity structure and local culture. These structures exert significant influences on the future prospects for economic development, but can be revealed only through detailed empirical research.

2.6 Concluding comments

This chapter has explored the main threads of recent theoretical debate that frame this study, from that relating to deindustrialisation itself, through the role of the state, the importance of institutional and evolutionary processes, and the balance between structure and agency. The central insights are:

³⁴ Habitus is defined as the embodied history, the part of objectified history which is ‘carried, enacted and carries its bearer’ (Bourdieu, 1981; 306-307).

³⁵ Heaven (1995 cited in Lloyd, 1999) also stresses the important role of family ‘as a socialising force where young people learn about work’. For empirical studies see Nayak (2003) and McDowell (2002).

- 1) To understand the wide-ranging economic and social impacts of radical industrial change, the process of deindustrialisation must be viewed as a long-term structural change in local economies and communities, rather than a short-term adjustment in factor markets.
- 2) Comparative research is needed into the role of state actors. Recent policy developments in both the UK and US have increasingly promoted competitive relationships between places and supply-side policy orthodoxy. Such policies largely fail to acknowledge the widely differing demand contexts of local economies and further marginalise those who cannot 'compete' effectively.
- 3) Regional research must move beyond viewing localities as closed systems, and recognise the system of broader relational networks which plays a crucial role in accounting for growth or decline.
- 4) The institutional architecture and environment of a locality plays a critical role in influencing local economic development. Particularly important is the balance between continuity and change over time. Past conceptions have however often conveyed a static conception. This research will give greater emphasis to the *combination* of institutional change and inertia in the development of deindustrialised regions.
- 5) Economic development is often strongly path-dependent. An area's economic history and legacy, and the ways these enable/constrain growth are always important. This research builds on previous work by analysing how the immediate (labour market) impacts of deindustrialisation have strongly influenced longer-term development.
- 6) The workings of local labour markets are reducible neither to free agency nor to structural determinism. The structural constraints within which individual agency operates are nevertheless critical in analysing local labour market trends.

Chapter 3) The experiences of industrial decline in the UK and US

3.1 Introduction

The last chapter set out the key theoretical contributions that have framed this work. We shall now move on to the earlier empirical evidence informing the study. The aim is to evaluate this literature from the perspective of the comparative approach adopted in this research. This is achieved by drawing on research addressing labour market change from a number of areas, particularly related to job creation, labour mobility and models of public welfare. The key themes that emerge relate to private sector investment decisions, which set the levels of demand for labour, and the role of public welfare policies in mitigating decline. These provide the context for individuals' decisions. We shall therefore also consider research relating to individual responses to job losses, whether through commuting, migration or the withdrawal of labour.

Attention is first turned to the significance of new job creation in old industrial areas, including the geography of investment, to consider whether demand for labour has been replaced, and under what circumstances. The focus then shifts from flows of investment to flows of people, and what past research tells us about labour mobility, through commuting and migration. This is important because of the potentially positive role such mobility can play in redressing imbalances between labour supply and demand. An important cultural difference is demonstrated in attitudes towards labour mobility, suggesting a much greater propensity to commuting and migration in the US than the UK.

The following two sections deal with the role of government (and governance) in influencing development outcomes. While both countries have experienced quite regressive welfare reforms in recent years,

aimed at pushing people into jobs, important differences remain in both the scope of welfare, and in the use of public money for regeneration. In the US, the federal government has largely taken a hands-off approach to industrial decline and the aftermath. Regeneration strategies are therefore usually highly localised, ad-hoc and under-funded. This intense localisation of responsibility means that such initiatives are often ill-informed and lack strategic thinking. In the UK, central government has maintained a much greater role in economic development and has been more willing to fund regeneration projects aimed at attracting private capital or supporting failing localities. There are thus important differences in development outcomes which need to be considered.

3.2 Replacing local employment

The UK: some growth in services

One of the most obvious determinants of how destructive a factory, mill or mine closure may be for a local community is the extent to which lost jobs can be replaced by new job creation. For many UK coalfield areas, job creation strategies have only had limited success in rebuilding the local employment base (Bennett et al. 2000; 44). Recent estimates suggest that only around 60 per cent of the jobs lost in the coal industry since the early 1980s have been replaced by new jobs for males (Beatty et al, 2005; 2). Indeed, rates of employment creation in the coalfields have been significantly below the national average. During the period 1983-2002, total employment in the UK grew by 22.9%, while in the coalfields it grew by only 8.9% (Ormerod, 2007; 4).

There have been three obvious approaches to job creation in old industrial areas, encouraged by policy, since the major industrial closures in Britain. They have included, firstly, attracting light industry, particularly in the immediate aftermath of closures as part of

reindustrialisation strategies. Emphasis was subsequently placed on the growth of indigenous Small and Medium Enterprises (SMEs), though this is often more rhetoric than reality. Finally, the most significant trend has been towards expanding service sector employment.

Such strategies have clearly only been partially successful in replacing the numbers of jobs lost, and even less successful in employing displaced workers. Many of the new jobs created were more insecure and demanded different skills sets and attributes than the heavy industrial employment that preceded them. It was particularly difficult for older and less skilled workers to gain such alternative employment. They were also less likely to retrain for other sectors, leaving them with few realistic employment options (Murray et al, 2005; 354). These groups were disproportionately affected by closures and more likely never to work again (Tomaney et al, 1999; 409-410). Many of the new jobs created in declining industrial regions were therefore not filled by redundant workers but were instead orientated to a low-skill, low-wage and female workforce (Danson, 2005; 287).

The first strand of this development policy often involved attracting mobile capital in the form of branch plant investments. These were typically far removed from the companies' centres of decision making, 'global outposts' largely concentrated into low-value added and low wage activities (Beynon and Austrin cited in Hudson, 2005; 585; also Morris, 1995; 58-60; Bennett et al, 2000; 43-44). Such investments were often poorly integrated into the local economy, and came with attendant problem of vulnerability to disinvestment (Pike et al, 2006; 203). Major questions have also been raised about the cost-effectiveness of the types of public subsidies often used to attract them.³⁶ Such reindustrialisation strategies have thus been at best only

³⁶ For example see Castree et al (2004; 144-145). The Siemens wafer fabrication plant in North Tyneside opened in 1996, drawing in around £60 million in financial assistance from local and central government, only to close two years later with the loss of the 1,200 jobs created.

partially effective, replacing a relatively small proportion of the manufacturing jobs lost (for example see Hudson, 1995; 199-202 on the Derwentside Industrial Development Agency).³⁷

The second strand of economic development, the encouragement of indigenous SME growth, similarly offered relatively few prospects for redundant workers. First, prospects for SME growth were limited by the local economic environment, including the multiplier effects from plant closures which kept local economies depressed. Secondly, where new firms were established there is little evidence that they had a significant direct role in alleviating labour market disadvantage. Storey's (1982; 179) study of new firm formation in Cleveland (Northeast England), for example, found that new firms created relatively few jobs in their early years, and those that were created were filled primarily by skilled workers 'rather than those who have been off work for a long period'. In the longer-term this solution, although attractive in many ways, has been limited by the continuing depressed local economies, and cultural and institutional barriers stemming from the previous dependence on waged-work (Hudson, 2005; 588).

Service sector employment has become an increasingly important alternative to manual work in areas such as the coalfields, even though it is often low-skilled and poorly paid (Lindsay and McQuaid, 2004; 301; also Morris, 1995). As a consequence, interpersonal skills, including attributes such as personality and appearance, have taken on increasing importance for an individual's ability to gain access to and maintain employment (McQuaid et al, 2005; 192). This has presented a significant barrier to employment for many former industrial workers. There is also evidence that, in customer facing employment, employers would

³⁷ See also Stone (1995; 195) who argues that the modernisation and reindustrialisation strategies adopted have, even in Wearside, the recipient of massive investment from Nissan, not been sufficient to 'fill the employment and income gaps left by the old industries'.

discriminate against older workers considered not to look or sound right (Warhurst et al, 2000; Hollywood et al, 2003 cited in Lindsay and McQuaid, 2004; 302). In reality many former industrial workers would also themselves have ruled out most forms of service employment, which is perceived to be low paid and insecure (Lindsay and McQuaid, 2004; 306-307; Murray et al, 2005; 357; Danson, 2005; 285; 288).

These changes in employment structure and culture, from the established practices of 'natural progression' from school to work, to an increasing emphasis on developing interpersonal skills and education, left those without such 'employability' facing multiple barriers to work. Significantly however, 20 years later these individuals are no longer former miners, but come from subsequent generations of workers (McQuaid et al, 2005; 193 see also Danson, 2005; 289).³⁸ The pronounced lag in educational attainment in the coalfields compared to the national average indicates that the cultural adjustment to these new realities has been slow at best (see Gore and Smith, 2001).

In more recent years the focus on branch plants, SMEs and service sector growth has been augmented by a fourth strand of economic development policy in peripheral localities, based on regeneration to serve tourism, leisure or cultural activities (Hudson 1995; Jobling, 2007; Ashworth and Voogd, 1990; 6-9; 14).³⁹ Again such strategies, which for Hudson (1995; 206) represent a locality's recognition of its 'economic marginalisation', may be problematic for at least two reasons. First, the types of jobs created, for example by reclaiming industrial sites to attract middle-class consumption, tend to be unskilled and poorly paid (Hudson, 1998; 24). Secondly, relying on such an approach is a 'very risky course of action', throwing a region into direct competition with

³⁸ The net result of these changes is that either a large number of 'men's jobs' need to be created, or young men's assumptions about what is 'men's work' need to change (Lloyd, 1999; 2).

³⁹ This was a trend which was first hit upon by the UDCs. In their appraisal of this type of development Parkinson and Evans (1990; 80-81) found that while the physical regenerative effects could be impressive, the social and economic benefits which accrued for the most deprived would be much less so.

other, possibly more appealing, tourist destinations (Hudson, 1995; 206).

It is clear that new job creation in the coalfields has not compensated for the jobs lost in industry. Often where job creation has occurred it has tended to be low-waged and low-skilled. This is partly an outcome of economic development policies focused on numerical job creation, irrespective of the type of investment. A Coalfield Task Force report, for example, identified call centres as a potentially viable source of new jobs in the coalfields (1998; 13).⁴⁰ The coalfield areas have also often been promoted to potential investors by touting their low wage rates (Beynon et al, 2006d). Employment growth in coalfield areas therefore needs to be assessed in terms of both its quantity and quality. With social mobility in the UK poor and becoming worse, decent quality employment opportunities are needed from the beginning, rather than relying on upward mobility to remove people from a no wage/low wage cycle (Dickens et al 2000; 105-106).⁴¹ At the national level, wages from entry level jobs have fallen compared to others since 1979, which has had significant implications for the benefit trap, the extent to which it appears financially worthwhile coming off benefits (Gregg and Wadsworth, 2000; 499). Entry-level positions therefore need to provide decent wages, hours and working conditions. Crucially, they must also offer the opportunity for 'personal development and advancement' if they are not to continue being avoided by jobseekers, particularly males (Lindsay and McQuaid, 2004; 315).

⁴⁰ In call centres in the Northeast the majority of employees are females. They have a very limited hierarchical structure and so offer few opportunities for career development and provide few employment multipliers in local support industries (see Richardson et al, 2000 as well as Beynon et al, 2006c; 8-9 in the coalfield context).

⁴¹ Mobility between pay deciles has been declining since the 1970s. Low paid workers are not only relatively worse off but also have less opportunity for moving up the wage distribution scale (Dickens 2000; 496). There is also considerable 'churning' among the low paid.

Diversity of experiences

While this discussion has focused on national trends, there is considerable diversity in the experiences of the coalfield areas. Some of the smaller areas in Leicestershire and Warwickshire are ‘well on the way to full recovery’, while others have made much slower progress (Beatty et al, 2005; 2; DCLG, 2007; 85). Ormerod (2007) recently investigated this diversity at the local authority level, finding the most important driving factors to be, first, the extent to which they relied on mining before closures. Secondly, what he refers to as, an ‘attitudinal’ variable. Those areas with greatest support for the miners’ strike were also the slowest to recover. Thirdly, the diversity of the industrial structure among neighbouring local authorities was also significant. Areas with a higher proportion employed in mining in the 1980s were recovering slowest, but those bounded by areas with diverse industrial structures tended to recover more quickly. There is also a distinct regional geography, with more accessible coalfields, within a more supportive regional growth context, faring better than some of the more peripheral coalfields that have continued to struggle.

The US: struggling to create employment

Many of the deindustrialised localities scattered across the US have suffered similar problems, as heavy industry and other manufacturing jobs were not replaced during the subsequent decades. Some regions, such as California, Massachusetts and New York, with more diverse economies, experienced strong growth in other sectors to compensate for the lost jobs, but others, in Pennsylvania, Ohio and Illinois, attracted nothing like sufficient compensatory growth.⁴² For this second group, the impacts of industrial decline were particularly disastrous,

⁴² The experience of older industrial regions such as Boston’s Route 128, which has seen some of its productive capacities rebuilt largely through Federal defence spending and the proximity of Massachusetts Institute for Technology is firmly the exception rather than the rule (Markusen et al, 1991; 118-147).

creating a huge mismatch between labour supply and demand (Rodwin, 1989; 17).

Deindustrialised communities across America's heartland have had great difficulty attracting private investment. This is in part due to their image problems as run-down, depressed and dangerous communities (see O'Hara, 2003).⁴³ Some areas have also suffered the legacy of their historical image, being branded with a 'union label', which was the 'kiss of death' for recovery (Armstrong and Mullen; 1987; 10). The difficulties of attracting investment are further compounded in many small former industrial centres by their geographical isolation.

The response of local planners to industrial decline in the 1980s was generally to present their communities as offering an increasingly 'flexible' resource for employers to locate (Clark, 1989; 209-212). This approach sought to make a strength out of labour's weakness, persuading employers that they could benefit from paying low-wages and cherry pick from a pool of desperate individuals. In addition to such 'place promotion', huge resources were devoted to "smoke-stack chasing"; attracting industry from elsewhere, primarily in the US (Markusen and Carlson, 1989; 52). This was often the core of a local reindustrialisation strategy. This type of planning represented a 'zero-sum competition for employment' and a huge waste of resources (Clark, 1989; 215). Even those localities that 'won' new investment typically overpaid for it, and many learned the painful lesson that 'easy in' also meant 'easy out', as capital searched out ever more profitable locations. While there was some recovery in manufacturing in the 1990s, investment avoided most of the metropolitan areas of the old manufacturing heartlands, which continued to shed employment,

⁴³ For example, in the late 1990s the image of Gary, Indiana, itself a steel centre, became so bad that Fedex refused to pick-up from the city after dark. They were later forced under local political pressure to reinstate these evening pick-ups (New York Times, 1997)

suggesting that their reindustrialisation policies were largely impotent (Essletzbichler, 2004; 607; 614).⁴⁴

While many deindustrialised localities attempted to go down the ‘smoke-stack’ chasing route, the new reality for most was that job creation was largely premised on a growing service sector (Herzenberg et al, 1998; 22-24). Such growth was typically concentrated in low-wage occupations (Harrison and Bluestone, 1988; 120). This created the situation described by Rodwin (1989; 14-15 see also Bluestone, 2003; ix) in which workers found themselves “skidding down” into catch-as-can employment’, taking jobs which offered ‘lower pay and benefits, less dignity, less structure, and less security’ (Armstrong and Mullin, 1987; 11). These types of jobs were taken out of necessity, since men who had not worked a full complement of years did not qualify for even minimal retirement benefits (Bluestone and Harrison, 1982; 79). As in the UK much of this service growth was not the direct replacement of industrial jobs, but instead drew in more female labour to fill positions.

Subsequently, the economic growth experienced by the US during the 1990s, based on technological innovation (particularly in IT) or the ‘new economy’, saw incomes become further geographically and socially polarised (Rosenburg, 2003; 309-310). This boom offered little for old industrial areas, which missed out almost entirely on high-end growth as the US economy became the leading performer among advanced economies in the creation of low-waged work (Dicken, 2007; Krugman, 1994; 23-24; Cormier and Craypo, 2000; 705). While at the national level some evidence of improvement in wages emerged during the late 1990s and the proportion earning poverty wages declined slightly, the rate of improvement slowed markedly between 2000-2005 (Mishel et al,

⁴⁴ The picture of manufacturing job creation in the US has become more complex than the patterns of change associated with the shift from the rustbelt to the sunbelt which characterised the deindustrialisation of the 1980s. For example, there has been some recovery in the Midwest. However this investment has tended to be concentrated in non-metropolitan areas away from the previous sites of production (see Essletzbichler, 2004).

2007; Tables 3.4 and 3.7). For those earning the least however (the bottom tenth percentile) the situation has deteriorated further and their real wages in 2005 were less than in 1979 (ibid, Table 3.17). Similarly the real hourly wage has fallen since the 1970s for workers with below college education, and especially for those who did not finish high school (ibid, Tables 3.4, 3.5). There also remain 25% of workers earning poverty wages (ibid, Table 3.7).

3.3 Mobility through migration and commuting

Geographical labour market mobility may involve either out-migration, a permanent or semi-permanent residential move, or commuting, through which workers travel outside their area of residence for employment.⁴⁵ Migration decisions can be either a 'proactive choice' or a 'reactive necessity'. In the former, migration is a positive strategy to improve wages and/or skills and general quality of life; in the latter, it is 'undesired but necessary', a 'geographical strategy of last resort' (Castree et al, 2004; 199).⁴⁶

Much of the US policy towards mitigating the impacts of deindustrialisation rested on the assumption that labour markets would adjust through migration. While such geographical mobility may improve the effective working of national economies, high levels of mobility can also have negative localised effects. A region's endowment of human capital is crucial in determining its future prospects for economic growth (see Florida, 2002; 220-222; also Glaeser, 2000). Large-scale out-migration can therefore erode local social capital. It can also breakdown social and kinship networks, and engender a lack of commitment to locality (Green, 2004; 630; Donovan et al 2002; 22).

⁴⁵ This can vary from daily to weekly long-distance commuting (see Green et al, 1999).

⁴⁶ Often these distinctions are not clear cut and vary for workers from the same plant, it depends on their satisfaction with the areas pre-closure, and their situation in the place of destination (for example see Castree et al, 2004; 203-204 on the migration of Corus workers from Ebbw Vale to Ijmuiden).

Discussion of migratory process should therefore be sensitive to both sender and receiver regions.

Migration

The UK resistance to migration

The lack of willingness in the UK to move for work has been the basis of much academic debate in recent years. Mobility rates in the UK are much lower than in the US, with around 8% and 16% respectively of the population moving home in 1996/7 (Gregg et al, 2004; 378). In the UK most of these moves are also intra-regional, often over very small distances and are much more likely to be for housing rather than job related reasons (Donovan et al, 2002; 2-6; Dixon, 2003, 194).

Migration is also strongly linked to socio-economic status. Through the 1980s, non-manual workers in the UK were three times more likely to make inter-regional moves than manual workers (Bailey and Turok, 2000). This suggests that adjusting to job loss through migration responses has been 'particularly difficult for manual workers' (Bailey and Turok, 2000; Webster 2000). Furthermore, while migration from areas of low labour demand to areas of high demand has the potential to reduce overall unemployment, speculative residential moves among the unemployed in the UK are very rare (Dixon, 2003; 191; Gregg et al, 2004; 373-393). It has been suggested that the overrepresentation of the unemployed in social housing appears to limit mobility (Gregg et al, 2004; 397).⁴⁷

Beatty et al (1997) demonstrate in their aggregate studies of labour market change that migration has however been a significant

⁴⁷ This is probably the result of local authority housing policy which generally gives priority to those currently resident in the district. Only 14 percent of new lettings in social housing are movers from another region compared to 37 percent of new private-sector lettings (Gregg et al, 2004; 384 & 397).

component of adjustment in coalfield areas, with some 59,600 men moving out between 1981 and 1991, 4.8% of the economically active 16-64 year old males. However, Hollywood (2002), using evidence from the Sample of Anonymised Records (SARs) - a sample of individual census returns, finds that migration has not been a significant labour market response by former miners. This apparently conflicting evidence suggests that while out-migration has been a general response to industrial decline, it has not been by those groups directly affected by job losses. Instead, it involved individuals affected either by multiplier effects, or those who simply to move for residential reasons. There is also a sound financial explanation to the immobility of ex-miners who received fairly substantial redundancy, typically in the region of £15,000 to £30,000, which was often used to pay off mortgages (Beatty and Fothergill, 1999; 44; Critcher et al, 1995; 22; also Tomaney et al, 1999; 408 on Swan Hunter). Having done this, some were essentially trapped by low property prices compared with other areas, and even by negative equity.

The US frontier spirit

In contrast to the UK, high labour mobility is a well established part of US life. The propensity for migration which fascinated De Tocqueville (1969; 536) some 170 years ago still persists to this day (Gregg et al, 2004; 373). Although the differences have been subject to swings over time, during the last thirty years US labour mobility has been approximately double that of Europe (see Jacoby and Finkin, 2004; 8-9). In addition, the occupational structure has been the reverse of that in the UK. In the US during the 1980s manual workers were 30% more likely to move out of their county of residence than non-manual workers (Hughes and McCormick, 2000; 15 cited in Donovan et al 2002; 7).

Migration has therefore been a significant response to deindustrialisation in the US. An extreme example is the industrial

hobo, documented by Maharidge and Williamson (1985; 7), a new class of people who, on losing blue-collar jobs, simply travelled the country looking for work. The context surrounding this US style mobility is neatly summed up by John Hoerr (1988; 12-13):

'This is wide, broad shouldered America, where there is always room someplace else for people abandoned by their livelihood. Are you an unemployed steelworker from the Mon Valley? Well, move on, brother! The first hill is the hardest one to cross. After that, the opportunities are limitless...Texas, Arizona, or anyplace from here to there where McDonald's need someone to serve that one-trillionth burger.'

While mobility of this type has been promoted by the Federal Government as a way of boosting national economic efficiency, the costs of the large-scale loss of skilled labour for a transmitting region are high. Migration is self-selective, so that those who move out are likely to be younger and more employable, while older members of communities and African-Americans less likely to move (Raphael and Ricker, 1999; 17-46 cited in Jacoby and Finkin, 2004; 11). The character of the region is therefore altered, leaving behind the 'poor, elderly and disabled' and, in short, the likelihood of a recovery diminishes (Sweet, 1999; 248; Cunningham and Martz, 1986). The loss of a viable work force also reduces the tax base, with multiplier effects on local businesses and services.

Such a population loss, experienced by many old industrial areas, also had pronounced implications for local housing markets. These were particularly significant in relation to changing federal policy for housing as the government began to curb its involvement in direct housing provision, relying instead on private sector renting. This policy, known as Section 8, was established as part of the Housing and Community Development Act of 1974 and is now the 'dominant form of federal housing assistance' (Center on Budget and Policy Priorities, 2003; Ellen

et al, 2005; 5; Turner et al, 2000; 8; 53). Section 8 provides public housing vouchers for low-income families to live in privately rented accommodation. The voucher covers 'the difference between 30 percent of adjusted family income and a PHA determined payment standard or the gross rent for the unit, whichever is lower' (www.hud.gov).

Problems can develop with Section 8 in areas of weak housing demand, however, with landlords buying up cheap properties to attract tenants with Section 8 vouchers. In such circumstances there are stronger incentives for landlords to misuse the programme by not sanctioning unacceptable behaviour or by taking in problem tenants to provide a guaranteed income where there are difficulties in finding paying private tenants (Pollock and Rutlowski, 1998 cited in Turner et al, 2000; 23). There are also racial aspects to this, as mixed or predominantly black neighbourhoods are more likely to have low property values, making them most susceptible to the influx of Section 8 tenants.

The transfer of housing into Section 8 programmes can therefore cause friction with existing residents because of possible negative effects on the values of surrounding properties. There may also be 'population mix effects', or a worry that such housing brings in poverty and joblessness affecting the 'neighbourhood's quality of life' (Ellen et al, 2005; 11).⁴⁸ In recent years there has been strong neighbourhood opposition to increasing numbers of Section 8 households in Boston, Chicago, Philadelphia, Baltimore and St Louis (Turner et al, 2000; 15).⁴⁹

⁴⁸ There are very few studies on the impacts of Section 8 because of difficulties with accessing accurate data (Ellen et al, 2005; 1-2).

⁴⁹ In Boston when these issues were probed it was found that most of the behaviour problems were actually attributable to unsubsidised families (Turner et al, 2000; 15).

Commuting

Increased commuting is another way through which worker mobility mediates the impacts of local economic shocks. The extent to which commuting may achieve this is highly dependent on geography, and particularly on proximity to more buoyant local labour markets. Unfortunately for many deindustrialised localities, including Northumberland and the Mon Valley, their local decline was often part of a more extensive regional trend.

The UK reluctance to commute

Recent empirical work by Beatty et al (2005) has suggested that increased out-commuting was a very small response to mining job losses in all the coalfields areas over the period 1981-1991, increasing by only 4500 men, or 0.4% of the economically active males (16-64)⁵⁰. There are two main explanations for this. First, the peripheral and relatively inaccessible location of many of the coalfields meant that the monetary and non-monetary costs of travelling to work in surrounding areas created a 'friction of distance', which limit the scope of an individual's employment field (Webster, 2006; 113). Secondly, a reluctance to travel too far for work is considered by some to be 'culturally ingrained' in the coalfields, an example of the 'cognitive lock-in' referred to earlier⁵¹ (CTRU, 1992; 26 cited in Waddington, 2003; 12). Parry (2003), in her work on coalmining decline, similarly documented 'survivalists' who prioritised local work and were unwilling to travel far, thereby limiting their labour market options.⁵² While the

⁵⁰ There is of course some geographical diversity of experience with regards commuting rate change from different coalfield areas which is detailed in Beatty et al (2005) and Townsend and Hudson (2005).

⁵¹ Hudson (2005; 587-588) has argued that state policies aimed at breaking unwanted forms of lock-in, including such relative immobility, have been largely unsuccessful.

⁵² Drawing on work by McCrone (1994), Parry suggests a framework for investigating labour market change in deindustrialised areas which divides individual's responses to economic change into two different responses; the 'strategic' and the 'survivalist' approach (Parry, 2003). The approach adopted depends on an individual's resource endowment in terms of both financial and social capital. The 'survivalists' approach is

immediate implications of this reluctance are well documented the inter-generational aspects remain unexplored.

The US more accepting attitude towards commuting

In general commuting patterns in the US have tended to be somewhat broader than those in the UK as a result of the dominance of private transport and the process of suburbanisation (the separation of residential and production geographies). There is little evidence to suggest that a cultural reluctance to commute such as that described in the UK coalfields applies in the US. Past studies show that displaced workers were not averse to commuting increased distances to employment (see Armstrong and Mullin's 1987 study of Massachusetts). However, in many cases the scale of this response would have been limited either by broader regional decline, or, for some of the smaller industrial towns, by the distances between them and other employment centres.

In the Mon Valley, for example, there was already significant commuting by industrial workers at the time of closures. Whereas historically workers would have lived and worked in the same community this relationship had been changing since the 1970s as well-off steelworkers began to move outwards from the mill towns into the suburbs, escaping from the pollution of the mills (Cunningham and Martz, 1986; 71-72; Mon Valley Regional/ Urban Assistance Team, 1988; 24; Department of Engineering and Public Policy School of Urban and Public Affairs and Department of Social Science, 1983; 9-10; Yamatani et al, 1989). By 1980, over half of all steel workers were working outside their town of residence (Department of Engineering and Public

to find paid work for the primary aim of immediate material gain; 'strategists', however, had undergone a process of investing in their labour market futures, putting a long-term strategy ahead of short-term gain and had adopted a range of work (not just paid employment) to achieve an 'occupational satisfaction qualitatively comparable to those provided by traditional forms of coalmining' (Parry, 2003; 241).

Policy School of Urban and Public Affairs and Department of Social Science, 1983; 55-56).

3.4 The role of public money in regeneration and economic development

Over the past 25 years both the UK and the US have been undergoing a substantial neoliberal realignment of the relationship between state and market. Although the state has retained a significant role in local economic development in its setting of priorities and in provision of funding, such funding, particularly in the UK, has not been insignificant though it has arguably been neither enough nor effectively targeted. This section summarises evidence for the role of government (and governance) in deindustrialised localities in the two countries.

In the 1980s both the UK and US national governments began to cut back on welfare spending and tighten eligibility criteria on key benefits (Cochrane et al, 2001; 74-75; Green, 1995; 374). The aim was to reduce perceived disincentives and encourage more people to work. However, the speed and scale of this change were more measured and less complete in the UK, and welfare remains relatively more 'generous'. There are also other important differences in terms of the state role in mitigating the impacts of industrial decline. While in the UK aggregate public funding on social expenditures was cut back in the 1980s, considerable amounts of public money have been made available to alleviate the worst impacts of deindustrialisation, and support those communities most affected. This was particularly true from the early 1990s onwards. In the US, in contrast, the scale of public money available for economic development was radically slashed in the 1980s, and reliance was placed on adjustments in factor markets, particularly through labour migration, with much less public support provided to prop up or regenerate those communities most affected.

The UK, market damage but publically funded regeneration

In Britain, the extent of state involvement in the economy was reined back from the mid 1970s onwards as a result of changing fiscal priorities, in a transition from a social democratic model to a new more neoliberal mode of engagement (Hudson, 2005; 585; Lloyd et al, 2006; 2). Spending on regional policies declined, and nationalised industries including coal, steel, electricity supply and shipbuilding were rationalised and privatised (Hudson, 2005; 585). Before this the public sector was felt to be the 'natural mechanism' for alleviating the problems of private market failure. The Thatcher government, however, saw the public sector as a cause of, rather than solution to, problems with economic development. With this in mind they created a slew of initiatives aimed at giving the private sector a lead in urban problems including Task Forces, Urban Development Corporations and Enterprise Zones (Parkinson and Evans, 1990; 65).

Economic and physical regeneration in the coalfields

British coalfield areas contain around 9% of the national population, and they retain considerable political weight (Royal Geographical Society, 1999). Their geographical scale meant that significant amounts of public funding had to be made available to facilitate regeneration after the closures of the 1980s. Funding received in the aftermath of closures, although comparing poorly with the planned transitions away from coal production in other European countries, nevertheless represented a significant political response (see Critcher et al, 1995 for an Anglo-German comparison). The resources were provided by central government to local actors, particularly local authorities, with no coherent national policy for influencing the geography of job creation.

The emphasis of regeneration policies in the coalfields was based on three objectives: physical renewal and improving local infrastructure;

labour market policies; and empowering of local communities (Waddington et al, 2001; 161). By the early 1990s it became increasingly clear that the problems faced by the coalfields would not be solved either 'naturally' (i.e., through the market), or quickly. In 1993 the Government implemented a package worth £75 million to support supply-side policies of skills development and job search programmes in coalfield areas, as well as an equivalent amount to provide business sites (DTI, 1993 cited in Waddington et al, 2001; 18). Generally these attempts were uncoordinated and largely failed to arrest the ongoing economic and social decline, as the emphasis on supply-side did nothing to address the fundamental problem, which was lack of jobs (Cricher et al, 1995; 21-28).

By the mid 1990s, English Partnerships, the national regeneration agency, extended earlier programmes on a much larger scale including a huge programme of land remediation in the coalfields, including over 5,600 acres of land transferred from British Coal Enterprise (BCE), investing £385 million over ten years with the hope of creating over 50,000 jobs (Beynon et al, 2006b; 12). BCE themselves spent a further £101 million on job creation programmes, though there is some doubt about their claim to have helped create 130,000 new jobs (Beynon et al, 2006b; 13). While there are questions over job creation outcomes, the reclamation of colliery sites did make significant environmental improvements and at least provided some infrastructure for future investment.

In 1997, when the Labour government came to power, some hoped the long-term future of what was left of the coal industry would be secured. While these hopes may have been disappointed, its approach towards coalfield regeneration has been somewhat more positive. In response to the Coalfields Taskforce report (1998) over £1 billion a year was made available to Local Authorities containing coalfield communities. A further £354 million was assigned by the Coalfields

Regeneration Trust to community initiatives and an estimated £70 million of Single Regeneration Budget funding targeted at the coalfields (Beynon et al, 2006b; 15; Waddington, 2003; 33). These resources had some positive impacts, particularly in upgrading the infrastructure but in the case of many coalfield areas has been insufficient to encourage the required private sector investment.

The central government is not the only important funder of the coalfields regeneration. The EU was an increasingly significant actor through its regional policy in the 1990s, which was estimated to be worth as much £200 million a year in the late 1990s to the UK coalfields (The Coalfields Taskforce, 1998; para 6.5). This figure will though have declined sharply since changes in the Structural Funds, the end of RECHAR, and the statistical effect of enlargement (Bennett et al, 2000; 40).

The Northumberland coalfield area was one such beneficiary of European money. It was designated as being within an Objective 2 area (1994-1996; 1997-1999; 2000-2006) to fund initiatives aimed at enhancing entrepreneurship, SME growth, investing in business and tourism sites, and community projects. Earlier funding periods focused on improving infrastructure to attract inward investment and developing knowledge based industries (Europa, 2004a; 2004b). The RECHAR Programmes (1991-1993, 1994-1997) have also helped fund environmental improvements, infrastructure development, community development, image improvement, tourism development and human resources development in the coalfield (Europa, 2004c).

For all these resources there remain very substantial economic and social problems in the coalfields and regeneration attempts have been at best partially successful. Indeed a recent 'Coalfield Communities' report published by an ODPM Select Committee found that the coalfields would require at least two more decades of sustained public

subsidy (Regeneration and Renewal, 19th March, 2004). The money has certainly made some difference, in particular to the environment, and also to those individuals who have benefited from retraining or funding to develop small enterprises. It is nevertheless difficult to escape the conclusion that much of what has been done could have been done more effectively. The net result of the various strands of regeneration policies appear less than the sum of their parts, with a much more strategic and wide-ranging approach required. In their evaluation of regeneration measures for the coalfields Waddington et al (2001; 165) found that:

- i. land reclamation is feasible but its economic impacts are undetermined;
- ii. branch plant investment by large organisations is the most effective way of replacing employment but there remain problems over job quality and the threat of relocation;
- iii. re-skilling the workforce creates the paradox of whether to train for high technology jobs that may not arrive, or for locally available low skilled/low wage jobs;
- iv. belief in the contribution of small business creation owes more to ideological commitment than economic realities, and
- v. tourism gives more of a boost to image than the economy.

The problems faced by many coalfields are qualitatively different from the types of urban problems which have also attracted much public money in the UK. The physical location and the culture of mining communities pose specific challenges for regeneration policies. Many coalfields are in rural locations and depended almost entirely on coalmining, with often poor transport infrastructure which still hampers

investment and commuting. Many also have very poor or run-down built environments with properties dating back to the 19th century often no longer suitable for occupation (Beynon et al, 2006e; 4). Coalfields also face difficulties which go beyond the economic as their collapse ‘undermined a range of social regulation that were grounded in the politics of the workplace and the trade unions’ (Waddington et al, 2001; 3; Bennett et al, 2000; 2-4). As we have seen, some of the norms which grew up around the production relationship, including the dependency on local waged work, have proved particularly entrenched. There is a sense that insufficient attention has been paid to these differences, the result of which has been less effective policy outcomes.

The US withdrawal of federal support and the inadequacy of state and local actors

As a precursor to Britain’s experience, in the early 1980s the Reagan administration set out to encourage flexibility in labour markets by lowering the effective minimum wage and curbing union power (Rosenberg, 2003; 234). This resulted in a sharp erosion in the value of the Federal Minimum Wage, which was on a par with the poverty level in 1980 but 30 percent below by 1990 (Harvey, 2006; 18).⁵³ The administration also increased the minimum federal requirements for claiming Unemployment Insurance (UI) meaning fewer workers qualified, while also reducing its value. This approach was so ‘successful’ that by 1988 only 32% of America’s unemployed received UI, down from 76% in 1975 (Levitan et al, 1986; 165 and Baldwin and McHugh, 1992 cited in Rosenberg, 2003; 245).

Historically the US Federal Government has had a very limited involvement in regional policy, largely adopting a ‘laissez-faire stance

⁵³ The poverty level is defined as two-thirds of the average wage.

to the spatial distribution of economic growth' (Sweet, 1999; 242).⁵⁴ This has deep cultural roots: in the US, communities have always been commodified, as places to be 'bought, consumed and discarded when no longer exploitable' (Hill, 1983; 18). Gold Rush towns of the west, or the sawmill towns of Michigan and Wisconsin now exist only in memory.

Since the 1930s the emphasis of regional development programmes has been on helping individuals and communities to compete more effectively, rather than attempting to influence demand for labour directly. Furthermore, these programmes have generally been under-funded and inadequate to tackle structural decline (see Wilson, 2003; 181; 197-198). This stance was further entrenched by the Carter administration's (1977-1981) 'regional policy', the primary purpose of which was encouraging population mobility, finding ways to 'increase mobility in assisting people to follow jobs, rather than concentrating on efforts to direct jobs to where people are' (Sweet, 1999; 242). This approach was again extended by the Reagan administration who saw attempts to limit the mobility of labour and capital as a barrier to raising 'the wealth of the entire nation', believing that workers 'should be encouraged to move to areas with labour needs' (Sweet, 1999; 248). This aim was pursued by making it more difficult for depressed areas to provide the services which might impede the mobility of redundant workers (Warren, 1990; 549 summarised from Clark, 1983; Friedland, 1983; Yago, 1983). At a time of large industrial closures, the welfare of local communities was therefore firmly subordinated to the goal of

⁵⁴ The partial exceptions to this were the Economic Development Administration, Appalachian Regional Commission and Title V Regional Commissions established during the Kennedy-Johnson administrations in the 1960s. The 1970s the HUD programmes, Community Development Block Grants and Urban Development Action Grants also served to target economic aid to depressed localities, though without any evidence that they formed a coherent plan (Sweet, 1999; 240-242). The Economic Development Administration, one of the few federal programs which does have some direct spatial economic development component has been watered down, weakened, and had its budget slashed by successive administrations since the 1970s (ibid; 264-268). In 2007 the EDA had a budget of less than \$300 million (EDA website). The large number of qualifying areas means a 'wide dispersal of funds in relatively small amounts', without additional funding this is unlikely to create any 'meaningful increase in economic activity' (ibid; 267).

national economic efficiency (Clark, 1983; 156 cited in Warren, 1990; 542). The budget cuts the Reagan administration made in the 1980s were part of a conscious effort to create the conditions for the abandonment of regional development programs and state ‘interference’ in the free market economy, by convincing ‘states and communities that they were on their own’ (Sweet, 1999; 293-294; 247; Warren, 1990; 549). It was believed that such cuts would necessitate a greater reliance on private sector funding to regenerate regional economies (for example see Hula [1990] on Baltimore).

Industrial change in the US was therefore accompanied by a ‘hands-off policy’ by both the Federal and state governments (Hoerr, 1988; XI). At the more local level economic development actors had ‘small budgets and few powerful tools at their disposal’ (Markusen and Carlson, 1989; 51). Where funding was available it was directed at what Glasmeier terms third wave models of local economic development policy, which emphasised supply-side responses and reducing barriers to employment, especially through ‘education and training’ (2000; 562). Such (non)regional policies were wholly insufficient to address the deep structural changes and loss of demand which deindustrialisation produced in local communities (Sweet, 1999; 235).

With the notion of industrial planning ‘virtually absent’ at the local or regional level, responsibility for economic revival fell to elected, but almost completely unqualified, citizen volunteers in many small American towns (see Armstrong and Mullin, 1987; 13-14 on Massachusetts). This trend has been further extended in recent years with even more emphasis placed on the devolution of responsibility for ‘alleviating the plight of economically distressed areas’ to the local level, though this has not been accompanied by sufficient funding ⁵⁵

⁵⁵ Part of the failure of regional economic development policy in the US is linked to the federal structure which precludes programs which do not give a share of benefits to every state. Preferential treatment programs designed to help regions in need have won passage through Congress only by having loosely defined eligibility criteria, ‘thus

(Sweet, 1999; 246; 254). This lack of a coherent regional policy means that American communities compete with one another for private and public investments, and the taxes and jobs they provide, raising the subsidy costs for all (Warren, 1990; 542; Sweet, 1999; 293- 294).

The Mon Valley mill towns

No comparable, industry specific, regeneration plan, such as that of the Coalfields Taskforce has been put in place in the US, and individual localities are reliant on applying for funding for specific projects on an ad hoc basis. There is therefore little scope for generalisation about success or failure in a national context beyond a general critique of the lack of intervention. The experiences of the Pittsburgh region must therefore be considered as no more than an example of policy responses to the loss of an industrial base.

There are three significant levels of funding for economic development in the US: the Federal Government, state governments, and county governments, which are increasingly the most significant actors. As we have seen, the Pittsburgh area's shutdown of steel production came at the very time that federal funding assistance for economic development was declining (Lubove, 1996; 25-26). This, combined with the cuts in state programme assistance budgets for regeneration, left the Pittsburgh area with massive economic and social problems, but desperately short of funds (Department of Engineering and Public Policy School of Urban and Public Affairs and Department of Social Science, 1983; 37).

providing a little something for everybody'. This watering down of the basis of needs serves to minimise the beneficial impact of the program (Sweet, 1999; 250-251). There are therefore no coherent federal policies for regional development. Instead, depressed localities have to turn to many different federal agencies and programs for different aspects of aid (ibid; 250-251).

Where federal funding for the region was provided during the 1980s it largely went to the City of Pittsburgh, with little going to the area's industrial communities (Gleeson and Paytas, 2005; 202). Although state funding through the Pennsylvania Industrial Development Authority increased in the 1980s, the region's industrial communities again received less funding per capita than either the City or the residential suburbs (Gleeson and Paytas, 2005; 207). At the county level a major development plan, Strategy 21 was similarly enacted in Pittsburgh in the 1980s, though again the Mon Valley received 'little attention and even less funding' (Mitchell-Weaver, 1992 cited in Detrick, 1999; 7).

This left very limited public money available to alleviate the huge social and economic problems of the Mon Valley (Mon Valley Regional/ Urban Assistance Team, 1988; 13; Baum and Twiss, 1996; 130-131). This lack of resources was compounded by an inability to use them strategically, as the fragmentation of local government into many jurisdictions and the reticence of the towns to work together hampered the regeneration effort (Mon Valley Regional/ Urban Assistance Team, 1988; 10).

During the early 1990s the Allegheny County government turned its focus to developing the corridor of land between downtown Pittsburgh and the airport, again leaving the Mon Valley to languish (Gleeson and Paytas, 2005; 194-195). More recent Allegheny County strategies have emphasised the potential role of development partnerships with universities and hospitals, now the region's biggest employers, particularly with regard to attracting increasing research dollars and developing advanced technologies (Detrick, 1999; 7). Such a strategy largely creates high-skilled jobs, however, beyond the reach of many in the old industrial communities. Those in the greatest need, particularly the least skilled, and many in the black communities, therefore reap the smallest residual benefits from such an approach.⁵⁶

⁵⁶ The reliance on these non-profit organisations is also problematic because their tax exempt status means local governments derive little financial benefit directly from their activities (Sbragia, 1990; 63).

The region has also mobilised only limited resources from the State for physical regeneration in the last few years, fostering selective physical redevelopment, with resources poured into 'glitzy new structures that have negligible long-term impacts on economic activity' (Montarti, 2006; 10). For example, of the \$338.8 million of the Redevelopment Assistance Budget funding given to southwestern Pennsylvania by the State between 1992 and 2002, some \$150 million (39% of the total) subsidised new stadia for Pittsburgh's professional baseball and American football teams (Montarti, 2003, 7). This compared with only \$100 million spent on site development, clean-ups and industrial parks (ibid; 7).

The huge scale of the steel mill closures meant that recovery would never be a quick process (Mon Valley Regional/ Urban Assistance Team, 1988; 12). But the general lack of resources from the federal, state and county governments has been compounded by the priority targeting of public money on Pittsburgh, at the expense of the Mon Valley and other industrial communities. The Mon Valley sits in a cat's cradle of funding streams, suffering two-fold. First, budgets have been cut at all levels. Secondly, where money has been directed at the area the Mon Valley has lost out to the City of Pittsburgh for federal money, the city and the airport for county money, and the city's residential suburbs for state money.

3.5 The public welfare context of individual and family support for non-employment

There are two forms of non-employment, the unemployed who want a job and are actively looking, and the economically inactive who are neither employed nor looking for employment. Reasons for inactivity include (early) retirement, homemakers, long-term illness, discouraged workers, those in education or caring for a relative/friend. In reality

there is a strong relationship, and in some cases a continuum, between unemployment and inactivity. Long periods of time spent unemployed can flow into being a discouraged worker, as individuals adjust to life without employment by establishing new routines tailored to their reduced income (Warr and Jackson, 1985; 805 cited in Ritchie et al, 2005; 7-8). The development of health problems may also necessitate a change from unemployment to inactivity.

The UK reliance on public help

In the period since the major industrial closures of the 1980s there has been a national trend of rising female economic activity rates, while those of men have declined (Bryson and McKay, 1994; 5; Owen et al, 1984; 470; Green, 1995; 373). There has also been a clear geography to these changes, as Britain's places of deindustrialisation have seen the most significant increases in male inactivity.

The trend of rising male inactivity has been intensively researched, particularly by Fothergill and his associates at Sheffield Hallam. They argue that Britain's official unemployment measures seriously underestimate unemployment in areas of labour market disadvantage. Looking specifically at the coalfields, Beatty et al (1997) show a sharp reduction in economic activity among men during the 1980s, with 84,600 withdrawing from the labour force (between 1981 and 1991), amounting to 6.8% of the economically active male population. Similarly Fieldhouse and Hollywood (1999) used the SARs to suggest a huge growth in hidden unemployment amongst the permanently sick in coalfield areas between 1981 and 1991 (1999; 487-489 see also Tomaney et al, 1999; 408 on Swan Hunter). It has recently been estimated that up to 100,000 men in coalfield communities who are inactive may be classed as 'hidden unemployed' (Beatty et al, 2005; 2) defined as those who, in a fully employed economy, could reasonably

be expected to work (Beatty and Fothergill, 1996; 2004; Fothergill, 2001).⁵⁷

Declining male participation has been accompanied by a steep rise in the number of recipients of Incapacity Benefit (IB), from 700,000 in 1979 to 2.6 million in 1997, and by a further 100,000 after 1997 (DWP, 2005; 41). Beatty and Fothergill believe that the great majority of people are not claiming benefits fraudulently, but that the qualification test for IB, which assesses the ability to undertake certain physical tasks rather than to do any form of work, means many who could work are classified as permanently sick (2004; 5). Many former miners with health conditions resulting from a life of hard industrial work fell into this category (Beatty and Fothergill, 2004; 5). There is also an economic rationale to the decision of former industrial workers to claim sickness benefits. The job vacancies taken by those who are out of work are dominated by entry-level jobs. Their low wages, compared with levels of benefits, can therefore act as a disincentive (Gregg and Wadsworth, 2000; 517- 518). There is also some evidence that local arrangements had facilitated the movement of industrial workers onto sickness benefits. Murray et al (2005; 350) found that some ex-miners in South Yorkshire had ‘worked the system’ by exaggerating health limitations after redundancy because of the advantages of claiming sickness benefit over unemployment benefits. Strangleman’s work on the coalfields also describes how sympathetic ‘socialist’ doctors would sign off ex-miners (2001; 260-261).

As the numbers of men claiming IB who were previously employed in heavy industry begins to decline as they reach retirement age it is less clear what is driving continuing high IB claim rates. Part of the explanation is that welfare reform has made IB comparably more

⁵⁷ Beynon et al (2006f; 18) found during interview research in the coalfields that high levels of sickness do exist and they urge caution in assigning all (or most) of those on IB to the category of the ‘hidden unemployed’ which they find is only a partial explanation.

attractive. It is worth more to a recipient than Jobseeker's Allowance (JSA), and is not means-tested (except in a small minority of cases where the recipient has a substantial pension), unlike the JSA after six months (Fothergill, 2001; 243). The result in depressed labour markets has been to favour being on sickness benefits rather than unemployment benefits (Webster, 2006; 111). Levels of inactivity more generally, however, are correlated with prevailing local labour market and social conditions, concentrated in areas with high unemployment, and among older, less skilled men and people living in local authority housing (Dickens et al, 2000; 102). Almost 40% of IB claimants now cite mental health issues as their main disability, in numbers that exceeds the official unemployment count (Young Foundation, 2006).⁵⁸

Recent political debate about the rising numbers of people claiming Incapacity Benefit and its geographical concentration has led the Government to seek to reduce the numbers of long-term claimants. Recently the 'Pathways to Work' programme has been rolled-out under which new claimants are mandated to attend five work focused interviews at Jobcentre Plus, the organisation responsible for managing eligibility for benefits. For those already in receipt of the benefit, measures aimed at re-integrating them into the labour market include both financial measures (a £40 per week Return to Work Credit) and non-financial incentives, including healthier workplaces, more active GPs, a more enhanced role for employers, and return to work support (DWP, 2005; 42-51). Of greater significance are the changes planned for Autumn 2008, when Incapacity Benefit will be replaced by the Employment and Support Allowance (ESA), placing much greater emphasis on the work an individual can, rather than cannot do (see

⁵⁸ In their recent work Beatty and Fothergill (2004) estimated that national diversion (i.e., the hidden unemployed) to sickness benefits is around 650,000 for men, while a recent Green Paper (2006), *A new deal for welfare*, estimated that around one million people on sickness benefits want to and could work. Interestingly Beatty and Fothergill's work suggests that, even given full employment, levels of sickness would still be substantial. It seems therefore that strong labour demand is a necessary but not sufficient condition for reducing high levels of inactivity (Dickens et al, 2000; 104).

Appendix II for details). The swifter and tougher Personal Capability Assessments (PCAs) of ESA is likely to choke the inflow of new claimants. At present there are no firm plans for the ESA to apply to current claimants, but they will be subject to revised PCAs. The evidence nevertheless suggests that any policy aimed at pushing people off IB in deindustrialised areas with weak local labour demand is likely to trigger another benefit shift, this time a reversal from IB to JSA (Beatty et al, 2008).

The US weaker safety net

There are greater financial penalties for both economic inactivity and unemployment in the US than in the UK, with the US labour market matching 'much more closely the economist's ideal of a freely competitive matching of supply and demand' (Krugman, 1994; 23). Unemployment benefits are small and time-limited, generally to six months, and workers are under great pressure to accept jobs at whatever level of wages they are offered (Krugman, 1994; 23). After Unemployment Insurance (UI) eligibility has expired the unemployed become reliant on welfare, itself now also subject to time limits (OECD, 2002; 13).

In the short-term after closures, unemployment rates tended to be high. Workers displaced in the early 1980s in the Middle Atlantic region, of which Pennsylvania is part, had unemployment rates of around 22 percent by the mid 1980s (Horvath, 1987 cited in Markusen and Carlson, 1989; 33; see also Bluestone, 1984).⁵⁹ Despite welfare cutbacks and time limits the high levels of unemployment in the mill towns reflected the real lack of available, or accessible, opportunities (Yamatani et al, 1989). Indeed the municipalities of McKeesport and West Mifflin Borough had the highest and 10th highest unemployment rates of all

⁵⁹ Figures refer to the situation in 1986 of those who lost jobs in plant closures between 1981 and 1985.

Minor Civil Divisions in the state of Pennsylvania through the 1980s (Singh and Bangs, 1988; 5).⁶⁰

Since the large industrial closures the process of welfare reform in the US has been particularly thorough compared to UK experiences. In 1992 President Clinton pledged to “end welfare as we know it”. This pledge was fulfilled in 1996 when the Aid to Families with Dependent Children (AFDC) programme was replaced by the Temporary Assistance for Needy Families (TANF) programme, under which welfare responsibility was decentralised to the states, who were then obliged to reduce welfare numbers (Cochrane et al, 2001; 140). The reassertion of variable state welfare has therefore rolled back the welfare gains achieved during the civil rights era and earlier phases of increasing federalisation (Peck, 2001; 102). When TANF replaced AFDC, recipients were ‘obliged to find paid employment as quickly as possible’, with an emphasis on getting any job (Daguerre, 2004; 46). This transformation of welfare to workfare, involving the residualisation of welfare and the compulsion of those on benefits to fulfil work requirements, was rooted in critiques of ‘welfare dependency’ (Peck and Theodore, 2001; 429).

As we have seen, however, welfare does not only include unemployment benefits, but also a range of other income replacement benefits. In the US during the last 25 years there has also been some growth in the numbers claiming sickness benefits, though not to the extent of that in the UK (OECD, 2003; Kemp et al, 2006). Some of this growth has been attributed to workers losing jobs in manufacturing industries and not being able to find alternative work (Rupp and Stapleton, 1995; 58:4). The numbers claiming sickness benefits in the US in the late 90s, however, represented only around 4.6% of the population aged between 20-64 (OECD, 2003); in the UK the figure for those of working-age was around 7.0% (Webster, 1999). The more limited US growth was largely due to tougher criteria of assessment for

⁶⁰ Figures refer to places with a population of over 25,000.

eligibility, whereby adults are eligible only if they cannot ‘engage in any substantial gainful activity’ (Department for Social Security)⁶¹.

Geographical variations are also less pronounced in the US, and are biased towards the southern states rather than the northern industrial heartlands (McVicar, 2006; 521). This may in part be due to the linking of disability benefits to a replacement value based on the national average wage, which makes them worth relatively more in low-wage states (Autor and Duggan, 2003). There is also less evidence in the US as to whether regional differences reflect health or labour market factors (see McVicar, 2006; 526). It would therefore be expected that a move onto sickness benefits would be less significant in the Mon Valley than in comparable situations in the UK.

How the benefits compare

OECD *Benefit Systems and Work Incentives* published data allow some direct comparisons to be made between benefit systems in the UK and the US, including the value of unemployment benefits relative to earnings among different household types. For each country the OECD studies estimate Net Replacement Rates (NRR) to show the net income the unemployed receive as a proportion of average net income of workers. NRRs are calculated for the short-term unemployed and also for the long-term jobless who have exhausted unemployment insurance benefits.⁶² The levels of earnings for which NRRs are calculated are based on the OECD indicator of the country specific Average Production

⁶¹ The Disability Determination Services (DDS) then decides if an impairment or combination of impairments is severe, stating that: ‘An impairment is severe if it significantly limits your physical or mental ability to do basic work activities. If your impairment(s) is not severe, the DDS will find that you are not disabled. Examples of basic work activities are: physical functions such as standing, walking, sitting, lifting; seeing, hearing, speaking; understanding and carrying out simple instructions; use of judgment; responding appropriately to supervision and co-workers; and dealing with changes’.

⁶² US Figures for long-term unemployed include Food Stamps which were introduced to move away from the payment of cash benefits. These are vouchers which recipients exchange for food.

Workers (APW) earnings, and are also produced at two-thirds of this level. The two-thirds figure allows for the position of a relatively low waged worker to be examined compared to unemployment.

There are two main weaknesses in these data. First, they began to be produced only in the late 1990s, so that it is not possible to judge the earlier positions of the two countries, including at the time of the major closures of the 1980s. Secondly, data are limited to unemployment benefits, which, as we have seen, have become a somewhat less significant aspect of worklessness in recent years. This is particularly the case in the UK where sickness benefits and Income Support have become more important, and tend to be worth more to the recipient than unemployment benefit.

Tables 3.1- 3.4 show figures for a range of household types for the years 1998 and 2007. In the short-term (during the first month of benefit receipt) the UK and US unemployment benefits compensated at around the same level in 1998 in comparison to APW earnings. For most groups this was at around 60% of earnings. At the two-thirds APW level, benefits in the UK were worth significantly more. By the 60th month, because of the time-limited nature of US unemployment benefits, UK benefits were worth very substantially more at both the APW and two-thirds APW levels. This is significant because a lower level of benefits given over a longer period may have a greater effect on labour market actions than higher levels of benefit paid over fewer months (OECD, 2002; 32).

By 2008 the gap between the US and UK had narrowed somewhat. In the short-term, US benefits compared with APW earnings were mostly more generous by around 20 percentage points than those in the UK, though they were broadly similar at two-thirds APW levels. In the longer-term, the UK remains substantially more generous at both the APW and two-

thirds APW levels in all cases except for families with had two earners prior to claims.

For unemployed young people the differences are even more striking (see Table 3.5). The 2002 figures (the latest available) show that youth unemployment pays almost nothing in the US, whereas in the UK it compensates at 42% of APW earnings levels, and 60% of the two-thirds APW level.

The figures clearly show the greater relative generosity of unemployment benefits in the UK, even as they have been reduced in value by successive rounds of welfare reform. Some argue that this reduces the propensity to work, but there are still clearly relatively big financial returns to working even at the two-thirds wage, suggesting that the work disincentives of welfare payments are not the central explanation in areas for worklessness.

Table 3.1: Net replacement rates for four family types at two earnings levels after tax and including family and housing benefit in the first month of benefit receipt, 1998

| | APW level | | | | 66.7% of APW level | | | |
|----|-----------|----------------|---------------------------|------------------------|--------------------|----------------|---------------------------|------------------------|
| | Single | Married Couple | Married Couple 2 children | Lone parent 2 children | Single | Married Couple | Married Couple 2 children | Lone parent 2 children |
| UK | 52 | 63 | 67 | 56 | 75 | 88 | 80 | 63 |
| US | 58 | 60 | 59 | 60 | 59 | 59 | 50 | 52 |

(Source: OECD)

Table 3.2: Net replacement rates for four family types at two earnings levels after tax and including family, and housing benefit in the 60th month of benefit receipt, 1998

| | APW level | | | | 66.7% of APW level | | | |
|----|-----------|----------------|---------------------------|------------------------|--------------------|----------------|---------------------------|------------------------|
| | Single | Married Couple | Married Couple 2 children | Lone parent 2 children | Single | Married Couple | Married Couple 2 children | Lone parent 2 children |
| UK | 52 | 63 | 76 | 65 | 75 | 88 | 91 | 80 |
| US | 7 | 13 | 51 | 43 | 11 | 18 | 58 | 50 |

(Source: OECD)

Table 3.3: Net replacement rates for four family types at two earnings levels after tax and including family and housing benefit in the first month of benefit receipt, 2007

| | APW level | | | | | | 66.7% of APW level | | | | | |
|----|-----------|-----------------------------|-----------------------------|--|--|------------------------|--------------------|-----------------------------|-----------------------------|--|--|------------------------|
| | Single | Married Couple (one earner) | Married couple (two earner) | Married couple 2 children (one earner) | Married couple 2 children (two earner) | Lone parent 2 children | Single | Married Couple (one earner) | Married couple (two earner) | Married couple 2 children (one earner) | Married couple 2 children (two earner) | Lone parent 2 children |
| UK | 41 | 41 | 49 | 60 | 54 | 60 | 58 | 58 | 60 | 70 | 65 | 72 |
| US | 62 | 62 | 78 | 56 | 80 | 58 | 62 | 60 | 82 | 49 | 87 | 50 |

(Source: OECD)

Table 3.4: Net replacement rates for four family types at two earnings levels after tax and including family, and housing benefit in the 60th month of benefit receipt, 2007

| | APW level | | | | | | 66.7% of APW level | | | | | |
|----|-----------|-----------------------------|-----------------------------|--|--|------------------------|--------------------|-----------------------------|-----------------------------|--|--|------------------------|
| | Single | Married Couple (one earner) | Married couple (two earner) | Married couple 2 children (one earner) | Married couple 2 children (two earner) | Lone parent 2 children | Single | Married Couple (one earner) | Married couple (two earner) | Married couple 2 children (one earner) | Married couple 2 children (two earner) | Lone parent 2 children |
| UK | 41 | 49 | 41 | 67 | 52 | 60 | 58 | 69 | 50 | 79 | 62 | 72 |
| US | 7 | 12 | 44 | 40 | 56 | 35 | 10 | 17 | 54 | 48 | 67 | 43 |

(Source: OECD)

Table 3.5: Net Replacement Rates for young unemployed single people at two earnings levels after tax and including family and housing benefit in the first and 60th month of benefit receipt, 2002

| | APW Level | | 66.7% APW level | |
|----|--------------------|----------------|-----------------|-----------|
| | Initial (UI or UA) | Long-term (SA) | Initial | Long-term |
| UK | 42 | 42 | 60 | 60 |
| US | 0 | 7 | 0 | 10 |

(Source: OECD)

3.6 Cultures of worklessness?

One other aspect of unemployment and inactivity which needs to be addressed are the transmission effects, or cultural influences, which can stem from the absence of work in individual households or communities. Such households and communities can often be 'characterised by multiple disadvantages, where people face more than one barrier to participating in the labour market' (Ritchie et al, 2005; 2). Where there is clustering of worklessness there can be both place and people effects, as outlined by the Social Exclusion Unit (SEU), a Cabinet Office task force charged with assessing policy interventions and identifying future trends in poverty and disadvantage (2004; 13):

Place effects: arising from the characteristics of place, such as location, poor infrastructure, lack of transport, competition for limited job/training opportunities or variation in the quality of local service; and

People effects: these relate to the damaging effect of living with many other workless people, for example limited information about jobs and area based discrimination by some employers'. These area effects can have 'damaging effects on residents' other social and economic outcomes'; this can be for example through reduced educational attainment or their increased likelihood of being the victim of crime, and they can also place very significant pressure on public and private sector service providers locally.

While stopping short of ascribing a culture of worklessness to many deprived communities this SEU report found plenty of evidence that living in a workless environment could negatively impact young peoples' attitudes towards employment and aspirations to work (page 35).⁶³ Similarly, work

⁶³ Although a cultural transmission is hinted at in their explanation that 'Some local areas with high worklessness have strong communities and identities, but others - especially

undertaken by the Department of Work and Pensions (DWP) in Salford found that living in a workless community could contribute towards a 'poverty of aspiration' (DWP, 2003 cited in Ritchie et al, 2005; 44). Yet further evidence is provided by Page's work on three different types of housing estate. Although not specifically couched in the language of culture, this identified an 'estate effect' which negatively influenced the attitudes of residents towards work and education, in which success was 'mocked' (2000; 22-26). Quite strong peer effects were also found, whereby individuals can be content to live on benefits because everyone else they know is 'in the same boat'.

These cultural mechanisms of transmission need, of course, to be placed within their structural context. Wilson's (1997) work emphasises the loss of work as an explanation for areas of continuing concentrated disadvantage.⁶⁴ Similarly, Ritchie et al have described the types of social changes and behaviours, including increasing drug taking, and incidences of crime and teenage pregnancy, which have developed in many disadvantaged localities as a response to structural economic changes rather than 'a growth of deliberate irresponsible behaviour among individuals' (2005, 43). Clearly this is an important area of research which requires further attention.

3.7 Concluding comments

This chapter has reviewed earlier empirical evidence to draw out the key comparative influences on labour market and community change in the UK

those with a high turnover of residents - cannot really be said to have a local 'culture' at all'.

⁶⁴This is in contrast to Murray's (1996) work on the 'underclass' which emphasises the cultural explanation, that those who are highly disadvantaged have different moral and behavioural norms.

and US which may affect the Northumberland and Mon Valley experiences. The central findings are:

1. Studies of displaced workers from both countries show that the oldest and the least skilled suffered most from losses of industrial jobs.
2. In both countries the immediate policy responses to deindustrialisation were attempts to attract alternative manufacturing investment. More recently in the UK, SME and service sector growth has been seen as increasingly important. In both countries there has been only limited success in rebuilding the productive capacities of these areas, though in the UK significant advances have been made in improving the physical environment and infrastructure. In both countries more peripheral areas have lost out in the scramble for resources to big city neighbours.
3. In both countries lost jobs have very often been replaced by jobs which are qualitatively different in terms of wages and conditions, and often filled by women and by younger generations of male workers. The growth in various forms of service employment necessitates not just an economic but also a cultural adjustment, requiring very different characteristics of employees from those required in heavy industry.
4. In general labour mobility would be expected to be higher amongst American than British workers. Previous studies have shown a much lower cultural reluctance among American industrial workers to commute as a result of longer-term process of suburbanisation and geographically expanded live/work patterns, as well as a greater propensity for residential migration.
5. The public welfare context is also of considerable importance in understanding labour market change. The greater relative generosity of unemployment benefit, and the diversion from

unemployment to sickness benefits in the UK, has enabled many displaced workers to cope *in situ* in a way that would not be possible within the US welfare system.

6. While there has clearly been a realignment of the public welfare system in the UK towards the American model, important differences persist. Benefits remain relatively more generous in the UK. There is also a significantly greater degree of public intervention in economic development. The historically *laissez-faire* model in the US meant that more resources have been available to address the consequences of industrial decline in the UK. While many policy responses have been criticised as ineffectual, environmental renewal, the attraction of inward investment, the maintenance of public service provision, and welfare transfers, have supported communities in ways that are much less apparent in the US.
7. The area and inter-generational effects of employment loss on communities are of central importance to understanding longer-term economic development trajectories. These are the outcomes that have been addressed in closer detail by the research reported in the following chapters.

Chapter 4) Research methodology

A more holistic treatment of local labour markets is taken than that in many past studies of deindustrialisation, which focus on displaced workers. While illuminating, such studies are limited in two respects. First, they neglect the broader community experience of deindustrialisation, including the multiplier effects, housing market adjustments, and changing social norms, impacting beyond the displaced workers themselves. Secondly, and most important, over time the viability of local labour markets and communities has come to depend not on the displaced workers, but on subsequent generations, whose experience remains under-researched.

4.1 Multi-method research and critical realism

Different methods have been used to ‘address different facets’ of the research questions outlined in Chapter 1 (Phillip, 1998; 264). Quantitative methods mainly describe ‘how’, while qualitative methods attempt to address ‘why’, local labour markets have restructured in different ways. An established form of aggregate analysis, Labour Market Accounts (LMAs), is used to provide a frame for a schedule of interviews in the case study areas.

Divisions still exist within geography between users of quantitative and qualitative methods (Philo et al, 1998; 191). Many qualitative methods were established as a critique of quantitative research, and questions remain as to the extent to which they can be complementary, and their theoretical positions reconciled (Flick, 2002; 262-3; Phillip, 1998; 262). In recent years however using combinations of methods, seeing them as complementary, has become more established, with a recognition that

quantitative analysis need not explicitly be tied to positivistic reasoning (Flick, 2002; 265).

Critical realism would appear to support a turn away from quantitative methods, since it assumes the openness of social systems. However the search here is not focused on 'facts' or 'laws' in a positivist sense, but on the systematic processes which occur even within open systems, even though these may not hold for all cases and are subject to flux (Martin, 2004). The approach rests on the ability to uncover and evaluate 'key causal processes and mechanisms' (Hudson, 2003; 744). These causal influences are those which constrain individual agency; in other words, 'everything that is there before any given voluntaristic act' (Lopez and Potter, 2001; 30). The search for causality is the attempt to 'identify properties which enable an object to produce or undergo distinctive kinds of changes, and indeed are a necessary condition for doing those things' (Sayer, 1997; 471). The tensions inherent between structure and agency in such an approach are resolved through Bhaskar's 'transformational model', which recognises that, while structures are processes of human activity, they at the same time limit the possibilities open to individuals, since they also, 'act upon us' (Lopez and Potter, 2001; 15). As such the model outlines how we 'reproduce and transform' social structures, even though such structures also causally affect how we do this (ibid, 2001; 15). Case studies may not always be representative in a statistical sense, but may be representative of these causes, allowing the 'social processes that underlie regional development' to be revealed (Hudson, 2003; 744).

As we have seen these causal structures are always multiple and non-deterministic, contingent and context dependent (Hudson, 2006; 377). Their study is critical, however, because, 'at any moment of time we are heavily constrained by pre-existing structures' and it is the operation of these structures which needs to be explored (Lopez and Potter, 2001; 30).

For example, at the time of redundancy, a worker's choices may be simultaneously constrained by interest rate policy, the housing market, government employment policy, the changing international division of labour and numerous other factors. The realisation of causal powers is therefore time and space specific and depends on the presence and/or absence of other causal powers (Hudson, 2003; 743).

Such an approach eschews the positivist conceptions of mainstream economics, and the closed systems and empirical regularities that are its concerns (Sayer, 2004; 1785- 1786). It thereby moves away from the search for powers of future prediction which concern traditional theory, instead emphasising the potential for emancipation:

‘the criterion against which [critical theory] it is to be judged, is to change the underlying structures that generate socially unacceptable and politically regressive outcomes (for example, in the form of ‘problem regions’), the persistence of which would allow prediction based on extrapolation of past trends to be possible’ (Hudson, 2003; 745).

Why is a multi-method design appropriate?

A multi-method research design is adopted for several reasons. First, as has been explained, the study aims to go beyond a focus on displaced workers. This is important because loss of employment should be viewed as not an individual event but one which heavily impacts on whole households and communities (Waddington et al 1998). The adoption of the LMA framework therefore allows for interactions to be described between displaced and other workers in the labour market. There is also an important gender issue to be addressed, with women's experiences of deindustrialisation far less researched than men's. Secondly, the research seeks to identify the dominant causal structures informing readings of the labour market and lived experiences. Decision making is a complex

process, and in-depth research is needed to avoid inferring causal processes solely from aggregate trends (Hanson and Pratt, 2003; 122). A combination of methods therefore allows dominant adjustment mechanisms to be described *and* the reasons behind them to be investigated. LMAs show the relative importance of different adjustment processes in the study areas. They provide the context for local enquiries into the causes of local labour market trends. As previous work has suggested, such causes may include lack of appropriate job opportunities; prevailing levels of unemployment and other welfare benefits; the operation of the housing market; employment laws and levels of redundancy payments; family and community ties; and supply-side issues, such as demographic trends and lack of relevant skills. Local trends are also influenced by wider patterns of private investment, government policy, regional and local intervention, social and cultural attitudes, and levels of unionisation. Lastly, LMAs are useful in identifying aggregate supply and demand trends over time, but neglect the fact that not all employment outcomes are equal. The gathering of local evidence is thus imperative to analyse factors such as wages, working conditions and job security in presenting a fuller examination of labour market change.

The research design builds on the previous literature in several key respects. First, by linking aggregate analysis to direct enquiry, the danger is avoided of assigning causal mechanisms to people's decisions on the basis of figures alone. Secondly, the use of LMAs in association with more intensive research methods will support a more holistic local study. This is important because plant closure impacts not just on those directly displaced but has wider local labour market and community effects. Thirdly, labour market change is investigated in inter-generational terms. Finally, the longer-term focus of the research is important. The modern condition and futures of these local labour markets now rely on a younger generations of workers. It is 'youth, who will have to live out during their

entire work lives the reorganization of society' (Weis, 1990; 12). With few notable exceptions, their experiences remain under-researched (e.g. McDowell, 2002, 2003; Nayak, 2003; Weis, 1990).

4.2 The study areas

The analytic rationale for the selection of case study areas is rarely given much attention in academic research, but it is important that the comparison here is justified (Barnes et al, 2007; 32). Firstly, the coal and steel industries were chosen because of the comparable scale of their regional impacts, and similarities in the rapid pace, timing and extent of their declines. Decline in steel production in the UK was slower than in the US, and the regional and local impacts more limited. Coalmining in the US, on the other hand, was largely too remote, and employment levels in the more numerous but much smaller privately owned mines too small to support a useful comparison with UK experience. Coalmining in the UK and steel in the US do have many similarities, however, which justify a comparison. Both were dependent predominantly on semi-skilled and unskilled male labour, and both dominated local labour markets and economies. The study areas are therefore representative of single-industry, non-metropolitan areas, small towns with little else to fall back on. They also well illustrate the impacts of the different public welfare systems, and national and regional working and community cultures in a context of extreme and highly localised decline.

For the comparison to be most effective the study areas needed to have a similar scale of decline, in both absolute and relative terms. Table 4.1 describes some comparisons. The Mon Valley was selected because of its similarity in population and scale of industrial decline to the Northumberland coalfield. Other industrial sites considered in the US were

mostly too remote in their location for the comparison to be meaningful (for the regional geography refer back to Figures 2.1 and 2.2).

In absolute size and scale of decline the Mon Valley is larger. The total working age male population in 1980 was 67,000 compared to 43,000 in Northumberland. Similarly more men lost employment in the primary industry during the 1980s in the Mon Valley than in Northumberland. In terms of the relative scale of the decline however the two areas are comparable, with a 21% loss of employment in the dominant sector as a percentage of working age men in the Mon Valley compared to 19% in Northumberland. They are also similar in that they both form hinterlands to larger urban areas.

Table 4.1: Comparable descriptive statistics of the study areas

| | Northumberland coalfield | Monongahela Valley |
|--|--------------------------|--------------------|
| Total population 2001 | 140, 000 | 180,000 |
| Working age male population 1980/1 | 43,000 | 67,000 |
| Distance to central city at closest point | 14 miles | 7 miles |
| Distance to central city at furthest point | 35 miles | 21 miles |
| Number employed in primary industry in 1980/1 ⁶⁵ | 11,000 | 17,000 |
| % of working age men employed in primary industry 1980/1 | 25% | 25% |
| Number of jobs lost in primary industry during the 1980s | 8000 | 14,000 |
| Number of jobs lost in primary industry during the 1980s as a % of working age men | 19% | 21% |

(Source: Census)

⁶⁵ Mon Valley figures are estimates produced by calculating the ratio of men employed in durable manufacturing employed in primary metals for those municipalities for which data are available and applying this to all municipalities.

The regional context

We have seen that local decline needs to be understood within the context of industrial change in the broader regions. The Northeast of England has undergone a long-term relative decline in industrial employment since the 1930s, which accelerated in the last two decades of the twentieth century (Hudson, 1989; Robinson, 1989, 2002; HM Treasury and Department of Trade and Industry (DTI) 2001 cited in Pike et al, 2006; 198). While Northumberland lost some 8,000 jobs in the coal industry during the 1980s, other parts of the region also lost employment, in Newcastle's heavy manufacturing, Sunderland's shipbuilding and also in Durham's mining industries. There has therefore been a persistent regional imbalance between labour supply and demand. The regional loss of male jobs during the 1980s is outlined in Table 4.2. Newcastle lost some 20% of its male jobs, and the rest of its city region 17%. Although there was some recovery in the 1990s, the level stayed well below its pre 1981 level.

Table 4.2: The change in male employment in the Newcastle region - total number of men employed by area

| | 1981 | 1991 | % change 81-91 |
|---------------------|---------|---------|----------------|
| Newcastle | 62,960 | 52,182 | -20.65 |
| Rest of city region | 203,123 | 173,566 | -17.03 |

(Source: Census)

The Mon Valley sits in the south of Allegheny County where, during the 1980s, almost 30,000 jobs were lost in basic steel making, with the payroll from steel shrinking in real terms by \$1,131,526,000⁶⁶ (County Business Patterns 1980; 1990). These losses, with significant multiplier effects into local supply industries, were concentrated in the Mon Valley, and in Pittsburgh itself, at Jones and Laughlin and Southside Works.

⁶⁶ Calculated using CPI Inflation calculator

Boundaries of the study areas

Northumberland

The definition used here for the Northumberland coalfield is based on that outlined in Beatty et al (1997; 2044); a set of continuous coalfield wards with employment of over 10% in energy and water in 1981. These wards are amalgamated to form a ‘coalfield’ area. In local policy circles the coalfield is sub-divided into urban and a rural coalfield areas, and some of the results presented reflect this division (see Figure 4.1). The urban coalfield contains Northumberland’s larger towns including Ashington, Castle Morpeth and Blyth. The rural coalfield is more sparsely populated, consisting mainly of former pit villages, with the towns of Alnwick and Amble. The rural coalfield definition was adopted from that outlined in the *2005-2010 Rural Coalfield Plan* published by the Northumberland Strategic Partnership. In addition to the wards defined in the plan several wards adjacent to these to the north, included in the Hallam coalfield definition, have been added (see Figure 4.2). The 2001 wards which form the coalfield area are:

Alnmouth and Lesbury
Alnwick Clayport
Alnwick Hotspur
Amble Central
Amble East
Amble West
Shilbottle
Warkworth
Cowpen
Croft
Isabella
Kitty Brewster
Newsham and New Delaval
Plessey
South Beach

South Newsham
Wensleydale
Chevington
Ellington
Lynemouth
Morpeth Central
Morpeth Kirkhill
Morpeth South
Morpeth Stobhill
Pegswood
Ulgham
Bedlington Central
Bedlington East
Bedlington West
Bothal
Central
Choppington
College
Guide Post
Haydon
Hirst
Newbiggin East
Newbiggin West
Park
Seaton
Sleekburn
Stakeford

‘Northumberland’ is used in this thesis to refer to the coalfield area.

‘Northumberland County’ refers to the entire administrative county.

Figure 4.1: The rural and urban coalfield areas

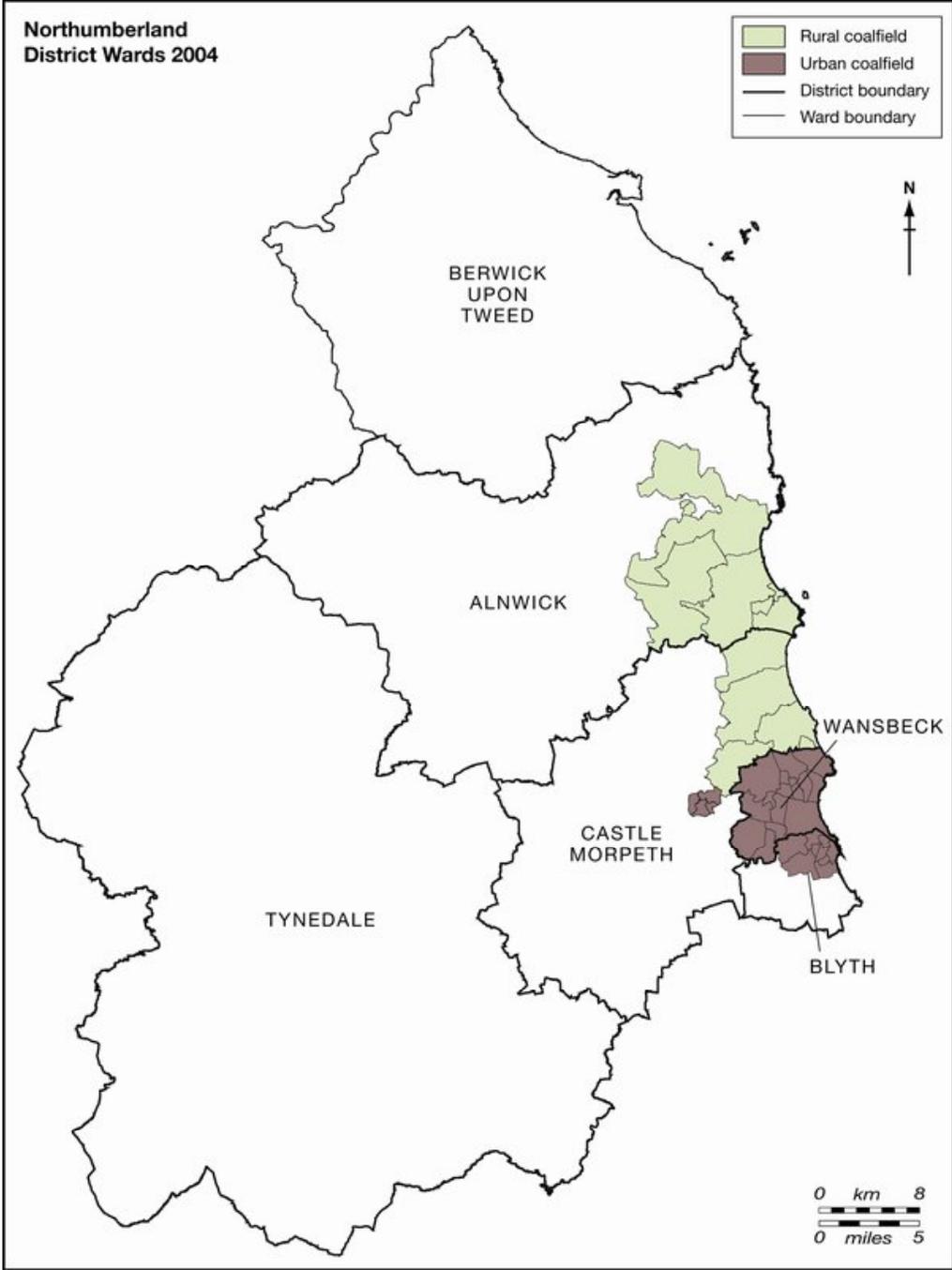
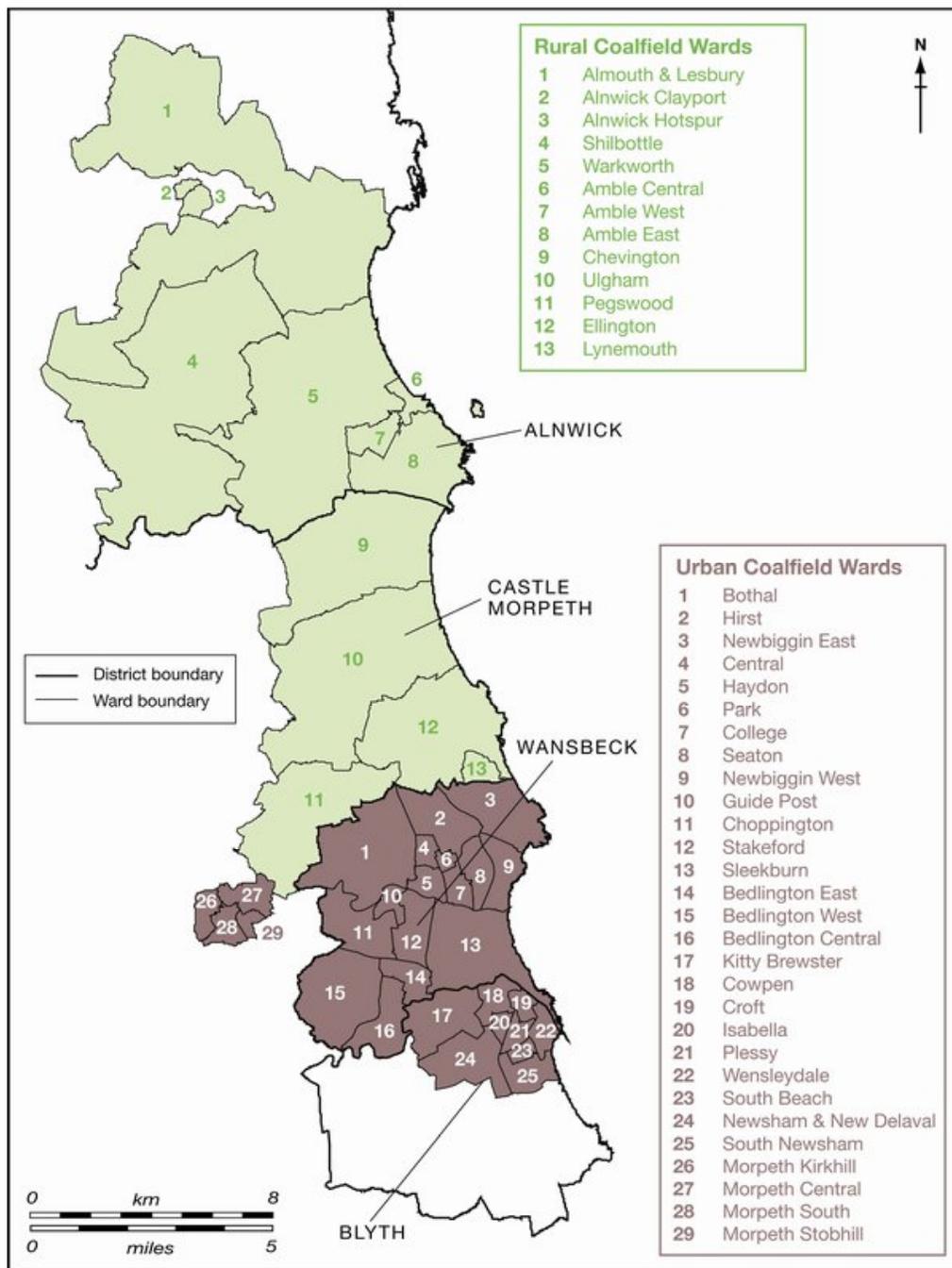


Figure 4.2: Ward map of the Northumberland coalfield



Mon Valley

This research focuses on the upper Mon Valley, running from Pittsburgh to Forward Township. To the south, the Lower Mon Valley becomes a rural economy which was never as reliant on the steel industry as the Upper Mon. The area's municipalities' population size in 1980 ranged from 425 to 31,012. They were subject to the same 10% test as in Northumberland to establish the area of study. This involved some estimation of steel industry employment, as more limited data are available from those places with population below 9,999 (in 1980). The estimates were made on the basis of the percentage of those employed in 'durable manufacturing' in 'primary metals' for areas for which data are available. This ratio was then applied to the 'durable manufacturing' figures for the smaller places for which 'primary metals' figures were not available. This provides a similar definition of the Mon Valley to that given in the Mon Valley Economic Strategy (Tripp Umbach, 2005; 12). Four additional municipalities were also included, however: Liberty, Port Vue and Versailles linked to the McKeesport local labour market; and East Pittsburgh linked to both Braddock and Turtle Creek.⁶⁷ These areas were all also estimated to have had over 10% employed in primary metals.

There are some limitations associated with the data available for the smallest municipalities, those with less than 2,500 total populations in 1980. For these areas there is little available information beyond total population, so that nine of them are excluded from the analysis of change from 1980-2000. This represented less than 5% of the population of the total Mon Valley area. In using stand-alone data for 2000, these municipalities are incorporated into the Mon Valley definition.

⁶⁷ I do not include the three Pittsburgh neighbourhoods included in their definition.

The municipalities used in the Mon Valley definition are:

Braddock borough
Clairton city
Dravosburg borough
Duquesne city
East McKeesport borough
East Pittsburgh borough*
Elizabeth borough *
Elizabeth Township
Forward Township
Glassport borough
Homestead borough
Liberty borough
Lincoln borough*
McKeesport city
Munhall borough
North Braddock borough
North Versailles Township
Pitcairn borough
Port Vue borough
Rankin borough
South Versailles township*
Swissvale borough
Trafford borough (Allegheny and Westmoreland County)
Turtle Creek borough
Versailles borough*
Wall borough*
West Elizabeth borough*
West Homestead borough
West Mifflin borough
Whitaker borough *
White Oak borough
Wilmerding borough*

Those marked with a * are excluded from the longitudinal analysis because of data unavailability.

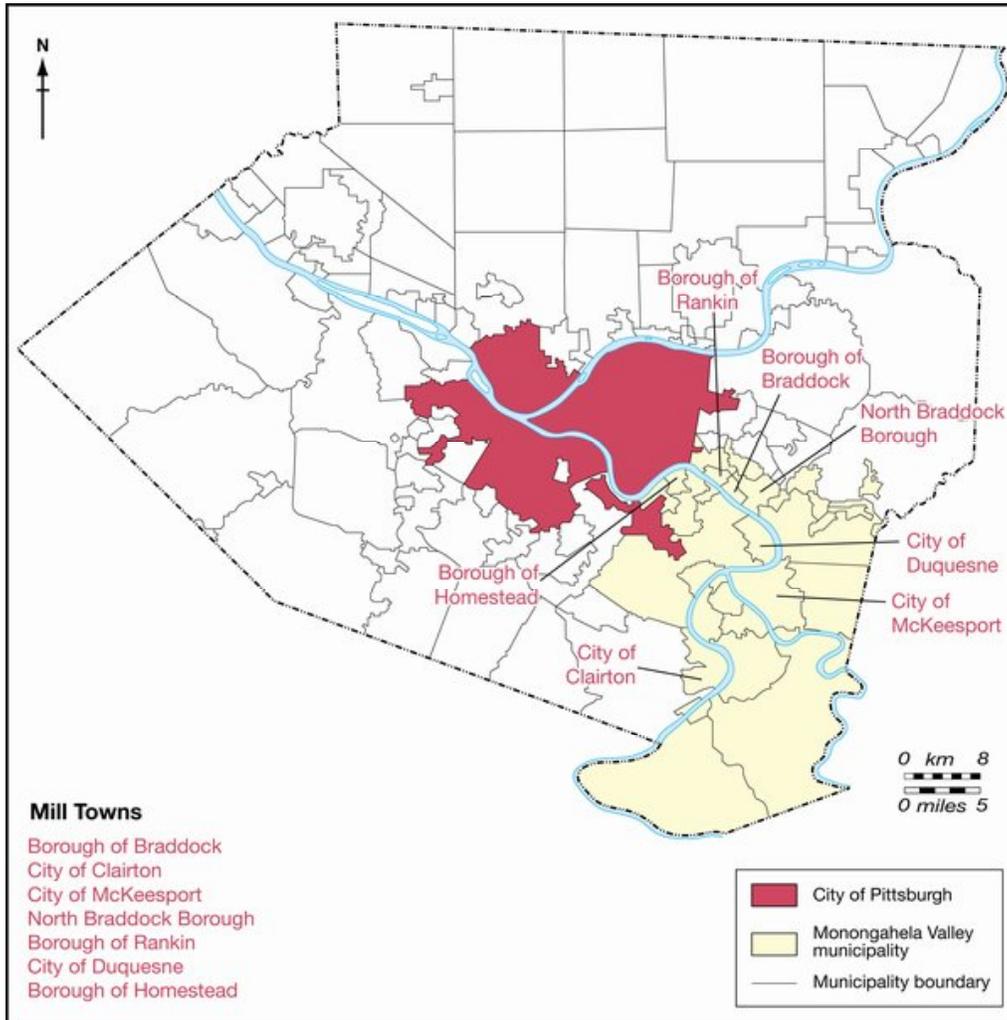
The area consists of mill towns and mill suburbs, towns in which the actual production took place, and residential suburbs from which men would

travel to the mill towns for work.⁶⁸ The mill towns' definition includes the municipalities in which the mills are/were physically located (see Figure 4.3). The definition excludes Munhall, West Mifflin and Swissvale which, although they physically contain a mill (or part of a mill), are large geographical areas and the mill was never as central as it was to the smaller mill towns. The mill towns are:

Braddock borough
Clairton city
Duquesne city
Homestead borough
McKeesport city
North Braddock borough
Rankin borough

⁶⁸ Of the mill towns Braddock and Homestead were already in some distress by 1980 as their decline has begun earlier, though they have suffered further in the last 25 years.

Figure 4.3: Mon Valley mill towns



4.3 The secondary data analysis

Secondary data analysis included the production of LMAs as well as descriptive analyses drawing on census and other large data sets, local survey and study evidence. In both countries, where possible, some data are updated to include any changes which might have occurred since the 2000/1 census. For Northumberland this includes unemployment and benefit statistics. For the Mon Valley it includes population loss figures, poverty statistics, and some partial coverage of labour market indicators.

Labour Market Accounts (LMAs):

LMAs detail how a local economic shock (a mass lay-off) is absorbed by other labour market adjustments (Owen et al, 1984; 472). At the heart of the technique is the estimation of a jobs shortfall, ‘a measure of the extent to which employment creation has failed to match the increase in labour supply between two dates’ (Green and Owen, 1991; 297).

Previous applications

LMAs were pioneered by the Cambridge Economic Policy Group (1980; 1982) to study regional labour markets (Owen et al, 1984; 472; Green and Owen, 1991; 297). The framework was then applied by Owen et al (1984) to Britain’s local labour market areas based on data from the 1971 and 1981 censuses. More recently Beatty and Fothergill (1996) and Beatty et al (1997; 2005) have applied them to the male population in the UK’s coalfield areas. Turok and Edge (1999) have also used them to show adjustments in response to job shortfalls in Britain’s large cities in the 1980s for both men and women; this work was expanded in Bailey and Turok (2000).

The construction of LMAs in this research follows the methodology outlined by Owen, Gillespie and Coombes (1984; 471-473). This enables the UK and US data to be directly compared. Other, more recent, examples of the framework include local demand figures enabling commuting adjustments to be described (Beatty and Fothergill, 1996; Beatty et al, 1997; Beatty et al, 2005; Turok and Edge, 1999; Bailey and Turok, 2000). The lack of data on the number of jobs located in the Mon Valley study area in 1980 and 1990, however, means that net commuting figures cannot be calculated. Attempts are made, where possible, to supplement this absence of commuting and local demand components with other information aimed at gauging the importance of commuting. In Northumberland this task is relatively straightforward, using flow data from the Census Interaction Data Service (CIDS). In the Mon Valley proxy measures such as travel-to-work times have to be employed. Unlike in the UK there are no previous known examples of the application of the LMA framework in the US. This research therefore represents a significant advance in understanding the processes of industrial change in the Mon Valley.

The sources for all the LMA components are the two national Censuses of Population (1981-91-01 for Northumberland; 1980-90-00 for the Mon Valley). Some figures used in the Northumberland accounts were calculated from those provided by Beatty and Fothergill. Others come from census data downloaded from the National On-line Manpower Information Service (NOMIS). Where Special Workplace Statistics (10% sample) are used, they are grossed up to compare with 100% data.⁶⁹ The 1980 US Census data used was sourced from hard copy volumes. All 1990 and 2000 US figures were downloaded using American Factfinder via the Census Bureau.

⁶⁹ For the 2001 Census all records are coded at 100% (Martin et al, 2002; 84)

What follows is an explanation of the components of the LMAs, followed by a worked example. The accounts, for any time period, are structured as follows:

| | |
|--|---------------------------------------|
| <u>Natural population change</u> | |
| <i>PLUS/ MINUS</i> | Participation rate change |
| <i>PLUS/ MINUS</i> | Employment Change |
| <u><i>EQUALS</i></u> | <u>Jobs shortfall/ surplus</u> |
| <u><i>Jobs shortfall surplus absorbed by-</i></u> | |
| <i>PLUS/ MINUS</i> | Net migration |
| <i>PLUS/ MINUS</i> | Unemployment change |

Natural population change: The estimated change in the number of economically active population as a result of changes in the age structure (people entering and leaving the working-age).

The estimated change is the number of people between 6 and 54 (or 49 for women) in the start year expected to survive until the end year (i.e., 1981 to 1991) when they form the working-age population. This is calculated using a cohort survival model. Survival rates for the model were calculated using the Office for Population Censuses and Surveys (OPCS) Vital Statistics at District level for Northumberland⁷⁰ (see Beatty et al, 1997; 2060) and from US Department of Health and Human Services Decennial Life Tables for Pennsylvania (1979-1981; 1989-1991). The difference between the start

⁷⁰ The Standardised Mortality Rate difference between the Northumberland coalfield Local Authorities (for the relevant wards by LA area) and the England and Wales SMR is used to adjust England and Wales life tables year on year to Northumberland's mortality rate. A further adjustment is made for Castle Morpeth, the Castle Morpeth SMR for the 'normal' population is exaggerated by the area's large institutional population (see OPCS, 1986; 6). For Castle Morpeth the SMR is therefore taken as the average of the other coalfield Local Authorities. For men and for women 1991-2001, these were calculated by Beatty et al.

year and end year population is then multiplied by the end year economic activity rate to give 'natural change'.

Participation rate change: Change in the economically active population arising from people who were inactive becoming active, and vice-versa. It is calculated by multiplying the working age population in the start year by the difference in the participation rates between the start and end years.

For Northumberland 1981-1991 an adjustment is made to the 1981 working age population base to compensate for changes in the census definitions. Absent residents and 'enumerated late' and 'imputed' were included in 1991 but not 1981 (see Beatty et al, 1997; 2060). This adjustment is made by using a ratio of the 1981 base total population (by gender) figure to the 1991 population figure (changes to the population base are relatively small <1.5%).

This is calculated assuming no net-migration.

Employment change: The change in numbers of working-age residents in employment between the two dates. Working age refers to 16-64 for males and females for the US, and 16-64 and 16-59 respectively for males and females in the UK.

This is calculated assuming no net-migration.

Job shortfall/surplus: This is the difference between the expected change in the active population (as measured by natural change and participation change) and the change in employment between the start and end years; the extent to which changes in supply are matched by demand.

The jobs shortfall, or surplus, sums to (is balanced by) unemployment change and migration.

Net-migration: The difference between the actual and the expected change (as calculated in the natural change component) in working age population between the start and the end years, multiplied by the participation rate in the end year.

The 1981-1991 Northumberland figures are adjusted for the changing census definition (the 1991 figures being adjusted to the 1981 base). The 1991-2001 figures are also adjusted because students studying away from home were recorded at their home address in 1991 but at their term-time address in the 2001. Students studying away from home have therefore been added to the population of their home area to avoid distortion of population change figures (see Beatty et al, 2005; 39).⁷¹

Unemployment change: The change in the number of working age residents unemployed between the two dates. Unemployment is a self-attributed status in the census in the UK and US.

⁷¹ These adjusted figures were provided by Beatty and Fothergill

Table 4.3: Worked example of LMAs for the Mon Valley, 1980-1990, based on the methodology of Owen et al (1984)

| Component | Number | % of 1980 working age population | Calculation | Explanation |
|---------------------------|--------------|----------------------------------|------------------------------|---|
| 1980; economically active | 52,627 | | | Total number from census tables |
| 1990: economically active | 41,758 | | | Total number from census tables |
| Natural Change | -1,809 | -3.4 | $2279 * 0.7936$ | The expected change in the working-age population who are economically active due to the age structure. Calculated by estimating the number of people aged 6 to 54 in 1980 who would survive until 1990. This is achieved using a cohort survival model based on Pennsylvanian life tables (1979-1981) which provide age-specific death rates for each year. This difference in working-age population between the two years is then multiplied by the 1990 economic activity rate. |
| Participation increase | -1,532 | -2.9 | $64,389 * 0.0238$ | The change in the economically active population which results from people previously inactive becoming active, or those previously active leaving the labour force. This is calculated on the assumption of no migration, by multiplying the working-age population in 1980 by the difference in economic activity rates between 1980 and 1990. |
| Employment change | -10,814 | -20.5 | $48,102 - 37,288$ | The difference between the number of working-age men employed in 1980 and 1990 |
| Job shortfall | 7,473 | 14.2 | $(-1,809 + -1,532) - 10,814$ | The difference between the expected change in the economically active population and change in employment between 1980 and 1990. The expected change in economic activity is the sum of natural change and participation change. |
| Net-Migration | -7,531 | 14.3 | $9,489 * 0.7936$ | Calculated as the difference between the actual working-age population in 1990 and the expected population calculated using cohort survival. This is multiplied by the 1990 economic activity rate. |
| Unemployment change | 48 | 0.1 | $4,422 - 4,470$ | The change in the number of residents unemployed between 1980 and 1990 |

Technical application: the UK

Ward boundaries in 1991 and 2001 have been matched as closely as possible to the 1981 ward definition of the Northumberland coalfield (see Beatty, et al, 2005; 38). Most of the boundary changes over this period were internal and as such have no impact on the figures. Where small changes have been made to the coalfield's external boundary the impact of these have been judged by using descriptive characteristics of key variables of age, economic inactivity and unemployment in the affected areas accessed through Arcinfo. These changes will have a negligible impact on the figures because of the similar characteristics of the surrounding areas.

Technical application: the US

The main problem when producing the LMAs for the Mon Valley is the absence of commuting data. Job loss figures are therefore residentially referenced and come from the US Census.

There is very limited data on local labour demand in Pennsylvania. The data which is available, the 202 dataset, references employees of some companies at head office locations rather than sites of production. Analysts at the PA Department of Labor advised that these issues, as well as other questions over the data accuracy make it unsuitable for incorporating into the LMA framework.

Unlike in Northumberland, there were no changes to the Mon Valley boundaries in the period covered. Part of Trafford was transferred from Allegheny County between 1980 and 1990, but this does not affect the total area covered. The Allegheny County Trafford figures are however excluded from some of the figures showing municipality change because these administrative changes mean that the individual municipality

change figures are in some cases inaccurate. This does not affect any of the totals figures.

Limitation of Labour Market Accounts

LMAs offer a valuable overview of the relative strengths of different adjustment mechanisms in local labour markets. They have several limitations, however, which need to be acknowledged.

- LMAs make no distinction regarding job quality. A loss of 1000 well-paid and secure full-time jobs might therefore appear to be balanced by a gain of 1000 part-time, minimum wage, high turnover jobs. This shortcoming, however, can be supplemented by using other employment data from the census to capture these other aspects of employment change, for example on hours of work and wages.
- LMAs provide a snap shot at a particular point in the economic cycle. The 1980/1 figures represent times of deep recession in both countries meaning there were already relatively high levels of unemployment and employment disadvantage prior to closures (Beatty et al; 2005; 22). A successful adjustment on paper would therefore not necessarily indicate economic revival.
- The US retirement age begins at 62 but figures must be produced for 16-64s. This will slightly over-inflate the numbers inactive compared to Northumberland.
- LMAs tell us nothing about the underlying casual processes which produce the adjustments which they describe.

Data sources

UK census data

While census data is useful for understanding variations at the small-scale, and offers the ability to compare change through time, it has some limitations (Boyle and Dorling; 2004; 109). For example, residual inaccuracies can arise in the LMAs for 1981-1991 as a result of the underenumeration of the 1991 census which amounted to around 1.2 million people (Simpson and Dorling cited in Martin et al, 2002; 1994; see also Turok and Edge, 1999; 61; Beatty and Fothergill, 1996; 639).⁷² The coalfield areas though are not thought to have been badly affected by this (Beatty et al, 1997; 2060). Undercounting was also a problem in the 2001 census, with, in general, areas which had a high level of undercounting in 1991 having an even greater level in 2001 (Simpson, 2003; 2). Again the coalfields were less affected than many other areas. Such underenumeration may affect the absolute measures of the various adjustments, though not necessarily the magnitude of the components.

There is also some problem of non-response or incorrect response to some questions in the census. Some of the data used in the accounts falls into the 5-10% non-response category at the national level for the 2001 Census (Simpson, 2003; 3). These non-response items have been boosted with estimates from the ONS but these may produce some small degree of error.

US Census data

The 1990 US Census also suffered from some undercounting, estimated to be around 4 million people, or around 1.8% of the population (US

⁷² For the 1981 Census undercounting was small in comparison to 1991 (Martin et al, 2002; 87).

Census Bureau 1994a; US Census Bureau 2004; 2). For Pennsylvania the net undercount was estimated to be very small, 0.3%. For the black population, however, it was substantially greater, at 4.5% (US Census Bureau 1994b). Changes made to data collection, to minimise undercount and to boost the response rates of hard-to-reach groups, meant that levels of undercount were significantly less for the 2000 Census. Total undercount was just 0.1% although for the Black population it was still 2.8% (US Census Bureau c, 2004; 2). This should have little impact on the Mon Valley figures.

How Labour Market Accounts are applied in this research

With all the caveats, LMAs still offer the best framework for analysing labour market adjustment responses to industrial change, and an excellent method of contrasting responses in different areas. Bearing in mind the limitations, LMAs should be considered, as should Census data in general, as 'an estimate of truth' (Simpson, 2003; 15). There will invariably be a level of error in the data which, of course, needs to be minimised, but the magnitudes and directions of changes revealed does allow the dominant responses to be identified in the two study areas.

In both countries, in addition to absolute figures, the changes are shown as percentages of total male/female working-age population in 1980/1. This allows for direct comparisons of the relative strength of different changes.

Other secondary data analysis

The UK

In addition to Labour Market Accounts other secondary sources offer key insights into the results of industrial change in the study regions. These include DWP benefits information across a range of key benefits,

wages data, data on educational attainment, and other information on social change derived from census variables.

As chapter 3 showed, a key area for investigation is inter-generational change. With this in mind some aggregate data has been sub-divided by age cohorts. For the years 1991-2001 both levels of out-commuting and economic position are analysed by age. This provides an important insight into change or continuity in labour market decision making. For example have younger workers taken up commuting as a mechanism to cope with local employment loss more than older workers who have grown up in the context of a more insular labour market? How does the range and scale of economic position vary by age? Such questions are important in making future assessments about the local labour markets.

The US

As with the UK, LMAs produced for the US can be supplemented with other secondary analysis. This includes other descriptive data from the census on income, social change and poverty status. Figures are also produced that disaggregate the population by race to contrast the experiences of white and black residents in the area. As already indicated, the black population is seen to have suffered particularly badly from industrial decline.

4.4 Interview research

The quantitative comparative overview formed the frame for a series of semi-structured interviews with residents and stakeholders in the study areas. These were crucial in understanding how and why different forms of labour market adjustment took place. They were also key to understanding how initial short-term adjustments resulted in longer-term path-dependent developments. Particularly important in this

regard were the insights they provided on inter-generational effects, cultural transmission and community change.

The fieldwork element of this research was conducted in Northumberland in summer 2005 and in the Mon Valley in spring 2006. The structure of the fieldwork was modified from that originally proposed and subsequently presented at the upgrade seminar in spring 2005. This modification generated changes in both the practical research design, and also to some extent to the research emphasis, and therefore the findings. The research shifted from a household based study of labour market decision-making, household coping strategies and household and inter-generational change, to a focus more broadly on the causal processes behind the different patterns of labour market restructuring in the two areas, and how this has shaped subsequent economic and social development within communities.

The original research proposal prioritised household level perspectives, and details of household responses to, and coping mechanisms for, loss of (male) work. The focus of the original proposal was set-out as:

With the feminisation of the workforce, and economic strategies defined at the household level, household studies will give a broader account of responses to deindustrialisation....A series of semi-structured interviews, comprising open questions, will be used to address people's experiences of deindustrialisation.....Where relevant (i.e., in a household of marriage or cohabitation) interviews will be conducted....with both partners interviewed together...The aim of these questions is to investigate what factors have been influential in determining the labour market decisions made by that individual and household...A series of elite interviews will also be conducted in the study areas....they will offer supplementary information about the patterns of restructuring and labour market change in the study areas from individuals who have been involved in the regeneration processes'.

The proposal also intended conducting interviews with the working-age children of former industrial workers to explore issues of inter-generational change in work attitudes and labour market experiences.

The focus of investigation however began to shift away from such individual and household outcomes to broader community outcomes, themselves driven largely by dominant labour market adjustment process, and exploring the longer-term implications of these changes. The rationale for changing the research design was both practical and theoretical. The practical considerations are outlined in the Annex to this chapter, and revolve essentially around the difficulty of obtaining significant numbers of respondents willing to explore their family histories in detail. Greater emphasis therefore came to be placed on two other target groups, key community actors and local stakeholders. Theoretically also, it became clear that the dominant structural contrasts between the two regions, as their impacts emerged over a 25 year period, could be better reflected in a labour market/community approach than in one based on detailed studies of individual household experience, however ethnographically interesting this would have been.

In Northumberland 23 interviews were conducted and 21 in the Mon Valley. Those interviewed included stakeholders involved in economic and community development as well as a range of local residents, including those involved in local community groups and activities, local council members, and former industrial workers. Details of respondents are shown below.

The interviews investigated how industrial workers had responded to job losses. They examined both the macro level influences on restructuring, such as government welfare and employment policies, and more localised influences, including levels of demand for labour and social and cultural trends. They also explored how the initial

processes of restructuring had influenced long-term growth and change in the communities.

The interviewees

Northumberland

Elite stakeholders:

1. Amble Development Trust- Employment opportunities manager
2. East Ashington Development Trust- Manager
3. National Union of Mineworkers- National Chairman and secretary
4. Northumberland Community Council- Assistant director
5. Northumberland County Council- Regeneration Manager
6. One Northeast- Economic Inclusion manager
7. South East Northumberland and North Tyneside Regeneration Initiative (SENNTRI)- Director
8. Trinity Youth- Youth Worker
9. Wansbeck Community Empowerment Network- Network development officer
10. Wansbeck District Council- Business and Enterprise coordinator
11. Wansbeck District Council- Regeneration initiatives Officer

Community interviews:

12. Bedlington Station Residents Association- Chair
13. Cambois Community Association- Chair
14. Choppington Community Association- Chair
15. East Ashington Community Area Partnership- Chair
16. Lynemouth Day Centre- Manager
17. Lynemouth Parish Council- Chair
18. Wansbeck Council- Councillor, Ashington

Former miners:

19. Former miner [N1]

20. Former miner [N2]
21. Former miner [N3]
22. Former miner [N4]
23. Former miner [N5]

Mon Valley

Elite stakeholders:

1. CareerLink- Allegheny County East and West - Executive director
2. Heritage Health Foundation- Vice-president for Development
3. McKeesport City- City Administrator and Director of Community Development
4. Mon Valley Education Consortium- Executive Director
5. Mon Valley Initiative- Community Organiser
6. Mon Valley Initiative- Senior real estate manager
7. Pennsylvania House of Representatives- State Representative: District 39 (Elizabeth Township)
8. Pennsylvania House of Representatives- State Representative: District 34 (Turtle Creek)
9. Steel Valley Authority- Chairman

Community interviews:

10. City of Clairton- Councilman /Clairton Community Development Corporation member
11. East Pittsburgh Community Development Corporation- Member
12. Homestead Borough- Mayor
13. Homestead Economic Redevelopment Corporation (HERC)- Chairman
14. Homestead Economic Redevelopment Corporation (HERC)- Founding member
15. Mon Valley Unemployed Committee- Co-director (former mill worker)
16. Munhall Borough- Mayor

17. North Braddock CARES- Member

Former mill workers:

18. Former mill worker [MV1]

19. Former mill worker [MV2]

20. Former mill worker [MV3]

21. Former mill worker [MV4]

Most of the former industrial workers interviewed were involved in their local union as, from a practical perspective, it was easier to contact union members while, 20 or so years after closures, it proved much more difficult to contact a more random sample of affected workers.⁷³ Of course, union members tend to come with a particular political view, and opinion about closures, which it is important to acknowledge in the analysis of interviews.

Initial contact with the union in Northumberland was through the local branch secretary. The secretary then provided further contact details of former miners. In the Mon Valley, a former local union secretary, who I was introduced to by another community contact, provided some contact details of former millworkers which were supplemented with others from the Steel Industry Heritage Center's oral histories database.

Former industrial workers were asked to reflect on their own experiences, and also on those of friends, family members and former colleagues. They were, of course, reflecting back over a long period since the closures. Their responses were compared with those of other stakeholder interviewees, and also with some valuable local oral history projects undertaken nearer the time of closures. This included an oral

⁷³ Finding former mill workers in the Mon Valley, even union ones, proved somewhat difficult. I was told that most had left the area (or died), and those that remained were too bitter to talk about it (Former mill worker [MV3]). This problem had been found by previous researchers in the area (Carroll, 1992; 120; Sturdevant, 1993; 20; Lease, 1992; 2).

histories programme undertaken in different mill towns by the Steel Industry Heritage Corporation in the early 1990s, and an oral history project undertaken in the late-1980s by Bob Anderson on workers immediate post-closure experience. This allows for the triangulation of peoples' reflections on the past with information gathered at the time.

In Northumberland local statutory agencies including Northumberland County Council and Wansbeck District Council acted as 'gatekeepers' to facilitate contacts in local community organisations.⁷⁴ This was combined with a process of selective snowballing. In the Mon Valley local agencies similarly provided details of community contacts, of particular help here was the Mon Valley Initiative (MVI) and the Heritage Health Foundation.

The aim of the interviews with those involved in formal economic development was to explore the longer-term labour market and social implications of industrial change, as well as to evaluate the policy response and future prospects. This was complemented by interviews with individuals, both paid and voluntary, engaged in community development and local community groups who served to give a sense of community and social change in the period since closures.

The themes which the interviews addressed derived from three key elements identified from past research. They are, i) the local and regional demand for labour including the number and type of jobs within commutable distance; ii) the public welfare context of government support for people and places and; iii) the historical and cultural context, including the existing norms and values in the areas.

⁷⁴ Gatekeepers are 'those individuals in an organization that have the power to grant or withhold access to people or situations for the purposes of research' (Burgess, 1984; 48 cited in Flowerdew and Martin, 1997; 115).

The following headings served as a template for the interviews, suitably adjusted to each type of interviewee:

- The experiences of industrial workers
- Labour market decision-making
- The labour market since closures
- The cultural legacy of mining and restructuring
- Inter-generational change
- The effectiveness and limitations of policy interventions
- Regeneration
- Public welfare
- Community change
- The social impacts
- The geography of change

The interviews with all participants, which had been recorded, were selectively transcribed in a series of notes and quotes of their responses. Coding was then used to help interpret the material collected (Payne and Payne, 2004; 36; Cope, 2003; 445). First, using relatively basic descriptive codes to reflect the main areas of interest of the interviews, significantly derived from the LMA framework, to categorise and organise data. Broad categories, for example, included local job opportunities, commuting, and migration. Then, topic coding was used to provide relatively interpretive labelling of the main codes and sub-codes that were judged to be important from the interview responses, such as work aspirations, public welfare system roles, and cultures of mobility. How the central and subcategories related to each other was then explored (Strauss, 1987; 4). These relationships are defined in terms of varieties of ‘conditions’, ‘interactions’, ‘strategies’ and ‘consequences’ (ibid; 64). This served to establish links between the important variables which form the basis of people’s decisions, as well as the different influences on long-term patterns of social and

economic change and how these fit together. The coding was then used to develop themes running through the data which brought together the dominant causal structures and processes at work in the areas, producing a network of explanation for the different forms of restructuring and subsequent development (see Richards and Morse, 2007; 143). The data were coded without the use of specialist qualitative software and the text was held in a database, with the outputs of different codes and themes linked, analysed and interpreted manually.

ANNEX TO METHODOLOGY

This Annex details changes to the fieldwork schedule and analysis during the course of the research and their significance for the project outcomes.

Interview schedule

Recruiting former industrial workers proved to be very difficult, largely because of the time that had lapsed since closures, and, in the Mon Valley, the fact that so many had moved away⁷⁵. In Northumberland, a local community contact was initially arranged with the secretary of a local union branch, still operating an advice remit in the area, including pension issues and claims for past industrial injuries. Through this respondent, arrangements were made to contact four men who still maintained some union contact (in addition to which a further miner was identified later by a separate local contact). It became clear early on that the household interviews initially proposed were unlikely to succeed. The men who were contacted were not happy to be interviewed in a family setting but would participate alone. There were probably several reasons for this, including reluctance to allow a stranger into their homes, perhaps some degree of embarrassment about speaking in front of other family members, suspicions about why a study of mining decline would need to interview other family members and, the most widely cited reason, that family members were either too busy or would not want to participate. The men were therefore interviewed individually on two separate days at a local community centre⁷⁶. These interviewees were asked if they could provide further contacts among their cohort, but no further contact details were secured, with most of the men reporting the others they

⁷⁵ Industrial communities remain relatively difficult for researchers, particularly ones with limited resources, to penetrate. This was particularly apparent in residents being unwilling to volunteer other people's time by providing their contact details.

⁷⁶ The fifth was interviewed at home

knew would 'not want to talk'. This closed off a potentially useful method of recruiting further participants.

In the Mon Valley former industrial workers were identified through contacts from a former local union secretary whose details had previously been provided by a community contact. This approach yielded one other former millworker to interview, in addition to which another former millworker was identified but interviewed in his role as a community contact and the founder of the Mon Valley Unemployed Committee, an organisation developed to help steelworkers after closures. A further two former millworkers were contacted using details held on the Steel Industry Heritage Center (SIHC) Oral Histories project database⁷⁷. These men were more comfortable being interviewed in public places, including a local café and in a room lent by the SIHC. All the former industrial workers were interviewed on the understanding of anonymity.

A significant group of former industrial workers was therefore recruited for the research, but greater emphasis came to be placed on two other target groups, key community actors and local stakeholders, than was originally anticipated at the research planning stage. These were used as key informants; according to Payne and Payne, individuals whose 'social positions' in the research setting mean they have 'more information to impart' (Payne and Payne, 2004; 134-135). Such information need not be obtained only in formal setting, such as through local councils, local police or doctors. It can also be garnered by virtue of the place of informants in informal networks within a community; they can be 'informal key informants' (ibid, 135 -137). The use of key informants is part of a purposive (or purposeful) sampling procedure, where respondents are atypical, and are selected because

⁷⁷ These two had lost jobs in the closures of the 1980s while many others on the database, which was part of a broader oral history of the steel industry in the area, had retired prior to this and so were not considered for interview. Several other relevant cases which were identified were found to have out of date contact details.

of their potentially greater knowledge and insights into the research questions, as well as their willingness to participate (ibid; 137; Richards and Morse, 2007; 195).

A process of snowball sampling was adopted to recruit participants, involving interviewees being asked to identify other relevant cases and provide contact details (Hay, 2005; 72). This strategy followed several channels locally with multiple starting points, it therefore ‘fanned out’ rather than simply producing a small inner circle provided by one key gatekeeper which can often privilege a particular representation of society (Payne and Payne, 2004; 136).

Worker interviews

The original interview topic guide was heavily focused on individual labour market experiences and histories, though questions in the latter sections did expand the focus to look at issues of broader social and community change. The initial interviews however emphasised the difficulties which might be faced in pursuing such a detailed oral history approach. The men were reluctant to speak directly about their thoughts and feelings about their personal experiences, beyond providing relatively basic descriptive information; they were also largely unwilling to engage in discussion about household coping strategies. Although the interview focus was on personal histories, the participants would direct the discussion to wider issues of labour market change, the experiences of others they knew, and the broader community. It became clear that the original approach was unlikely to yield useful information. When talking more generally about local community and social change, however, and reflecting on the collective experiences of people they knew in the area, respondents opened up to a much greater extent to engage with the processes of labour market and social change. After discussions with the NUM contact who suggested that ‘embarrassment’ may be a reason, the topic guide was

revised to give more weight to broader questions about the experiences of peers, and social and community change, to complement attempts to secure oral history material.⁷⁸ This change meant rebalancing the emphasis of the research questions, away from individual and household coping strategies to greater concern with the causality of labour market restructuring, wider community experiences of social and economic change, and long-term developments.

This reformulated approach to questioning drew on the men's experience in a more structural way and in some senses used sections of the interviews as an 'indirect strategy' of research, asking questions about an individual's cohort or social networks' experiences (Richards and Morse, 2007; 117-118). Various types of questions were therefore used in this phase of the research. These included descriptive questions -factual details of events, changes, people and experiences; storytelling - particularly aimed at forming causative links through in-depth description of experiences or observations; and structural - encouraging the discussion and acknowledgement of how 'events and experiences may have influenced opinions and perspectives' (Hay, 2005; 84). The useful outcome of this approach is a broader coverage, compared to the handful of detailed oral histories which would have otherwise been attained. While undoubtedly interesting ethnographically, these may have been limited in the extent to which they could be generalised to the wider area experience of labour market restructuring.

Community interviews

Because of the difficulties in securing interviews with former industrial workers, and as these interviews were yielding less fruitful insights than

⁷⁸ These attempts were less successful in the Northumberland coalfield than they were in the Mon Valley. In the Mon Valley men were more willing to reflect on their own experiences than in Northumberland, however, because of the need for comparative data the interview design was not altered for this phase of fieldwork.

had been hoped, a new round of community focused interviews was also established to add to, and triangulate, industrial worker insights. The inclusion of community interviews in some senses further shifted the emphasis of the original research questions from the direct exploration of causality in the labour market to the broader community impacts of the closures which, when read alongside the industrial worker and stakeholder interviews, could link causality in labour market adjustment to broader social and community adjustments. Such community impacts became highly significant in setting the social environment in which newer generations learnt about and entered the labour market, adding an important dimension to the long term perspective central to the research.

The community actors were key informants who were highly knowledgeable about the issues facing their local communities. The majority had also been resident in their communities through the processes of industrial decline and had seen the initial adjustments followed by the subsequent changes. They were able therefore to comment authoritatively on the experiences of former industrial workers from their local knowledge. Most had also some more formal knowledge of these issues through their roles in local councils and community organisations offering services to meet local needs (their roles are detailed on pages 129-131). Most of these respondents had no direct relation to the main industry (e.g. they or their spouse had not worked there) but of course many had indirect relations. This group did not exhibit the understandable bitterness and regret over closures of many who had been directly employed. They were thus able to offer more measured accounts which could be triangulated with those offered by the men themselves. These contacts were again asked for details of other former industrial workers for interviews, but people were similarly reluctant to volunteer others. In the single case where they did, the miner himself was unwilling to participate.

Other stakeholder interviews

The worker and community interviews were complemented by a series of other stakeholder interviews, which had always been planned to be added to those with industrial workers. The aim was to use key informants' expert knowledge about how aspects of closures and initial labour market restructuring had influenced subsequent development in the areas up to the present. The majority of stakeholders interviewed were relatively local actors (as opposed to more senior regeneration professionals who tend to be more geographically mobile) and generally had long attachments to working in the areas. Indeed, many had in some form or another been directly involved in policy responses at the time of, and in the immediate aftermath of closures.

In Northumberland interviews with stakeholders ran in parallel with those of former miners (i.e., they were conducted over the same period rather than completing one set of interviews before beginning the next). The community interviews were conducted after this. In the Mon Valley the three sets of interviews all ran parallel to each other. Saturation point was reached in both study areas relatively quickly, as the main findings largely became similarly recounted between interviewees and interview types. There were some different perspectives, however, when describing certain phenomena. For example stakeholders would often be more sympathetic to the needs and issues of poorer in-migrants to the communities than many residents

Verifying findings

The process of 'multiple triangulation' was important in verifying the research findings, as Berg (2006; 5) describes, this combination of 'several lines of sight' helps to attain a 'better, more substantive picture of reality'. The results were triangulated threefold:

- Firstly, by the combination of quantitative and qualitative methods - ‘between methods triangulation’.
- Second, between the different perspectives of interviewee types - ‘theoretical triangulation’, as the findings of the different groups of participants were triangulated with each other (Richards and Morse, 2007; 91). As all actors only have partial knowledge, the use of multiple viewpoints is advocated as producing fuller and more valid findings (Wengraf, 2001; 105).
- Third, between the fieldwork findings and the results of other studies which were undertaken nearer the time of closures - ‘in-method triangulation’ (Payne and Payne, 2004; 230). Findings from interviews with former industrial workers in the Mon Valley were triangulated with oral history projects which were undertaken at the time of closures. These included two housed at the SIHC, their own oral histories project and a programme of interviews undertaken in the late 1980s by Bob Anderson with displaced steel workers in the area (both unpublished documents from the SIHC archive).

Research validity

The changes in research design presented some questions regarding the internal validity of the findings, the extent to which the results ‘accurately reflect the phenomena studied’ (Richards and Morse, 2007; 190). The causality in labour market decision-making, planned to be explored through workers’ own experiences, became to some degree weakened by the limited success of the oral histories-based approach, and the greater reliance on indirect findings. By interviewing in this more structural way, however, the men were less inhibited and more confident about making causal assertions and providing examples than when discussing their own experiences. The findings were also

triangulated with those gleaned both from respondents with good long-term community knowledge, and officials more formally involved in mitigating the impacts of closure and subsequent decline. This process of triangulation helped test and verify the findings of the worker interviews, as has been detailed.

The research focus also, inevitably, broadened to the wider community and locality effects of labour market restructuring in the longer-term. The evidence this change produced, questioning many ongoing notions of community, and current understandings of the social reasons behind the labour market trends observed, such as relative immobility, proved to be some of the most important contributions of the study.

It should also be acknowledged that the research process, set up and subsequently adapted as it was, tended to privilege certain, particularly male, views. Most (although not all) of the interviewees were men, with the attendant risk of presenting a 'narrowly masculine view of how...society worked' (Payne and Payne, 2004; 136). This raises a question of 'external validity' and the limits of generalisations of the findings. It was clear from the interviews that where people spoke of attitudes towards work, benefits and mobility (migration and commuting) they were largely recounted from a male perspective (by both men and women). Apart from the quantitative findings from the labour market analysis, and in a departure from the initial intention, female attitudes remain less well explored or explained by this work.

Chapter 5) The immediate impacts and adjustments to closures

5.1 Introduction

This chapter examines evidence for the immediate and short-term individual and household responses to job losses in Northumberland and the Mon Valley during the 1980s, and their social and community effects. Chapter 6 will then trace longer-term labour market, community and social changes. Working forwards in this way will help to reveal the cumulative structural forces that have caused persistent and acute employment disadvantage through to the current time.

Although there is an inevitable conceptual problem in distinguishing between short-term and long-term effects, the issue is to some extent sidestepped here because of constraints of data availability.

Quantitative analysis drawing largely on national census data conveniently fixes the time-periods of analysis. The short-term effects are therefore defined as those occurring during the 1980s. Most of the major closures in both areas occurred in the middle of this decade, so this period represents a useful approximation of the short-term impacts, compared with the pre-closure situation. Relatively rapid adjustments by individual workers, for example through migration or finding alternative employment, should be picked up in the figures.

There may be inconsistency between what is considered short-term in the figures and understanding of short-term by interviewees in their description of social and economic trends. This difficulty was to some extent mitigated by asking questions framed by specifying the time-periods covered by the data, for example 'the late 1980s'. The reflections back on this period by interviewees are triangulated with other sources of similar information collected closer to the time of

closures, for example the oral histories carried out by the Steel Industry Heritage Corporation and research carried out by the Mon Valley Unemployed Committee.

Earlier research identifies several ways in which we might expect the two areas' labour market restructuring processes to vary. Generally it has been shown that new job creation has only partially compensated for the loss of industrial jobs in deindustrialised areas, although there is some diversity of experience. Restructuring is therefore likely to involve other adjustments. Greater labour mobility would be expected in the US, while we have seen that there is a well documented trend of increasing sickness benefit claims in the old industrial areas of the UK.

Sets of Labour Market Accounts (LMAs) have been calculated for the Northumberland coalfield and the Mon Valley to describe the main adjustments in labour supply and demand. Accounts for males are complemented by those for females. In many cases partners respond to male jobs losses by supplying their labour instead, or as well. From a more competitive point of view, as industrial jobs disappeared men and women would be increasingly competing for the same jobs. Adjustments in male and female supply and demand clearly interact and cannot therefore be viewed in isolation.

LMAs provide a framework for assessing the relative importance of particular forms of labour market adjustment. As was outlined in the methodology, a weakness in the LMA approach is the inability to produce commuting statistics. This is addressed in this chapter by drawing on other available census data to make some assessment of the relative importance of the commuting response. More detailed local analysis then allows the factors producing these patterns to be explored at the local level, including local and regional labour demand, the public welfare system, transport infrastructure, education and skills, and established work cultures.

The later sections of this chapter begin to give greater focus to the social and community impacts of job losses. First, the social effects on individuals and households are described, including evidence for the stress of unemployment, damaging trends of substance abuse by workers unable to adjust, family breakdown, and, in rare cases, even suicide. The focus is then broadened to examine the ways in which initial individual and household decisions were already beginning to have wider community implications, establishing trends which would become of increasing significance over the next decade. These wider impacts included the loss of social structures, public services and local social capital.

Table 5.1 reiterates evidence presented earlier, showing that total job losses during the 1980s in the Mon Valley occurred in greater number than in Northumberland. This partly reflects the greater numbers employed in steel in the Mon Valley than in coal in Northumberland. There was also some growth in other sectors that partially offset the loss of coalfield jobs in Northumberland, with little compensatory growth in the Mon Valley. The proportion of men losing employment in the primary industry was likewise higher in the Mon Valley with 21% of those working age economically active losing work compared to 14% in Northumberland. These statistics suggest a more difficult labour market in the Mon Valley, making the prospects for finding alternative local work more problematic. This more difficult situation must be borne in mind when discussing subsequent trends.

Table 5.1: Employment characteristics in the Northumberland coalfield and the Mon valley

| | Northumberland coalfield | Monongahela Valley |
|--|--------------------------|--------------------|
| Working-age male population 1980/1 | 43,000 | 67,000 |
| Number employed in primary industry in 1980/1 ⁷⁹ | 11,000 | 17,000 |
| % of working-age men employed in primary industry 1980/1 | 25% | 25% |
| Number of jobs lost in primary industry during the 1980s | 8000 | 14,000 |
| Number of jobs lost in primary industry during the 1980s as a % of working-age men | 19% | 21% |

⁷⁹ Mon Valley figures are estimates produced by calculating the ratio of men employed in durable manufacturing employed in primary metals for those municipalities for which data are available and applying this to all municipalities.

5.2 Labour market Accounts

Table 5.2: Labour Market Accounts: Northumberland:

a) Male working-age population, 1981-1991

| | Male working age population | As % of 1981 EA population |
|-----------------------------|-----------------------------|----------------------------|
| 1981; economically active | 38,670 | |
| 1991: economically active | 35,829 | |
| Natural change | 458 | 1.2 |
| Participation change | -2,927 | -7.6 |
| Employment change | -5,440 | -14.1 |
| <i>Job shortfall</i> | <i>2,970</i> | <i>7.7</i> |
| Unemployment | 807 | 2.1 |
| Net out migration | 920 | 2.4 |
| Government Schemes change | 1257 | 3.3 |

(Source: Census)

b) Female working-age population, 1981-1991

| | Female working age population | As % of 1981 EA population |
|-----------------------------|-------------------------------|----------------------------|
| 1981; economically active | 23,082 | |
| 1991: economically active | 26,995 | |
| Natural change | 528 | 2.3 |
| Participation change | 3,321 | 14.4 |
| Employment change | 2,550 | 11.0 |
| <i>Job shortfall</i> | <i>1,300</i> | <i>5.6</i> |
| Unemployment change | 334 | 1.4 |
| Net out migration | 268 | 1.2 |
| Government Schemes change | 715 | 3.1 |

(Source: Census)

Table 5.3 Labour Market Accounts: Mon valley

a) Male working-age population, 1980-1990

| | Male working age population | As % of 1980 EA population |
|-----------------------------|-----------------------------|----------------------------|
| 1980; economically active | 52,627 | |
| 1990: economically active | 41,758 | |
| Natural change | -1,809 | -3.4 |
| Participation change | -1,532 | -2.9 |
| Employment change | -10,814 | -20.5 |
| <i>Job shortfall</i> | 7,473 | 14.2 |
| Unemployment change | 48 | 0.1 |
| Net out Migration | 7,531 | 14.3 |

(Source: Census)

b) Female working-age population, 1980-1990

| | Female working age population | As % of 1980 EA population |
|-----------------------------|-------------------------------|----------------------------|
| 1980; economically active | 34,780 | |
| 1990: economically active | 35,505 | |
| Natural change | -2,668 | -7.7 |
| Participation change | 8,348 | 24.0 |
| Employment change | 1,587 | 4.6 |
| <i>Job shortfall</i> | 4,092 | 11.8 |
| Unemployment change | -855 | -2.5 |
| Net out Migration | 4,957 | 14.3 |

(Source: Census)

The male LMAs (Tables 5.2a and 5.3a) show a marked contrast between supply-side adjustments in the two study areas. Declining participation rates were the most significant adjustment to job losses in Northumberland, accounting for more than half the loss of employment. In the Mon Valley out-migration was most important, with around three-quarters of the number who lost employment moving away.

In contrast the female figures (Tables 5.2b and 5.3b) for the two regions tell a very similar story of strongly increasing female supply outstripping demand. In Northumberland the excess was absorbed through small increases in unemployment, out-migration and those undertaking government schemes. In the Mon Valley it was again mitigated mainly through migration.

Northumberland coalfield

The most significant adjustment to job loss among males was withdrawal from the labour force, declining participation, largely comprising a combination of early retirement and increasing numbers claiming inactive sickness benefits (Table 5.2a). Of the 5,440 fewer resident males employed in 1991 (14.1% of 1981 Economically Active [EA] population), 2,927 (7.6%) were absorbed through lower participation rates. This left a job shortfall of 2,970 (7.7%) which was accounted for by a variety of smaller responses, in unemployment 807 (2.1%), out-migration 920 (2.4%), and participation in government schemes 1257 (3.3%).

Female activity rates by contrast increased rapidly with 3,321 (14.4%) women added to the labour force over the decade (Table 5.2b). Employment grew by 2,550 (11.0%), leaving a job shortfall of 1,300 (5.6%). More than half of these were absorbed through government

schemes (715 - 3.1%), with also small rises also in unemployment and out-migration of 334 (1.4%) and 268 (1.2%) respectively.

The Mon Valley

In the Mon Valley, 10,814 fewer men of working age were employed in 1990 than in 1980 (Table 5.3a). Demographic trends meant there was a natural decrease in the working age population of 3.4%.⁸⁰ There was also a small withdrawal into inactivity through negative participation change of -2.9%. This left a job shortfall of 7,473 (14.2%) which was absorbed entirely by large-scale out-migration.

As in Northumberland there was a significant increase in female participation, rising by 8,348 (24.0%) (Table 5.3b). Employment grew by just 1,587; again there was some natural decline (-2,668), leaving a job shortfall of 4,092 (11.8%). This was also absorbed through substantial out-migration (14.3%).

These accounts illustrate the crucial role played by out-migration in absorbing the Mon Valley's surplus labour, in response to both male and female job shortfalls. Shortfalls which were generated in different ways; employment decline for men and increasing participation rates among women. In Northumberland the most important adjustments were those that enabled people to stay 'in-place', most significantly while withdrawing their labour, but also through growing numbers enrolling in government schemes and through some increasing employment (mainly for women), which did not happen in the Mon Valley.

⁸⁰ The reason for this negative natural population change is related to previous rounds of suburbanisation from the area of middle-aged workers with young families leaving a relatively aged population behind.

Elements of explanation

The LMAs clearly set out the contrast between the short-term ‘place-based’ and ‘mobility-dependent’ coping mechanisms adopted by workers in the two study areas during the 1980s. The explanations sought through the interviews explored the importance of three main determinants identified from past research as influencing labour market restructuring:

1. Local and regional demand for labour: the availability of alternative work within, or commutable distance from, the local labour market. Both the number of, and the type of jobs, are important as there can be issues of skills mismatch. This demand is of crucial importance as it sets the opportunities base within which workers make decisions.
2. The public welfare context: the extent to which government provides support for people and places. Support for places includes funding public services, education and regeneration. Support for individuals includes benefits, (re)training, healthcare, as well government legislation and policies towards redundancy, labour markets and economic development.
3. The historical and cultural context: this involves a wide range of cultural and social norms which operate within an area.

The balance of these interrelated determinants influences the scale of different labour market adjustments.

5.3 The impacts of closures on local labour markets

Northumberland

Deep mining in Northumberland collapsed in the 1980s, with the loss of almost 8,000 jobs (Census 1981; 1991). These losses, almost exclusively

of male workers, were only partially offset by small increases in construction, distribution, hotels and catering, and other services.⁸¹ Figure 5.1 shows that of the 7,880 mining jobs lost, only 3,310 were 'replaced' by increases in other sectors.

The net loss of male jobs, in some ways, was compensated for by the increased local demand for female labour, as 4,130 new jobs were created between 1981 and 1991 which were filled by women (Figure 5.2). These were concentrated in public administration, medical services, and other public services, as the importance of public sector employment grew. Around half of all employed women however were working part-time.⁸² In some cases, at the household level, the increase in female workers was an attempt to maintain household incomes.

With the pits shutting, with the better paid jobs, lads had to work all hours for less money, and the wives had to go out to work to make ends meet (Former miner [N4]).

As a result the coalfield area lost a net of 440 jobs between 1981 and 1991, and the gender distribution of employment changed significantly. In 1981 men filled 63% of the jobs in the coalfield area; by 1991 this was down to 53%. As the 'well-paid' jobs lost in the coal industry were largely replaced by low-wage employment in the service sector.

⁸¹ Much of the growth in 'other services' was in the public sector.

⁸² 53% of employed women living in the coalfield were working 31 hours or more in 1991

Figure 5.1: Change in number of jobs located in the Northumberland coalfield area filled by men, 1981-1991

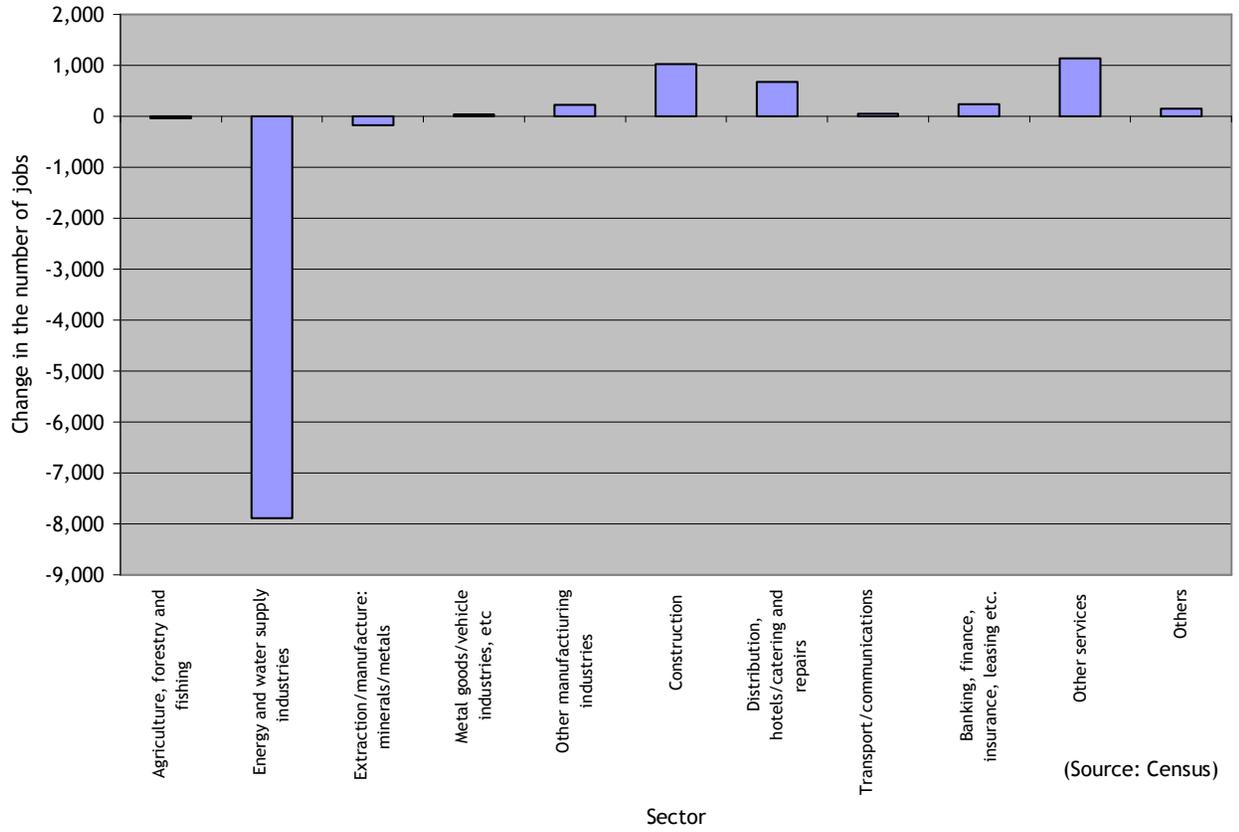
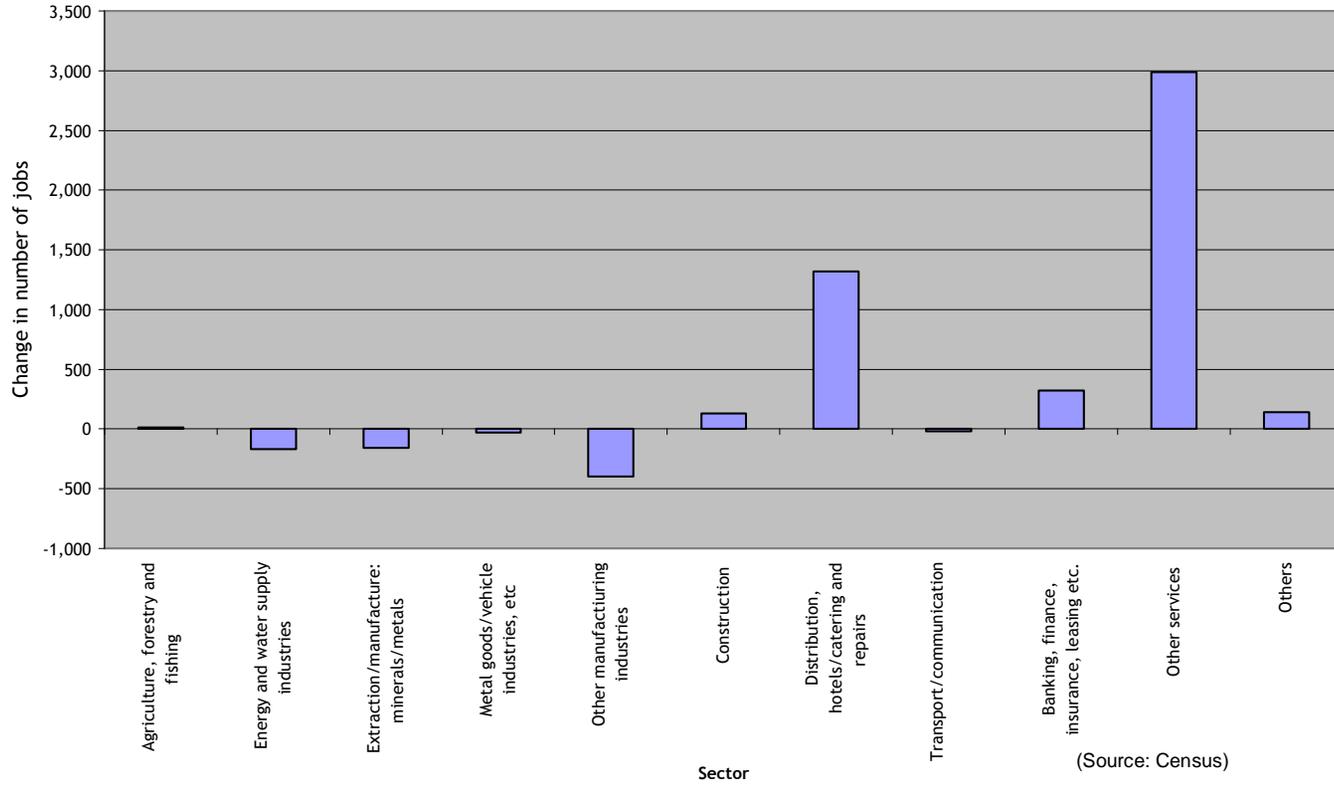


Figure 5.2: Change in number of jobs located in the Northumberland coalfield area filled by women, 1981-1991



Mon Valley

There was an even greater loss of jobs in the Mon Valley, as mills closed at Homestead, Duquesne, Clairton, and at National Works and Christy Park in McKeesport.⁸³ It is estimated that around 14,000 Mon Valley residents lost jobs in the steel industry between 1980 and 1990 (calculated from the Census). These produced significant negative multipliers in supply industries. The River Communities project (1986) estimated that, for every 1000 jobs lost in primary metals, a further 130 additional manufacturing jobs were lost in supply industries in the Mon Valley (Cunningham and Martz, 1986; 4). There were also significant negative effects on retail jobs, local shops and services.⁸⁴

It wasn't just steel. Steel supported a whole plethora of industries that fed the steel industry. So potentially for every steel job there might have been a further three other jobs that depended on the steel industry. ... Most easily evidenced of that would have been the service industries not even directly supporting steel... In town we had four clothing stores when the steel industry was booming. So it wasn't just the steelworker but it was the steelworker's family and they had disposable income and they used the stores...[when the industry closed] the numbers of folks that then participated in those things diminished and the competition is only [for] so many dollars. Those stores either disappeared or were reduced in number. All the way down to the liquor stores ... it meant that the shopping pattern of the downtown changed (City Administrator and Director of McKeesport Economic Development)

Local labour demand figures directly comparable to those of Northumberland are not available for the Mon Valley because of the

⁸³ There were additional jobs lost at Edgar Thomson in Braddock and the Irvin Works in West Mifflin, which shed labour but remained open.

⁸⁴ The loss of retail and services was further exacerbated by the growth of shopping malls, and the movement of retail away from town centres and into suburban locations.

absence of local workplace employment data. Analysis therefore has to be based on residential figures which show that total male job losses exceeded 10,000 between 1980 and 1990 (see Table 5.4). This decline was particularly pronounced among those manual occupations on which the mills and their associated industries depended. Including 'precision production, craft and repair', and 'operators, fabricators, and labourers', numbers employed in the latter halved over the period, with the loss of some 8,406 jobs. The biggest growth in male employment was in 'service' and 'sales' occupations, jobs which generally entailed a substantial drop in wages and benefit levels.

By contrast, total female employment grew slightly over the period, generally in professional occupations (Table 5.5). It is somewhat doubtful though the extent to which growth in these higher order occupations was the result of household coping strategies of displaced workers. In absolute terms female employment remained dominated by lower-end service activities, particularly in administrative support, sales and other services.

Table 5.4: Male employment change by occupation in the Mon Valley, 1980-1990

| | 1980 | 1990 | Change 1980- 1990 | % change 1980- 1990 |
|--|---------------|---------------|-------------------------|---------------------------|
| <i>Employed men 16 and over</i> | 47,714 | 37,216 | -10,498 | -22.0 |
| Managerial and professional speciality occupations | 6,829 | 7,252 | 423 | 6.2 |
| Executive, administrative, and managerial occupations | 3,403 | 3,714 | 311 | 9.1 |
| Professional speciality administrators | 3,426 | 3,538 | 112 | 3.3 |
| Technical, sales, and administrative support occupations | 8,003 | 8,352 | 349 | 4.4 |
| Technicians and related support operations | 1,634 | 1,807 | 173 | 10.6 |
| Sales occupations | 2,967 | 3,567 | 600 | 20.2 |
| Administrative support occupations, including clerical | 3,402 | 2,978 | -424 | -12.5 |
| Service occupations | 4,337 | 5,140 | 803 | 18.5 |
| Private household occupations | 6 | 38 | 32 | 533.3 |
| Protective service occupations | 1,075 | 1,414 | 339 | 31.5 |
| Service occupations, except protective and household | 3,256 | 3,688 | 432 | 13.3 |
| Farming, forestry and fishing occupations | 153 | 529 | 376 | 245.8 |
| Precision production, craft and repair occupations | 11,480 | 7,438 | -4,042 | -35.2 |
| Operators, fabricators, and labourers | 16,912 | 8,506 | -8,406 | -49.7 |
| Machine operators, assemblers and inspectors or Machine operators and tenders, except precision; Fabricators, assemblers, inspectors, and samplers | 7,418 | 2,674 | -4,744 | -64.0 |
| Transportation occupations; Material moving equipment operators | 4,902 | 2,906 | -1,996 | -40.7 |
| Handlers, equipment cleaners, helpers, labourers | 4,592 | 2,926 | -1,666 | -36.3 |

(Source: Census)

Table 5.5: Female employment change by occupation in the Mon Valley, 1980-1990

| | 1980 | 1990 | Change 1980- 1990 | % change 80-90 |
|--|---------------|---------------|-------------------------|-------------------|
| <i>Employed females 16 and over</i> | 31,394 | 33,335 | 1,941 | 6.2 |
| Managerial and professional speciality occupations | 5,459 | 7,706 | 2,247 | 41.2 |
| Executive, administrative, and managerial occupations | 1,715 | 2,908 | 1,193 | 69.6 |
| Professional speciality administrations | 3,744 | 4,798 | 1,054 | 28.2 |
| Technical, sales, and administrative support occupations | 15,819 | 16,536 | 717 | 4.5 |
| Technicians and related support operations | 883 | 1,448 | 565 | 64.0 |
| Sales occupations | 4,103 | 4,345 | 242 | 5.9 |
| Administrative support occupations, including clerical | 10,833 | 10,743 | -90 | -0.8 |
| Service occupations | 6,948 | 6,900 | -48 | -0.7 |
| Private household occupations | 188 | 214 | 26 | 13.8 |
| Protective service occupations | 216 | 306 | 90 | 41.7 |
| Service occupations, except protective and household | 6,544 | 6,380 | -164 | -2.5 |
| Farming, forestry and fishing occupations | 45 | 54 | 9 | 20.0 |
| Precision production, craft and repair occupations | 548 | 624 | 76 | 13.9 |
| Operators, fabricators, and labourers | 2,575 | 1,515 | -1,060 | -41.2 |
| Machine operators, assemblers and inspectors or Machine operators and tenders, except precision; Fabricators, assemblers, inspectors, and samplers | 1,340 | 764 | -576 | -43.0 |
| Transportation occupations; Material moving equipment operators | 317 | 261 | 56 | -17.7 |
| Handlers, equipment cleaners, helpers, labourers | 918 | 490 | -154 | -16.8 |

(Source: Census)

5.4 Accessing alternative local employment opportunities

Northumberland

The two most important structural determinants of individual outcomes in Northumberland were age, and position in the colliery's division of labour. Those with transferable skills, particularly tradesmen, generally had fewer difficulties in finding alternative employment. Although there would typically be some downward adjustment in wages it would generally be much less pronounced than for a face worker. Re-training was also more appealing for those with transferable skills, involving re-adjusting skills for a different occupation rather than starting again.

I mean your craftsman. They would have found work more easily...[The] miners were skilled people at the colliery, but didn't have a trade (Former miner [N5]).

Sadly, many older workers would never work again. There was perceived to be age discrimination by local employers, and many older workers felt they stood little chance of gaining alternative employment when there was such weak demand for labour.⁸⁵

When ma friends went and asked for employment and were turned away, told "you're too old". I wasn't going through that indignity... when you're going at that age seeking employment and, "oh you're too old we want younger people", I wouldn't lower meself to that. So I never ever looked for employment (Former miner - was in his early 50s at the time of closures [N4])

For men who were nearing retirement age, redundancy money would often support them until they reached the age to qualify for state and occupational pensions at 65. But, for the workers in their late 40s and

⁸⁵ Some also believed that local companies did not want to employ ex-miners because of their strong Union views and high wage demands.

early 50s, closures were a particularly difficult pill to swallow. Many of this cohort considered themselves too old to retrain, but not old enough to retire.

This perception of the lack of local employment opportunities was partly responsible for the rising number of Incapacity Benefit claimants which followed pit closures.⁸⁶ Indeed, the availability of IB for some former miners, allowed them to exercise selection in refusing to take employment which they considered to be inappropriate.

They would say employers can't be ageist, but most employers were like "oh you're over fifty we don't want you"... So if you wanted the sick it had to be something good, it had to be convincing; but that was the alternative ó either go on the sick or take a job (Former miner [N2])

Wage levels presented perhaps the biggest obstacle to finding new employment. Typically the wages offered in alternative employment would be compared (often very unfavourably) with those paid in the mining industry. There was a historical and cultural understanding that work would pay a decent wage which many saw as sacrosanct, refusing to settle for less than this. In addition, there were other cultural barriers, since many former miners would prioritise finding what they considered 'male work'; work which was physical in nature. It is clear therefore that the *level* of local demand was not the sole barrier in finding alternative work, the *type* of demand was equally important.

There was an offer of taxi driving and delivery jobs. People are worth more than that (Former miner [N1])

One of the biggest problems was that jobs weren't offering the salaries... they would say, "I'm not doing that job. I was getting that money 10 years ago", so they wouldn't

⁸⁶ At the time this was known as Invalidity Benefit but Incapacity Benefit (IB) is used for the sake of clarity between this and the following chapter.

work for it. Obviously in those days we didn't have national minimum wage, and a lot of them put themselves out of the jobs market (Employment opportunities manager, Amble Development Trust, formerly redundancy counsellor with British Coal Enterprise).

These attitudes represented a cultural mismatch between individual aspirations and the new economic realities which was in some respects mitigated by the public welfare system. Redundancy and benefits allowed many who were not sufficiently 'flexible' to retain an element of selectivity, and often remain 'in-place' without having to take alternative work.

For many older workers therefore the easiest transition to make was to retire early. This transition was made possible by the relatively large redundancy payments which workers who had been in the industry for many years were entitled to.

I had me redundancy money which helped me through.... never looked for work (Former miner [N4]).

A lot of them, like I say, had this buffer; had some money in the bank. It's a case of, you think what would you really like to do, so a lot of them would want to do something to do with the outdoors. They liked their allotments or their gardens, but they were more for that than a factory job (Employment opportunities manager, Amble Development Trust, formerly redundancy counsellor with British Coal Enterprise).

Mon Valley

Alternative employment opportunities were also scarce in the Mon Valley, and those that were available were often low-waged, and lacked important healthcare benefits. A United Way study in Southwestern Pennsylvania found that during a six-month period in 1983 the average wage of the 6,748 jobs created was \$3.83 an hour. This

contrasted with the \$13.43 an hour basic rate of which was paid in the steel industry (Cunningham and Martz, 1986; 5).

Most people ended up working for less than half of what they were working for in the mill (Former mill worker [MV3]).

In an attempt to compensate for the loss of household income more women were drawn into employment. However, often even when dual incomes were combined they paid less than the previous single male earnings.

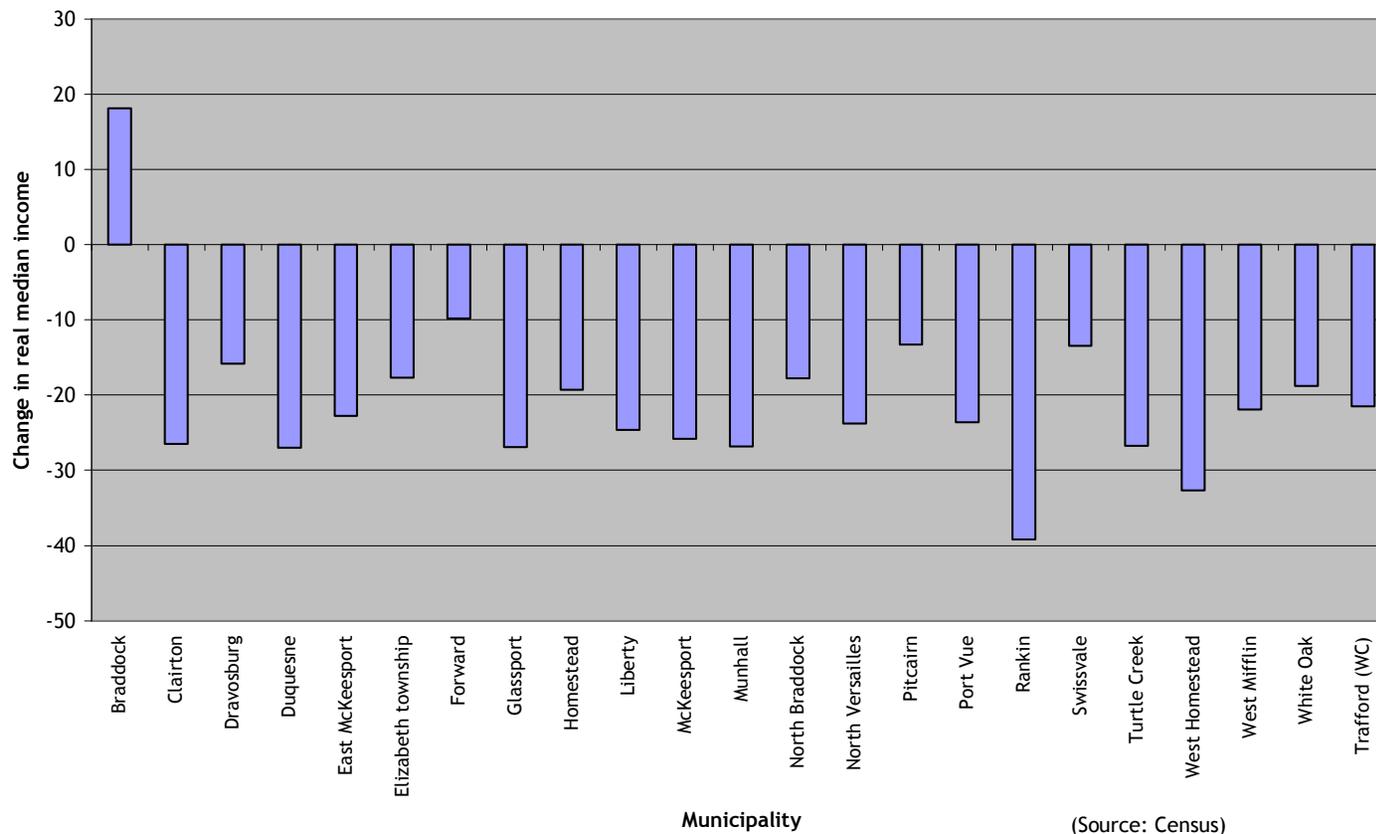
In years past you had this worker in the steel industry...making enough money to support their family. Then you had a husband and a wife, you know, working in Wal-Mart or K-Mart. Both of them working, not making nearly as much as the one breadwinner made working in the steel industry (Pennsylvania House of Representatives, State Representative. District 39).

People, not only them but their wives, had to go to work, and them and their wives were probably working two or three jobs and making less than they were making in the mill for one person (Former mill worker [MV3]).

Figure 5.3 shows the precipitous effect of the loss of mill jobs on wages, as household incomes in most municipalities declined by between 15 and 30% between 1980 and 1990, amounting to a loss of between \$5,000-\$10,000 a year. These losses were heaviest in absolute terms in the mill suburb areas, like Munhall, West Homestead and North Versailles where the better paid industrial workers were more likely to live.⁸⁷ It is worth noting that this loss occurred even though more women had entered the labour market which should have boosted household incomes.

⁸⁷ It is unclear why Braddock bucks this trend, as we shall see in the following chapter it too was at a loss by 2000.

Figure 5.3: The change in real median household income for Mon Valley municipalities, 1979-1989



Compared with the experience in Northumberland, displaced workers in the Mon Valley were generally much less selective, accepting low-wage jobs as being better than nothing. Two factors shaped this different attitude. First, the public welfare context of small redundancy payments, time-limited unemployment benefits and the absence of universal healthcare drastically narrowed the scope for selectivity. Unemployment Insurance for workers usually lasted for six months but, in part because of the campaigning of the Mon Valley Unemployed Committee (MVUC), some were able to have their benefits extended, sometimes for up to 18 months, depending on fulfilling certain criteria, through Trade Readjustment Assistance (TRA). Healthcare insurance would generally not be extended, however, and this would make finding alternative employment imperative. Secondly, and more intangibly, interviewees gave the impression that the culture of dependence was largely absent from the Mon Valley, and that change in the economy was viewed as being somehow natural, even if it was often regrettable.

Displaced workers in the Mon Valley received only small redundancy payments, typically of only '*a couple of thousand dollars*', even for relatively long periods of service (*Interview with former mill worker [MV3]*). This made finding alternative work quickly a priority, leading to workers taking jobs at whatever wage was available.

You really had nothing, nothing available at the time, so you took whatever you could take. It was tough, like I said it was really tough. You took whatever the heck you could find (Former mill worker [MV4]).

[I found work with] a company that was trying to run on a shoe-string, you know, where I'd left here getting 12 dollars an hour now I was back getting 5.50 an hour which is just barely

enough to sustain you (Former mill worker [MV2]).⁸⁸

The absence of universal healthcare coverage was also another critical driver in the need to find alternative work quickly.

Hospitalisation disappeared, which we were just hoping that nobody was going to get sick. But we still had to have the kids covered, and that's what really wiped us out of any savings, trying to pay for that... we were just trying to live day by day at that point (Former mill worker [MV2]).

We had all these kids that weren't getting healthcare...It was like, "This sucks. We want to be able to go to a doctor if we want to", you know? (Co-director, Mon Valley Unemployed Committee, former mill worker)

The general trend therefore for those who remained in the area was that workers were substantially financially worse off, spending time unemployed and in low-wage jobs. Working multiple casual jobs was also commonplace.

In that period of time it was hell, and that's about as plain as you can put it. It was hell ó you try to work tending bar, working with contractors in the evening, whatever else you could pick up ó try and work three jobs at one time to try and make ends meet...and I'm not alone ó there's awful lot of guys that did the same thing (Former mill worker [MV4]).

If I knew somebody then maybe they gave me a helping hand to find some kind of employment somewhere... No benefits or nothing, it's all temporary or part-time (Former mill worker [MV1]).

In the Mon Valley, as in Northumberland, individual outcomes were again heavily structured by age and transferable skills. In addition, race

⁸⁸ An hourly wage of \$5.50 an hour in 1988 is equivalent to \$9.64 in 2007 (BLS inflation calculator); well below the average hourly wage for production and non supervisory workers of \$17.71 (BLS, December 2007)

was an important factor in the Mon Valley, as the historical division of labour in the mills saw black workers in the least skilled occupations. Workers who were close to retirement and who qualified for pensions (usually this depended on 20-25 years of service), would in many cases be able to take a reduced early pension as a lump sum to live on until they qualified for social security at 62.⁸⁹ For the majority who didn't have such early pension entitlements, the situation was more difficult; in particular for the older and less-skilled. Indeed there were workers in their mid 50s who did not have such entitlements.⁹⁰

They got out of high school, they worked in the mill; you know, that was their livelihood and they had no other training, and, you know, at age 50 or age 55 how do you start over?... you know it's hard to go into training when you've been working at the same job for 20 or 30 years (Member, North Braddock CARES).

Workers in this cohort also felt that age discrimination limited their options for alternative work:

At my age, when I was applying for a job I'd get this bit of over-qualified, which meant I was too old...Nobody wanted to hire a guy who was in his 40s, nobody wanted to pick up hospitalisation, things like that (Former mill worker [MV4]).

'As soon as they find out he's 50 years old, they make excuses. Because of age discrimination, they won't come right out and say, "we're not going to hire you because you're 50 years old." Most of the time they say, "we're not hiring laid-off steelworkers because if they get called back to the mill, we're going to lose them." He's got applications from one end of the state to the other and some in West Virginia.' (Linda

⁸⁹ Workers are entitled to some payments from age 62 onwards and become eligible for full-entitlements at 65.

⁹⁰ One former mill worker who had been involved with the Union said he had seen evidence that the company's strategy was to skirt their pension liabilities by cutting workers first who were coming up to their 25 years of service and early pension entitlement (Former mill worker [MV3]).

Ganczak [wife of a former mill worker] quoted in the MVUC oral histories, 1983; 86).

In addition, job losses had a big impact on the black community, since even unskilled mill jobs offered good wages which black workers often could not get elsewhere.

Huge loss in the African-American community because those were the best jobs. There weren't a lot of high-income jobs of any type for the black community, manufacturing jobs were it. They'd broken into those racist hiring practices, but not into others; management, other kinds of industry. So it was devastating for the black communities (Co-director, Mon Valley Unemployed Committee, former mill worker).

The disadvantages faced by black steelworkers in finding alternative employment partly resulted from their overrepresentation in the low-skilled positions in the mill's division of labour. They tended to have fewer trade or transferable skills to help them find alternative employment (Ray Henderson [a black mill worker at Braddock] quoted in Carroll, 1992). This racial division of labour was picked up in a 1980 report to the Equal Opportunities Commission, which showed that in the Pittsburgh SMSA area (the five county region around Pittsburgh which includes the Mon Valley), black male workers were more highly concentrated in operative and labouring positions than white workers who were better represented in craft and white-collar positions (U.S. Equal Employment Opportunities Commission, 1980; II252) ó see Figure 5.4. Data from 1973, specifically for steel mills, further highlight the concentration of black workers in the lower skill/lower wage positions, with a greater proportion in operative and labouring positions ó see Figure 5.5. The black population had a greater reliance on the types of semi-skilled and unskilled positions readily available in the mills, but which became scarce after closures. Mill jobs, although requiring few if

any formal qualifications, had paid good wages and offered some upward mobility for black workers.

Figure 5.4: Occupational employment by race of men in the Pittsburgh MSA working in manufacturing durable goods, 1980

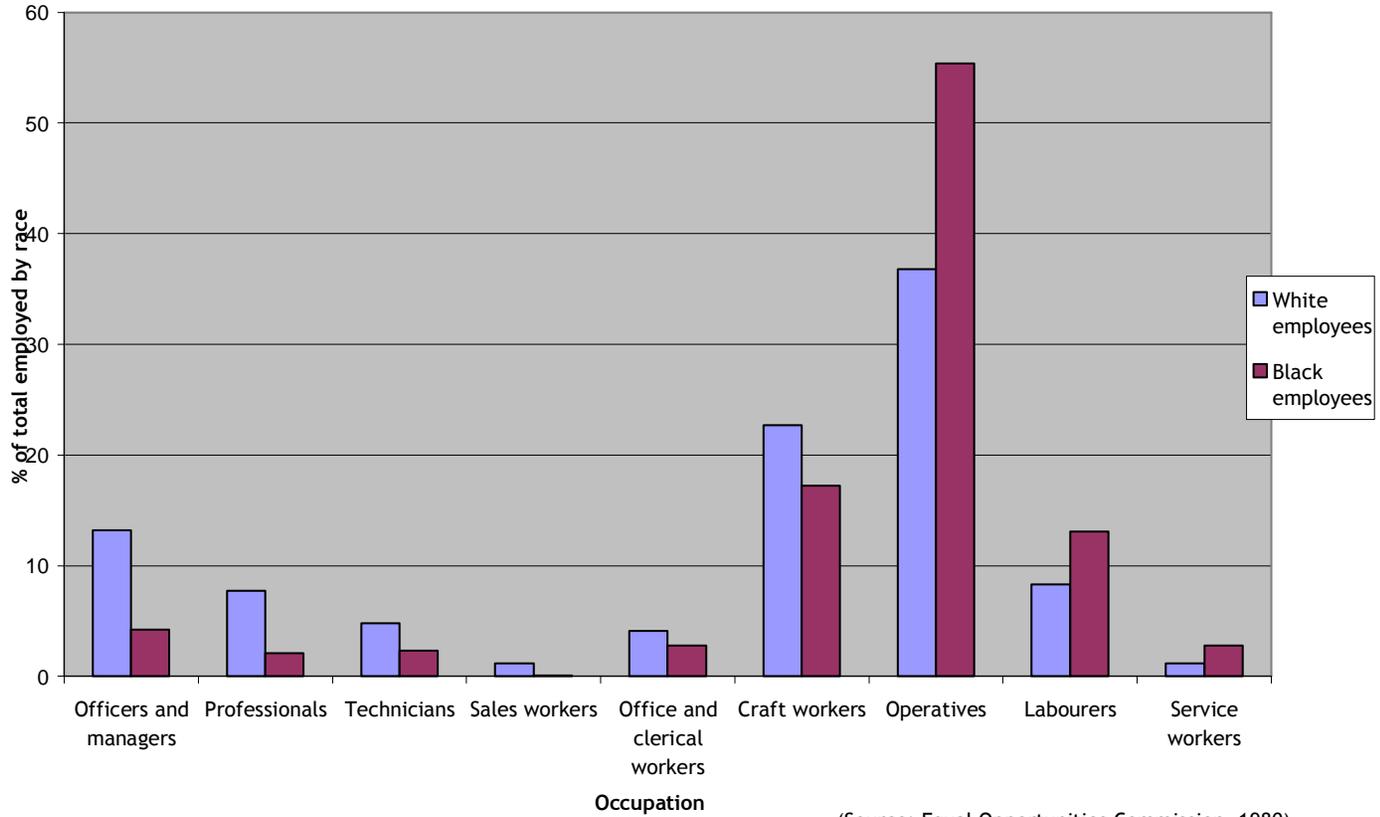
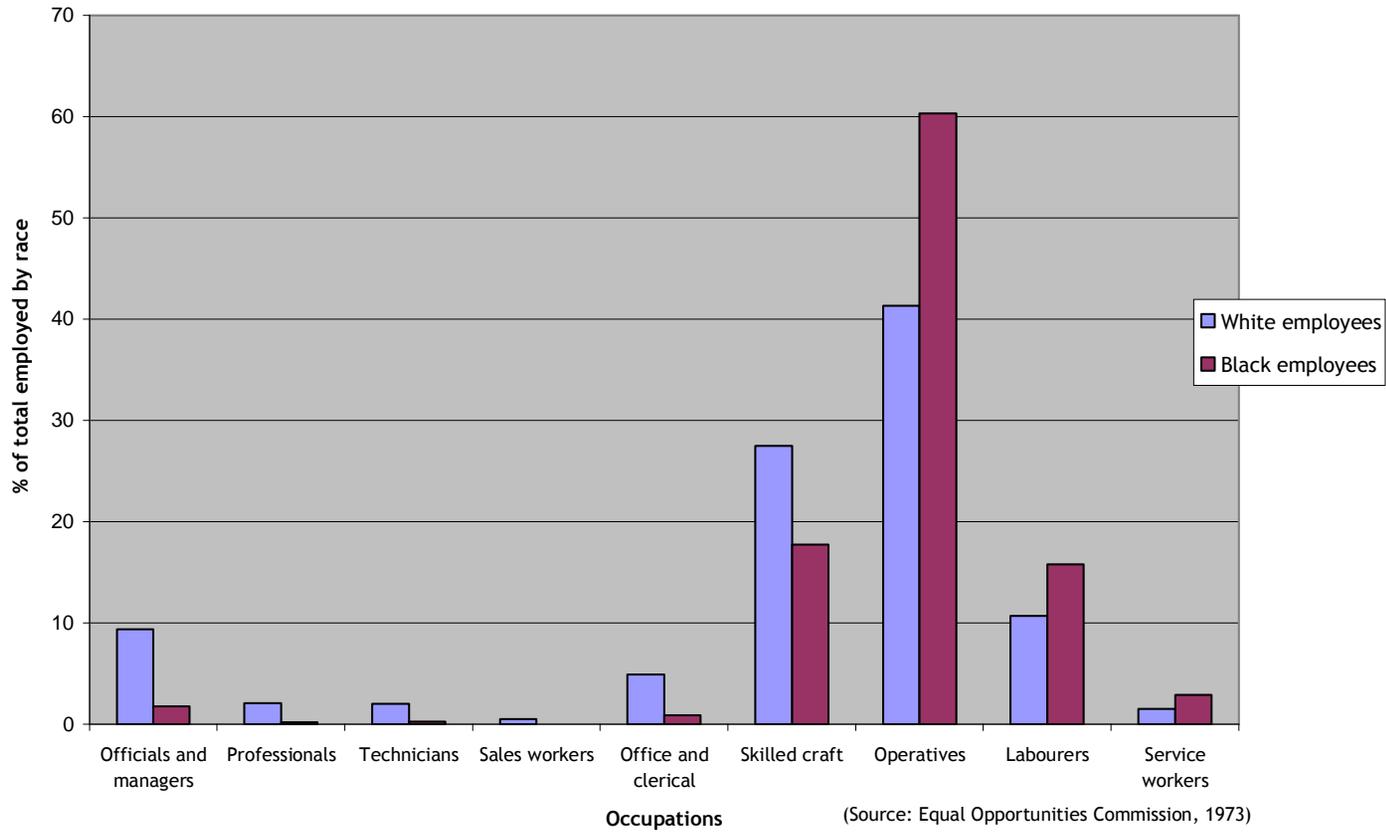


Figure 5.5: Occupational employment by race of men in the Pittsburgh MSA working in manufacturing basic steel products, 1973



5.5 Unemployment

Increasing unemployment was not as significant a trend in either area as might have been expected. Although periods of time spent unemployed were common amongst workers in the immediate period after closures, aggregate rises were tempered by interactions between unemployment and inactivity in Northumberland, and the time-limited nature of benefits in the Mon Valley. The census data therefore probably miss the immediate and short-lived spike in unemployment which occurred in both areas.

Some increase occurred in Northumberland, with rising unemployment among men accounting for around 15% of the total employment change over the decade (i.e., unemployment increases explained the outcome of almost one-in-seven jobs lost). In some wards there had also been relatively high levels of unemployment before the closures. The rise in unemployment, combined with the statistical impacts of declining rates of economic activity, meant that by 1991 many wards had unemployment rates over 15%, some over 25% and, if those on government schemes are included, the rate touched 30% in the most deprived wards, those in the worst hit parts of Blyth and Ashington towns. In 1981 the rate had exceeded 15% in only a handful of wards (see Figure 5.6).⁹¹

⁹¹ Unemployment rates are calculated as a percentage of the working-age economically active population

Aggregate male unemployment in the Mon Valley barely changed, growing by less than 50 persons. Because of out-migration, however, it did increase as a proportion of the economically active population from 6.9% to 8.5%, while under-employment and cyclical unemployment became serious concerns. There were also relatively high rates of unemployment in some municipalities, particularly some of the mill towns like Rankin, Clairton, McKeesport and Duquesne, before the closures which were exacerbated by the job losses (see Figure 5.7). In this context many workers became long-term unemployed and exceeded unemployment insurance time limits.

'I've had younger guys coming to see me to see if they could get me to sell their cars. They're not doing anything. A lot of them went back home and are living with their parents. A couple of them are going to school to be retrained for something. But as far as benefits, they're out of benefits. The majority of them went back home.' (Rich Pomponio quoted in MVUC Oral history project, 1983; 80)

Figure 5.6: Change in the male unemployment rate in Northumberland coalfield wards, 1981-1991

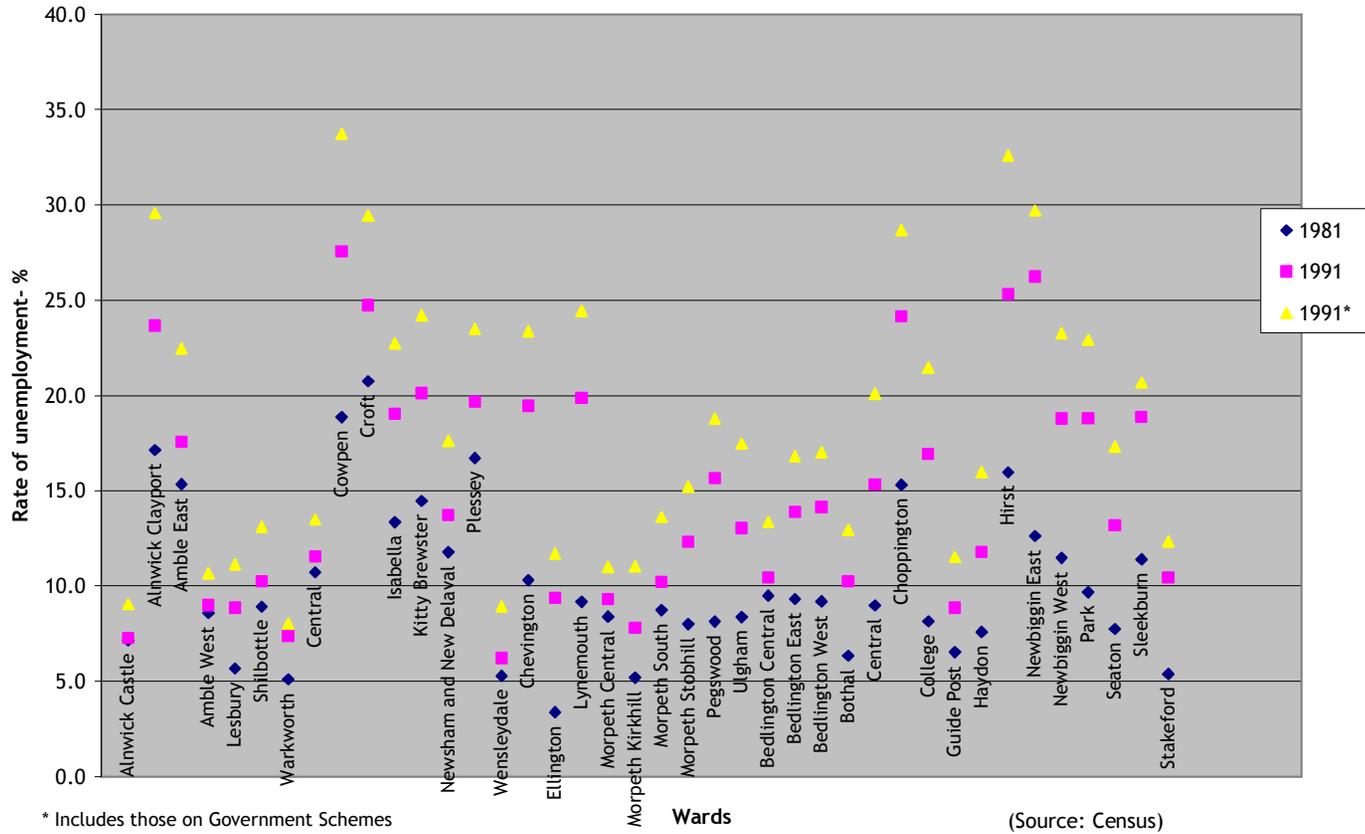
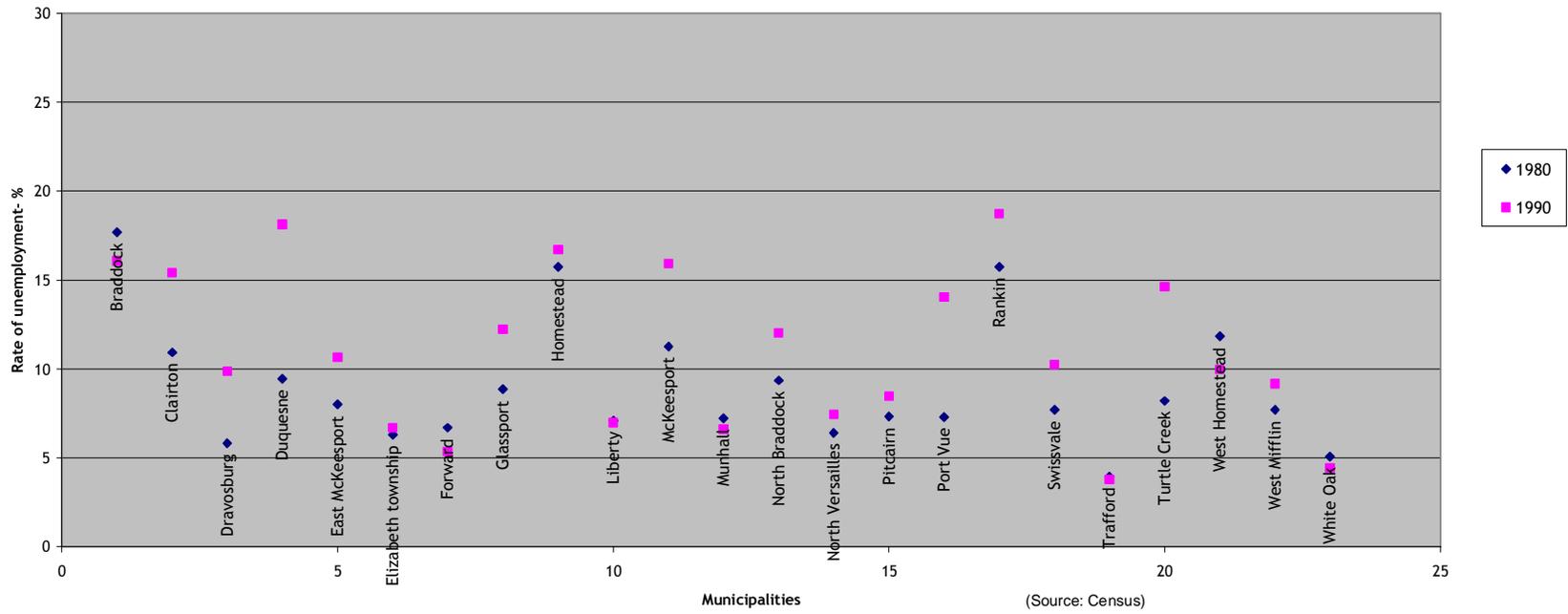


Figure 5.7: Change in male unemployment rates for Mon Valley municipalities, 1980-1990



5.6 Retraining

The mainly industry-specific skills of many of the workers coming out of the coalmines and the steel mills meant that retraining would often be needed to enable displaced workers to gain alternative productive employment. Attempts to retrain displaced workers for other industries however were only partially successful in both areas, though for different reasons. In Northumberland many workers failed to take up retraining provision as a result of bitterness over job losses, and doubts about the quality of retraining outcomes. In the Mon Valley the out-migration of the most productive and more highly skilled workers left behind the older and more difficult to retrain.

The result of these failures was a general de-skilling in both areas, with the skills base associated with previous industrial work not being replaced with skills appropriate to new industries and investment. In both areas, retraining efforts were somewhat ad hoc, with little evidence of strategic planning between economic development planners and training providers to direct skills towards potential growth sectors. A more general approach was adopted, for example, retraining in aspects of construction, driving and warehouse work.

Northumberland

Age and skill levels primarily determined who retrained in Northumberland. Older workers who wanted to return to work were more likely to be looking for a job to tide them over until retirement age, rather than seeking what might be termed a new career. Those who already had some trade skills were more likely to convert these into relevant qualifications for alternative work. The effectiveness of these retraining efforts, however, was limited by weak local demand. It was perceived by many that the opportunities available were of insufficient quality for retraining to be worthwhile.

We'd put you on a three week course and hopefully you'd be a welder at the end of it. Well you were lucky to get your welding codes, and most civvy street employers wouldn't employ you without your codes. So if somebody wanted to be a jobbing builder or get a job as a labourer on a building site, the courses they would have put them on would have given them enough to be a plumber's mate or a brickie's assistant or whatever. But never would they get a job as a brickie, or a plumber, or a plasterer, or whatever, because you needed much longer training, and the people who would provide that, the specialist ó the employers as opposed to the training establishment ó they could get a young lad and train them up for peanuts by comparison, whereas they were wanting a good wage to do it...Which again meant they had difficulty in finding work (Employment opportunities manager, Amble Development Trust, formerly redundancy counsellor with British Coal Enterprise).

Unemployment agencies demanded all the miner was good for was a forklift driver (Former miner [N1]).

In some cases bitterness at the loss of jobs would stop workers accessing the help that was made available, embedding a sense of dependency and not wanting to move on.

They built a brand new industrial estate there [Ashington], and British Coal Enterprise built the first of the buildings and they used that as a job shop - come skills counselling shop, for all their ex-employees to come in and receive advice and guidance, and hopefully funding towards retraining etc. Like I say not everybody took them up on that. Some were just I suppose angry and annoyed at having lost their jobs, and that made them blinkered in their way of thinking sometimes. What is it you say cutting themselves off? They're their own worst enemy you know (Employment opportunities manager, Amble Development

Trust, formerly redundancy counsellor with British Coal Enterprise).

Mon Valley

Efforts to retrain displaced workers in the Mon Valley were only minimally effective because many of the younger and more skilled workers chose to migrate, leaving behind the older and more difficult to retrain.⁹² This left real issues about whether in many cases retraining was possible.

I think for a lot of people the frustration came in as to what are we being retrained for? You know, what were the growing jobs? And can you take a worker that was working as a millwright or did more of a labourer job in a mill; are you going to be able to retrain them to work in biotechnology or computer software engineering? Maybe their kids, but the reality is, when you're in your 40s or 50s there's only so much retraining that can be done with you ...See that's why I think personally, job retraining efforts were only minimal; you know, were only somewhat effective. It's because the best and the brightest left the region, and what was left was the more difficult to retrain... So people that basically engaged in physical work, with physical skills, certainly had a really hard time in going through job retraining (Pennsylvania House of Representatives, State Representative: District 39).

There was similarly also the real worry, given the weak local demand, as to whether retraining would lead to employment.

⁹² There are no official figures for the numbers who undertook retraining. A Gallop poll in Allegheny County in the mid-80s found that 40% of respondents had undergone some form of retraining. In a larger study of 401 households in Duquesne, Cunningham and Martz (1986; 45 & 52) found that few households contained a member who was seeking a form of retraining; just 5%, even though some 21% reported being unemployed. The contradictory evidence suggests that the uptake of retraining may have been geographically differentiated, with fewer in the mill towns (often the lowest skilled workers) undergoing retraining, but a greater number of those living in the mill suburbs.

Take the medical field. A lady called me today. She wants to get me into school, but the list of enrolees is really expanding. Before, that was a good job opportunity. But it seems like now, everybody got in and their enrolment is really high. It's the Median School, they call it (a school that trains people in Allied Health careers). Some of the schools—the automechanics, diesel mechanics...It's good if you can get a job, but are there any jobs out there? (Richard Grace quoted in MVUC Oral History project, 1983; 122)

Again these failures were associated with a general deskilling in the area. As a huge industry specific local skills base was eroded, and no coherent plan was put in place for replacing it with new skills with the potential to attract new investment or to foster endogenous growth.

[The attitudes of local business and policy-makers was] we don't really care about or need the skills of these former industrial workers...There was no easy transition, nor was there an easier sustainable path for workers to transition their skills towards new sectors. (Chairman, Steel Valley Authority)

5.7 Commuting for work

In the absence of suitable work locally, commuting can potentially play a significant role in alleviating labour market disadvantage by linking workers to jobs in the broader travel-to-work area. While both areas sit within commutable distance of relatively large urban labour markets, during the 1980s both Newcastle and Pittsburgh were suffering their own problems of deindustrialisation. This loss of industrial jobs within the cities themselves, and in other parts of their hinterlands, created large regional imbalances in labour supply and demand which limited the role commuting was likely to play in either area. However it was not just demand, there were other aspects to this lack of commuting which are now explored.

As has been explained, one of the main weaknesses in the LMA approach adopted here is the absence of commuting data which would allow for the role of wider regional labour demand to be explored. Fortunately, there are several ways in which the LMAs can be supplemented to allow regional demand to be addressed. In the UK this is relatively straightforward. Flow data, accessed through the Census Interaction Data Service (CIDS), provide evidence of how out-commuting from the coalfield area changed during the 1980s. In some ways such an approach is preferable to the direct incorporation of net-flows into the LMAs. Previous applications of LMAs have tended to exaggerate the importance of the commuting response, since much of what they show reflects declining in-commuting to areas, rather than adjustment to job losses by local workers. In the Mon Valley the problem is less easy to overcome and often proxy measures for commuting change, such as travel to work times, have to be used.

Northumberland

While Newcastle was suffering similar problems of industrial change in the 1980s, the city clearly presented more opportunities for employment than the coalfield itself. Some adjustments to patterns of commuting might therefore have been expected. In practice, the increase was paltry, with male commuting from the coalfield area to North Tyneside and Newcastle combined growing by less than 500 between 1981 and 1991 (CIDS 1981; 1991).

Even these small increases were strongly structured by age and skill levels, with older workers and those in lower-skilled employment much less likely to commute to work elsewhere. There was also some distance decay effect, as a higher proportion of the commuting increase came from workers from the urban coalfield rather than the rural coalfield, though even from the urban coalfield the increases remained modest at around 5% (see Figures 5.8 and 5.9). Female

commuting increased in line with that of men, illustrating the extent to which women also heavily depended on highly localised demand for labour.

Figure 5.8: Change in out commuting flows of male workers from rural coalfield, 1981-1991

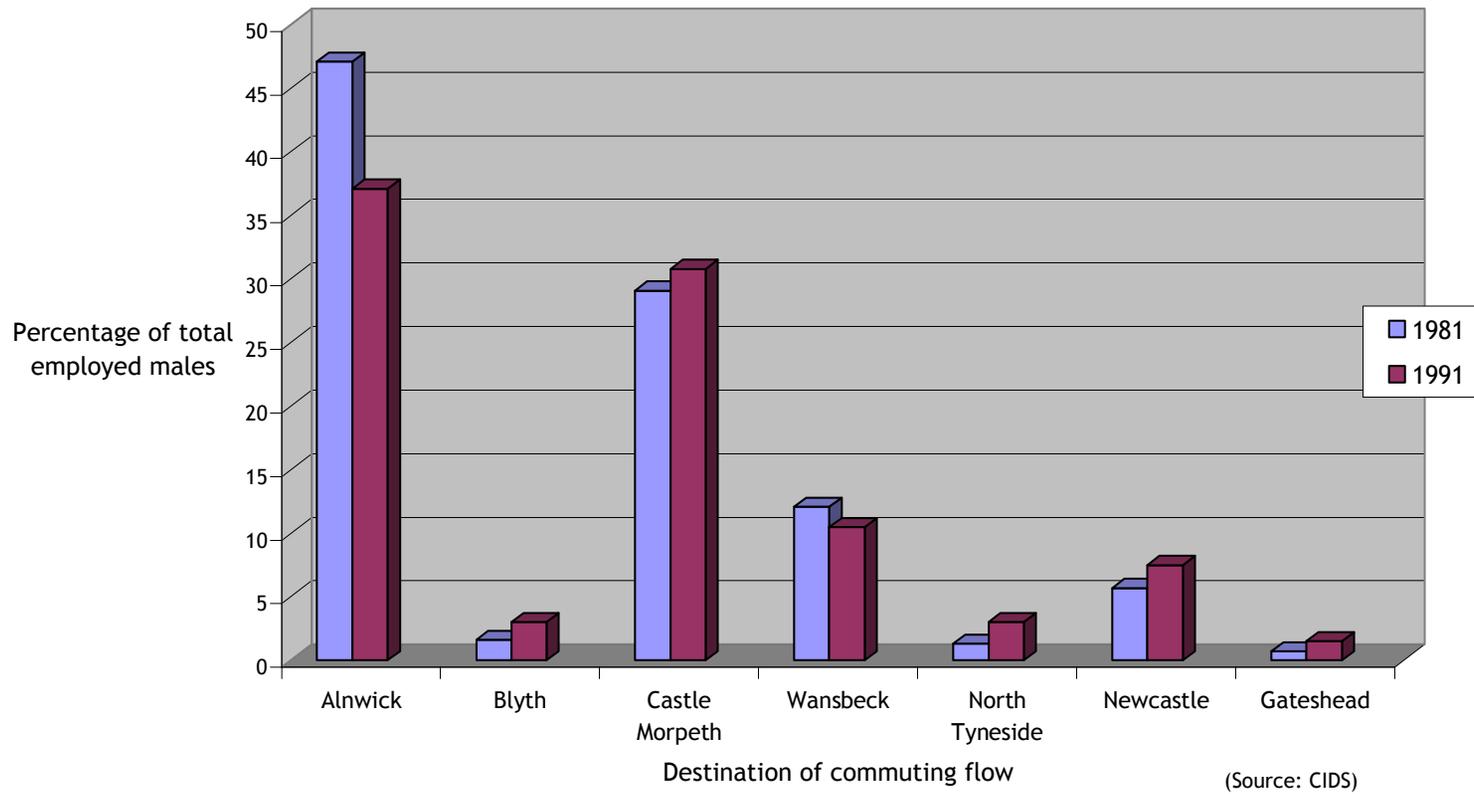
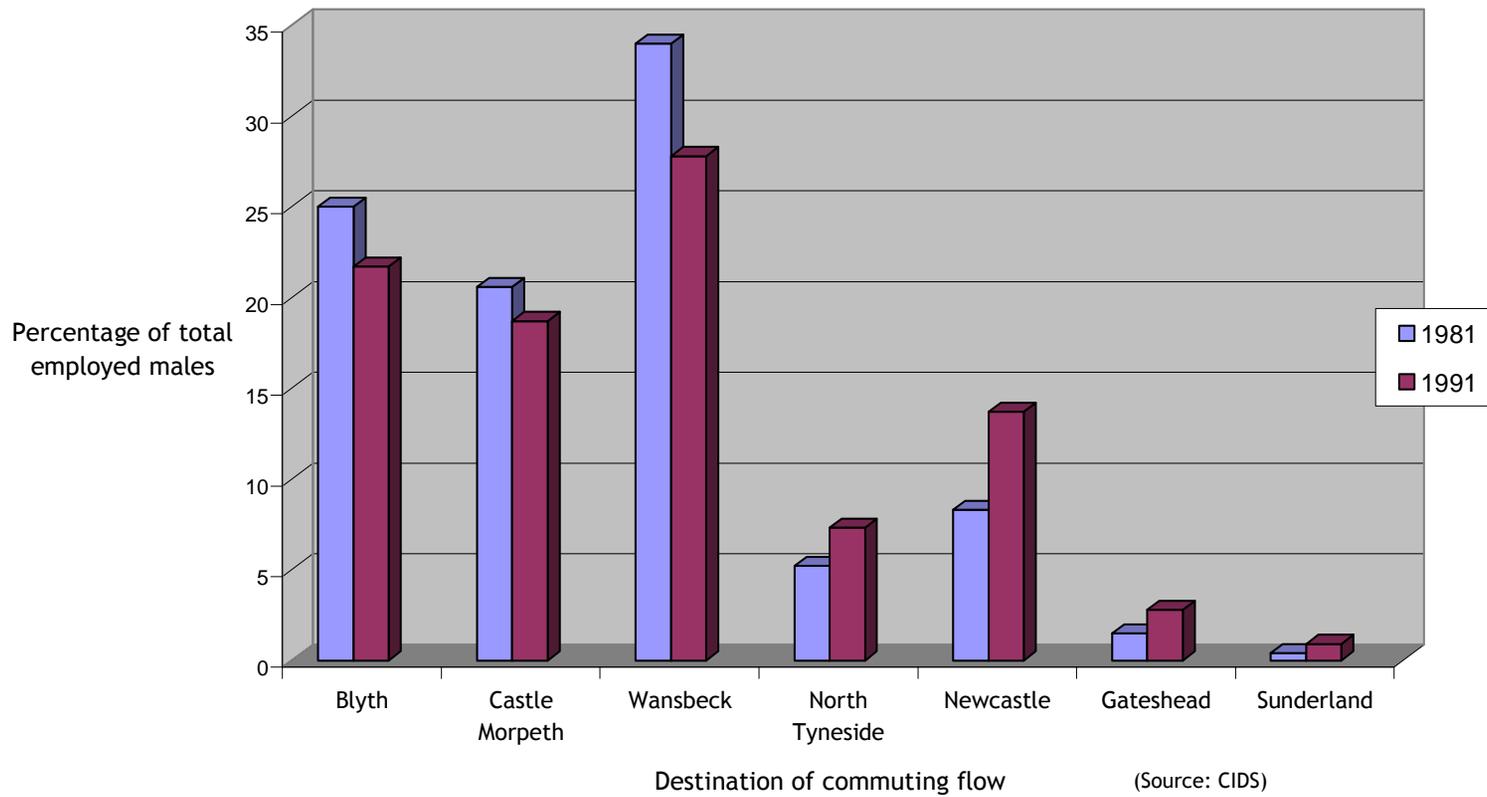


Figure 5.9: Change in out commuting flows of male workers from the urban coalfield, 1981-1991



There are two main reasons for this very limited commuting response. First, depressed regional demand limited the realistic scope for accessing alternative commutable opportunities. Secondly, there were both physical and attitudinal barriers to commuting. The physical barriers included relatively low levels of car ownership and poor public transport infrastructure. The ongoing implications of these are more fully developed in the next chapter.

It's 35 miles to Newcastle - a lot of them wouldn't go that far, certainly not on public transport because the cost and location, and/or the times (Employment opportunities manager, Amble Development Trust, formerly redundancy counsellor with British Coal Enterprise).

Perhaps of even greater significance was the cultural reluctance of workers to look outside their own locality. This was associated with the inherited tradition of highly localised live/work arrangements; the relatively self-contained nature of the communities where houses, jobs, recreation and services were available locally. This cultural barrier left many solely dependent on what happened to employment locally, with all the difficulties that entailed.

There was an expectation that when you've worked in a community where your housing is based as well as your job, you actually assume that you know you walk out your house round the corner and into your job (Assistant director- Northumberland Community Council)

I hadn't realised how much of a dependency culture [there was] in the local villages. They were very institutionalised. You had the Co-op was your main shop, you didn't need your own transport to go to work because it was either walking distance or there was a bus laid on. You had very much camaraderie, the social clubs existed at the end of the street or the pub and there was much more neighbourly, you know, all the miners had allotments or gardens, so they were very insular...They didn't

venture outside their own community ... Once the mine was shut, quite often that was the only business in the town, the only large employer. And the work was in major conurbations, major towns...They were really flummoxed and a lot of them didn't take to it (Employment opportunities manager, Amble Development Trust, formerly redundancy counsellor with British Coal Enterprise).

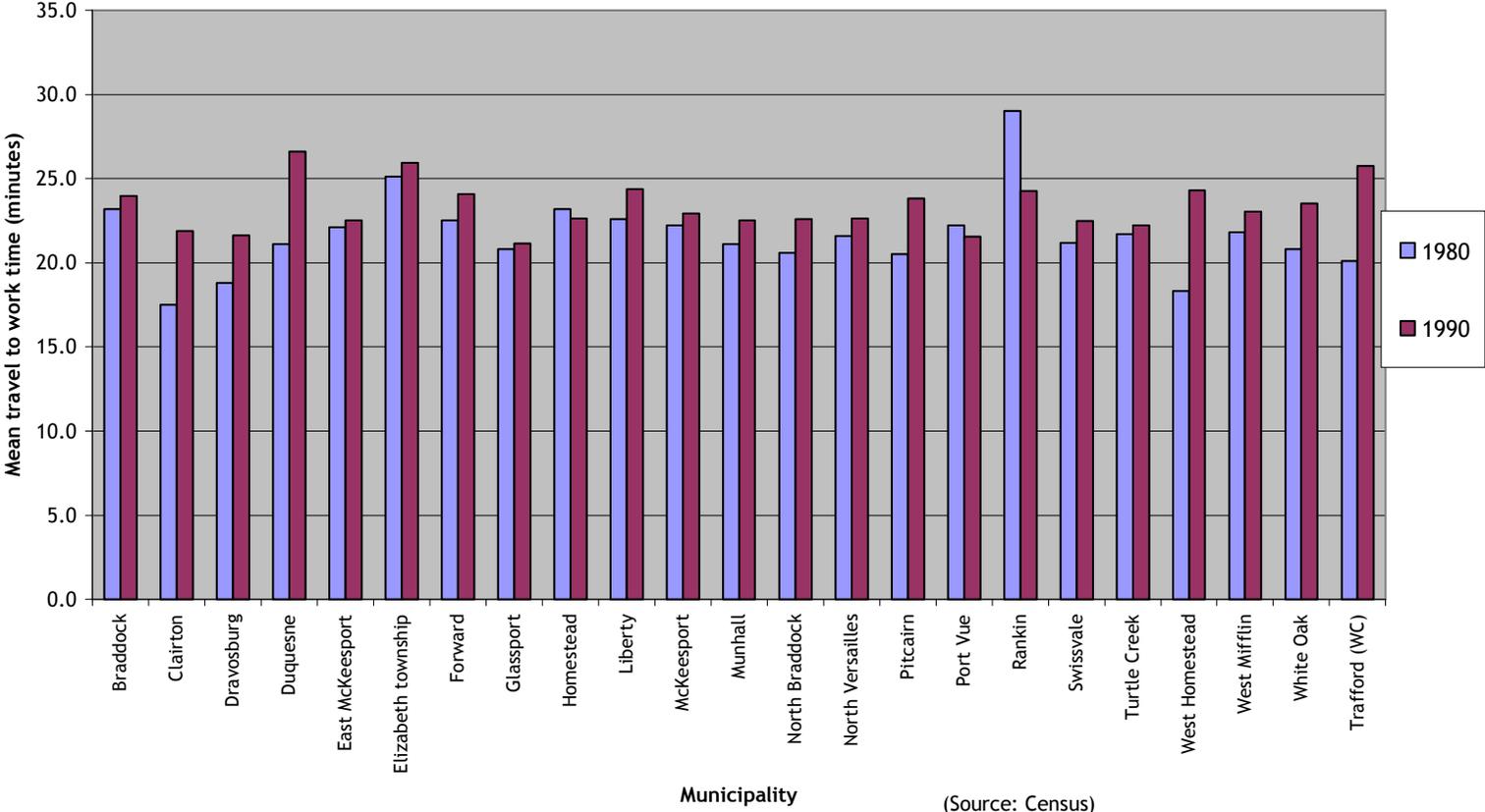
Mon Valley

It is more difficult to describe the impacts of job losses on commuting patterns in the Mon Valley because neither flow data nor local demand figures are available. Where data has been collated, for example commuting times, combined with local interview evidence, they suggest only small increases in out-commuting during the 1980s. Figure 5.10 uses time as a proxy for distance, showing small increases in commuting time from most municipalities between 1980 and 1990.

There is also an important difference in the comparison with Northumberland. Many mill workers had moved out to mill suburb areas as they became wealthier, so that many already commuted to work.⁹³ At the time of closures, commuting patterns in and around the Valley were thus much wider than in the Northumberland coalfield, and a change in job could often not necessarily entail a longer, but simply a different commute.

⁹³ This process was explained by a former mill worker, Mike Bilcsik, as part of the SIHC Oral History Project: 'Munhall was where, when you worked in the mill and you got enough money to buy a house and get away from the mill, you moved up on top of the mill in Munhall'. Munhall sits above Homestead, the immediate town around the Homestead works.

Figure 5.10: Change in mean travel to work times by Mon Valley municipalities, 1980-1990



(Source: Census)

More generally, the Mon Valley area is more closely linked to Pittsburgh through commuting than is Northumberland to Newcastle. By 1990, more than a third of employed residents of the Mon Valley were working in Pittsburgh, almost three times the proportion commuting from Northumberland to Newcastle. The main factor limiting further growth in commuting to Pittsburgh, was the broader regional collapse in demand for labour. There was little sense of a lack of mobility among the workers but finding employment which paid enough to compensate for travel costs was far from easy. The established suburban lifestyle, the historical culture of mobility, and the higher levels of car ownership therefore meant that transport, and especially attitudinal, barriers to commuting were much less pronounced than in Northumberland. The geographical scope of job searches by displaced workers was therefore often much wider.

I was looking anything from Pittsburgh east. I didn't want to have to go into Pittsburgh if I could help it, but if that's where I found a job, and I did look in there, if I found a job down that way then I would have had to contend with that (Former mill worker [MV2]).

I went to Little Washington in Washington PA [the other side of the city] and put an application in there. I remember that, that was a plastic place I think. But I was willing to take whatever I could get if it was worthwhile, and I'm not saying big bucks. Just where I could live, not even comfortable, just where I could just make ends meet (Former mill worker [MV4]).

5.8 Migration

The scale of the response to localised job loss through migration was the biggest difference in the adjustment processes between the two areas. In the Mon Valley for many workers migration was the only realistic option to find alternative employment. In many respects this was positive - workers who moved could almost certainly access better

opportunities than those available locally, and this to some extent alleviated supply-side labour market pressures by reducing competition for those who stayed. The Mon Valley's experience contrasts sharply with what happened in Northumberland, where a range of place-based coping mechanisms enabled workers to stay in place.

Northumberland

At the aggregate level, in Northumberland, there was a small net out-migration of both men and women during the 1980s. Some of this was undoubtedly accounted for by ex-miners. A limited number who had lost jobs and who wanted to stay in the industry, for example, left for other coalfields such as Nottinghamshire and Selby (*Interview with Former miner [N2]*).

Generally, however, the migration response was small, for several reasons. First, the economic collapse was not as far reaching as in the Mon Valley. Some growth in other industries partially compensated for the loss of industrial jobs, perhaps even enough to convince people that the area had a brighter future, if not for them but for their children. Secondly, the public welfare context served to keep people 'in-place'. Even beyond the payments of unemployment and Incapacity Benefits, the funding of local governments was maintained, so that service provision remained relatively strong and schools were well funded. The national healthcare system also took away one of the main drivers to find work of greatest importance in the Mon Valley. In short, the non-work related quality of life aspects, including the public goods of education, healthcare and the environment, were available regardless of income from employment, and were maintained in a way that did not happen in the Mon Valley. Combined with income replacement benefits for some, this allowed people to exercise the preference not to move away from their homes and communities.

There was less need for migration as a 'strategy of last resort' (Castree et al, 2004; 199).

A further important factor tied people to place. Miners would often use redundancy money to purchase the NCB properties in which they were tenants or to pay-off their mortgages. This thus served to limit the mobility of workers, as they became not just emotionally but economically tied to the fortunes of the area. The area's subsequent social problems meant that house prices remained relatively depressed, making moving more difficult.

A lot of the people who bought, when they bought them from the Coal Board and there was a lot of money spent on them, [they became] trapped in them because they couldn't sell for anything like that you could buy an equivalent elsewhere (Chair Lynemouth Parish Council)

At a more localised scale some migration flows began to change the micro-geographies of the coalfield, as houses formerly owned by the NCB were transferred to local authorities or housing associations, or sold to private landlords. Such transactions, however, were limited in scale compared to the Mon Valley.

Mon Valley

In comparison to Northumberland, major out-migration flows took place from the Mon Valley during the 1980s. It lost 13% of its working-age population between 1980 and 1990 through migration, and a further 5% through natural change. The places mentioned in interviews suggest that destinations were widely dispersed across the US, including Texas, the Carolinas, the Rocky Mountain States, Atlanta, Washington DC, Alexandria Virginia, Missouri, North Dakota, California, Florida, and New Jersey.

Most of the people who worked in the mill had to move out of town and move out of state to find jobs. There were just no more here (Former mill worker [MV3]).

Now in the early 80s there were no jobs. You couldn't even get a job in fucking places like this [Eat n' Park Diner], or even worse (Co-director, Mon Valley Unemployed Committee, former mill worker)

Migration was selective, and decisions were strongly influenced by age and skills levels, with those most likely to be able to effectively compete for employment the most likely to leave. Interview evidence from those who knew people who had left suggests that the experience has generally been positive for those migrating, and had played an important role in maintaining their labour market positions. These experiences contrast with the often significant loss of wages experienced by those who stayed in the Valley.

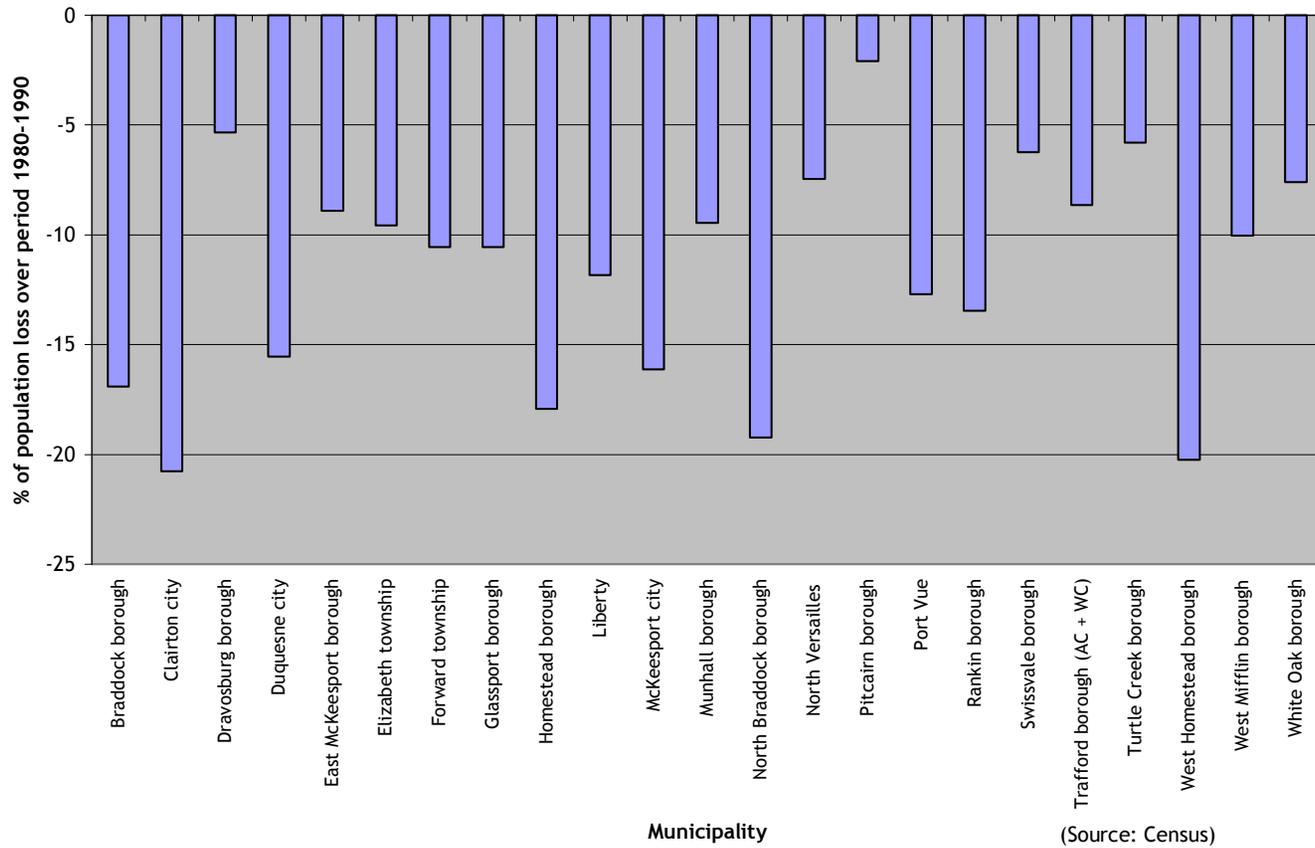
The older workers... many of those had purchased their homes and were going to stay regardless, even if they took a reduced wage, early pensions. The middle-income group who had college loans to pay back, and car loans and all those other kinds of things, they were forced to move to find better salaries (City Administrator and Director of McKeesport Community Development).

My brother had worked over at Edgar Thomson. He was a mechanical engineer, so him finding another job in another state at a decent amount of money was not really too much of a problem for him, so they upped and moved to Florida. Me, I'd have been going down for a minimum wage job or something...so we kind of decided to stick it out here (Former mill worker [MV2]).

Population loss affected every municipality in the Valley, but was particularly pronounced in the mill towns of Braddock, Clairton,

Homestead and McKeesport, who lost nearly one-fifth of their population (see Figure 5.11).

Figure 5.11: Population loss by Mon Valley municipalities, 1980-1990



Migration from the Mon Valley may be considered as a strategy of last resort in several respects. Time-limited benefits, small redundancy payments, and the absence of universal healthcare necessitated finding work quickly, either locally or elsewhere. Declining tax revenues also affected local government and school provision, making the Valley a less attractive place to stay. There was thus a declining maintenance of public goods to prop up communities and keep people in place.

5.9 Inactivity

Northumberland

As we have seen from the LMA estimates, declining levels of economic activity were the most significant labour market adjustment to the loss of industrial jobs in Northumberland. There were two components to this: those who retired early, and those who claimed inactive benefits, mostly Incapacity Benefit (Invalidity Benefit at the time). The decision by an individual to withdraw their labour was heavily influenced by their age, being concentrated among the older age groups, particularly 54-64, with a significant increase also among the 35-54 year-olds. As Figure 5.12 shows, the inactive proportion of the oldest cohort (54-64) of men rose by over 20 percentage points during the decade, compared with 6 percentage points for those aged 35-54. An often de facto early retirement was supplemented in some cases by claiming sickness benefits to provide a replacement household income. Figure 5.14 shows the extent to which individuals were inactive due to ill-health, finding that some 26.0% of the oldest cohort, and 7.6% for the next oldest were permanently sick. Female inactivity by contrast declined across all age bands except those 55-59 (see Figure 5.13).

They almost took a view, 'am I young enough to retire?' 'Am I happy enough to be on benefits?' And after a while I think it's a case of, if you're in that situation you tend to get used to it...And after a while, they start to get,

'I haven't had a job in three months, I haven't had a job in six months, and they start to get used to less money. There's not a lot to spend it on, no cinemas, no big supermarkets. OK they get their cheap 'backy from the continent. The social club's always existed. I suppose they might prop the bar a bit more than they done in the past, but most were likely quite reasonable drinkers to start with (Employment opportunities manager, Amble Development Trust, formerly redundancy counsellor with British Coal Enterprise).

Figure 5.12: Change in the male economic inactivity rate by age in the Northumberland coalfield, 1981-1991

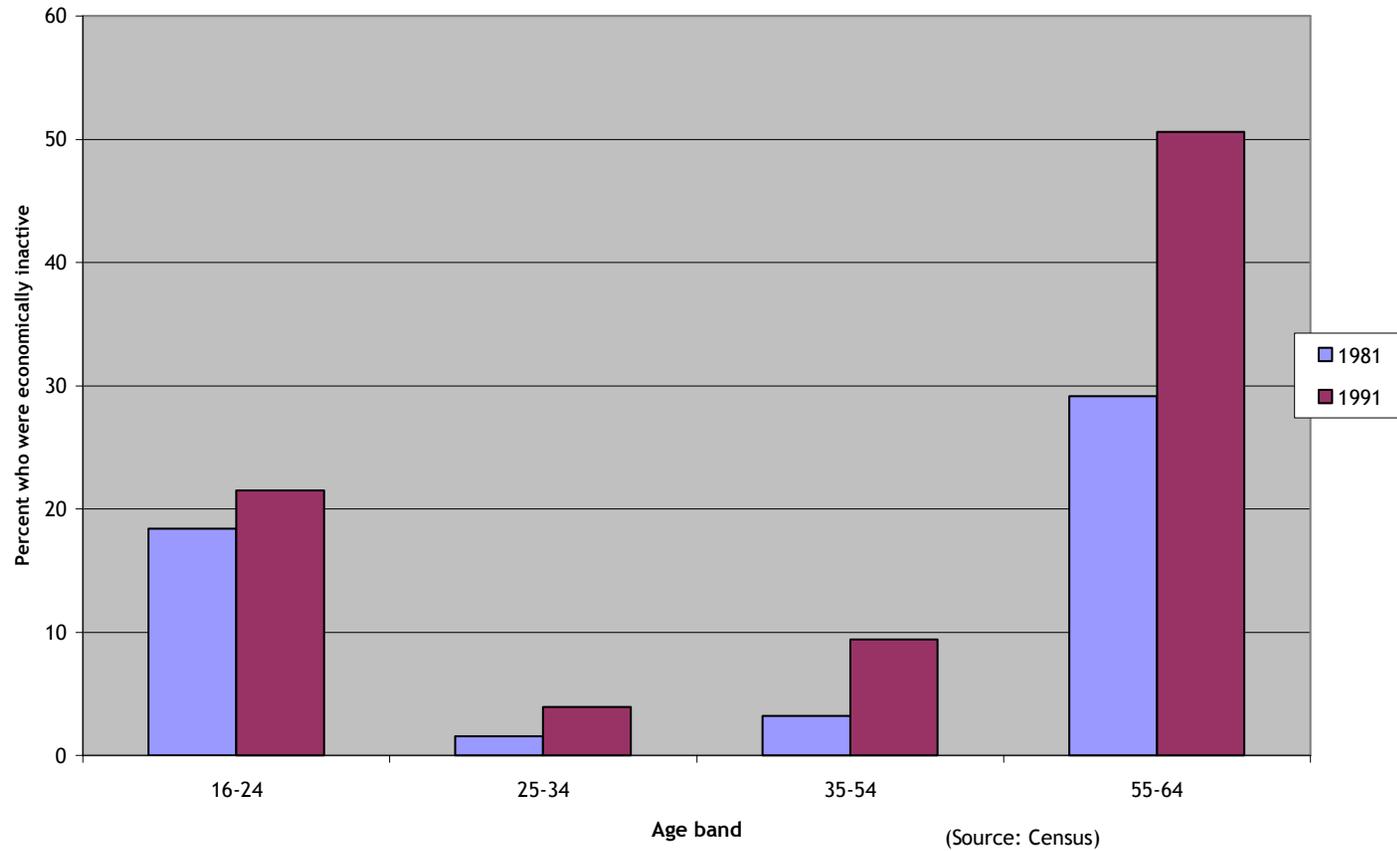


Figure 5.13: Change in the female economic inactivity rate by age in the Northumberland coalfield, 1981-1991

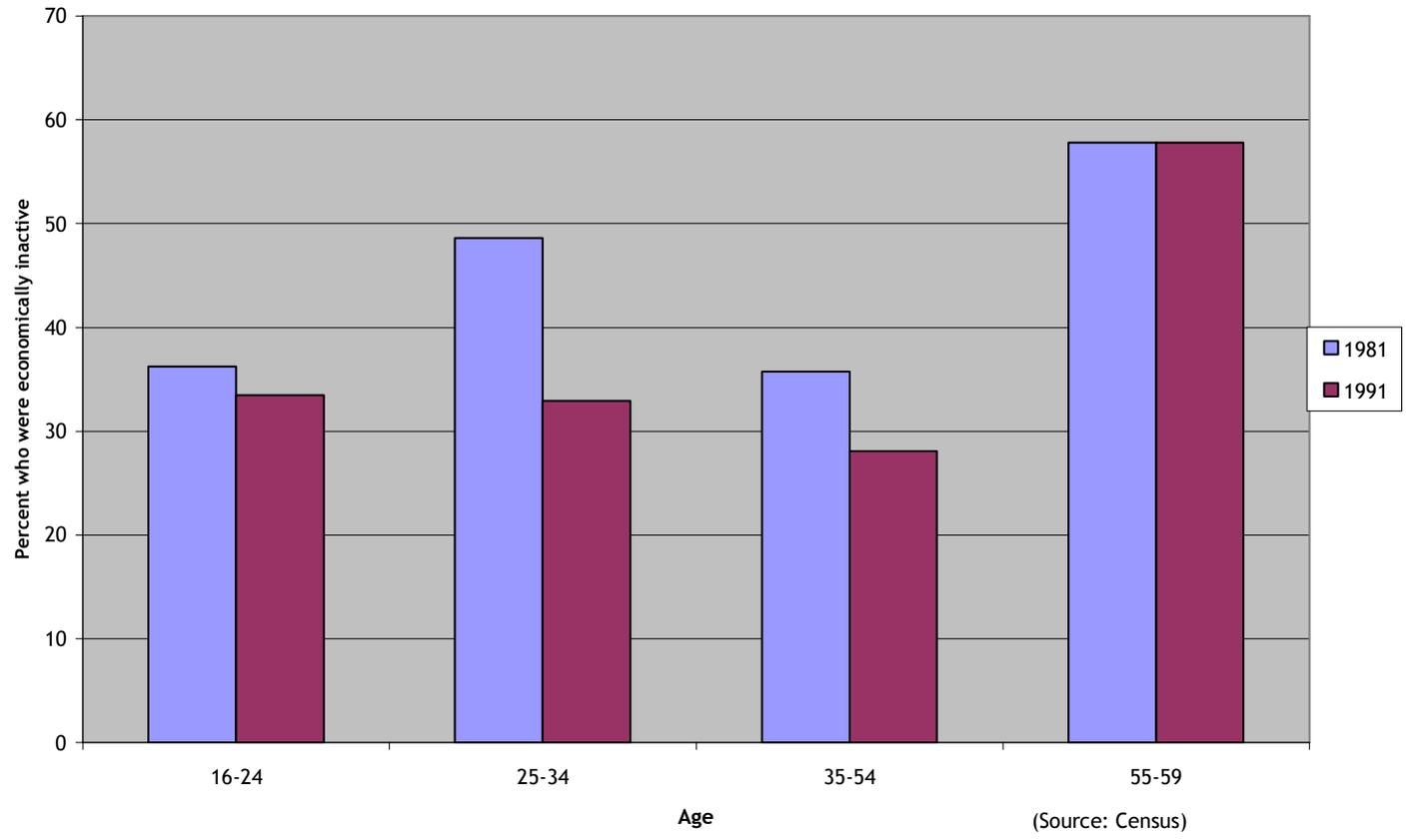
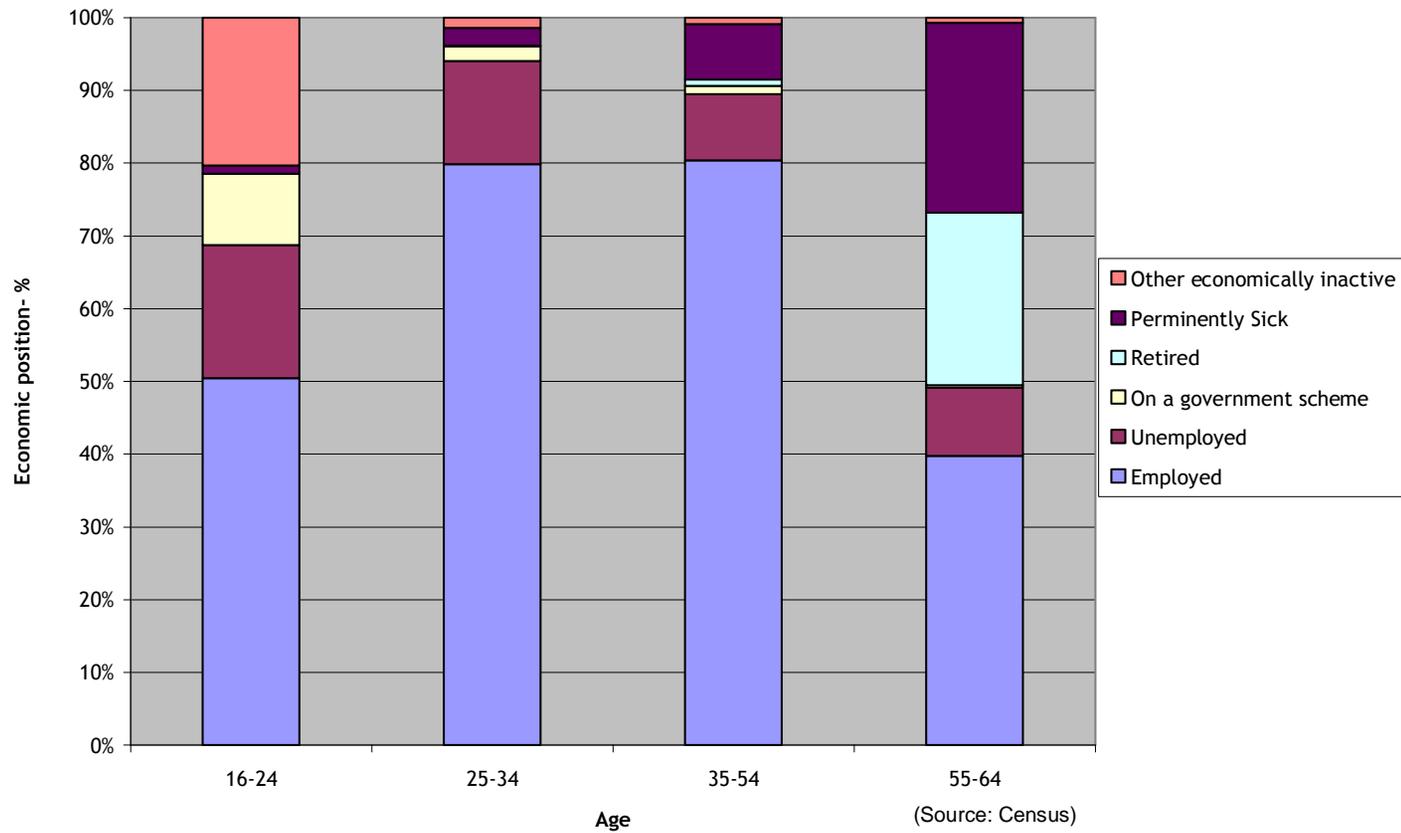


Figure 5.14: Economic position by age for the men in the Northumberland coalfield, 1991



There may be several explanations for the rising numbers on sickness benefits. First, mining left a significant legacy of ill-health, particularly of respiratory and muscular-skeletal injuries. Workers often struggled on with such conditions while in employment, but once they were made redundant their conditions made competing for other work difficult. The rational decision was therefore to get 'signed off' as sick.

The mining industry has created problems in these communities, with fingers, backs, heads, knees, accidents, and rather than claim benefits if you're bad but you can manage to get to work and work, then fine. But if your job's taken away from you, but you're still bad, your illness isn't taken away so people would, I think rightly, say to the doctor, "look I'm injured here" or, "I've got a bad chest or whatever" (National Chairman and secretary-National Union of Mineworkers).

Individuals who had suffered sickness or injuries during work might also have been kept on in lighter duties above ground, and their health problem might also limit their ability to find subsequent alternative work.

If you were sick, if you were injured, this is another benefit of the old school, the old generation. If you were sick, or you were injured and you couldn't do face work, you weren't put on the scrap heap. You weren't said "there's your cards, bugger off". They would find you a job where you could manage, and that's how it progressed, and that's what happened so they could find you another job you could do, maybes on the surface if you weren't fit to do your job (Former miner [N2])

In addition, jobs were also provided in the pits for men who might otherwise struggle to find jobs in other private industries. Individuals with some degree of physical or mental disability would often be found above ground work or light duties.

I mean even people with special needs normally managed to get a job on bank or something on the top. You know, there was jobs just made to employ the community, but once you actually got out of there into the real world and you've got to earn your pay, you know we can't carry anyone who's not pulling their weight for whatever reason...unfortunately it's harder to get work in civvy street, who really wants their pound of flesh (Employment opportunities manager, Amble Development Trust, formerly redundancy counsellor with British Coal Enterprise).

Secondly, increasing illness was associated with the stresses of losing employment, which can trigger further deterioration where substance, particularly alcohol, misuse becomes the means by which this stress is managed.

There were a lot more who were depressed, who managed get onto a doctor's certificate and stay that way...a lot of them didn't see a future for themselves; that was all they knew. It was all they could see you know? (Employment opportunities manager, Amble Development Trust, formerly redundancy counsellor with British Coal Enterprise).

Thirdly, a greater 'awareness' of the benefits system developed locally among individuals and institutions. This allowed some diversion from unemployment to sickness benefits.

[That was] the way it went with older guys. They were just going on the sick rather than actively look for work (Former miner [N2]).

Finally, the dependency or paternal culture of the coalfield also 'prevented' some individuals from moving into other employment.

It was a whole lifestyle, the whole way of life; the whole social activity just disappeared, as well as the money to play with. So I think people hit the ground much harder over here, to the extent that obviously dependency

culture sort of grew up from that, and people started to say, "well you've taken my job away what are you going to do for me?" (Assistant director of Northumberland Community Council).

A lot of them wrote themselves off straight away or they found themselves in a market place which they weren't accustomed to...because they'd been so, using this word, 'institutionalised'. They found it extremely hard to adapt to what the marketplace was wanting in the way of transferable skills, or different shift patterns, or 'you've got to travel here from A to B' (Employment opportunities manager, Amble Development Trust, formerly redundancy counsellor with British Coal Enterprise).

These factors combined with the lack of appropriate local employment opportunities to swell the numbers of sickness claimants in the area which, as we shall see, had profound longer-term implications.

Mon Valley

In the Mon Valley there was a much less pronounced rise in levels of inactivity. The lower redundancy payouts associated with closures made early retirement less likely, and there was not the rise associated with sickness benefits, as in the UK. Generally, once workers had exhausted their Unemployment Insurance there was no other public income support on which they could draw.

There was, you know really, really nothing else. Welfare was available but welfare paid you like 50 bucks a week right. So it's like fuck that, the only way you'd survive on welfare is if you had no assets. And most of the workers, we had too much in cash assets, cashable assets, like they'd include your cemetery plot counted against it...so dislocated workers couldn't make it into those categories, so there wasn't any healthcare for your kids right (Co-director, Mon

Valley Unemployed Committee, former mill worker).

We have seen that some older workers were able to take early retirement by accepting an early company lump sum buy-out of their pension, and use this until they were eligible for social security. This was only realistic however for those with a relatively short period to retirement age.

5.10 The social impacts of closures

So far, we have explored the experience of industrial change at the individual and household level, and their effects on short-term labour market adjustments. There were also wider consequences for ex-miners and steelworkers, however, as well as broader community impacts. Multiplier effects on other jobs and services affected the whole social fabric of areas previously underwritten by the dominant employer.

Northumberland

The loss of employment, and a way of life, left some miners struggling to cope with the future, resulting in divorces, heavy drinking, and even death. Such incidents affected a minority, but they reflected the struggle and depression which pervaded at the time.

There was a lot of guys who just couldn't cope - a few instances where they're dead now, they drunk themselves to death 'cos they couldn't cope... Like I say people got considerable amounts of redundancy money. What they did with that it was their choice. There was a few divorces and stuff like this. This was a small element of the workforce that couldn't cope. This was the cry you would hear: "Well what can I do?", I mean after work (Former miner [N2])

The pit closures also had a knock on effect in the closure of local shops, as disposable incomes dried up, and the loss of recreational and leisure activities, many of which had been funded by miners.

At one time we had three cooperative societies in this village. We've none now; we had a barber's shop; we've got none now; we had two or three small shops like general dealers, they're all gone (Cambois Community Association, former miner).

These changes in some respects marked the end of the relatively coherent coalfield communities.

Mon Valley

Many individuals and households suffered significant difficulties in making mortgage and bill payments. Such hardships befell not only those unable to find alternative work, but also many who did so. There was a significant difference between being workless but financially protected in Northumberland, and working but broke in the Mon Valley.

All the savings that we had accumulated, with savings bonds or whatever, had been lost...So we just wiped ourselves out of everything (Former mill worker [MV2]).

You were living, you can't even say pay day to pay day, doing whatever. Everybody's on your back saying, "you're behind on your bills". I almost lost my house, you know mortgage wise. It was just constant pressure - it was unreal (Former mill worker [MV4]).

After the mill closures, unemployment also led to increasing substance misuse, rising divorce rates and even suicide.⁹⁴

⁹⁴ Milke (1984; 131) found increasing incidences of psychological problems among unemployed former steelworkers.

You had, you know, domestic dissolution, and alcoholism, drugs, and all that kind of stuff (Chairman, Steel Valley Authority)

You know people were losing homes, marriages were breaking up. Even down here there was - I heard a story about the old open-hearth that we had where a guy, and he was in management... they found him he had hung himself behind one of the furnaces down there you know. I mean things were that bad because he was about to lose his job and everything, and people were having trouble coping (Former mill worker [MV2]).

The closures also left the towns' shopping facilities increasingly run down.

Devastating, devastating. I mean this was an area that was moving and on, I mean booming, we had all kind of activity. If you take a ride down through our businesses district now there's more buildings boarded up than there is actual businesses, so to me that was a direct impact from the job losses (Councilman, City of Clairton, Clairton Community Development Corporation (CDC) member).

In Homestead, this loss of services even extended into illicit activities, such as the prostitution businesses which lined 6th avenue around the mill. Although most closed, two that stayed open moved onto the main street, 8th Avenue. This further damaged the town's reputation as a shopping facility and eroded business. This was compounded when a soup kitchen for ex-steelworkers was opened with the loss of more retail. It attracted down and outs from other areas who, *"would just loiter all along the avenue. They wouldn't go home. They'd stay, they'd urinate in the alleys, sometimes on the street, and that tended to have an intimidating effect on shoppers"* (Founding member, Homestead Economic Redevelopment Corporation (HERC)). This began a pattern of cumulative structural decline.

5.11 The response of local government

As well as welfare policy differences, there were also significant contrasts between the UK and the US in the capacities of local governments to maintain levels of service provision. In England the majority of local government spending is financed by central government, paid for by general taxation. On average only around 20% of local government funds are raised locally through council tax (Parker, 2002). Local Authority funding levels are calculated through a formula which attempts to assess and sum the 'unit costs' of needs-defined services provided by each authority (Centre for Economic Policy Research). Generally, although there are concerns about the equity of the formula, and the reliability of some of the data on which it is based, this model of funding serves to insulate local government revenues and spending from the impacts of rapid local economic decline (ibid).

In the US, the structure of municipality financing meant that mill closures seriously impaired local government's ability to act.⁹⁵ A substantial percentage of local government revenues came from both direct property taxes on the mills, and wage taxes on the jobs generated. In contrast to the revenues provided by central government in the UK, the federal, state and county governments together provided less than 20% of the mill towns' revenues, with the majority of the rest dependent on local taxation and service charges (Municipal Statistics, 2004). US Steel had also previously taken care of some structural aspects of municipal repair, which the municipalities then had to take on. This funding structure imposed severe impacts on the services which local government could provide after the major closures, and their ability to mitigate the consequences of industrial change.

⁹⁵ For example the Mon Valley's largest city, McKeesport, has been on the verge of going Act 47 bankrupt since the mills closed (McKeesport Renaissance Plan, 2005).

You know the effects were felt when our receipts were missing probably over a million dollars. All of a sudden you're down to virtually nothing. You can imagine what effect it would have on how many employees you have, how many police you have, what you're able to do, how many roads you could fix. You know all the borough services were greatly affected by it...so it was really a major effect on our resources (Mayor, Munhall).

Figures 5.15 - 5.17 show the impact which mill closures had on municipal finances. Tax revenues declined by over a quarter for all but one of the mill towns, and by nearly half in most. Total municipal revenue also declined by around a quarter, since there was no increase in governmental transfers from federal, state and county governments to compensate.⁹⁶ This loss of revenue fed into a comparable decline in the levels of spending, the impacts of which were clearly seen in the physical infrastructure of the mill towns, the damaged street architecture and derelict recreational spaces.

There was therefore little to support people 'in-place' through support for community functions affecting their quality of life, or even their educational prospects, since public schooling is also dependent on local funding. Here are the real manifestations of policies to enhance the mobility of labour to meet the needs of capital. The reality for those left was holes in the road and schools starved of resources.

⁹⁶ Where towns attempted to compensate for lost income it was through increasing levels of service charges on the population, putting further pressure on residents who were already financially stretched.

Figure 5.15: Change in real total municipal revenue collected by Mon Valley mill towns, 1980-1990

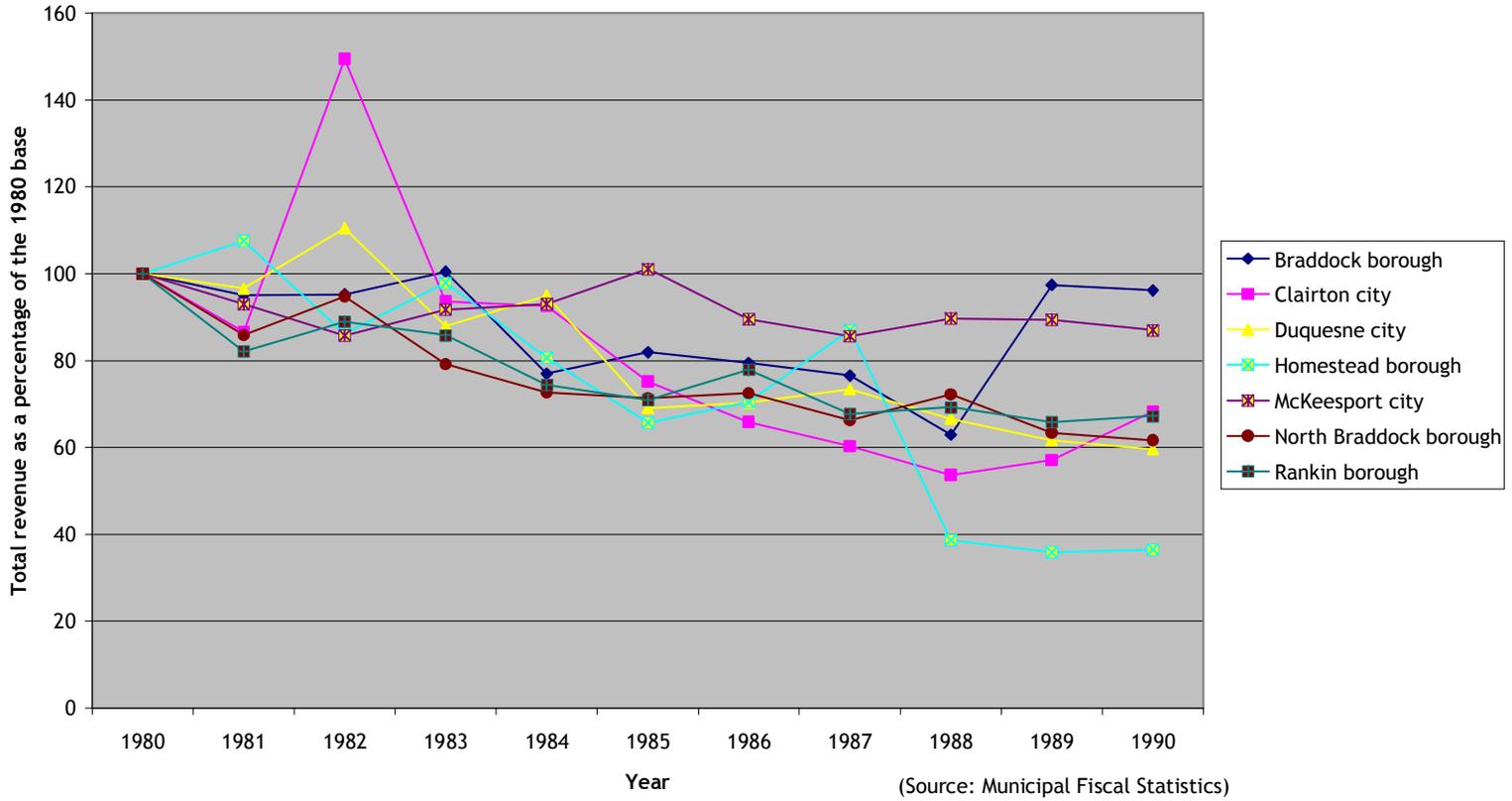


Figure 5.16: Change in real tax revenues collected by Mon Valley mill towns, 1980-1990

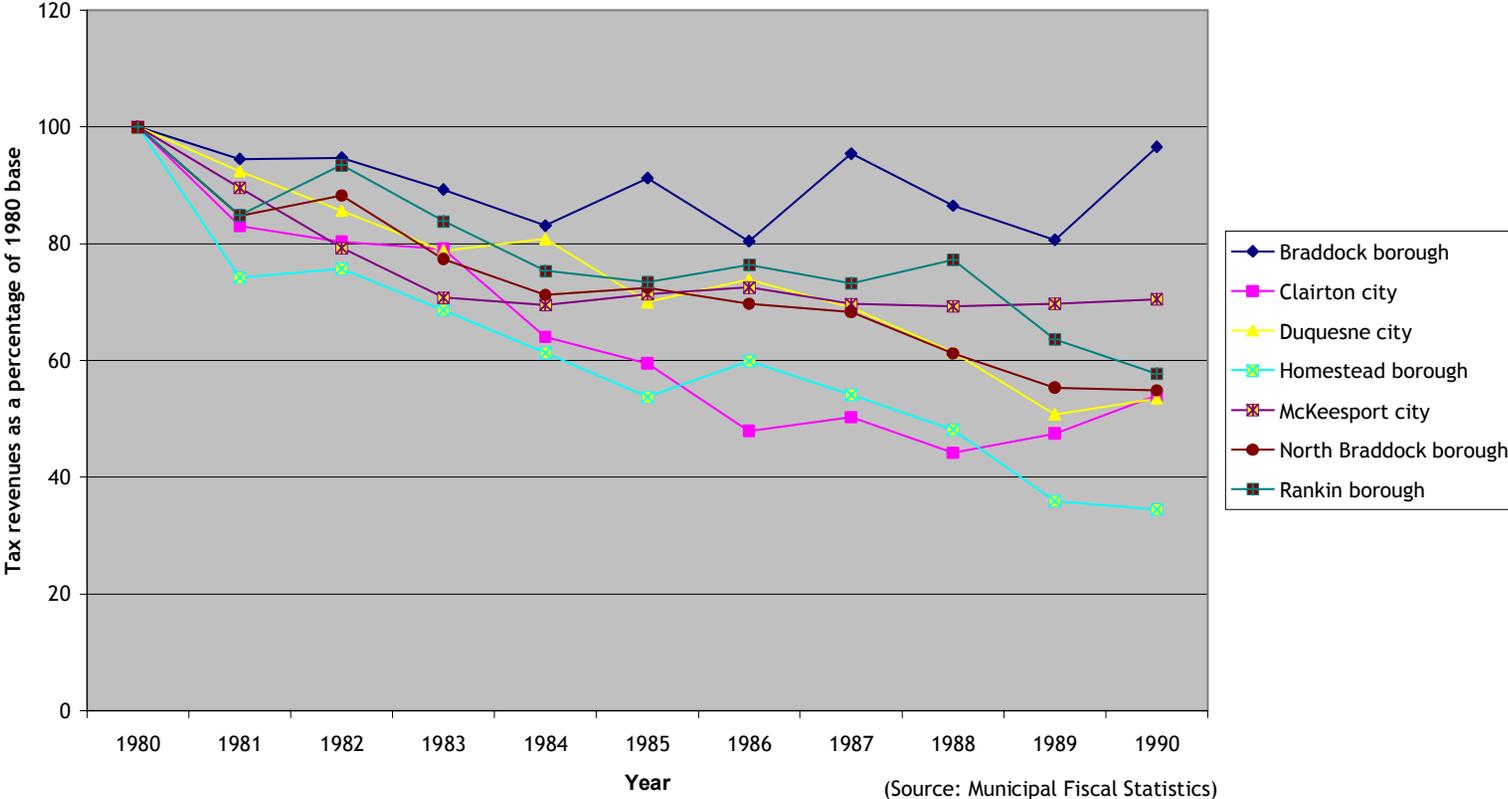
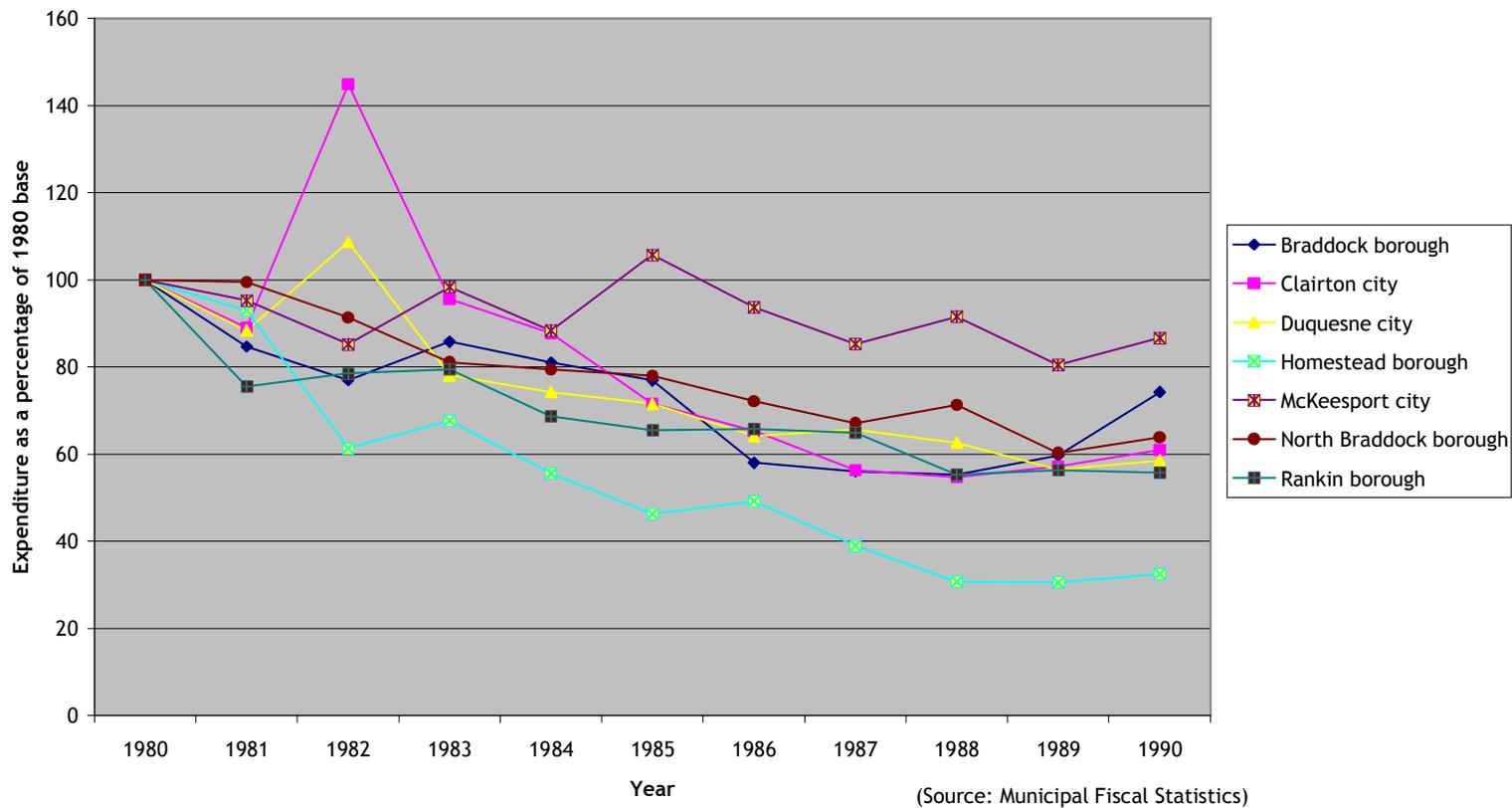


Figure 5.17: Change in real expenditures of Mon Valley mill towns, 1980-1990



5.12 The prospects for the 1990s

The short-term adjustments of the 1980s which have been outlined offered ominous pointers to the direction which subsequent developments would take. In both areas inertia was particularly significant, although taking different forms. In Northumberland, it was a characteristic of former workers, unable to respond to change and increasingly dependent on public welfare. In the Mon Valley, inertia inflicted public institutions, through their dependence on the dominant local industries, and their inability to gain access to alternative sources on income.

In both areas there were also signs that strong industrial communities were already beginning to disintegrate. Job loss, migration and the breakdown of the established models of social organisation began to stretch community bonds as local social capital began to erode or migrate away.

Northumberland

In Northumberland the immediate experience of many industrial workers presented a kind of stasis. They were simply unable, or unwilling, to move into alternative employment. Such inertia was, at least partially, the product of the public welfare context of decline. This provided elements of choice and selectivity. In the short-term, this would not have been particularly problematic. As we shall see, however, the growth in inactivity among all age groups and the slow speed with which local employment demand was being rebuilt became the basis of longer-term problems.

There were also elements of housing market sorting which contributed to continuing socio-spatial isolation. Some NCB housing stock was purchased by local councils and housing associations for use as social

housing, and some were purchased by private landlords. The latter typically looking to renting at the lower end of the housing market, primarily targeting those qualifying for Housing Benefit, which offered them a guaranteed income. This change of ownership resulted in some population turnover in several of the coalfield wards. Where large numbers of properties were transferred into housing association ownership, many in the local communities associated this with decline, feeling that those coming in were “undesirables”.

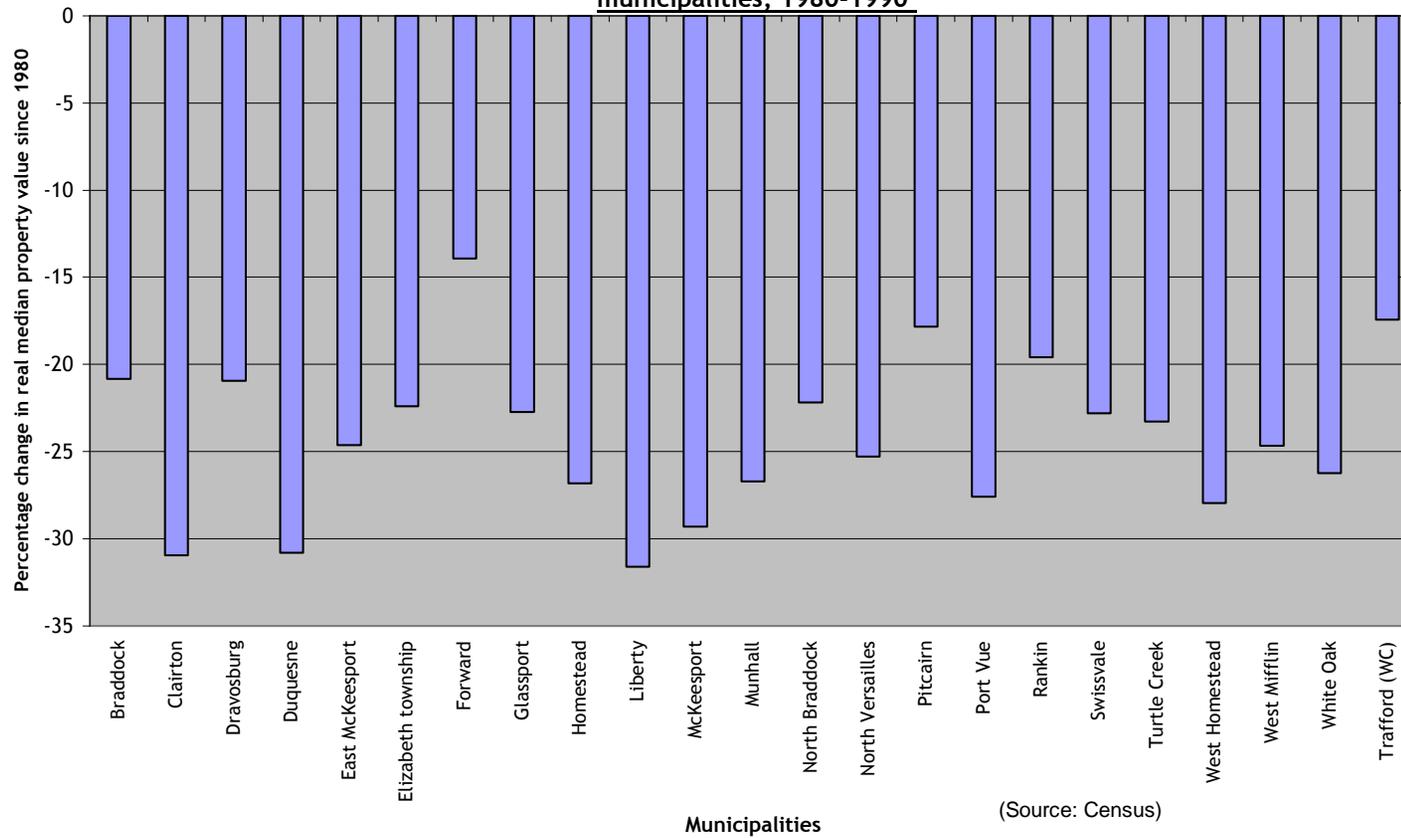
The housing association took them over in the 80s...the ones that nobody else was interested in and since then we've been really on a downward spiral (Chair Lynemouth Parish Council).

Mon Valley

In the Mon Valley, housing changes began to have a more marked effect than in Northumberland. As large numbers of people moved out so quickly, the housing market became severely depressed, with the average house price in many of the municipalities declining by over \$10,000 (in real terms) between 1980 and 1990, losing over 20% of their value. These losses were widespread through the Valley affecting mill towns and suburbs alike (see Figure 5.16).

Everybody, you know like the area I lived in, you could just drive up and down the streets because of J and L shutting down, and US Steel shutting down. You could find 70 something homes up for sale all at the same time (Former mill worker [MV2]).

Figure 5.18: Percent change in real median values of owner-occupied houses in Mon Valley municipalities, 1980-1990



The housing market collapse left a fertile ground for absentee landlords. Speculation was driven, in part, by changing federal policy, as its emphasis moved from federally built housing towards the provision of housing vouchers and reliance on private landlords. Designed as an effort to decentralise poverty, it led to enclaves of Section 8 housing in places like the Mon Valley, as people have been attracted to the area by cheap rents.

The towns' populations thus began to change, as skilled workers left and were replaced by poor, less skilled individuals, often with public housing vouchers. This began a significant social-demographic shift, with profound implications for the subsequent capacity of communities, in terms of the skill levels, incomes and education of their residents, and their organisation and ability to act.

The people who stayed in Homestead after the mills closed for some reason or other couldn't, basically get out of town, and that's the way I felt. So what was left after everybody left was the cheap housing stock and then a lower class of people moved in to fill those houses who probably in my opinion have little or no skills OK. So they're basically eking out a living in the former houses owned by the steelworkers (Chairman, Homestead Economic Redevelopment Corporation (HERC)).

'[It's the] the best, brightest, skilled workers who have left the region. They went to Florida, to Tennessee, to California. So the best and the brightest have migrated out of Clairton and out of the Mon Valley. Sort of what some people call brain drain...That's a tragedy because when you try to redevelop the region...our best and brightest are gone' (David Levdansky quoted in Domike, 1992; 15).

There was also a clear racial dimension to the movement from, into and around the Mon Valley. The black population grew slightly, while the white population sharply declined, creating the beginnings of a process of 'white flight' (see Table 5.6).

Table 5.6: Mobility in the Mon Valley in the five years prior to the census by race, 1980-1990.

White population

White: Number of people

| | 1980 | 1990 |
|--------------------------------------|-------------|-------------|
| Persons 5 years and older | 86,720 | 71,665 |
| Same House | 62,981 | 53,020 |
| Different house in the United States | 23,491 | 18,567 |
| Same County | 19,677 | 15,452 |
| Different County | 3,814 | 3,115 |
| <i>Same State</i> | 1,830 | 1,549 |
| <i>Different State</i> | 1,984 | 1,566 |
| Abroad | 248 | 78 |

White: Percentage

| | 1980 | 1990 |
|--------------------------------------|-------------|-------------|
| Persons 5 years and older | 100 | 100 |
| Same House | 72.6 | 74.0 |
| Different house in the United States | 27.1 | 25.9 |
| Same County | 22.7 | 21.6 |
| Different County | 4.4 | 4.3 |
| <i>Same State</i> | 2.1 | 2.2 |
| <i>Different State</i> | 2.3 | 2.2 |
| Abroad | 0.3 | 0.1 |

Black population

Black: Number of people

| | 1980 | 1990 |
|--------------------------------------|-------------|-------------|
| Persons 5 years and older | 16,181 | 16,492 |
| Same House | 9,872 | 9,198 |
| Different house in the United States | 6,275 | 7,279 |
| Same County | 5,251 | 6,434 |
| Different County | 1,024 | 845 |
| <i>Same State</i> | 232 | 259 |
| <i>Different State</i> | 792 | 586 |
| Abroad | 34 | 15 |

Black: Percentage

| | 1980 | 1990 |
|--------------------------------------|-------------|-------------|
| Persons 5 years and older | 100 | 100 |
| Same House | 61.0 | 55.8 |
| Different house in the United States | 38.8 | 44.1 |
| Same County | 32.5 | 39.0 |
| Different County | 6.3 | 5.1 |
| <i>Same State</i> | 1.4 | 1.6 |
| <i>Different State</i> | 4.9 | 3.6 |
| Abroad | 0.2 | 0.1 |

(Source: Census)

The other important emerging characteristic of these changes was an institutional inability to act. Local municipalities lacked the resources to mitigate the impacts of decline, and they also lacked the relevant administrative structures to foster new economic growth. They consisted of a mosaic of very small volunteer governments, with no overarching strategy of action to respond to the difficulties they faced. They suffered from an institutional lock-in to old structures that were no longer appropriate in the post-industrial era. These carried on, directionless and under-funded, as the towns entered a cumulative and structural decline.

Very noticeable and very destructive, 'cos it was at every level like there was no political leadership; the management had run most of the politics in these small towns...The politicians and they'd all have these big fucking gatherings to cry for leadership, and then look around and go "oh fuck it must be us", and then fumble the ball, repeatedly, it was, it was sad (Co-director, Mon Valley Unemployed Committee, former worker Homestead Works).

This institutional inertia, combined with housing market collapse, and under-funded public services, suggested there would be no short-term recovery in the Mon Valley.

5.13 Some conclusions

Individual workers' decision-making processes were strongly influenced by several factors. Most significant were the alternative forms of work available locally, the opportunities and constraints of the public welfare systems, and the broader community cultures which had developed around work. By 1990/1 these combined to produce an emerging distinction between reliance on 'place-based' coping mechanism in Northumberland, and the 'mobility-response' in the Mon Valley.

In the Mon Valley the absence of universal healthcare coverage, small redundancy payments, and the more limited welfare provision meant finding alternative employment quickly became critical for redundant workers. Many of the younger and middle-aged simply left the area in search of opportunities elsewhere. The public welfare context, combined with a greater cultural acceptance of economic change, meant those who remained would often take whatever employment was available even if, as it often did, this entailed a significant reduction in wages. In the Northumberland coalfield the greater availability of welfare support, more generous redundancy payments, a greater culture of 'dependency' and feelings of political victimisation meant many older, and some middle-aged, miners would never work again. Coal decline was partially offset by growth in other industries, however, offering some the opportunity to move into other sectors, although often with some reduction in wages.

While the aggregate patterns of adjustment were sharply contrasted between the two areas, in both individual outcomes were strongly influenced by age and skill levels. It was the oldest workers, and those with the fewest transferable skills who were less able to compete for alternative employment. In the Mon Valley race may also be added to these determinants, as black workers who had traditionally held the least skilled jobs within the mill's division of labour, also struggled to compete.

It is clear that the public welfare system gave displaced workers somewhat more of a *choice* over whether to work, and what types of work they would take in Northumberland compared to the Mon Valley. There was a contrast between the in-situ restructuring in Northumberland and the broader network restructuring of the Mon Valley. While this meant that individuals in Northumberland could often be 'comfortable' without accessing alternative employment, this gave

little impetus for them to move on. A form of stasis, or inertia therefore developed among displaced workers. For those in the Mon Valley with little choice but to move on, either metaphorically or physically, there was no guarantee that work meant a living wage. Those left behind also faced severe implications, as declining public revenues, obsolescent institutional structures and housing market processes left communities unable to cope with, or even mitigate the worst impacts of industrial decline.

The further implications of these initial patterns of labour market restructuring and social change as time progressed will be examined in the next chapter.

Chapter 6) The longer-term impacts and present situation

6.1 Introduction

This chapter explores how the short-term labour market adjustments described in chapter 5 evolved into longer-term development trajectories. The concern is no longer primarily with industrial workers, but with new patterns of socio-spatial marginalisation that have developed since the 1980s. These follow the consequences of the critical distinction made in chapter 5 between the importance of geographical mobility in the Mon Valley, contrasted with in-place coping processes in the Northumberland coalfield.

Much of the initial analysis describes change during the 1990s, drawing extensively on the 2000/1 censuses. Where possible, however, this is extended to trace more recent trends, setting the context for the local interview work undertaken in 2005/6. The LMA analysis for 1990/1 to 2000/2001 shows that, broadly speaking, the most significant trends of the 1980s continued through the next decade. These included increasing inactivity among men in Northumberland and out-migration in the Mon Valley. Local labour market demand had also not recovered. Once more, the role of commuting in mitigating the paucity of local opportunities was limited in both areas.

The longer-term implications of large-scale out-migration in the Mon Valley will then be considered, showing how the area's development trajectory has been radically altered by this process. Similarly rising inactivity in Northumberland has had damaging longer-term inter-generational and area effects. Attention is then given to geographical patterns of poverty and disadvantage, as new sections of the community find themselves socially and spatially marginalised. The chapter ends with an evaluation of the extent and effectiveness of regeneration policies.

6.2 Labour Market Accounts

Table 6.1: Labour Market Accounts: Northumberland

a) Male working-age population, 1991-2001

| | Male working age population | As % of 1991 EA population |
|---------------------------------|-----------------------------|----------------------------|
| 1991; economically active | 35,829 | |
| 2001: economically active | 33,859 | |
| Natural change | 137 | 0.4 |
| Participation change | -2,951 | -8.2 |
| Employment change ⁹⁷ | 241 | 0.7 |
| Job shortfall | -3,055 | -8.5 |
| Unemployment change | -2,073 | -5.8 |
| Net out-migration | -846 | -2.4 |

(Source: Census)

b) Female working-age population, 1991-2001

| | Female working age population | As % of 1991 EA population |
|---------------------------|-------------------------------|----------------------------|
| 1991; economically active | 26,995 | |
| 2001: economically active | 28,287 | |
| Natural change | 165 | 0.6 |
| Participation change | 748 | 2.8 |
| Employment change | 1,879 | 7.0 |
| Job shortfall | -965 | -3.6 |
| Unemployment change | -355 | -1.3 |
| Net out-migration | -377 | -1.4 |

(Source: Census)

⁹⁷ Figures include losses in those employed in Government Schemes as separate figures are not available for 2001

Table 6.2: Labour Market Accounts: Mon Valley

a) Male working-age population, 1990-2000

| | Male working age population | As % of 1990 EA population |
|---------------------------|-----------------------------|----------------------------|
| 1990; economically active | 41,758 | |
| 2000: economically active | 37,625 | |
| Natural change | -427 | -1.0 |
| Participation change | 11 | 0.0 |
| Employment change | -2,397 | -5.7 |
| Job shortfall | 1,981 | 4.7 |
| Unemployment change | -1,736 | -4.2 |
| Net out-migration | 3,717 | 8.9 |

(Source: Census)

b) Female working-age population, 1990-2000

| | Female working age population | As % of 1990 EA population |
|---------------------------|-------------------------------|----------------------------|
| 1990; economically active | 35,505 | |
| 2000: economically active | 36,009 | |
| Natural change | -1,652 | -4.7 |
| Participation change | 4,805 | 13.5 |
| Employment change | 417 | 1.2 |
| Job shortfall | 2,736 | 7.7 |
| Unemployment change | 87 | 0.2 |
| Net out-migration | 2,651 | 7.5 |

(Source: Census)

The LMAs reflect the continuing contrast between place-based and migration-dependent coping mechanisms in the two areas. In Northumberland the dominant trend for men continued to be withdrawal from the labour force, with a decline in participation of - 8.2% of the working-age population, while in the Mon Valley it was out-

migration (8.9%). These trends incorporate various residual effects from the 1980s, for example when a former miner who finds alternative work, may be made redundant again and moves onto sickness benefit, or a former mill worker responds to the same experience by migrating. However, it is clear that in general motivations for trends in the 1990s were not the same as those in the 1980s. They are no longer driven by the decisions of former industrial workers but by subsequent conditions in the local economies and communities.

Northumberland coalfield

The 1990s saw a continued decline in male participation at a marginally faster rate than in the 1980s (Table 6.1a). There was also a reduction in unemployment levels -2,073 (-5.8%). This suggests the consequence of a tightening up of unemployment benefits was growing numbers claiming sickness benefits. There was also a small growth in population through in-migration 846 (2.4%). Much of this increase in labour supply resulted in more inactive workers (declining participation), with a much smaller growth in employment (241).

Female employment growth was markedly stronger through the 1990s, rising by 1,879 (7.0%) (Table 6.1b) Participation levels also continued to increase, but at a slower rate. There was therefore a job surplus, filled by a small amount of in-migration and a slight reduction in unemployment.

Mon Valley

Migration was not simply a short-term response to the loss of mill jobs. The continuing social impacts of the primary job losses, the consequent multiplier effects, and continuing decline in labour demand meant that out-migration continued to be the most significant trend through the 1990s.

Local employment levels for men declined through the 1990s by 2,397 (-5.7% of the 1990 EA population), leaving a job shortfall of 1,981 (-4.7%) (Table 6.2a). Unemployment levels also fell, mainly reflecting the continuing restructuring of welfare provision. There was no change in the participation rate, however, indicating a much weaker relationship between unemployment and inactivity than observed in Northumberland. These changes were again balanced by continuing substantial out-migration of 3,717 (-8.9%).

Female participation again increased significantly by 4,805 (13.5%) (Table 6.2b). With employment growth of only 417 (1.2%), the job shortfall was 2,736 (7.7%). As with men, therefore, this was absorbed through high levels of out-migration, 2,651 (7.5%).

6.3 New employment opportunities and commuting

Northumberland

By 2001 there remained a persistent ‘jobs gap’ in Northumberland, with the number of local jobs still around 5% below the pre-closure levels. Its peripheral location and comparatively poorly skilled workforce meant that much of the area remained a development “cold spot”, where the risks were perceived to be too high to attract private sector investment (EDAW 2002, 26 & 30). These difficulties were compounded by the stigma attached to being an ex-coalfield area. The Director of SENNTRI (South East Northumberland and North Tyneside Regeneration Initiative), a local regeneration agency manager, commented on the difficulties of their work.

This designation as an ex-coalfield area which I don't think is entirely helpful...always looking backward because history is important but if you're going to promote yourself you've got to look at the current assets (Director, SENNTRI).

Local regeneration managers also point out that the area's long-term growth prospects have suffered from major policy decisions which largely favour parts of Newcastle. Northumberland's experience may thus be contrasted with North Tyneside's 'A19 corridor'. This was granted Enterprise Zone status between 1996-2006, and has seen strong growth, at least by regional standards, with upgraded infrastructure and an increasing availability of quality premises (EDAW, 2002; 26). The coalfield area's unattractiveness to potential investors has been exacerbated by the lack of similar incentives. This is a bugbear, and, to some degree, provides a get out clause for local regeneration professionals.

Our policies have been trying to bring jobs here. As I've said we're on an uphill battle in competing with Enterprise Zones on Tyneside. We haven't had the success we might have had in bringing in major new job opportunities into new business parks or existing industrial areas (Regeneration Manager Northumberland County Council).

North Tyneside had an Enterprise Zone status which from a policy point of view is disastrous for us. They've had special initiatives for enterprise to settle into North Tyneside which was to our detriment. It's very difficult to attract any sort of investment here (Regeneration initiatives Officer Wansbeck District Council, Worklessness themed group).

During the 1990s there were also low-rates of local business start-ups compared to national averages, as a consequence of both past dependence on wage labour and the depressed local economy. This has created an over-dependence on public sector employment. Even this may begin to decline, however, as many public services, for example in healthcare, become more regionalised and concentrated into Newcastle and North Tyneside.

Growth in the rural coalfield in the 1990s was largely in tourism, in which jobs tend to be seasonal, low paid and low skilled. In the urban coalfield, growth was more orientated to unskilled packing and assembly work.⁹⁸ There is often a reluctance to take, and certainly to persist with, such employment. The problems created by these patterns were summarised by an employment counsellor on a local regeneration initiative in the rural coalfield, and then by a youth worker in the urban coalfield.

We are now a tourist area full-stop. But that means that the vacancies tend to be low-paid, anti-social hours, split shifts; you know they're waiting, food preparation in a hotel, bar work... Normally the only vacancies we have on the board are for catering and hospitality, which can be picked up quite easily by anybody. There's no major skill involved, but a lot of people won't do it for the anti-social hours or the poor salary or the localities of getting to these places (Employment opportunities manager, Amble Development Trust, formerly redundancy counsellor with British Coal Enterprise).

Finding the jobs is not that hard...Where you stand there and pack all day. There's plenty of that but it's how the young person gets there, and a lot of the time the young people are forced into doing them jobs as well [by Jobcentre Plus New Deal]. They kind of say "you've got to go there or your money will get stopped" and actually they don't want to do it (Youth Worker, Trinity Youth).

By the early 2000s there were still serious concerns about the quality of locally available jobs, reflected in low wages. Average earnings in Northumberland were low compared to both national and regional averages standing at £341.50 per week, 10% below the Northeast average (£380.80) and 25% below the national average (£451.50)

⁹⁸ Though automation is now beginning to reduce the number of these opportunities

(Learning and Skills Council, 2004 cited in Northumberland Strategic Partnership, 2005; 13).

Over time there have been some signs of a shift in the type of work which men have been willing to accept, and the labour market has become gradually less gender segregated. In the 1990s more men began to take part-time work and, more significantly, moved into sectors traditionally regarded as ‘women’s work’. Men took less than a quarter of the growth in service jobs between 1981 and 1991, but filled more than half between 1991 and 2001 (see Table 6.3). There nevertheless remain some strongly gendered patterns, particularly in the dominance of manufacturing by men, and healthcare by women (Table 6.4). In banking, finance and insurance, men and women took newly created jobs in equal numbers, but men dominated construction jobs and women transport and communication.

Table 6.3: Local growth sectors in Northumberland coalfield and the gender ratio of jobs filled, 1981-2001

| | Growth 1981-1991 | Proportion going to men | Growth 1991-2001 | Proportion going to men |
|--|------------------|-------------------------|------------------|-------------------------|
| Other services | 3360 | 0.24 | 1920 | 0.52 |
| Banking, finance, insurance, leasing etc | 1200 | 0.63 | 3050 | 0.50 |
| Construction | 460 | 0.74 | 640 | 0.71 |
| Transport and communication | 0 | | 610 | 0.16 |

(Source: Census)

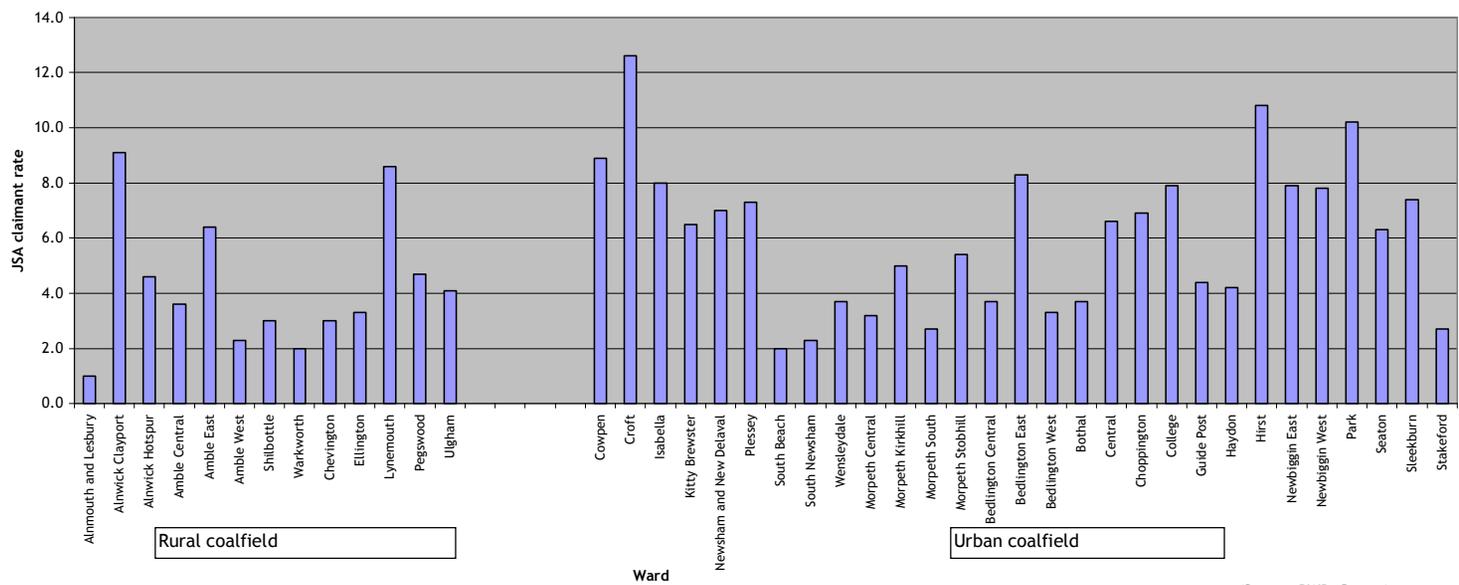
Table 6.4: Industry sectors employment by gender in Northumberland coalfield, 2001

| | Men | % | Women | % |
|---|---------------|------|---------------|------|
| Total | 30,836 | | 27,384 | |
| A; B. Agriculture; hunting and forestry; fishing | 685 | 2.2 | 140 | 0.5 |
| C; E. Mining and quarrying; electricity; gas and water supply | 1,098 | 3.6 | 120 | 0.4 |
| D. Manufacturing | 7,193 | 23.3 | 2,648 | 9.7 |
| F. Construction | 3,983 | 12.9 | 448 | 1.6 |
| G. Wholesale and retail trade; repairs | 4,063 | 13.2 | 4,728 | 17.3 |
| H. Hotels and restaurants | 1,011 | 3.3 | 1,767 | 6.5 |
| I. Transport; storage and communications | 2,405 | 7.8 | 913 | 3.3 |
| J. Financial Intermediation | 572 | 1.9 | 894 | 3.3 |
| K. Real estate; renting and business activities | 2,695 | 8.7 | 2,049 | 7.5 |
| L. Public administration and defence; social security | 2,941 | 9.5 | 2,466 | 9.0 |
| M. Education | 1,117 | 3.6 | 2,782 | 10.2 |
| N. Health and social work | 2,033 | 6.6 | 6,919 | 25.3 |
| O; P; Q. Other | 1,040 | 3.4 | 1,510 | 5.5 |

(Source: Census)

Even in this difficult environment unemployment fell across the coalfield area. This reflected policy changes, and interactions with other benefits systems, however, more than the impact of economic growth. In January 2006, male unemployment rates were 5.7%, above both the regional and national averages of 4.9% and 3.7% (DWP; Mid Year Population Estimates). As with the other indicators described in this chapter there is a distinct geography of unemployment, with claimant rates fluctuating widely between coalfield wards, standing at over 10% in the most disadvantaged (see Figure 6.1). These tend to be the same wards which suffer from the greatest disadvantage in most other indicators, the wards worst affected by industrial change, the ones with the highest proportions claiming other benefits and the highest proportion of council and social housing, primarily they are the central wards of Ashington (like Hirst and Park) and Blyth (like Croft and Cowpen).

Figure 6.1: Jobseeker's Allowance claimant rate in Northumberland coalfield wards, January 2006



(Source: DWP, Census)

Commuting

There remains a low jobs density in the Northumberland coalfield with only one job for every two people of working age⁹⁹. As attempts at local employment creation have failed to alleviate labour market disadvantage more attention has been placed on increasing commuting levels. The economic inclusion manager for One North East, the regional development agency, summarised this change of direction by reiterating their perception that they cannot bring jobs to people, and so they must bring people to jobs.

*In the past we have tried to create local employment opportunities in these areas but we haven't been able to attract private investment, so people will need to travel to jobs. It's not a very palatable political statement to say "we can't attract jobs to these areas" so we say "we can and will" and we build business and enterprise parks and have tried to create local opportunities, but we can't attract the private sector, and people will need to travel to the city for jobs
(Economic Inclusion manager ó One North East)*

Improving links to Newcastle and North Tyneside has been a central tenet of local economic development policy since the early 1990s. This has been largely unsuccessful, however, for two reasons. First, there remain relatively low levels of car ownership, and significant difficulties in relying on public transport to get to work from parts of the coalfield (EDAW, 2002; 7). Secondly, attitudinal barriers and aspirations to work locally have proved to be entrenched even over the longer-term. Such attitudes are now found not just among former industrial workers, but across the generations, linked both to past household experiences of travelling to work, and also to broader area effects, the low aspirations which can result from sustained long-term worklessness within an area.

⁹⁹ For a full explanation of job densities measures see Hastings (2003).

The commuting flows from the coalfield still suggest that the commuting to the Newcastle conurbation¹⁰⁰ remain limited. From the urban coalfield male commuting flows to the local industrial estates of Cramlington, Blyth, and to a lesser degree Wansbeck still dominate while from the rural coalfield the main flows centre on the area's larger settlements of Alnwick and Amble as well as Castle Morpeth. Women do show a marginally greater propensity to commute to Newcastle from both the urban and rural coalfield areas but the difference between male and female patterns is not highly significant. The data show the ongoing importance of highly localised employment opportunities to coalfield workers. Tables 6.4 - 6.7 are illustrative and set out the largest flows for men and women from the urban and rural coalfield which show these patterns.¹⁰¹ These are abridged tables of the full calculations which are produced in Appendix III.

Table 6.4: Main commuting flows from the rural coalfield of male full-time workers, 2001

| Destination ward | Out-Commute | As % of total employed |
|----------------------------------|-------------|------------------------|
| Chevington (Castle Morpeth) | 416 | 6.5 |
| Alnwick Castle (Alnwick) | 384 | 6 |
| Amble East (Alnwick) | 296 | 4.6 |
| Ellington (Castle Morpeth) | 249 | 3.9 |
| Morpeth Central (Castle Morpeth) | 239 | 3.7 |

(Source: CIDS)

¹⁰⁰ Defined as Newcastle, Gateshead, North Tyneside, South Tyneside and Sunderland.
¹⁰¹ Due to changes in the census between 1991 and 2001 the total figures produced for 1981 and 1991 cannot be replicated. In 2001 to protect anonymity all flows between 0 and 3 have been randomly adjusted to either 0 or 3, with no 1s or 2s. The level of error can be calculated using the formula $0.8 \cdot \sqrt{n}$ (where n equals the number of 0s and 3s in a flow) (Simpson, 2003). Very small flows from aggregates of wards to local authorities, where the majority of ward to ward flows (from which the figure must be calculated) are true 0s, are subject to an unacceptably high error and are therefore not given. The tables show flows large enough for the level of error to be calculated and to be acceptable. These flows make up 65% of the total flows. As the main flows are based around flows to employment centres the figures give a strong indication of aggregate commuting patterns.

Table 6.5: Main commuting flows from the urban coalfield of male full-time workers, 2001

| Destination ward | Out-Commute | As % of total employed |
|----------------------------------|-------------|------------------------|
| Cramlington West (Blyth) | 1311 | 6.1 |
| Morpeth Central (Castle Morpeth) | 836 | 3.9 |
| Sleekburn (Wansbeck) | 800 | 3.7 |
| Kitty Brewster (Blyth) | 797 | 3.7 |
| Newbiggin East (Wansbeck) | 592 | 2.7 |

(Source: CIDS)

Table 6.6: Main commuting flows from the rural coalfield of female full-time workers, 2001

| Destination ward | Out-Commute | As % of total employed |
|----------------------------------|-------------|------------------------|
| Alnwick Castle (Alnwick) | 237 | 7 |
| Morpeth Central (Castle Morpeth) | 162 | 4.8 |
| Amble East (Alnwick) | 158 | 4.7 |
| Alnwick Hotspur (Alnwick) | 153 | 4.5 |
| Chevington (Castle Morpeth) | 152 | 4.5 |

(Source: CIDS)

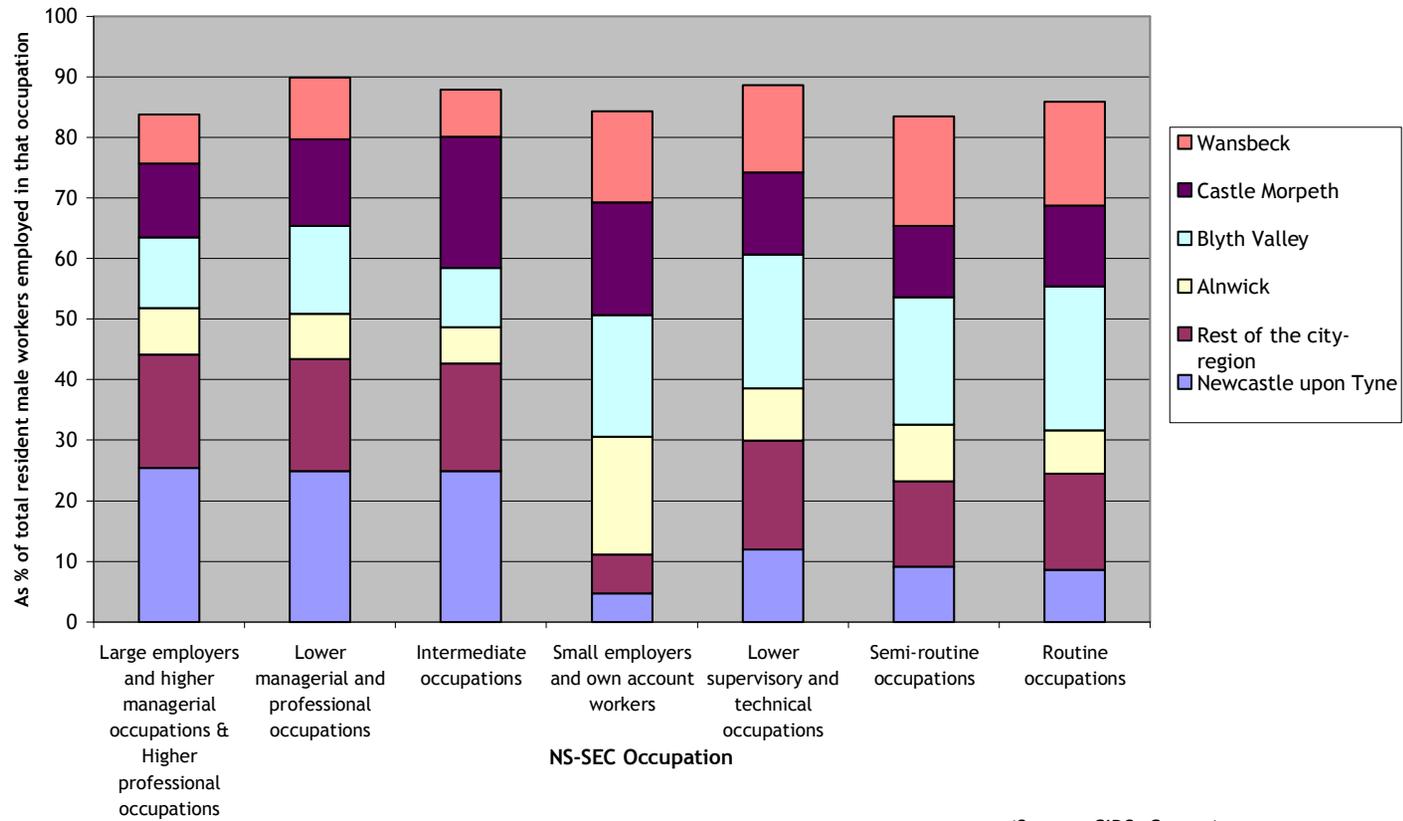
Table 6.7: Main commuting flows from the urban coalfield of female full-time workers, 2001

| Destination ward | Out-Commute | As % of total employed |
|------------------------|-------------|------------------------|
| Central (Wansbeck) | 702 | 5.8 |
| Kitty Brewster (Blyth) | 583 | 4.9 |
| Haydon (Wansbeck) | 562 | 4.7 |
| Dene (Newcastle) | 472 | 3.9 |
| Croft (Blyth) | 465 | 3.9 |

(Source: CIDS)

Commuting behaviour also remained highly structured by occupation. Figure 6.2 provides commuting figures for an amalgamation of coalfield local authorities (LAs) for men in 2001. It shows that over 40% of those working in managerial and professional occupations were travelling to the Newcastle conurbation. Many of these come from the new build estates in the area, which have attracted workers from the overheating Newcastle housing market. For semi-routine, and routine occupations, however, flows to Newcastle were only around 20%. Figure 6.3 reproduces these figures for women, showing that because more women in semi-routine and routine occupations work part-time there is an even smaller proportional commute to the city-region from the coalfield LAs. Clearly, workers in less-skilled occupations are much less likely to commute, which has significant implications for the role of commuting in tackling employment disadvantage. Figures 6.4 and 6.5 present the age breakdowns of these commuters, showing that age has relatively little impact on the propensity to commute for either males or females. With commuting to Newcastle as a proportion of total employment actually highest among the 45-59 age group for men, at 20% of the total employed. For women commuting tends to decline with age, though this is most likely linked to lifecycle and family responsibilities than any changing attitudes. The figures therefore do not suggest that commuting barriers are significantly more pronounced among older generations, confirming that the problem is ongoing and inter-generational.

Figure 6.2: Commuting flows from coalfield local authorities of full-time male workers, 2001



*Column remainders accounted for by non-local flows and part-time workers

(Source: CIDS, Census)

Figure 6.3: commuting flows from coalfield local authorities of female full-time workers, 2001

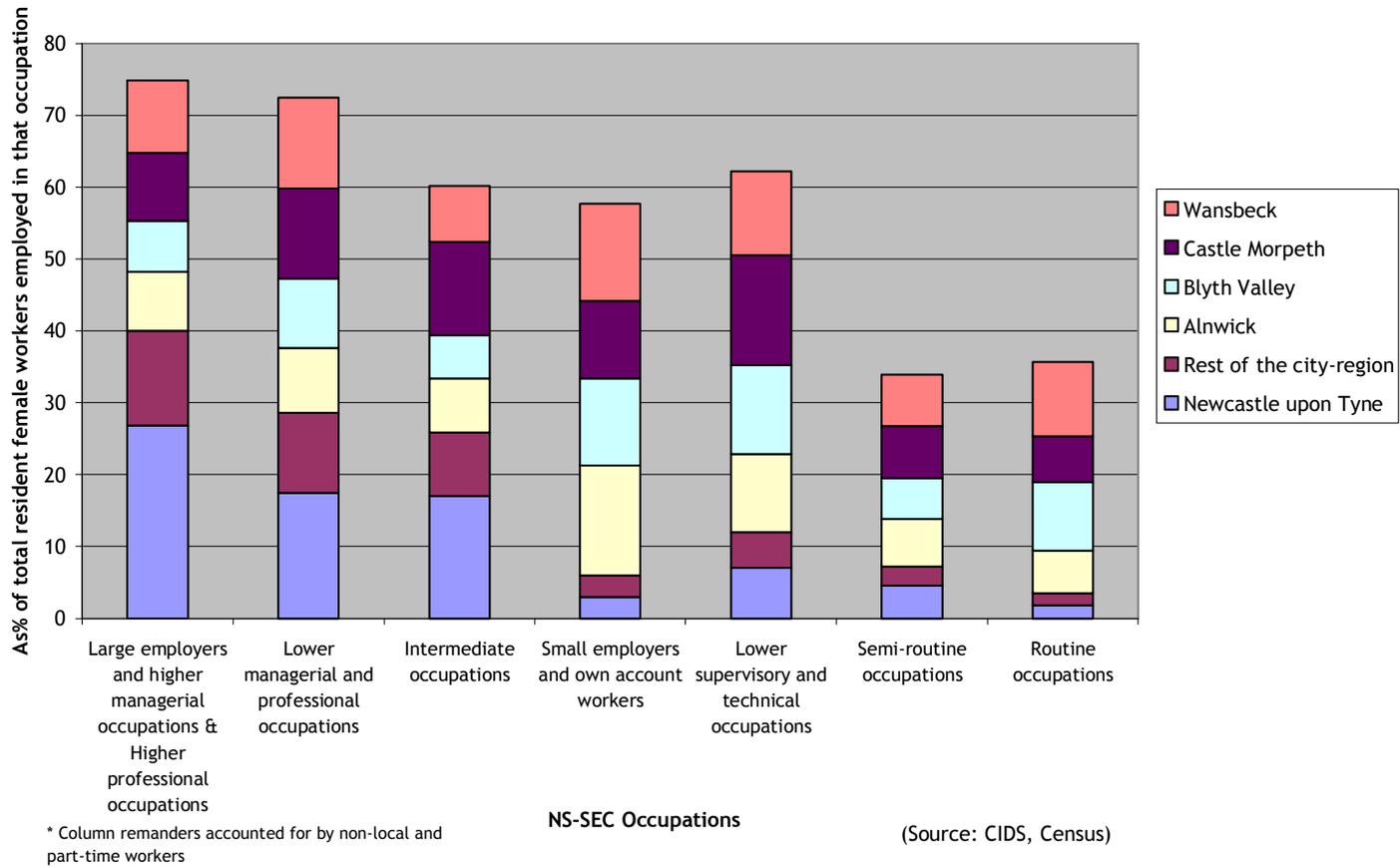


Figure 6.4: The main commuting flows by age for males from the coalfield local authorities, 2001

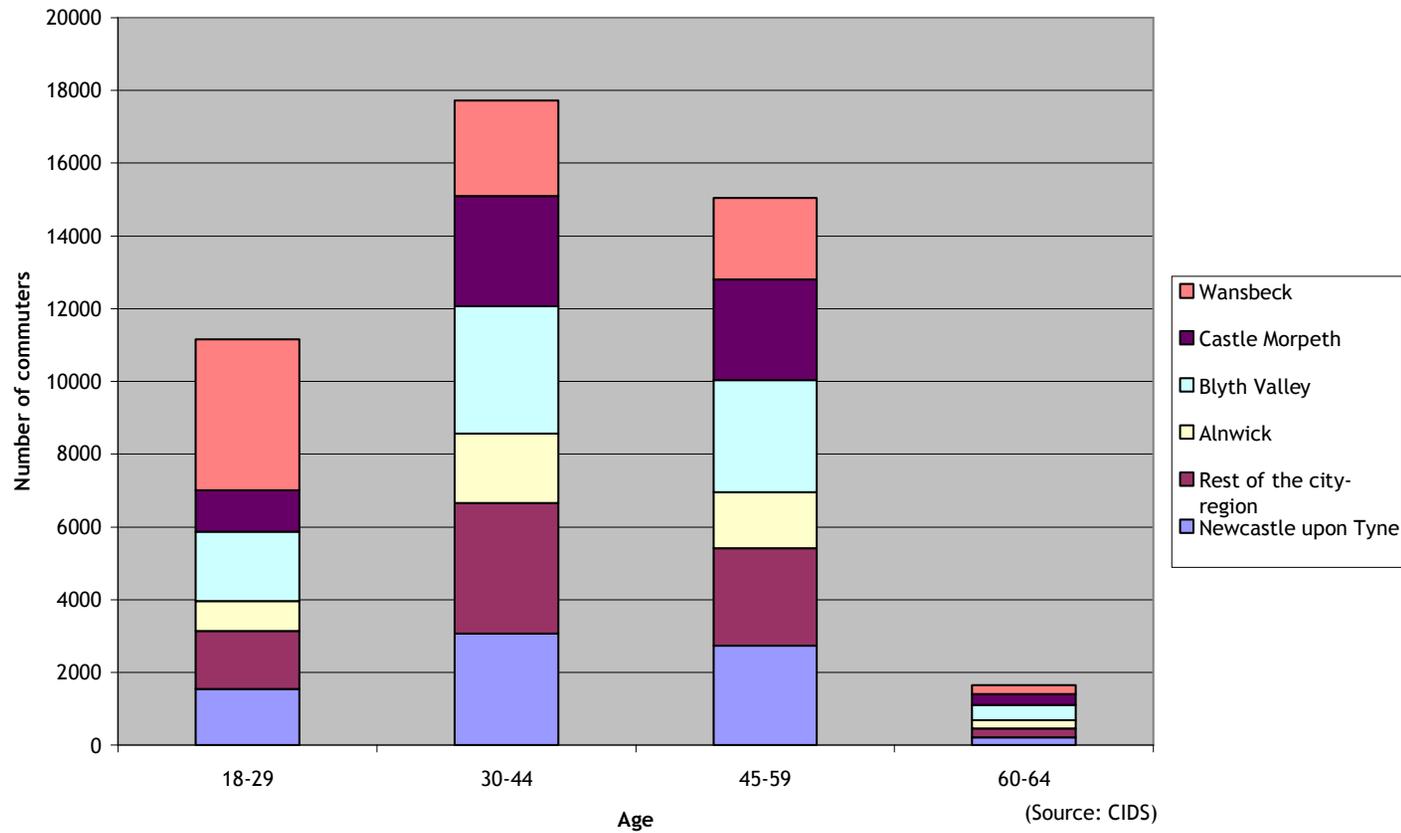
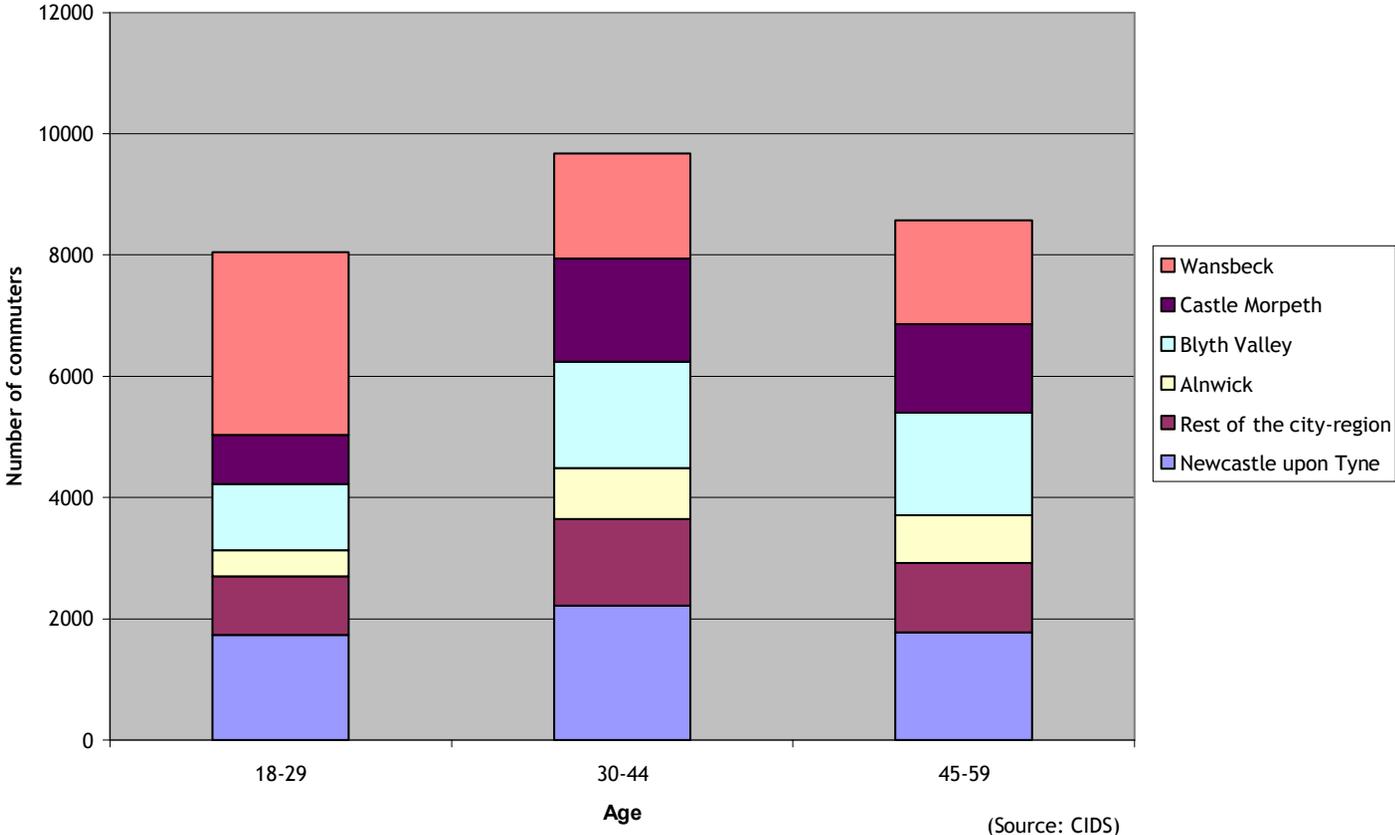


Figure 6.5: The main commuting flows by age for females from the Northumberland coalfield local authorities, 2001



In 2001 more than 30% of households in the coalfield did not have access to a car, and again low car ownership was concentrated in the most deprived wards suggesting the barrier is cost. Poor public transport has also limited workers' ability to travel to opportunities elsewhere in the region. These difficulties were emphasised by a development worker in the rural coalfield as well as by a community activist in the urban coalfield.

Transport's very difficult, in particular in the rural areas of Northumberland, very few and far between and when it does come you usually find that it's at the wrong times (Assistant director ó Northumberland Community Council).

This is a very difficult village to get out of if you don't have your own transport. We have a bus service that might as well not be here if I'm quite honest with you. It runs every two hours it finishes at 6 o'clock at night so anybody working continental shifts or something like that will find it very very difficult to get out of here. (Cambois Community Association, former miner).

With the growing popularity of continental working shift patterns, requiring people to commute outside peak served hours these transport barriers have become increasingly pronounced in recent years. The reliance on buses, their cost, routes and timetabling can make commuting even relatively short distances a costly and arduous process. To travel from Amble to central Newcastle, for example, takes an hour and twenty minutes, and from many other villages it involves one or more changes, making it impractical for many. As a local community worker summarised, this limited peoples' work-search scope.

[It] doesn't enter their head to look for work on Tyneside. It's about resources to get there. The bus service is very poor. For example you know if you want to get to Newcastle it's going to take you a good hour each way, and if you've got to work shift work, well forget it if you haven't got a vehicle. Then it's chicken and egg isn't it if you've not worked for a few

years and somebody comes along and says "we've got you a canny job on Tyneside", "well how am I going to get there if it's shift work?" (Network development officer, Wansbeck Community Empowerment Network).

Areas which are on the rail-link north through Castle Morpeth and Alnwick are more likely to become commuter towns but Blyth, Ashington and the coastal villages remain far removed from this.

In addition to these physical barriers there remain attitudinal barriers to commuting. Local officials believe that aspirations to work locally have proved particularly stubborn. While better equipped and more confident individuals have not been averse to travelling to Newcastle for work, in some areas commuting remains an alien concept; a 'mental barrier' or a 'psychological distance barrier' persists. This has been an important finding of the local group set up to tackle worklessness.

You've got some people who find it impossible to perceive that they live on one side of the town and would go even to the other side of the town to find work, never mind 15 miles away (Business and Enterprise coordinator Wansbeck Council, worklessness themed group).

These barriers are, in part, linked to received wisdom within household and other family networks - the perceptions about work gained from older generations that would have prioritised local work. This situation was described by both a regeneration manager working at a more strategic level and by a local youth worker in the urban coalfield.

Local people from the mining areas, certainly towards the north of the Northumberland coalfield area [there is] still a feeling that those opportunities are a long way away and it's not for us...People still have that attitude that the opportunities there might be further a field in the region are not for them. You know it's a culture that maybe to some extent been

passed down to youngsters, there still is a sense of isolation, distance from Newcastle...But that's still a culture I think people will expect to work locally and not to have to travel (Regeneration Manager Northumberland County Council).

It still does apply for the younger generations very much so, it's where you were brought up and where your family was brought up was where you had to work. The idea that you could commute outside to work and then come back again for the majority of young people is just beyond their comprehension...because none of them have had that experience or been accessed to it because their families haven't and the problems that come with that you know, the generations before them were working five hundred yards away down the coalmine, but now that's not there (Youth Worker, Trinity Youth).

Again this is in part the result of a type of dependency culture, as discussed by the manager of a local community organisation.

[The older generations had] been used to the coalmining industry where everything was provided for them, job, work, welfare, social activities, the whole lot. They were used to being able to walk to work and have everything there around them. Well now that's gone but that imprint is still there and [younger] people still try to follow those, in general try to follow those sort of patterns (Manager of East Ashington Development Trust)

These local outlooks are however no longer shaped solely by previous industrial live/work patterns and are increasingly linked to the generally low aspirations and very localised activity spaces among younger people in the area. They want to work locally because they have had little experience of travel, and few resources to explore the opportunities which are available. This was the view both from a more strategic perspective of the County Council's regeneration manager, who perhaps has a vested interest in individualising such problems, but

also from a community worker in the rural coalfield who has more direct experience.

You hear it anecdotally that people hardly ever go into Newcastle, you know from youngsters in Ashington and further north (Regeneration Manager Northumberland County Council).

We tend to have a residual number of people who will probably never leave the village; the furthest they'll go is maybe Morpeth on a Saturday night (Assistant director of Northumberland Community Council).

Mon Valley

The Mon Valley continued to lose manufacturing jobs during the 1990s, with additional multiplier losses, particularly in 'transport, communications and utilities'. While there was some growth in the numbers employed in 'other services', these jobs were largely filled by the expanding supply of female labour. In total the area lost some 1,372 jobs.¹⁰² These ongoing sectoral shifts continued to impact negatively on wages, as many of the jobs in the growing sectors paid less and offered fewer benefits, most critically healthcare.¹⁰³

There is no sign that the continuing loss of employment in the Mon Valley will be arrested in the foreseeable future. Baseline employment forecasts from the South Western Pennsylvania Commission (2003) indicate that the area will lose a further 10% of its employment base over the period 2000-2010, most significantly through the continuing contraction of manufacturing. This is likely to compound the significant employment disadvantage already prevalent in the area.

¹⁰² Figure refers to residential rather than workplace statistics which are not available

¹⁰³ Some 10% of workers in Pennsylvania were without health insurance in 2000 (SAHIE, 2005), the proportion in the Mon Valley is likely to be significantly higher.

By 2000 the largest employment sector was 'education, health and social services', a sector dominated by female labour (see Table 6.8). A substantial portion of this was in the two large University of Pittsburgh Medical Centre (UPMC) hospitals located in Braddock and McKeesport. Retail and entertainment were also employing increasing numbers. This trend will continue as more of the old mill sites become centres of consumption, such as the Waterfront shopping complex at Homestead and the proposed re-use of the Carrie Furnaces as a leisure and entertainment complex. The Valley retains some of its past economic functions, and manufacturing remains an important source of employment, particularly for men. The main clusters are at Braddock, with the sole remaining blast furnace, Clairton, which still sites a coking plant, and West Mifflin, with a General Motors stamping plant (although its future appears less than secure) and a sheet rolling mill.

While private sector growth has been limited, unlike Northumberland there has been no compensating growth in public sector employment. The area has therefore been wholly reliant on what little private investment and growth of private wage jobs it can attract (Table 6.9).

Table 6.8: Jobs located in the Mon Valley, by industry, 2000

| | Mon Valley Total | Percentage |
|---|---------------------|--------------|
| Total | 60,450 | 100.0 |
| Agriculture, forestry, mining | 185 | 0.3 |
| Construction | 4,684 | 7.7 |
| Manufacturing | 10,698 | 17.7 |
| Wholesale trade | 2,178 | 3.6 |
| Retail trade | 9,690 | 16.0 |
| Transportation, warehousing, utilities | 3,742 | 6.2 |
| Information | 1,954 | 3.2 |
| Finance, insurance, real estate | 2,153 | 3.6 |
| Professional, management, administrative services | 4,428 | 7.3 |
| Educational, health and social services | 10,858 | 18.0 |
| Entertainment, accommodations, food services | 4,823 | 8.0 |
| Other services (except public) | 3,337 | 5.5 |
| Public administration | 1,593 | 2.6 |
| Armed forces | 109 | 0.2 |

(Source: Census Transportation Planning Package (CTPP2000) accessed using Place-of-Work Drill Downs by the University of Wisconsin-Milwaukee Employment and Training Institute)

Table 6.9: The balance between public and private sector employment in the Mon Valley, 1980-2000

As percentage of total employed

| | 1980 | 1990 | 2000 |
|---|------|------|------|
| Employed persons 16 years and over | 100 | 100 | 100 |
| Private wage and salary workers | 84.4 | 84.8 | 84.4 |
| Federal government workers | 2.1 | 2.8 | 2.4 |
| State government workers | 1.8 | 1.6 | 1.5 |
| Local government workers | 8.0 | 6.0 | 5.9 |
| Self-employed workers | 3.5 | 4.3 | 5.5 |
| Unpaid family workers | 0.3 | 0.4 | 0.2 |

(Source: Census)

The Valley has been hampered by a poor transport infrastructure, low skills base and an ageing workforce (37% of the population is over 50). A further difficulty relates to the poor image of the area, both in terms of its unionised history and more contemporary social problems. This depressing situation was graphically summarised by the director of a local organisation working for the unemployed.

Everything these old towns do to paint themselves up and make themselves attractive it don't mean shit. I mean what do you get? You get an Echostar [call centre] in the former National Tube works in McKeesport which has 7-8 dollar an hour jobs calling around the country 800 numbers. It's, you know it's really sad (Co-director, Mon Valley Unemployed Committee, former worker Homestead Works).

Particularly significant is the skills base, since the Mon Valley lacks the skilled labour force to attract high-end investment. This is symptomatic of a broader regional skills shortage in Southwest Pennsylvania. A recent study by the Pittsburgh Technology Council and Catalyst Connection research found that in Southwest Pennsylvania:

- Forty percent of all high school seniors in the survey lack the applied math skills to be well-prepared for a lifetime of learning.

- Forty-three percent of seniors received reading scores that may limit them to jobs that pay less than \$20,000 a year.

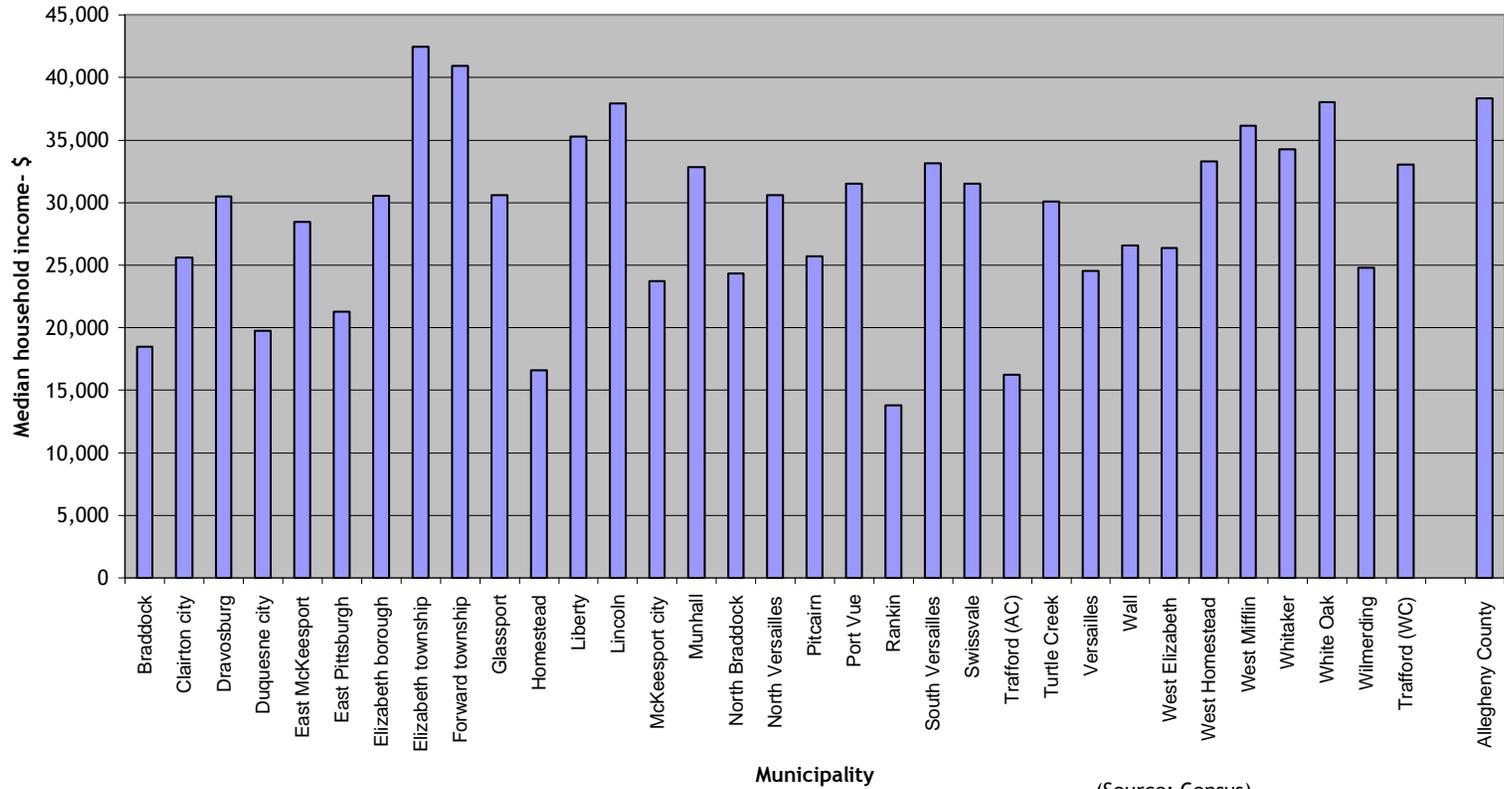
- Ninety-one percent of students lack the skills in interpreting graphs needed for professional occupations such as teaching and accounting.

- And, on average, one-third of all applicants for local jobs are rejected because of inadequate reading or writing skills' (cited in the *Mon Valley Economic Development Strategy (MVEDS): Final Report*, Trip Umbach, 2004; 169-170).

The trend of declining incomes which began in the 1980s actually accelerated over the next decade. The Mon Valley stands out even within a declining wider regional economy; as shown in Figure 6.6 most municipalities had incomes below 90% of the county median, and some below 50%. These incomes have remained particularly low in the mill towns worst affected by closures, at under \$20,000 in Braddock,

Duquesne, Homestead and Rankin and below \$25,000 in McKeesport. In many mill suburbs they are closer to, though generally still below the Allegheny County average.

Figure 6.6: Median household income in the Mon Valley, 1999



(Source: Census)

While income and unemployment data for the Valley are not available year on year, County figures showed no real wage growth between 2000 and 2003 indicating no evidence of economic recovery. Figures for both the number of residents in employment (Figure 6.7), and the number unemployed (Figure 6.8) are provided for the two biggest municipalities in the Mon Valley, McKeesport and West Mifflin. Data is only available for towns with populations over 25,000 so these examples must serve as a guide. In both places, total levels of employment continued on a downward trend after 2000¹⁰⁴, while unemployment increased between 2002 and 2005 before returning to around its 2000 level. Taken together these figures again indicate no recovery has occurred since the Census figures on which much of the analysis is based.

¹⁰⁴ This also reflects increasing out-migration

Figure 6.7: The number of employed residents in McKeesport and West Mifflin municipalities, 2000-2008

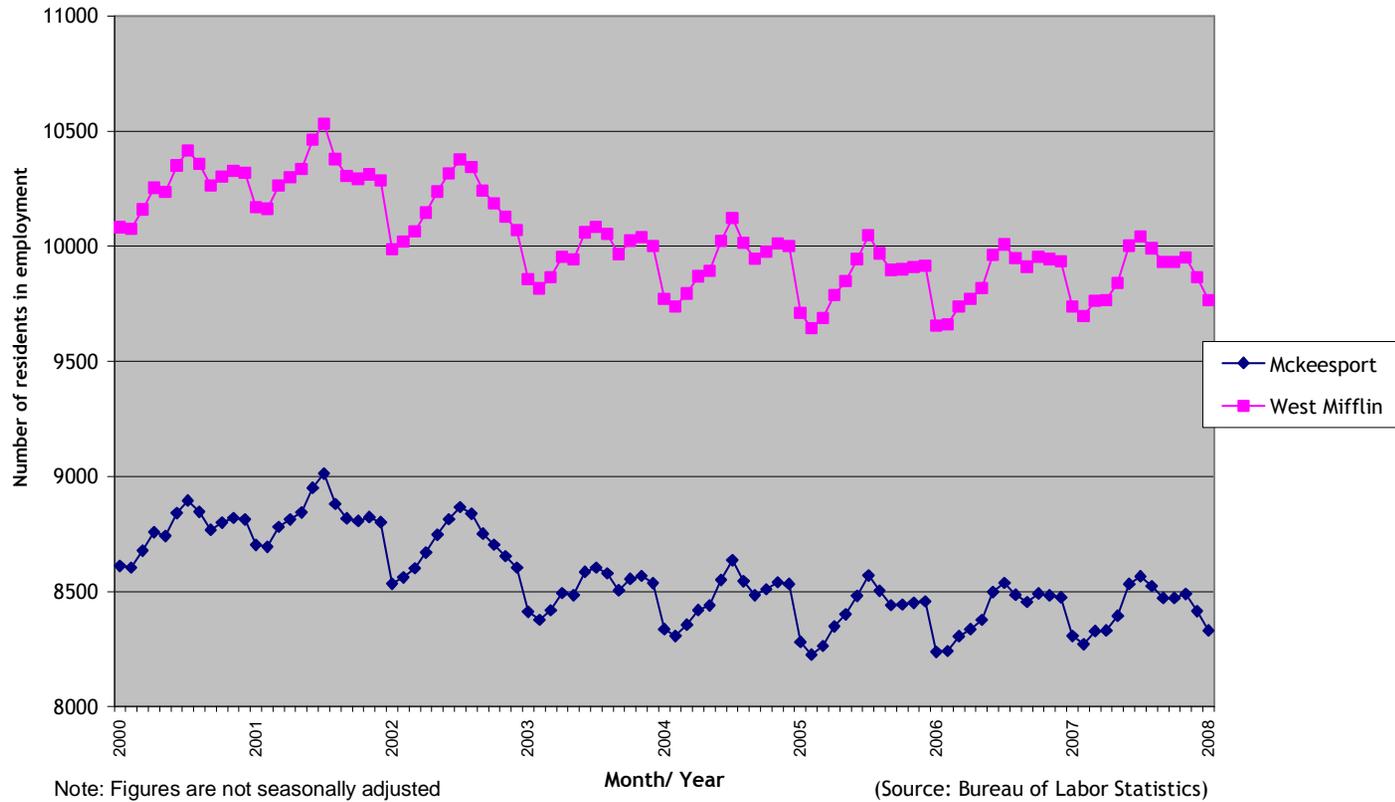
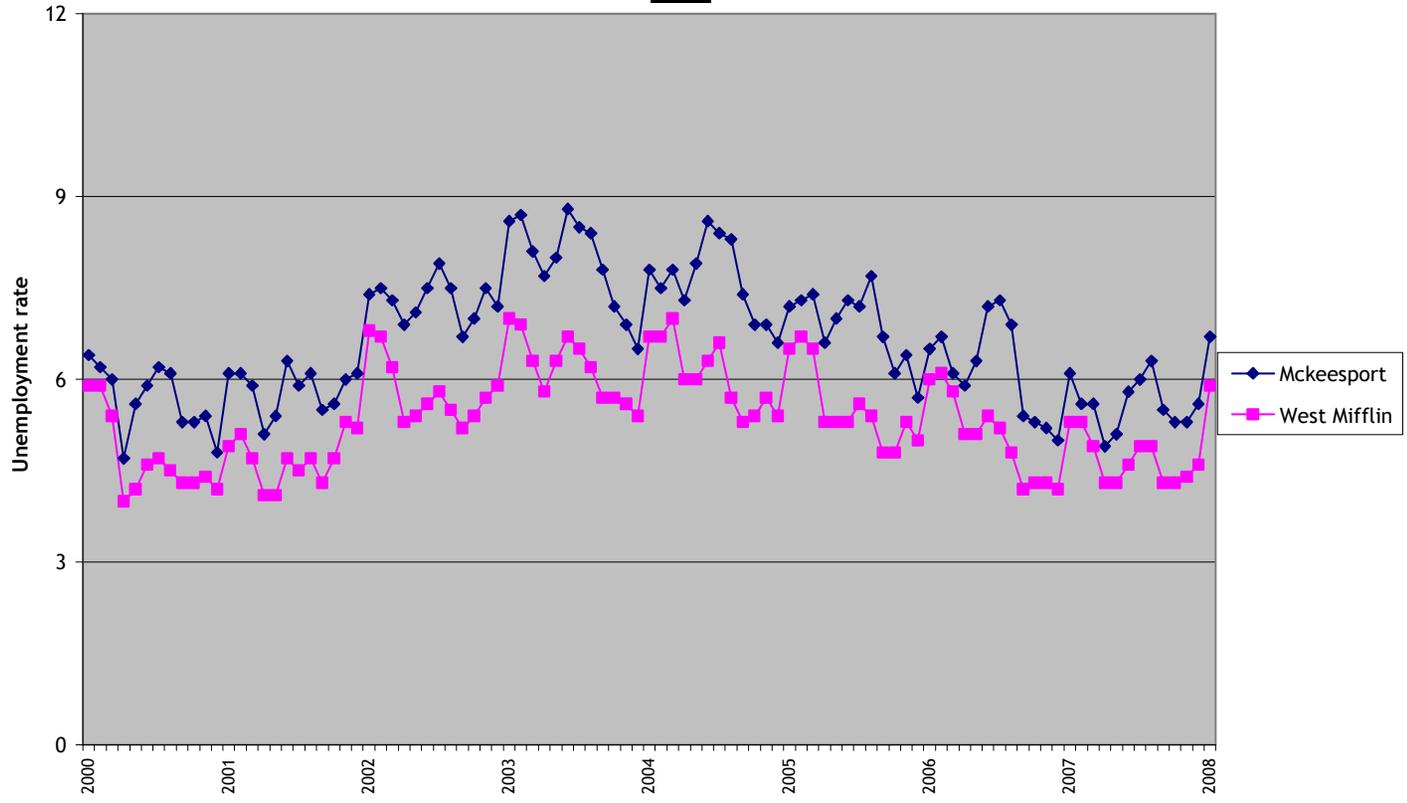


Figure 6.8: Unemployment rate change in McKeesport and West Mifflin municipalities, 2000-2008



Note: Figures are not seasonally adjusted

(Source: Bureau of Labor Statistics)

Commuting

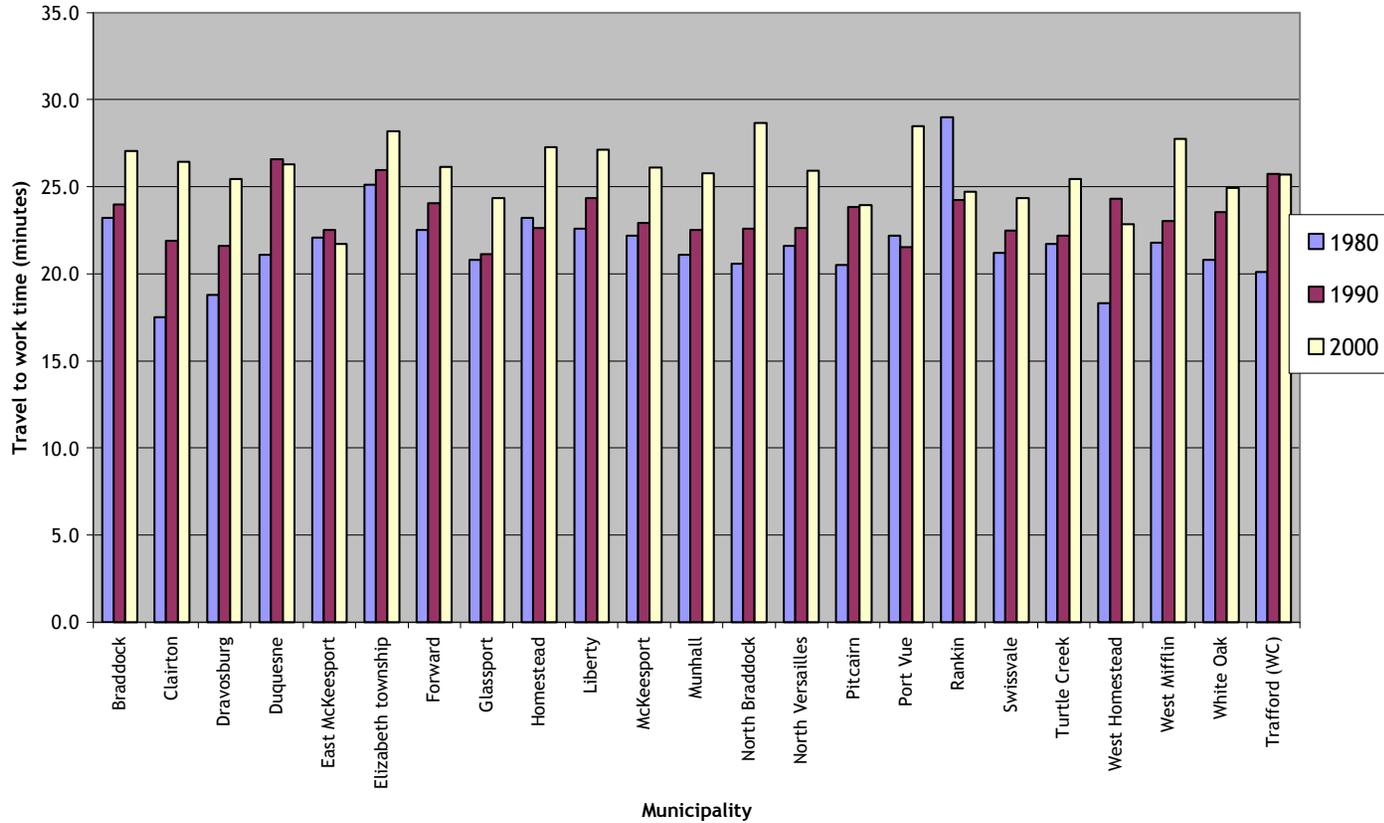
In response to the declining number of local opportunities there has been an upward trend in out-commuting.¹⁰⁵ In 2000, the Mon Valley had 20% net out-commuting. Women were significantly more likely to commute out than men, though this is largely linked to the structure of the local economy, and the continuing local importance of sectors dominated by men.

As we have seen, ‘attitudinal barriers’ to commuting are not so prevalent as in Northumberland. Processes of suburbanisation were already established, and car ownership was high (80% of Mon Valley households had one or more cars in 2001).

Figure 6.9 shows this general upward trend in increased commuting from Mon Valley municipalities using travel to work times. This trend has been most pronounced in the more isolated mill towns, like Clairton and to a lesser extent Duquesne, as well as in the mill suburb areas which were in closest proximity to mills like North Braddock, Dravosburg and West Mifflin whose residents would then need to travel further for work.

¹⁰⁵ As measured by workers filling employment outside their municipality of residence and mean travel to work times.

Figure 6.9: Change in mean travel to work time for the Mon Valley municipalities, 1980-2000



(Source: Census)

6.4 The impacts of migration

The LMA data show that, migration flows from the two areas are highly contrasted. In the Mon Valley they are essential in understanding post-closure developments, while migration has been much less important in Northumberland. Both areas, however, have experienced some similar processes. For example, localised pockets of cheap housing have attracted a less employable, and often more problematic, population. In Northumberland local migrants have transferred into council or housing association properties from within the same local authority, as part of a localised process of housing market sorting. In the Mon Valley, there has been an influx of in-migrants from the City of Pittsburgh and further afield into the private rented sector. Both areas have also continued to lose their younger and more highly qualified workforce.

Northumberland

While total population has remained relatively stable, migration flows have impacted in diverse ways and have been important in shaping the micro-geographies of industrial decline. There have been three key migration flows, each with a distinctive geography:

1. Well qualified young people moving out of the area.
2. Residents from the Newcastle city-region moving into new housing estates in the area.
3. Low-wage or benefit-dependent families, attracted by the ready availability of social housing or the low rents offered by private landlords in parts of the area.

Well qualified younger people are leaving in significant numbers because of the lack of opportunities locally. Migration of this type has

always occurred from the region, but it has taken on increased significance since industrial collapse. On the other hand, house prices in the area tend to be comparatively low. In Ashington in 2006 they were only 67% of the national average, in Blyth around 69% and in Bedlington 73% (calculated from the Halifax House Price Index).¹⁰⁶ In the 1980s these differentials served to limit the mobility of former industrial workers, but in the 1990s they encouraged a new trend. They made the area more attractive to incomers, supporting substantial house building, particularly in the villages with good access to the A19. These new estates, with cheaper property prices than in Newcastle and Tyneside, have attracted people from the city who commute back for work.

As a result of the National Coal Board housing stock transfers in the 1980s, the area also has a relatively large number of socially and privately rented properties. This has attracted criticism in some communities about the moving of 'undesirables' and problem families into local authority and social housing. Private landlords letting on short-term and social security lets have also been the source of disquiet. Such problems are often framed in terms of the influx of 'problem' and benefit dependent families, with clear implications for the erosion of 'community'. They were explained by a local community actor in the rural coalfield, and by a local community development worker in the urban coalfield.

[The] people who have bought cheap houses here, and now they're out to let. On the last count from Castle Morpeth we had 23 landlords...and we also had the council and Cheviot Housing. So in all of that mix we had, you name it, we had it. If we did have a tenant who was creating all kinds of mayhem we had a problem finding the owner, and in fact the owner doing anything about it...All they really

¹⁰⁶ These are the only coalfield post towns which are covered by the survey. Bedlington figures are 2004

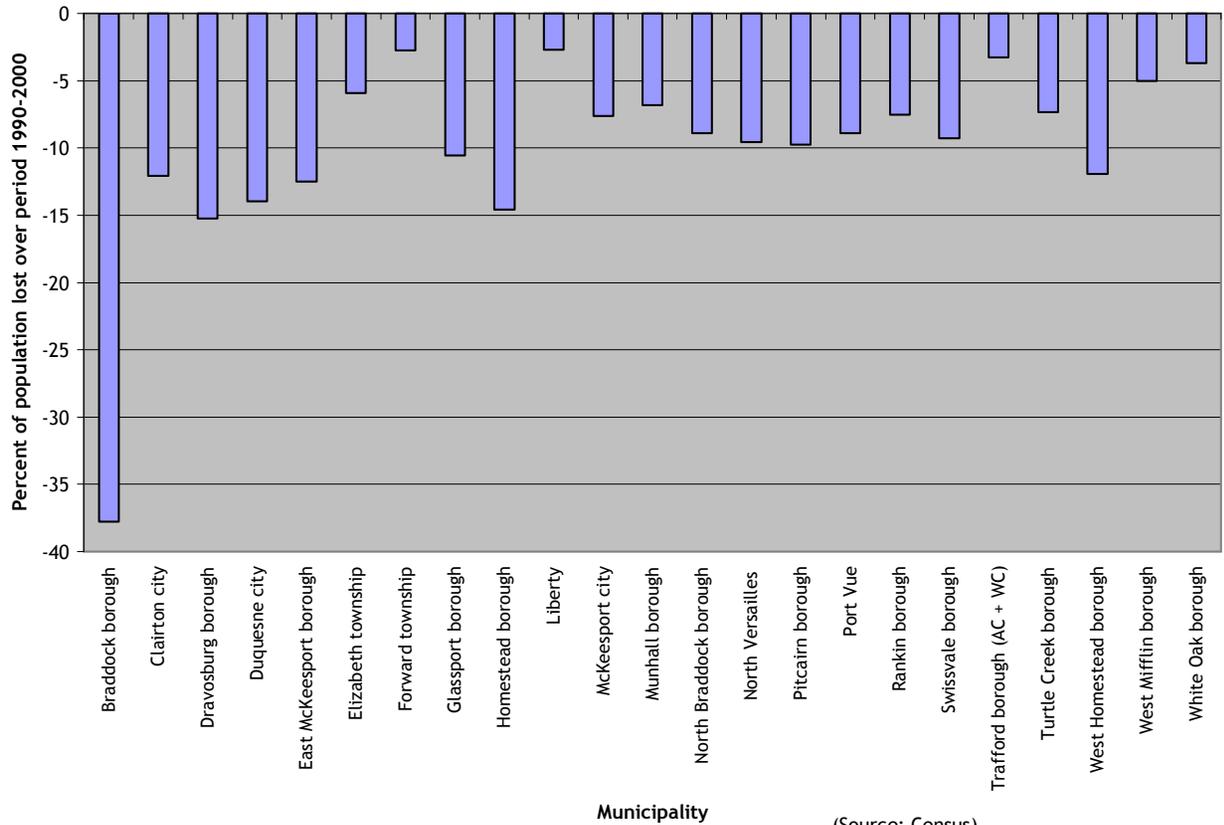
want are people who are on benefits, and as long as they get their rent. However these people behave it's very difficult for them to get to take any action (Chair Lynemouth Parish Council).

[Properties have been] bought up by absentee landlords or landlords with no real interest in it, just letting on short term lets or social security lets. They've no sort of fibre to bond it together anymore (Network development officer, Wansbeck Community Empowerment Network).

Mon Valley

Out-migration from the Valley continued to be significant during the 1990s, with some 9% of the working age population moving away. In addition, a further 5% population loss was estimated between 2000 and 2005 (Census Bureau, 2005). During the 1990s this loss of population continued to be heavily focused on the mill towns, being particularly pronounced in Braddock, Clairton, Homestead and Duquesne, as well as in the more depressed mill suburb areas of Dravosburg and East McKeesport, while losses were less apparent in the less deprived areas for example Forward and Elizabeth Township (see Figure 6.10). Such migration has had a pronounced impact on the area's human capital, particularly in these worst affected areas.

Figure 6.10: Population loss in the Mon Valley municipalities, 1990-2000



(Source: Census)

By the 1990s, migration was no longer directly related to job losses, but more to the limited nature of local employment opportunities, and the general decline in the liveability of the area. The key flows were:

1. Outflows of the more qualified and employable.
2. Inflows of people attracted by the cheap rents available in the area.

As had been the case historically those who were most highly qualified moved away as the area contains few jobs which would utilise their qualifications and skills. As in Northumberland, such migration takes on increased significance when new investment and indigenous growth is needed.

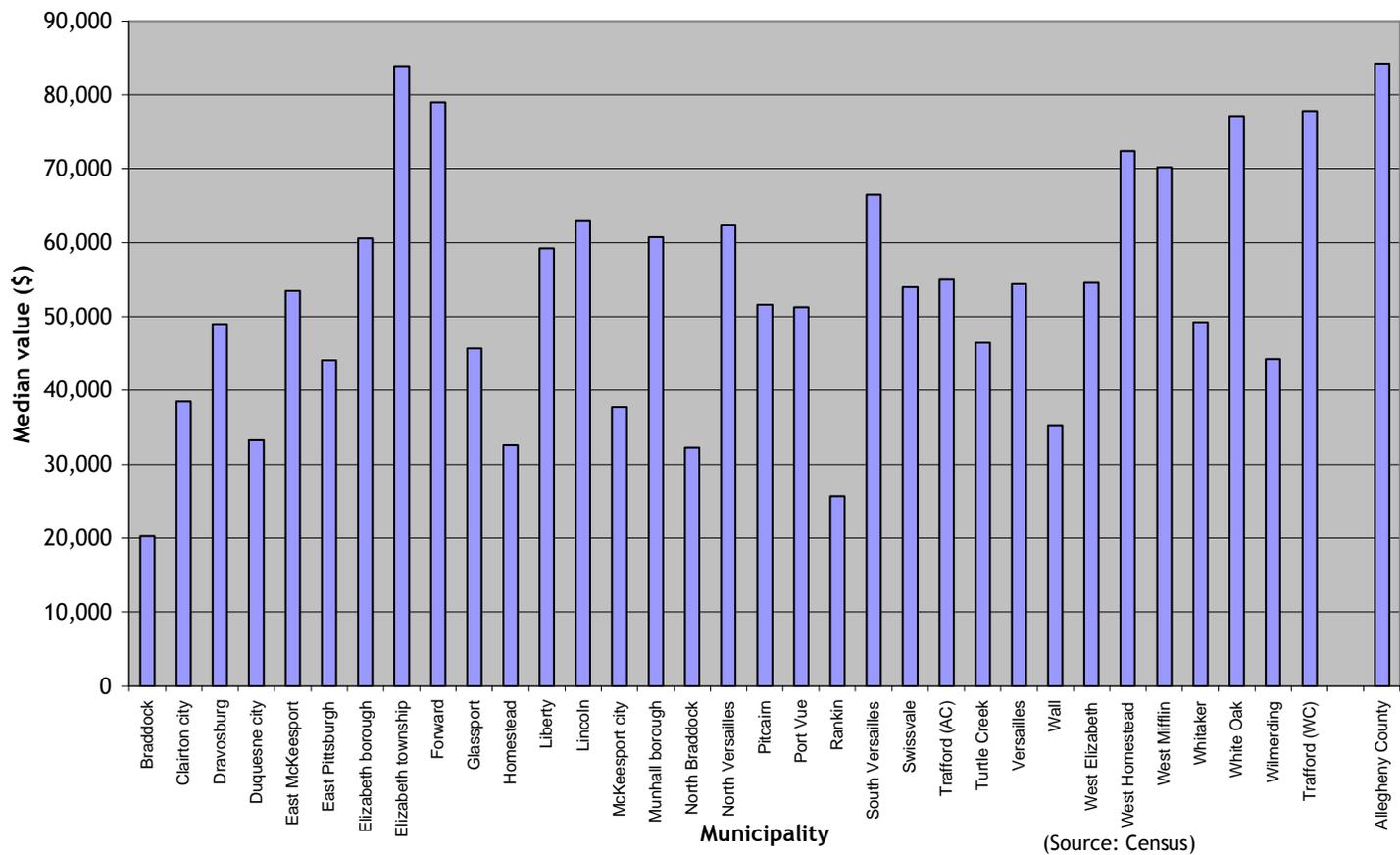
There also began important inflows, although the ongoing population loss ensured that house prices continued to decline through the 1990s. In most municipalities the real median house value remained at less than 80% of its 1980 level, during a period when the US saw average property prices rise by almost 30% in real terms, to nearly \$120,000 in 2000 (US Census of Housing

www.census.gov/hhes/www/housing/census/historic/values.html).¹⁰⁷

As Figure 6.11 shows the most depressed housing markets were in those mill towns which had suffered the greatest loss of population, in Braddock, Clairton, Duquesne, Homestead and McKeesport. Here there is no geographical proximity to Pittsburgh effect, indeed apart from Swissvale - Braddock, Rankin and Homestead are located the shortest distance from the city. Rather what the figures present is the declining liveability and population flight from the mill towns as they became increasingly depressed.

¹⁰⁷ Since 2001 County property values have fallen, making the prospect of any localised recovery in the Mon Valley unlikely.

Figure 6.11: Median owner-occupied house values for Mon Valley municipalities, 2000



The reduction in house prices has fostered a major social-demographic shift, as the former working class population was replaced by the working poor and welfare dependent. Increasing numbers of properties were let to the working poor by 'slumlords', or to those with Section 8 housing vouchers by often absentee private landlords. While Section 8 figures are not generally available, the published numbers for Braddock suggest that they account for around one-quarter of the area's rental housing.¹⁰⁸ This process was detailed by a housing expert for a local not-for-profit.

The demographic changed because the real estate just settled. Those houses that used to be vibrant, - and had these well paying manufacturing jobs- as those houses started to wallow and deteriorate, you had the value just freefalling...and those people who are seeking a shelter at an affordable rate start moving into the neighbourhood (Senior real estate manager, Mon Valley Initiative).

Absentee landlords have in many cases neglected the upkeep of their properties, leading to the further physical rundown of the area. A lack of code enforcement and property inspection, reflecting the lack of municipal resources, add to these problems. Such issues are particularly apparent in the former mill towns which have the cheapest housing. These migration flows have created marked divisions between established residents and newcomers, recounted in interviews with community workers and members alike.

The houses have become low rent which means you get a big demographic shift. As poor people move to reasonable rents the whole demographic shifts. You know, you've got racial conflicts, economic conflicts that were never resolved, that just stewed. You know, it becomes a mess (Community Organiser, Mon Valley Initiative).

¹⁰⁸ This figure was calculated using the number cited in the Pittsburgh Post-Gazette (1999 E-1).

We have families moving in who are kind of transient. They move into apartments stay for a while and leave and don't really care as much about the community as the citizens have in the past. So housing is one of our biggest problems. A lot of the houses here are very big so they've been converted into apartments. So there's more renters than homeowners and a lot of absentee landlords (Member, East Pittsburgh Community Development Corporation).

There is a racial dimension to these patterns. Much of the in-migration has been by the black population, who are disproportionately more likely to be found in the low-end rented and Section 8 housing. This movement has been mainly eastwards out from Pittsburgh because, 'houses and financing were more available than in other sections of the county' (Pittsburgh Post Gazette, 1999: E1).¹⁰⁹ As described by Table 6.10 the black population tends to be more transient, moving more often, some 46% of the black population had moved house in the five year period prior to the 2000 census, 41% of this was from within the same county, during the same period only 26% of the white population had moved. This difference in residential mobility is mostly accounted for by difference in tenures, with the black population much more likely to rent property while the white population are more likely to be in owner-occupied accommodation (see Table 6.11). While the black population has grown, the white population has declined rapidly, continuing a process of white flight. The increase in the black population has though been highly geographically specific, heavily concentrated in the mill towns like Braddock, Duquesne, Homestead and Rankin; the places in which housing collapse has been most complete and properties remain cheapest (see Figure 6.12). This racial shift is in large measure responsible for the tensions which are examined in section 6.7.

¹⁰⁹ This continues a trend which began when parts of the city's Hill District were demolished to build the Civic Arena (Pittsburgh Post-Gazette, 1999: E1)

Table 6.10: Mobility in the five years prior to the census in the Mon Valley by race

| <u>White: Percentage</u> | | |
|--------------------------------------|------|------|
| | 1990 | 2000 |
| Different house in the United States | 25.9 | 25.5 |
| Same County | 21.6 | 20.8 |
| Different County | 4.3 | 4.8 |
| <i>Same State</i> | 2.2 | 2.5 |
| <i>Different State</i> | 2.2 | 2.3 |
| Abroad | 0.1 | 0.2 |
| | | |
| <u>Black: Percentage</u> | | |
| | 1990 | 2000 |
| Different house in the United States | 44.1 | 46.2 |
| Same County | 39.0 | 40.9 |
| Different County | 5.1 | 5.3 |
| <i>Same State</i> | 1.6 | 2.6 |
| <i>Different State</i> | 3.6 | 2.7 |
| Abroad | 0.1 | 0.5 |

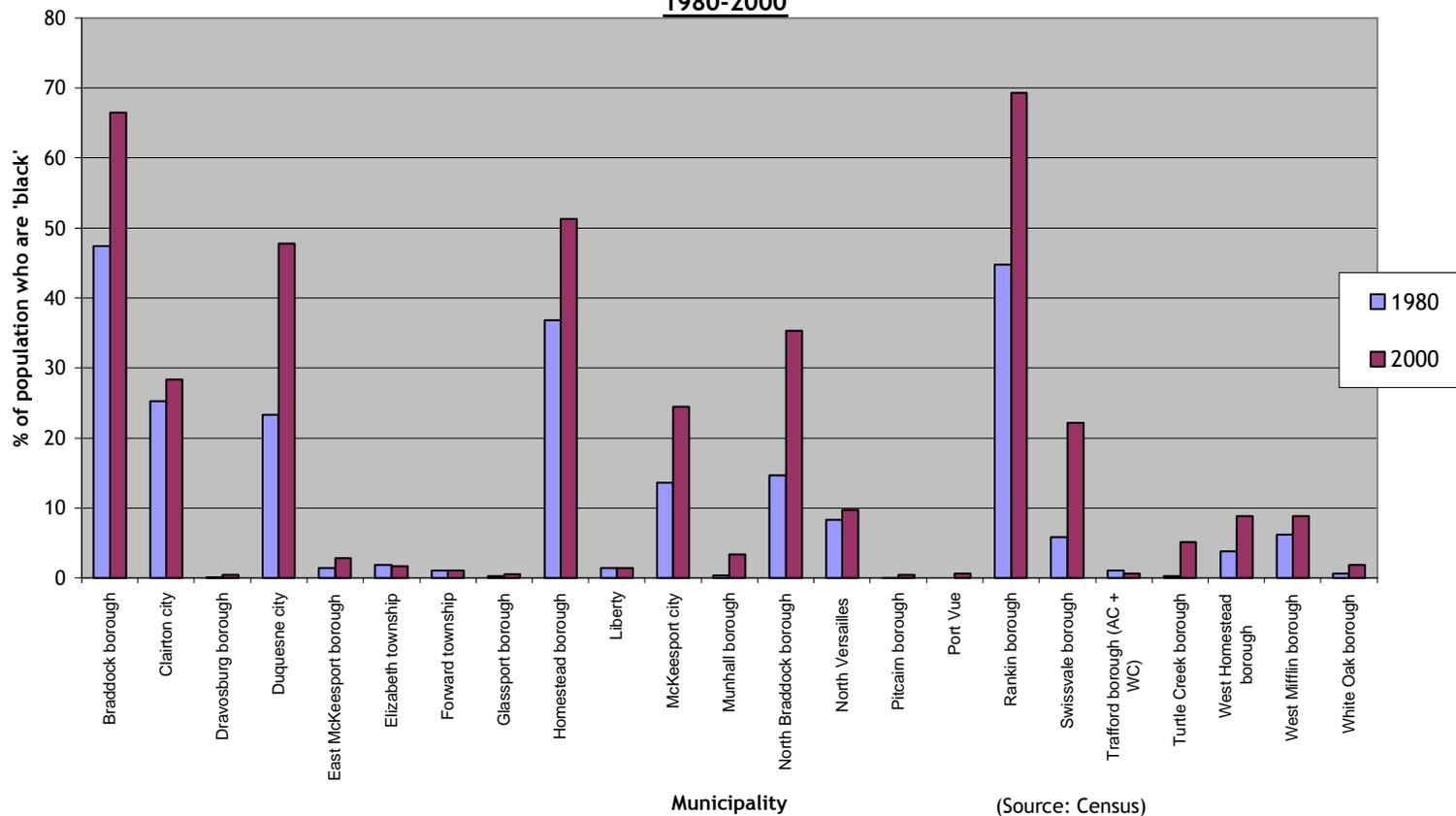
(Source: Census)

Table 6.11: Occupancy status by race in the Mon Valley, 2000

| Occupancy status | Number of units | % |
|----------------------|-----------------|------|
| White owner-occupied | 43,772 | 69.7 |
| White renter | 19,002 | 30.3 |
| Black owner-occupied | 3,372 | 35.0 |
| Black renter | 6,269 | 65.0 |

(Source: Census)

Figure 6.12: Change in the percentage of population who were 'black' in Mon Valley municipalities, 1980-2000



6.5 Inactivity and worklessness

The employment rate for working-age men in the Mon Valley was 74% in 2000, only a single percentage point drop from 1980. This compares to a rate of 69% in Northumberland in 2001, a fall in excess of ten percentage points from 1981. The maintenance of a steady rate of employment in the Mon Valley has been achieved both by the high levels of out-migration, and the need for workers to take whatever jobs were available. There are also significant differences in the proportion of men not working because of sickness. The figures below in Table 6.12 are not directly comparable, since those for the Mon Valley are based on self-selective categories while the Northumberland figures are for actual benefit claims. They nevertheless show the much greater extent to which sickness benefits support inactivity in Northumberland.¹¹⁰ One in seven working-age men in Northumberland were on sickness benefits, compared to fewer than one in eleven off work because of sickness in the Mon Valley. The female figures are broadly similar, though the Northumberland data are for women 16-59 while those for the Mon Valley are for 16-64. As health deteriorates with age it is likely that direct comparisons would show greater incidence of sickness among women in Northumberland.

Table 6.12: Proportion of the working age population not employed because of sickness or disability

| | Men | Women |
|--------------------------|-------|-------|
| Mon Valley(a) [2000] | 8.8% | 9.4% |
| Northumberland(b) [2001] | 14.4% | 9.1% |

(Source: (a) Census: Counts individuals not working because of a disability. (b) DWP benefits data: Counts individuals claiming Incapacity Benefit or Severe Disablement Allowance, and, Census)

¹¹⁰ Those reporting to be not working because of ill-health in the Mon Valley do not necessarily collect any form of sickness benefits.

Northumberland

In chapter 5, we saw that working age inactivity in Northumberland has two significant elements; early retirement and, a larger group claiming sickness benefits. The working age male IB claimant rate in the Northumberland coalfield was 13.2% in 2005, well above the national average of 8.0% (DWP 2005: Mid-year population estimates, 2005).¹¹¹ This represents a small decline since 2001, around 400 men, primarily by those reaching retirement age, leaving around 6,000 claimants. The female rate was 9.2% compared to 6.0 nationally (ibid), and has risen slightly since 2001.

The explanation for these high rates may begin with the story of redundant industrial workers, over the following decades it has become more complex, and worrying, as the group become younger. Figures 5.14 (in the previous chapter) and 6.13 show the change in levels of economic inactivity by age for males between 1991 and 2001. Rising levels of inactivity are clearly not now directly related to pit closures. Those aged 55-64 in 1991, with a substantial proportion of former miners, would have been past retirement by 2001 however the proportion has actually risen. Inactivity rates among 25-34 year olds had also grown by around 5 percentage points and, for 35-54 year olds, by around 7 points. As the coalfield continued to lose skilled trades jobs and basic factory employment during the 1990s¹¹², the weak labour market produced an expansion of sickness benefits to other sets of manual workers and to younger cohorts of service workers.¹¹³ The data indicate that, far from being a short-term adjustment of former miners

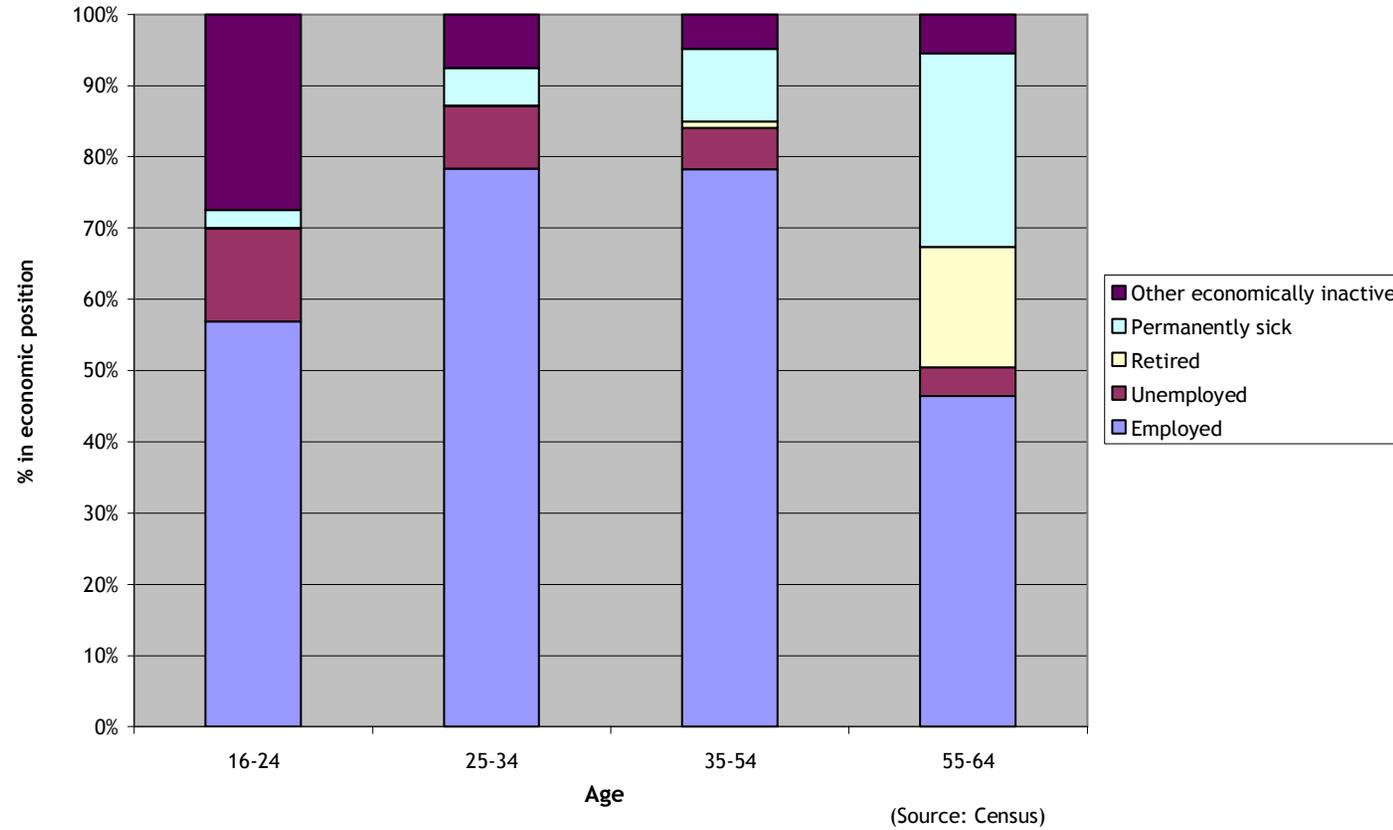
¹¹¹ Figure refers to claimants of Incapacity or Severe Disablement Allowance (SDA) for England only.

¹¹² In 1994 Ellington colliery also closed with the loss of 1,200 jobs, though around a third of this number would go on to be employed when the mine re-opened as a private concern.

¹¹³ The point should be made that IB as a stop gap to until retirement, perhaps supported by some pension income and without mortgage payments, is a very different financial option to being on IB for the long-term.

moving onto sickness benefits, the area's benefit dependency has become a continuing trend.

Figure 6.13: Economic position of men in the Northumberland coalfield by age, 2001



There are several, partially overlapping, explanations for the persistence of inactivity and sickness claims after the immediate impacts of closures.

1. There were well-worn institutional paths to benefits claims in terms of local advice organisations and GP attitudes.
2. Because of weak local demand for labour, when employees dropped out of work for health reasons they became less likely to find alternative employment than in more economically buoyant areas. The low-wage local labour market also made the financial incentives of benefits more attractive than in other parts of the country.
3. Declining aggregate demand for labour and unemployment itself has had negative impacts on health.
4. There was a normalisation of worklessness in some households and communities. This is coupled with cultural “learning” of the benefits system.

The original large-scale shift onto sickness benefits by redundant workers created local institutional channels for claiming Incapacity Benefits which seem to have outlasted the needs of the industrial workers themselves. The active diversion from unemployment to sickness benefits, which was encouraged at jobcentres in the 1980s largely ceased. But knowledge had begun circulating about ways to ease the path from work. Awareness of the benefits system became better, both within the community and among advisers (e.g., General Practitioners, Citizen Advice Bureau), some of whom saw IB as an exit route out of a difficult labour market for low-skilled workers with some

form of health limitation.¹¹⁴ This has increased the propensity of those without work to claim beyond the normal range of unemployment related benefits. A benefit shift therefore occurred from increasingly worthless and punitive unemployment benefits onto more financially advantageous sickness benefits. This process was summed up by a community worker who covers parts of the rural coalfield.

I work very closely with the Citizen's Advice Bureau...[and]...there seems to be a greater awareness. And indeed the CAB are the ones perhaps who raise that awareness of the availability of benefits for a range of things outside of the normal Jobseeker's Allowance, outside of the normal Income Support and so on. And Incapacity Benefit, Attendance Allowance, all these kind of things...There's a lot more awareness of what you can get for being ill these days so perhaps that's bringing more people into the health arena. And I think perhaps younger people, you know; you've been through the Jobseeker's Allowance and you get, what is it, 26 weeks. What do you do after then? Do you go on Income Support or do you get diverted into Incapacity Benefit?...It's just increasing the number of people who are allegedly in ill health, perhaps falsely, because they're being diverted into these different types of benefit which are extra income streams (Assistant director – Northumberland Community Council).

The low wages, high turnover rate, and increasing prevalence of agency work locally, has also made claiming sickness benefits more likely for those with some degree of health limitation compared with other parts of the country. In more buoyant labour markets individuals who have claimed IB might have remained in work for two reasons. First, their employer may have been more likely to retain them, or they may have been able to gain alternative employment more easily. Secondly, their

¹¹⁴ A national study of IB recipients found that the role of GPs and benefit officers in encouraging people to claim was particularly evident 'until the late 1990s'. In more recent years these sets of professionals have become more likely to encourage people towards work (Houston and Sissons, 2008; 22-24)

health may not have been so bad if they lived in a less deprived part of the country (Houston and Sissons, 2008; 63). IB may also be combined with other non-income benefits, for example housing and council tax benefits, to produce a 'benefit trap', whereby financially it does not seem worthwhile going back to work. A recent survey of Incapacity claimants in Wansbeck district found that more than two-fifths of men would need to earn more than £300 a week after tax to come off benefit, for women the figure was almost one in four. Because of the complexity of calculating income and non-income benefits a further 18% of men and 27% of women did not know (Beatty et al, 2007; 49). To put this in context a full-time job at the minimum wage would yield a net income of around £170-180 a week (ibid; 49).¹¹⁵ As those on IB tend to have few formal qualifications, and often feel they could only manage part-time work, many would be unable to command these types of incomes, particularly in Northumberland's low wage economy. This position was recounted both by those concerned at strategic levels and within the communities themselves.

If you're not forced to [go back to work] particularly on long-term sickness and Incapacity... you'd have to have a pretty attractive opportunity to want to break out of that (Regeneration Manager Northumberland County Council).

They see it that if they come off their present state benefits they'll probably, if it's a low paid job they'll be less well off. So they stay on state benefits and then the next generation does the same (Chair Lynemouth Parish Council).

This is further complicated where benefit income is supplemented by work in the informal economy, as explained by a community worker in the rural coalfield.

¹¹⁵ Though in some cases there is scope for this to be increased through Tax Credits awareness of how these can boost income is generally low among IB claimants (Houston and Sissons, 2008; 33).

A lot of them get into the black economy, you know fiddle jobs doing whatever...if there's a guy who's a small builder, small mechanic whatever, and needs a bit of a hand now and again, there's always somebody around. You know - few quid on the side - no names no national insurance. Just come along and you'll get a bit of work...I know people who regularly do a little bit of work on the side like that and it's sort of generally accepted in the community. (Assistant director – Northumberland Community Council).

Long term changes in aggregate demand for labour and rising incidences of unemployment can themselves also impact upon peoples' health. Worklessness, poverty and deprivation can exert a powerful negative impact upon health, further feeding rising sickness levels, in a self-reinforcing circuit.

The negative aspects of redundancies have also produced a longer-term process of the 'normalisation' of worklessness in particular households, streets and communities in parts of the coalfield. Again this is a mixture of established cultures passed down, and new attitudes engendering low aspirations and negative attitudes towards work which can be combined with some form of health problem. These issues were summarised by a local employment adviser working with young jobseekers in the rural coalfield.

We get the second and third generations unemployed because they haven't had the role models, or their parents have said to them "I wouldn't do that job for that sort of money" (Employment opportunities manager, Amble Development Trust, formerly redundancy counsellor with British Coal Enterprise).

The geographical concentration of worklessness in certain parts of the coalfield is suggested by Table 6.13 which sets out some correlations, all of which are significant to the 5% level, of employment data from

the 42 coalfield wards. There are strong positive correlations between the levels of male IB claimants and levels of youth unemployment among both men and women (16-24) of 0.72 and 0.72 there is also a relatively strong correlation between male and female youth unemployment of 0.60. This hints at the negative transmission effects of worklessness which may occur between generations.

Table 6.13: Correlations of worklessness by age in Northumberland coalfield wards

| | IB claim rate male aged 16-64, 2001 | IB claim rate female aged 16-59, 2001 | Male unemployment rate aged 16-24, 2001 | Female unemployment rate aged 16-24, 2001 |
|---|-------------------------------------|---------------------------------------|---|---|
| IB claim rate male aged 16-64, 2001 | 1.00 | | | |
| IB claim rate female aged 16-59, 2001 | 0.93 | 1.00 | | |
| Male unemployment rate aged 16-24, 2001 | 0.72 | 0.57 | 1.00 | |
| Female unemployment rate aged 16-24, 2001 | 0.72 | 0.66 | 0.60 | 1.00 |

(Source: Census)

This process of negative transmission was described by interviews across the board, with local community members, local community workers and those in statutory agencies.

Those who are second or third generation unemployed or on benefits, or whatever, tend to be the ones [for whom] this is the accepted norm. "This is what we do we sit here and we wait for our handout" (Manager – East Ashington Development Trust).

You have a lot of people that don't want to work, that have this sort of culture where they're in a situation of maybe third generation unemployment. And they've seen that their dad hasn't gone to work, their

granddad hasn't gone to work since the pits closed, kind of thing, and why should they go out and try and earn a living when they can survive on the benefits that they receive? (Business and Enterprise coordinator Wansbeck Council, worklessness themed group).

A lot of the people don't know any way of life other than benefits (Chair East Ashington Community Area Partnership).

There is also a strong correlation (0.93) between the levels of male IB claimants and female claimants in the coalfield wards (see Table 6.13). Whilst the data do not show whether these are located in the same households, the findings suggest a similar pattern to that found by Fieldhouse and Hollywood (1999) who explain how the design of benefits serves to encourage spouses or other household members to adopt the same status.

You only have to do it once in a family before the word spreads [advice about benefits]...It should be a temporary situation but unfortunately people end up on these things long-term (Assistant director – Northumberland Community Council).

Some 16% of parents with dependents in the coalfield lived in workless households in 2001. Just over half of these had both parents out of work, with the rest being lone parents (calculated from the Census). In cases of inter-generational worklessness the degree of household detachment from the labour market can become almost complete, as set out by a local community worker in the rural coalfield.

...where their parents haven't worked, or their father hasn't worked, so it's not just the lack of availability of work it's the lack of the work ethic, 'why should I get out of bed at you know sort of half past six in the morning to go to work? I haven't had to do that, and it's a hell of a thing...There's been no system in the household for getting up and going to work and

the idea of going out of the house, doing work, coming back in at a reasonable time to get up in morning, they've just lost it. So you've got kids around nowadays who, and I'm talking about kids perhaps into their early 20s, who have just never done that. They've never had experience of that in their household. So I think that's one of the hardest things perhaps to get over to them (Assistant director – Northumberland Community Council).

Previous evidence suggests that some of those claiming IB could be expected to be in work in a more dynamic economy (Beatty and Fothergill, 2005), while the Disability Rights Commission suggest that one-third of people on IB would like to work. However a recent survey of claimants in Wansbeck suggested the figure is lower, with only 17% of male IB claimants, and 24% of female claimants reporting they would like a job either at the time of the survey or further into the future (Beatty et al, 2007; 29). This represents less than 850 of Wansbeck's claimants and indicates the significant difficulties faced in attempting to reduce levels of inactivity.

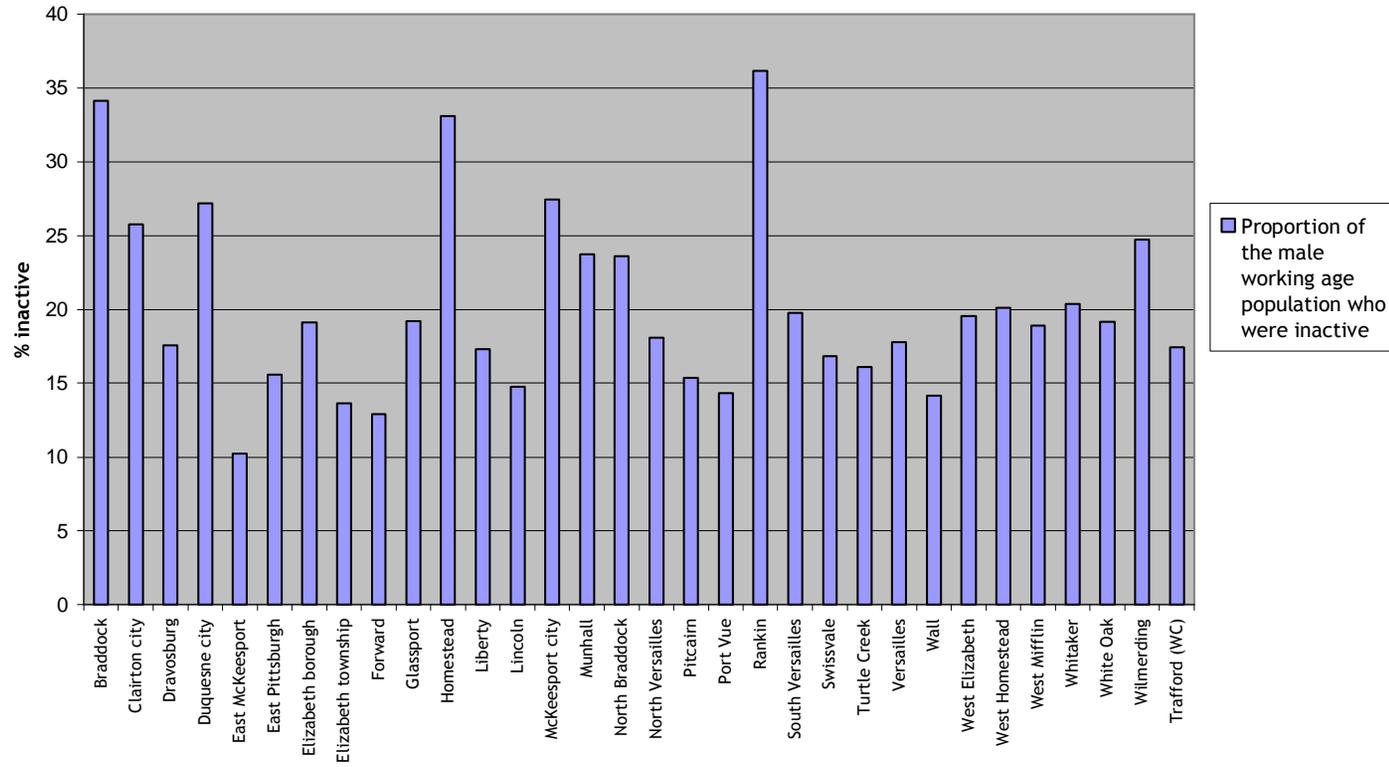
Mon Valley

As we have seen, inactivity is a much less readily available option in the Mon Valley. Nevertheless, in 2000, around 20% of working age males were inactive, and just over 30% of females.¹¹⁶ The male rate had however increased by only 1 percentage point since 1980, while the female rate declined sharply. Within this picture, there are some pockets of high rates of unemployment and inactivity within the Valley primarily concentrated in the mill towns. Figure 6.14 shows that inactivity was particularly high in those areas which have suffered the most complete economic and housing collapse and which have undergone the greatest population turnover, in Braddock, Homestead, Rankin and Duquesne. While rates remain quite low in those mill suburb

¹¹⁶ These relatively high rates are partly linked to demographics, and the large numbers of people in the older cohorts of working-age.

areas in which housing remained relatively less affordable. This trend was in part linked to in-migration, as well as to the degree of employment disadvantage which existed prior to closures, as migration has to some extent imported some level of economic inactivity from elsewhere through housing market sorting processes. These mill town areas now tend to have higher levels of welfare claims as well as more people who are economically inactive living a marginal existence without income from either formal work or benefits. As a result of the selective migration they also have a larger number of older residents qualifying for full or partial retirement benefits. Inactivity in the Mon Valley therefore presents an even more distinct geography of that outlined for the coalfield, being so heavily concentrated in the mill towns.

Figure 6.14: Proportion of the male working age population in the Mon Valley municipalities who were inactive, 2000



(Source: Census)

6.6 The geographical concentration of poverty and deprivation

The decline of traditional industries has created increasingly complex localised patterns of deprivation in both study areas. While some places became commuter belts, others became areas characterised by high levels of worklessness. These changes did not radically redraw the map of relative deprivation. Rather, the wider area decline became most obvious and intractable in those areas which began from the lowest start point.

There are clearly differences in the two areas' experiences. In the Mon Valley there remains a greater degree of polarisation between top and bottom. Structures of decayed housing, unused brown field sites, under funded public spaces and run-down street architecture present a stark image of many parts of the area. In Northumberland, minimum housing standard regulations, public spending on physical regeneration, better funded local councils, and community funding have served to limit the visual impact of economic decline.¹¹⁷ In both, however, while most areas have suffered to some extent, the situation in the worst affected places has become almost hopeless. As a result of housing market sorting processes, poverty, ill-health and low aspirations, economic and social disadvantages have come together to produce a poverty of opportunity and aspiration. Tables 6.14 and 6.15 draw together various indices to highlight the characteristics of the most deprived communities. In Northumberland they are characterised by their high rates of inactivity and benefit claiming, poor educational attainment, large numbers living in the socially and privately rented sectors and high rates of teenage pregnancies. These problems are concentrated in wards in Ashington and Blyth towns, areas hit particularly hard by industrial change, as well as in some of the less accessible and more peripheral villages like Lynemouth, a former pit village, and New Biggin

¹¹⁷ Though there are pockets of disused council and social housing in parts of the coalfield.

where population turnover has been pronounced. In the Mon Valley such places are characterised by their collapsed local housing markets, low wages, high levels of poverty and inactivity and poor high school completion rates. These problems are highly concentrated in the former mill town areas. For these areas disadvantage has become cumulative, through damaging area effects in places where worklessness is normalised, and inter-generational effects, where households have become used to not working. High levels of worklessness, low skills and barriers to transport have bred a self-reinforcing decline. People have not improved their expectations and aspirations because they feel 'boxed in' by the limited opportunity structure in which they now feel trapped.

Table 6.14: The worst performing wards in the Northumberland coalfield

| | Male inactive 2001 (16-64) % | Female inactive 2001 (16-59) % | Council and HA HHs 2001 % | Privately rented HHs 2001 % | No car HHs 2001 % | Claiming IB males 2005 (16-64) % ¹¹⁸ | Claiming IB females 2005 (16-59) % | Male claiming IS 2005 (16-64) % | Female claiming IS 2005 (16-59) % | Males claiming JSA 2005 (16-64) % | Coal board housing in 1981 % | Teenage pregnancies (<18) : 2002-2004 | % of pop with below level 2 qualifications (GCSEs A-C) | % of pop <25 with below level 2 qualifications (GCSEs A-C) |
|----------------|------------------------------|--------------------------------|---------------------------|-----------------------------|-------------------|---|------------------------------------|---------------------------------|-----------------------------------|-----------------------------------|------------------------------|---------------------------------------|--|--|
| Hirst | 31.9 | 42.9 | 31.1 | 15.2 | 49.3 | 22.3 | 14.9 | 9.7 | 21.4 | 8.3 | 9.1 | High | 70.4 | 49.4 |
| Lynemouth | 29.6 | 36.2 | 31.7 | 10.7 | 35.6 | 22.9 | 16.3 | 8.6 | 19.0 | 8.6 | 24.6 | Not sig. | 70.9 | 55.4 |
| Cowpen | 29.1 | 41.1 | 50.3 | 5.4 | 46.3 | 19.9 | 12.9 | 10.7 | 14.6 | 7.1 | 2.7 | Not sig. | 72.3 | 50.5 |
| Newbiggin East | 28.9 | 39.8 | 31.6 | 12.6 | 42.6 | 22.5 | 13.8 | 9.4 | 15.6 | 7.7 | 9.3 | High | 69.5 | 46.4 |
| Croft | 27.6 | 37.8 | 33.1 | 14.9 | 48.1 | 23.5 | 14.1 | 12.2 | 18.9 | 10.8 | 0.6 | High | 65.5 | 48.4 |

(Sources: Census; DWP benefits data; Mid-year population estimates; EMPHO)

¹¹⁸ The IB figures have been adjusted to estimate working-age IB recipients. A proportional adjustment is made based on the ratio of non-working age claimants as a proportion of the total for coalfield Local Authority areas (for which age data is available). The 2005 population are MYEs adjusted using the ward ratio of 15 year olds in the 15-19 category to estimate working-age figures.

Table 6.15: The worst performing municipalities in the Mon Valley

| | Male inactivity 2000 (16-64) % | Female inactivity 2000 (16-64) % | Male unemployment 2000 (16-64) % | Female unemployment 2000 (16-64) % | Median HH income 2000 (\$) | Residents 25+ not completed high school 2000 % | No car HHs 2000 % | Long-term vacant properties 2000 % | Properties rented 2000 % | Living in poverty 2000 % | Public assistance income 2000 % ¹¹⁹ | Households with no wage or salary income 2000 % |
|-----------------|-----------------------------------|-------------------------------------|--|--|-------------------------------|--|----------------------|---------------------------------------|-----------------------------|-----------------------------|---|---|
| Rankin | 36.2 | 35.8 | 11.8 | 7.2 | 13,832 | 20.3 | 50.3 | 4.6 | 58.1 | 45.0 | 12.8 | 45.2 |
| Braddock | 34.1 | 40.2 | 10.6 | 7.9 | 18,473 | 22.1 | 39.1 | 16.3 | 49.9 | 35.0 | 9.4 | 44.0 |
| Homestead | 33.1 | 37.5 | 6.4 | 8.0 | 16,603 | 24.4 | 46.7 | 12.0 | 58.2 | 26.6 | 9.5 | 43.5 |
| McKeesport city | 27.5 | 37.2 | 9.0 | 6.5 | 23,715 | 22.4 | 29.5 | 5.2 | 40.0 | 23.0 | 7.9 | 35.8 |
| Duquesne city | 27.2 | 32.0 | 7.9 | 8.3 | 19,766 | 21.8 | 39.1 | 6.5 | 47.8 | 34.7 | 13.5 | 40.0 |

(Source: Census)

¹¹⁹ Includes TANF and other cash welfare programmes.

Northumberland

In Northumberland, growing pockets of worklessness and increased deprivation can be traced back to the patterns of labour supply and demand in the period after the initial shocks, particularly the rise in inactivity rates. As well as to processes of housing market sorting which resulted from industrial change. The 2004 indices of deprivation show that a substantial section of the coalfield remains relatively deprived, with 18 of the 90 Super Output Areas (SOAs), the smallest spatial scale for which data are available, among the worst 10% in the country (see Appendix IV). Within this pattern of deprivation there are pronounced divergences both within and between local authority areas. The Blyth and Wansbeck areas remain generally the most deprived, with Castle Morpeth and Alnwick doing significantly better. The last 25 years have seen a geographical concentration of disadvantage which is essentially linked to the structure of the housing stock, being concentrated in areas with high proportions of socially and privately rented housing.¹²⁰ A process of ghettoisation began in these areas with some communities becoming blighted by deprivation, teenage pregnancy, crime, and drugs and alcohol. This process was described by the National Union of Mineworkers (NUM) chairman but also, from a more neutral perspective, by a local community worker.

If you have a look round the area, it's frightening. You couldn't get up and walk around there and feel safe, even now [daytime], and back there is equally as bad (description of part of Ashington) (National Chairman and secretary – National Union of Mineworkers, former miner).

[We've got a] ghetto type mentality starting to take place now where we're having massive regeneration, relatively speaking, around the periphery of Ashington for example. And the old core areas we're getting ghetto type

¹²⁰ Of which the selling off of NCB housing is an important aspect.

mentality, a siege mentality taking place (Network development officer, Wansbeck Community Empowerment Network).

Low aspirations and related problems became established over a relatively short period of time, but have created new stubborn and entrenched norms. These developed from household and peer influences, a combination of inter-generational and area effects. Their damaging nature was summed-up by those in direct contact with young people in the local communities.

Their peers' aspirations are very low...the area that they're living in, their peer group, their parents, their cousins - you know, brothers and sisters. It can be very hard for them to break that, for want of a better word, that 'stereotype', because of where they live (Youth Worker, Trinity Youth).

This is further complicated by an old norm that has proved remarkably robust - the desire among young people to fulfil a family role at a young age. Without work, or with low paid work, social housing increasingly fills the role once provided by the NCB for (non) workers, as explained by an official charged with tackling worklessness in Wansbeck District.

You've got to realise that it is a drummed-in culture, and unfortunately a lot of perceptions are that young people aspire to get themselves a family and a council house, so that they can live on their own. It isn't really developed in them that they want to strive to achieve something, and that is something that we're all driving to tackle. But from my perspective I haven't seen any evidence to suggest that it is changing (Business and Enterprise coordinator Wansbeck Council, worklessness themed group).

Mon Valley

Since closures, social problems have similarly developed in the Mon Valley. They include poverty, drugs, prostitution, physical decay and community conflicts. The extent of this social breakdown was detailed by a local council member in Clairton.

I was trying to sell a business, and a broker that came to town one Saturday morning actually left. Before he met with me he was just taking a ride through the town to try to take a look at the business through the outside, and he was approached three different times for drugs or prostitution in a matter of five blocks. And that was our business area! (Councilman, City of Clairton, Clairton Community Development Corporation (CDC) member).

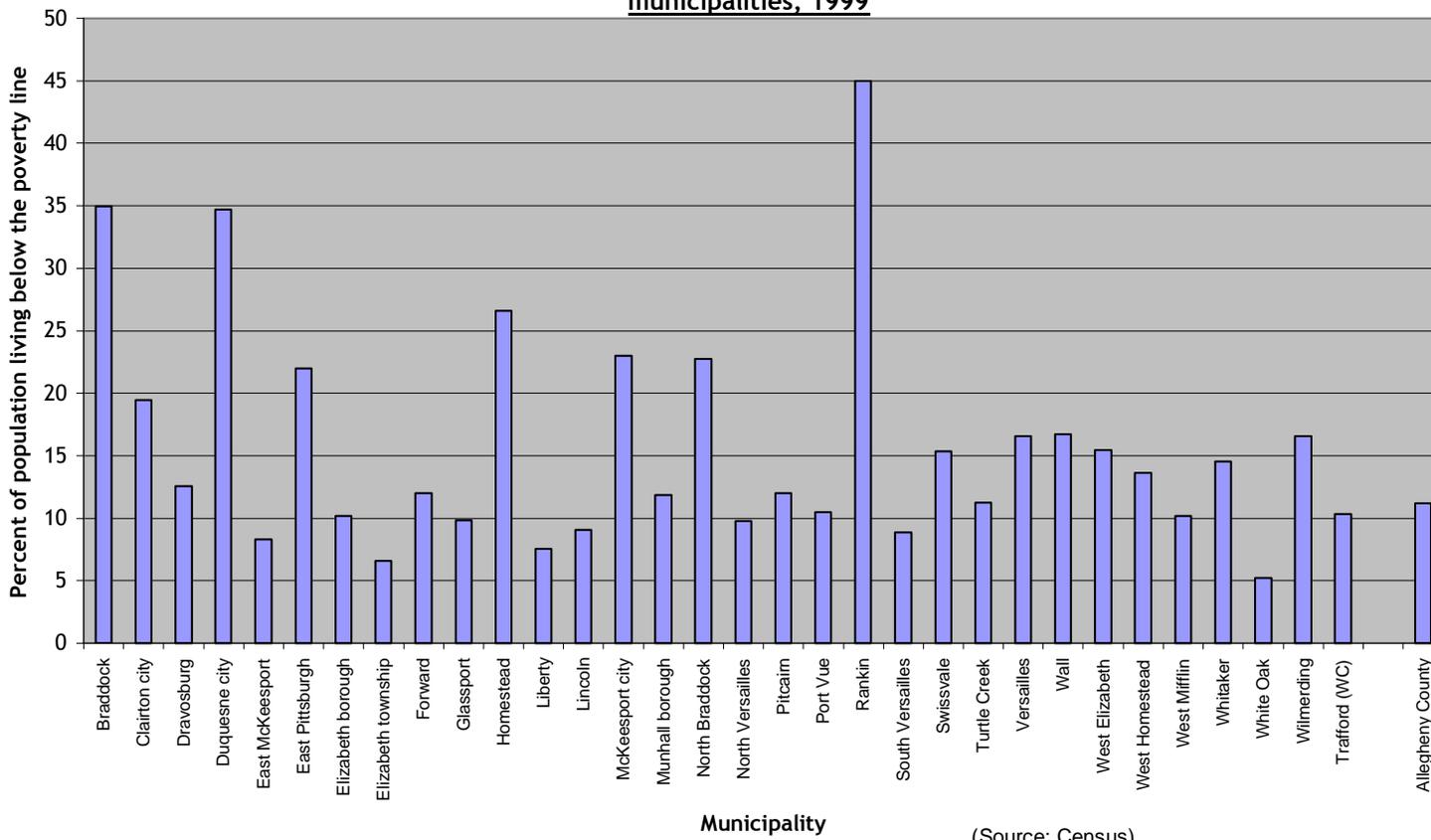
These changes fed a heightened sense of danger in the communities, as outlined by a former mill worker.

You had a lot of families move out, a lot of areas that were nice now become kind of run down, and you're dealing with a lot of people that you really don't care to deal with, as far as your safety or anything else goes (Former mill worker [MV2]).

The official poverty rate in the Mon Valley in 2000 was 15%, though there were wide fluctuations between municipalities (as shown in Figure 6.15). With the highest poverty persisting in the mill towns themselves, particularly in Rankin, Braddock, Duquesne and Homestead which had more than one-quarter of their population living below the poverty line. Employing Cormier and Craypo's estimate that the official poverty level underestimates the amount of money needed to live 'at a customary standard of living' by between a half and two-thirds, the real figure is probably nearer 30% and rising to 45% in the mill towns (Cormier and Craypo, 2000, 697; Mon Valley estimate calculated from 2001 Census data). Poverty figures for municipalities have not been

available since 2000, but can be obtained by school district for 5-17 year-olds. Between 2000 and 2005 levels of poverty in the Valley's school districts rose from 18.8% to 22.3%, indicating no recent improvement has occurred (calculated from the Small Area Income and Poverty Estimates Program, 2007).

Figure 6.15: The percent of the population living below the poverty level for the Mon Valley municipalities, 1999



(Source: Census)

The problems associated with economic decline are concentrated both racially and geographically in the mill towns of Braddock, Rankin, Homestead, Duquesne, McKeesport and Clairton. One in four people in the mill towns lived below the poverty line in 2000. The population was also more transient, with the housing market continuing to be particularly weak; 16% of the houses were vacant, 9.2% of these long-term, with many derelict and in a state of disrepair.

As we have seen, in part due to the division of labour when the mills were open, and also because of more recent in-movements of population, the Valley's black population remained significantly more deprived than whites. The unemployment rate among black males in 2000 was more than double that of white males. The inactive rate was also higher, and median wage earnings and household incomes were much lower (see Figures 6.16 and 6.17). Black males were also less likely to have graduated through high school than their white counterparts or to have a degree (see Table 6.16). Poverty levels were therefore very significantly higher among blacks; 39.2% compared with 10.6% among whites. Both white and black poverty had increased during the 1980s, the period of mill closures. White poverty declined through the 1990s, however, although remaining above pre-closure levels, as black rates continued to increase.

Figure 6.16: Median income for white and black householders in the Mon Valley municipalities, 1999

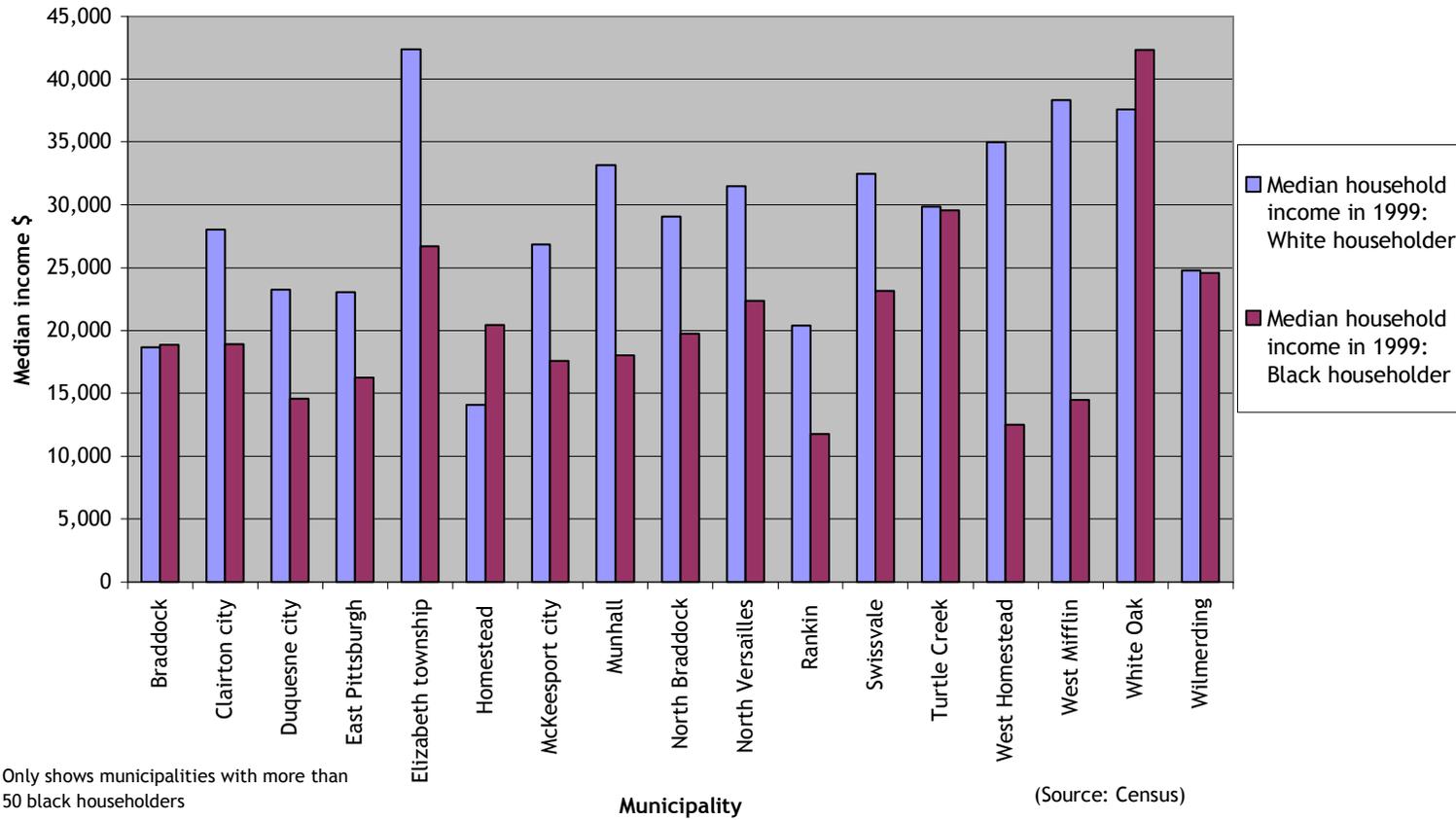
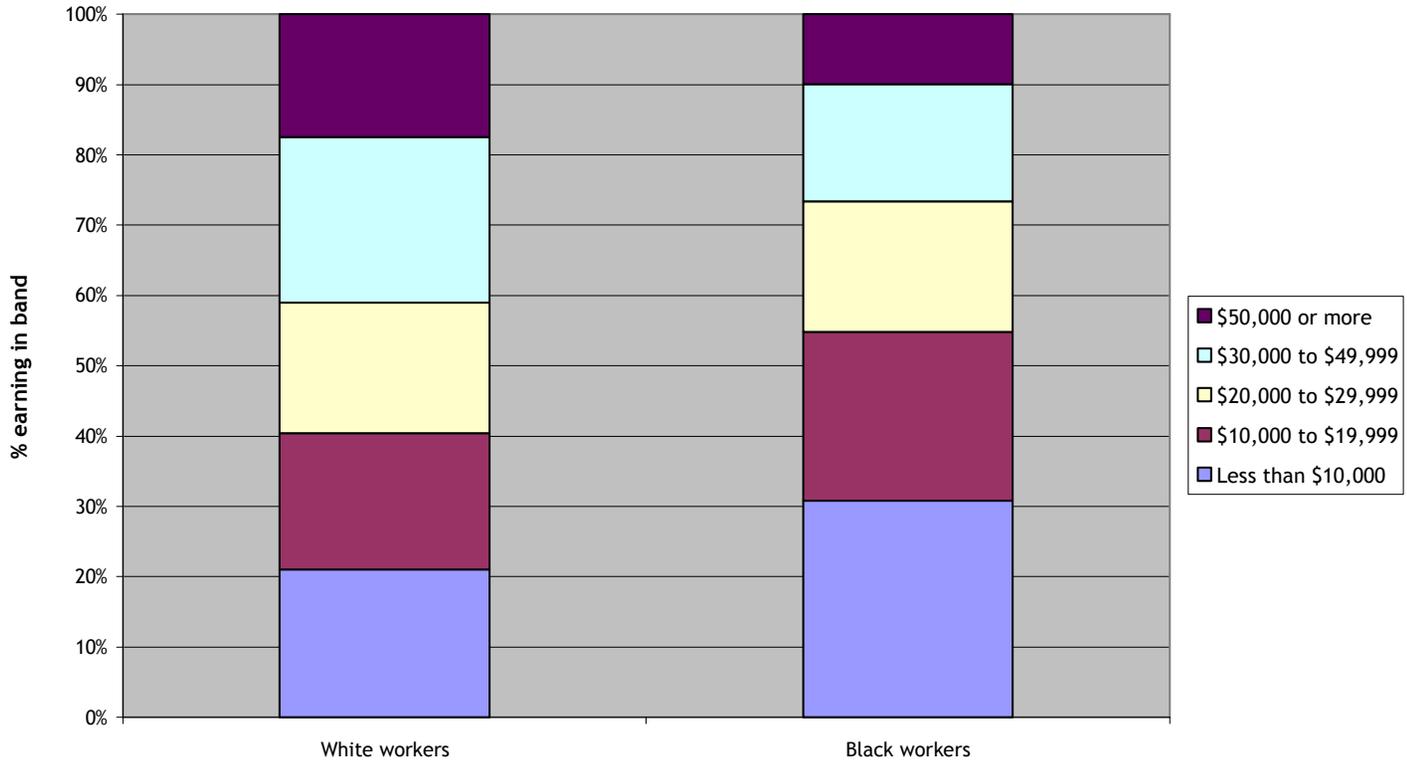


Figure 6.17: Earnings distribution by race of jobs within the Mon Valley, 1999



Race (Source: Census Transportation Planning Package (CTPP2000) accessed using Place of-Work Drill Downs by the University of Wisconsin-Milwaukee Employment and Training Institute)

Table 6.16: Educational attainment by race in the Mon Valley, 2000

| Percentage of over 25s who didn't graduate high school | |
|--|------|
| White male | 14.9 |
| White female | 18.1 |
| Black male | 21.0 |
| Black female | 19.0 |

| Percentage of over 25s who have a Bachelor degree or higher | |
|---|------|
| White male | 16.0 |
| White female | 12.4 |
| Black male | 7.2 |
| Black female | 8.8 |

(Source: Census)

6.7 Communities disunited

A further product of economic change was community change, as the production bonds which had previously held communities together became broken.

Northumberland

As the model of a relatively coherent coalfield community has dissipated, the different sub-‘communities’ which developed in the aftermath of industrial decline in Northumberland have remained poorly integrated. Stark divisions have become apparent between the area’s former industrial communities, including benefit dependent and workless tracts, and the newly established residential areas based on out-commuting. There may not be the latent tensions of community relations in the Mon Valley but there is a sense of division by history, and certainly by wealth and opportunity.

There is little evidence that the in-migration of commuters has been of any tangible benefit to the wider coalfield area. They make relatively little use of the limited local retail facilities, and have little contact

with older established communities. Instead of fostering positive multiplier effects, the new developments only serve to highlight the poverty and deprivation faced by the areas of acutest disadvantage. For example, new housing in Ashington stands in stark contrast to the neighbouring Hirst area, one of the most deprived wards in the Northeast. As a community worker in Ashington commented:

It's great that all this regeneration is happening on the edges, they're building all this fancy new housing...but they're all dashing off down the A19 to their jobs on Tyneside, you know with very little contact, social or economic contact, with the old communities, old neighbourhoods... I think it's an extremely dangerous road we're taking in terms of not putting enough resources back into those old established communities (Network development officer, Wansbeck Community Empowerment Network).

On the other hand, many locals feel that the area has been brought down more by people who moved from elsewhere into the local authority, housing association and low-end private rented housing.

I think with the housing associations coming in, and a load of private landlords, buying houses because they were cheap and renting them on to people...and you've got some local authorities swapping people into houses, maybe undesirables. So there's not the close knit community that there used to be (Local resident; Lynemouth Day Centre Manager).

This loss of community is often contrasted with a romanticised past, particularly by those who had lived in the communities for a long time, making the present appear even bleaker.

In miner's villages there you never locked your door. Now it's locked and bolted top to bottom (Former miner [N4]).

Mon Valley

The Mon Valley communities, which were so reactive and vocal during the shutdowns in the 1980s, have been “atrophied” by population loss (*interview with the Vice-president for Development, Heritage Health Foundation*).¹²¹ The social-demographic shift has created considerable tensions, as communities became fragmented between newcomers and established residents, renters and owners, and black and white. The newcomers, renters and blacks are often blamed by existing residents for being the cause, rather than a symptom of, social decay. Sections of the community are therefore blaming each other, rather than searching for solutions, as this local community worker with the Mon Valley Initiative complained.

The old folks that have been around remember the kind of community it was when it was thriving, and they, all the newcomers are seen as threats. They're 'causing the problems', when they're not really. They're just looking for a place to live you know? So it becomes almost a Catch 22, where nobody's solving the problems because they're blaming each other. Except for the people who are making money off of it, and most of them don't live here you know, they're outside investors and speculators (Community Organiser, Mon Valley Initiative).

Although the mill towns have always been places fragmented by ethnicity, these boundaries have increasingly become redrawn in terms of race. The Valley's black population moves house more often, and has grown more rapidly, which lends itself to the belief among some

¹²¹ Examples of a determined community reaction against mill closures, and also to alleviating the impacts after closure, included the Save Dorothy Six campaign, the establishment of food banks for unemployed steelworkers, the Homestead Credit Union (see Cunningham and Martz, 1986) and the establishment of the Mon Valley Unemployed Committee. These responses were organised, creative and aggressive, and showed real community solidarity (for an overview see Hathaway, 1993).

established residents that they are more transient and care less about their communities.¹²² As summed up by these residents.

You know no matter what nationality you are you know people like to be with their own kind...I don't know - you know, they certainly didn't come, at the time that the racial mix was changing it certainly wasn't because it was a more attractive area. It was maybe a more affordable area...The only thing I can say is you know, whether they're white or black, the community is more of a transient community than it was at the time that I was growing up (Member, North Braddock CARES).

Clairton, it's like blacks and whites kind of stay separate from each other. There is a club right at the corner of this street, Knights of Columbus, don't allow any blacks in you know. So there is tension... I mean even the business area; whites don't come in the business area too often (Councilman, City of Clairton, Clairton Community Development Corporation (CDC) member).

Community tensions in the Valley are particularly apparent in relation to the issue of Section 8 housing, the federal housing vouchers given to low-income families to live in the privately rented housing.

It's very sad. You know, the house that's next door to the house I live in was Section 8, and you know the landlord lived out in Wexford which is a nice community and it's a good 20-30 minute drive from here...She just got tenants in there who had public housing or Section 8 vouchers, and, again you don't want to generalise because the Section 8 programme is supposed to help people get on their feet. However, some of the people who were in there were not the most desirable people. They destroyed the place, and when I say destroy I'm talking firsthand knowledge because I live next to the apartment where this girl lived. She was

¹²² An ethnographic project undertaken in the Mon Valley by The Historical Society of Western Pennsylvania also found evidence of blacks being blamed for the decline of the mill towns; they 'moved in and trashed the place' (Carroll, 1992; 109).

all of 20, 21 years old and already had 5 kids. When she was evicted she was upset about it so she wrecked everything...They're basically living off the system, so you know when a town gets a lot of those types of housing it's not productive housing. It's not families who are giving back to the community, it's families who aren't even working to pay taxes. They're basically just living there, they're existing (Member, North Braddock CARES).

Often again there is a strong racial aspect to these issues as discussed by a local community worker based in Homestead.

If all the poor people moving into Homestead were white, there wouldn't be nearly as many complaints about Section 8...Only 15 years, 10 years ago there were people burning crosses in Munhall when black families started to move across the cemetery you know? (Community Organiser, Mon Valley Initiative).

The above quotes show the tensions within the mill town communities between 'old timers' and 'newcomers', 'workers' and 'welfare dependents', 'homeowners' and 'renters', and 'whites' and 'blacks'. These fractious relationships create a sense of a community divided by history. To those who had lived through the good times those that had moved in are perceived to have taken advantage of, or even caused, the towns decline. At present little is done to address these disconnects or even acknowledge that such problems exist.

6.8 Educational and training systems

Northumberland

Educational attainment in Northumberland has remained well below the national average, and there remains a 'vicious circle' in 'significant parts' of the coalfield of low motivations and aspirations, leading to poor educational attainment and low skills (Northumberland Strategic

Partnership, 2005; 15). This is, in part, created by the poor prospects perceived in the local labour market. A survey of young people in Wansbeck District in 2005, for example, found that less than 10% of respondents thought that there were a lot of jobs offering 'good pay, job satisfaction or led to a good career' in the area (Wansbeck Young People's Survey, 2005; 52). Poor attainment is also linked to the cultural legacy of reliance on a single employer. In the past, people did not think much about generic skills and educational qualifications, and such attitudes have proved stubborn in the face of changing economic realities. Once more, inter-generational and area effects loom large.

The culture was a single employer. You just started at the bottom and got your training and you didn't think so much about getting generic skills. And that adjustment still hasn't worked its way through, and I think it's something that is being passed down the generations (Regeneration Manager Northumberland County Council).

We get this quite a lot. This "who do they think they are?" You know, even if they're going to leave school at 16 and go and be unemployed, it's still what you do because everybody in the estate does the same. It's still very much that. Call it the 'caveman' state - 'we do this because we live here', and to better yourself, or to try to better yourself through education would be seen to be stepping outside your tribe. So they're still very tribalistic you see. So to step outside your tribe would mean you would be sent to Coventry - you would be outside the group (Youth Worker, Trinity Youth).

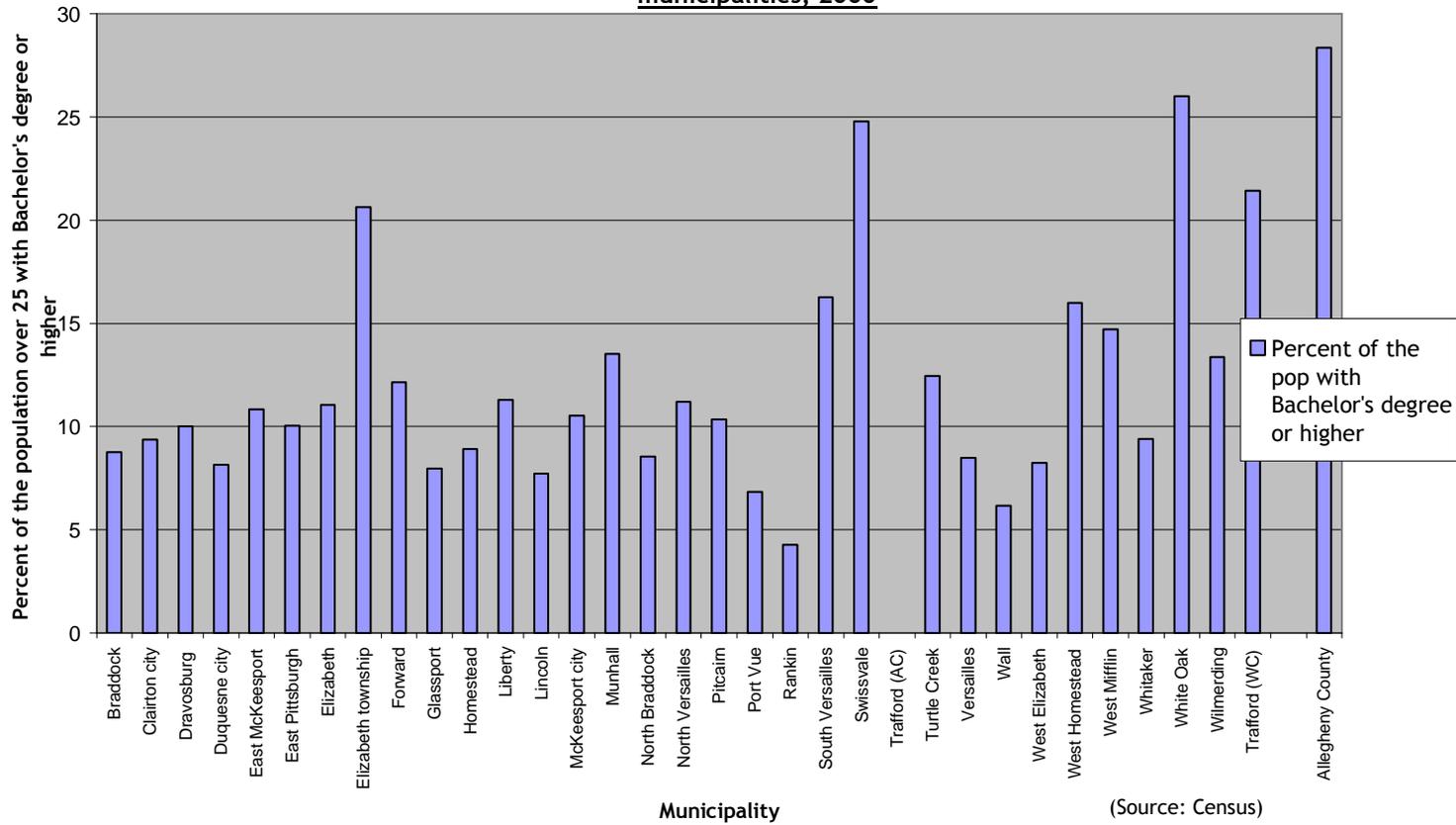
For some young men in the area low aspirations are manifested in a desire to enter 'masculine' occupations. This phenomenon was linked less to the mining past, however, and more to a lack of confidence in the types of employment they could fill. This was detailed by a local youth worker.

The very masculine types of jobs; you know, builders, that type of thing, car mechanics... A lot of the people that I work with, the unemployed the long-term unemployed, there's a huge literacy and numeracy problem - a huge literacy problem - and for a lot of them that's the stumbling block for want of a better word. They think they can only get jobs where they don't have to use any literacy or numeracy skills (Youth Worker, Trinity Youth).

Mon Valley

In the Mon Valley the educational system is similarly failing to prepare young people, particularly those from disadvantaged backgrounds, for the labour market. The Valley compares poorly with county averages in both the proportion of people who have graduated high school (82.9% compared to 86.3%), and, particularly, in lacking a highly educated workforce; just 13.5% of the Mon Valley's population has a Bachelor's degree or above, compared to 28.3% of the County population in 2000. Figure 6.18 indicates that no Mon Valley municipalities have above the county average rate of population with a degree, and many are well below this figure. Again this is particularly pronounced in the mill towns, but in many other areas as well fewer than one in ten of the population have degrees. These figures show the widespread problem the Valley has in offering a well-qualified workforce which would be attractive to potential investors.

Figure 6.18: Percent of the population over 25 with a bachelor's degree or higher in the Mon Valley municipalities, 2000



Even more worryingly in 2000, some 8% of young people (16-19) were neither enrolled in, nor had finished high school. In some deprived municipalities, such as Rankin, Braddock and Duquesne this figure rises to over 20%. For individuals lacking even basic qualifications success in the labour market becomes even more unlikely. Poor attainment levels seem unlikely to improve in the near future, since the area's School Districts all perform poorly (Gamrat and Haulk, 2003). Duquesne's SAT scores were more than 300 below the national average in 2001 (67.9% of the national average), Clairton over 200 points below (80.2%), with Woodland Hills, McKeesport, and West Mifflin scoring better but still below the national level at 90.3%, 92.1% and 92.4% respectively (Gamrat and Haulk, 2003; 9).

As was described earlier these problems reflect the school system's partial dependence on local funding. As a consequence, budgeting and performance issues in the poorer towns, led to the running of Clairton's School District being taken over by the State, while Duquesne's is under threat of being dissolved. The resulting poverty of opportunity was described by the director of the local CareerLink.

The children don't have the same kinds of opportunities for education as the kids in the more affluent communities. That in itself limits their opportunity. Plus the mindset of some of the parents, you know, is almost that they're not encouraging because they don't see a way out in some of these situations (Executive director, Allegheny County East and West CareerLink).

The schools face more problem cases and violence, there is a high high-school (and college) drop out rate, and many more children enter the schools system 'troubled' or 'developmentally delayed' (*interview with the Executive Director, Mon Valley Education Consortium*). There are also major concerns about the impacts of the economic changes on the aspirations of young people, who display increasingly pessimistic views

of the future, as explained by interviewees involved with non-profit organisations working with local children.

The kids who come to our schools create a totally different environment than the kids who came to our schools 25 years ago...There are kids ready to succeed, and kids so far from being able to start that the schools see a polarisation in the skills levels of who's walking in the door (Executive Director, Mon Valley Education Consortium).

The problem is combining a lot of social and economic disadvantage with the educational system...Once they're in school it's usually too late for a lot of kids. I mean obviously they deserve a chance, they deserve an opportunity, they deserve all the resources. But very often, given the systems in education and curriculum, given the way they're run, they're not succeeding to take those jobs (Vice-president for Development, Heritage Health Foundation)

Those more capable young people who do succeed are largely being 'educated to leave', by learning skills for jobs that do not exist in the area (interview with the Vice-president for Development, Heritage Health Foundation). The Mon Valley Economic Development Strategy: workforce analysis found that the shortage of managerial and professional jobs in the Valley forces educated residents to seek employment away from the area, since the value of their 'educational attainment will likely be lost in the Valley' (Tripp Umbach, 2004; 17). Perversely however this polarisation, coupled with migration, means that where opportunities do exist locally they may go unfilled. This was a problem outlined by both a local political representative and a local economic development manager.

I don't know that our public education system does a good enough job. I don't think it does a good enough job of preparing kids to enter into the workforce or for higher education. But there are often good jobs, good paying jobs,

that go unfilled because employers can't find people with the right sets of skills. Increasingly I hear from employers that that's a real problem; is that we're not getting enough qualified applications, enough qualified applicants for these jobs (Pennsylvania House of Representatives, State Representative: District 39)

We've found a dearth of employees right here, and McKeesport has the highest unemployment rate in the region, the highest! Now you would think with the highest unemployment rate in the region, right across these tracks are 300 unfilled requisitions for jobs starting at about \$22,000 a year. How can you have an unemployment rate that is the highest in the region and a high school that generates 250 graduates a year, and have 300 unfilled requisitions for jobs right in your own town? It's because we're not capable of doing those jobs. Is that the fault of the parent? The student? The educational system? I don't know but that is a real issue that we do not have folks ready...In some cases they're lost because they can't handle the English language, they can't read, they can't write. They can use a computer but they can't read or write, so there's a complete disconnect between the educational system and the job opportunities. That's a problem! (City Administrator and Director of McKeesport Community Development).

Skills gaps have also been created by parents discouraging their children from entering vocational training in manufacturing, having been hurt by industry in the past.¹²³ This was commented upon by the director of the local CareerLink.

There's been a real prejudice against sending young people into the vocational training because the people are gun shy. They're afraid that industry, they don't trust industry, they don't want their kids to go into manufacturing,

¹²³ The image problem of the manufacturing sector in attracting workers was also flagged by the Mon Valley Economic Development Strategy (MVEDS): Final Report (Trip Umbach, 2004; 117).

'cos look what happened to us'. So there's actually a shortage in some of the advanced manufacturing, kinds of things like biomedical, which is nowhere near the number of people employed, but it is a growing industry around here. But you talk to 9 out of 10 parents of a high school student they're not sending their student towards vocation technical education (Executive director, Allegheny County East and West CareerLink).

6.9 Regeneration?

Northumberland

In Northumberland the most important barrier to regeneration remains the lack of local demand for labour, since both physical and attitudinal barriers limit the role that travelling to work elsewhere might have in alleviating labour market disadvantage. The other related challenge lies in low aspirations and the normalisation of worklessness, which have become established in parts of the coalfield. Tackling this will require intensive work through schools, statutory agencies and central government. All of which must also be placed in the context of a population resistant to change.

'The loss of the pit therefore goes far beyond the loss of employment; it is the loss of a way of life, a culture. The greatest challenge is to replace that culture, over time, with new cultures relating to each of these areas. This challenge should not be underestimated in communities where there is reluctance to embrace change (Rural Coalfield Plan 2005-2010 Northumberland Strategic Partnership, 2005; 2)'.

There has already been a significant public role in physical regeneration. On the positive side, the environmental damage caused by mining has largely been tackled. The area's business infrastructure, in terms of facilities and business units, has improved. There has also been an increase in resources since 1997. Other aspects of physical

development, particularly the new house building, are linked more to outside economic pressures than to any indigenous regeneration or public intervention.

A key future public transport infrastructure development will be the ‘Stephenson Jobs Link’, which aims to connect a number of key employment sites in the A19 corridor in South East Northumberland and North Tyneside, including industrial parks, leisure services and retail parks (EDAW, 2002; 9). This will upgrade the bus transport infrastructure and interchange with the Metro (ibid, 2002; 39). It is also planned to be associated with the re-introduction of passenger trains along the freight lines between Ashington, Bedlington and West Blyth, improving access to North Tyneside. The South East Northumberland Public Transport Study concluded ‘that the re-introduction of passenger trains represented the most cost effective and feasible option, with good transport integration benefits’. This rail-link therefore forms a key aspect of the South East Northumberland ó North Tyneside Regeneration Initiative (SENTRI)¹²⁴. The national Strategic Rail Authority, however, cannot consider applications for financial support before 2009, and the proposed re-opening has been delayed until the 2011 Local Transport Plan, when it will again be considered (*Provisional Northumberland Local Transport Plan 2006-11*).

The current regeneration priorities include providing premises and support for business incubation, workspace and support for SME growth; enhancing existing key employment sites (business parks); developing the key sectors of renewable energy and food and drink; and town centre development, in addition a significant role is planned for tourism (*NSP Business, Enterprise and Skills plan, 2008; 23*). There is little new about these approaches, however, which have so far had conspicuously limited success. More encouragingly perhaps, the geographical

¹²⁴ Townsend and Hudson (2005; 57) similarly argue the importance of improving rail links between former mining areas and their proximate urban centres.

entrenchment of disadvantage is now being flagged as a major policy problem. Indeed, the Northumberland Strategic Partnership's *Sustainable Community Strategy 2021* specifically identifies the need for 'differential support' to disadvantaged communities. A central aim is to narrow the gap between the 'haves' and 'have nots' (page 2). The strategy, however, is much less specific about how this will be achieved, beyond assigning a key role to improving learning and skills outcomes.¹²⁵

The last 25 years can be characterised as a process of slow and partial adjustment, or adaptation, of the Northumberland coalfield area to its intensified economic peripherality. Such adjustment has occurred either through commuting to opportunities elsewhere, taking jobs which would once have been regarded as 'women's work', or placing faith in education to secure better opportunities. Some communities, families and individuals, however, have not been adjusting. These need to be targeted by new mechanisms to raise aspirations, and address problematic cultural norms. For this a range of issues need addressing: The need for local jobs growth cannot be avoided. Increased commuting requires the removal of both physical transportation and attitudinal barriers. Aspirations need to be raised, and the education system needs to provide new generations with the skills and motivation to succeed.

For the local economic development team in Wansbeck, the coalfield's most deprived local authority, hope springs eternal in their LEGI vision that 'By 2017 Wansbeck will be the most enterprising area in the region, characterised by high levels of self-employment, business creation and growth and private investment...the place to be for enterprise' (*GOWansbeck LEGI vision statement*). After a period of very slow change over 20 years, such a radical turnaround in the next 10

¹²⁵ Although the proposed learning park at Ashington is certainly a positive step if it can be successfully embedded in the community.

seems highly unlikely without continuing public resources and sustained support.

Mon Valley

In the Mon Valley some optimism has stemmed from the recent redevelopment of several of the mill sites, a painfully slow process because the Allegheny County government allowed US Steel to walk away from their environmental liabilities in exchange for transferring site ownership. Most of the sites are now developed or being developed, although they offer far fewer jobs than when they were making steel. There are 400 on the Regional Industrial Development Corporation (RIDC) industrial park occupying the old Duquesne works, and 1,500 at the former site of the National Works at McKeesport (Southwestern Pennsylvania Commission, 2005; 27-28).¹²⁶ While these physical developments are largely positive, the communities' capacities, which were decimated by closures, have not in any sense been rebuilt. As we have seen, they are now less skilled, more deprived, and their internal relationships are more fractious than ever.

Some promising local schemes helped by the non-profit Mon Valley Initiative have begun small-scale house building programmes, and some rehabilitation of derelict properties, to improve housing stock and attract people into the areas. These houses are subsidised and offer attractive and affordable accommodation. In Clairton, 44 lease-to-own homes and 23 single family homes had been built on a plot which had contained 35 condemned houses. In the other towns the scale has been much smaller and progress slower. In McKeesport, the city plans to spend around \$2 million on demolishing more than 300 derelict buildings (McKeesport Renaissance Plan, 2005). Such projects offer a chance to redress some of the imbalances in the local housing markets and attract some new residents, but they represent a fraction of what is required.

¹²⁶ It is not clear how far the jobs created were filled by local people.

The small steps approach is partly necessitated by the priority for County funds being directed more to Pittsburgh and the airport than to the Mon Valley. Regeneration in the Valley has therefore remained severely under-funded, as the director of the local CareerLink explained.

I think if you would talk to every politician in this county, even the federal, the senators, the congressmen would say, 'yes it's a priority to rebuild the Mon Valley', but we really haven't seen the concerted effort in the coordinated rebuilding of the Valley...it's really the Mon Valley has been left kind of to languish (Executive director, Allegheny County East and West CareerLink).

While municipal revenues have begun to climb back towards their pre-closure levels much of this growth has been financed by increasing taxes on service provisions, such as waste services, and permits and licences, rather than through wage or business taxes. Expenditure remains below pre-closure levels as accumulated debts are repaid, with little spending on local regeneration or the renewal of infrastructure.

Several more local issues have also limited the prospects for regeneration, reflecting the area's continuing institutional inertia. Firstly, as a historical relic, governments in the Valley are fragmented into the many, very small municipalities. Some mechanisms have been put in place recently to help inter-municipal cooperation, but significant barriers remain.¹²⁷ Under the present structure it is very difficult to develop coherent plans for the regeneration of the whole Valley, with problems tending to be tackled in a bit-part manner. Fragmentation also means that services are not delivered most efficiently; most towns provide their own emergency and other

¹²⁷ Council's of Governments (COGs) have been established covering small geographical groups (usually of around 5 municipalities) with the aim of fostering cooperation. There is however little evidence of their success.

services. This problem is described by both those from a strategic perspective and local residents themselves.

It doesn't appear that it's a coordinated effort. I think that's something that's really held the area back, because we're structured with all these little municipalities, or even big municipalities like McKeesport who are often vying for the same company or for the same limited resources. I think it's held the redevelopment of the area back. If there was a more coordinated effort towards the redevelopment, rather than competitive, I think it would probably have just benefited the entire area more (Executive director, Allegheny County East and West CareerLink).

Everybody wants their own control, and when you look at it it's really kind of ridiculous...it's very unlikely that you're going to get North Braddock to cooperate with Braddock. Chances are somebody's going to say "why should we work with Braddock?". You know "they have their own money, they get money for this, they get money for that", but in reality if you would merge the services, if you would merge the towns - and it's been talked about but nobody actually wants to do it, nobody wants to give up control - It would probably be run much more efficiently (Member, North Braddock CARES).

Because of the way local taxation is raised, this even extends into local competition for private investment, the destructive nature of which was recounted by an economic development manager.

If it's a choice between a job in your town or my town, I compete with you. We have literally, and I have been in those negotiations, thrown more money at industry than we needed to have them locate a factory, simply because we want a factory in our town. And once the factory's located I'm not convinced that the employment benefit to the region in a macro sense improved one iota, not one bit (City Administrator and Director of McKeesport Community Development).

These institutional structures, while clearly flawed, have remained remarkably robust for two reasons. First, there is the reticence of the remnants of the older communities to embrace change. Secondly, there is the self-interest of municipalities in not wanting to share the benefits of development with communities who are poorer and perceived to be more problematic.

Few of the senior municipal administrative and elected officials surveyed by the *Mon Valley Economic Development Strategy's SWOT Analysis* were in favour of consolidating the municipalities, though some saw the sense in consolidating some services (Tripp Umbach, 2004; 51-52). This barrier to regeneration therefore seems unlikely to be resolved in the near future. While some argue that such intense localism is democratic, the turnout rate of 23% of registered voters for the Mon Valley's 2005 mayoral elections suggests that the majority of the population may actually be apathetic to local municipal control.¹²⁸

The voluntary nature of municipal governments also represents a big problem, with the people in elected positions often lacking expertise to cope with the complex situations their towns face. Indeed, almost 90% of the senior municipal administrative and elected officials surveyed by the MVEDS Analysis said their municipality had no formal economic development plan or strategy (Tripp Umbach, 2004; 38). The serious problem this poses were outlined in the views of a development manager in a local non-profit organisation, and a local community activist.

One of the challenges are volunteer governments. Very often they don't work because they don't spend enough time doing strategic thinking, or even becoming well enough informed about the situations that

¹²⁸ Figure refers to all those municipalities who had mayoral contests in 2005 (www.county.allegheny.pa.us/elect). Only 82% of the Valley's population aged 18 and over are registered voters. In the mill towns the voter turnout rate was just 19%.

they're deciding about. I mean it's just; you put the least prepared people into the most challenging situation. When all you had to do was ask the steel company to come out and fix the sewer and pay for new doors on the fire house, or something like that, it didn't take much to run a government. But that went away. So it's much harder to manage now. So that's lack of strategic thinking there; volunteer governments...mayors and the councils, they meet once a month, sometimes twice, maybe they'll have a committee meeting sometime, usually not much more than that. They rely on the solicitor then whose main job it is to keep them out of trouble, so they won't be doing anything very bold most of the time. So there just seems to be a mindset of keeping things from happening in order to stay out of trouble, political trouble and legal trouble, 'Cos people like to stay elected, a position even like that. They may not have any regional prestige but people don't like to see themselves booted out of a position like that (Vice-president for Development, Heritage Health Foundation).

They all get perks. It's not a thankless job, they get stuff, they get little patronage jobs they can get somebody, a little petty power, so there's just tons of interest in that. They get rewards from their jobs. Now you ask them to deal with the real fundamental problems of their community, which is no good jobs, then they get pitiful because everything they've done has just led to nowhere. And in 20 years trying to pretty things up, change the names of stuff, it just hasn't attracted money to invest (Co-director, Mon Valley Unemployed Committee, former worker Homestead Works).

This lack of leadership in the mill towns has not helped their regeneration prospects. Even when there have been plans for redevelopment they have often not been executed as explained by frustrated local residents.

The steering committee was very pleased with that. However, the County never adopted that study; it's still considered a draft. So five years

have gone into a study that is sitting on a shelf, and the County agreed to purchase the property. So they purchased it, and now their next step is, 'what do we do with this property?' Well you should pick up that study and see what we should do with that property! If this type of thing continues to happen then we will get nowhere, we will not have development, we will not have progress (Member, North Braddock CARES)

The last comprehensive plan they had was in 1994, and they never used it. So, what were you planning? What were you in office to do? It's just beyond me...All of those years (Councilman, City of Clairton, Clairton Community Development Corporation (CDC) member)

A further complication is the many dissenting views apparent among stakeholders about regeneration strategies and the type of development which would be most suitable for the Valley. This is most evident in arguments over the use of former mill sites, particularly in the transformation of the old Homestead works site into a large retail park. These debates centred on the quality of the jobs, the fact that the Waterfront development is separate from the rest of Homestead, and the extent to which business has been taken from Homestead's main street. For those who made the decisions the strategy was driven by necessity. As the Mayor of one of the municipalities involved explained, there was no other investment on offer:

Maybe the wages aren't the greatest but there are jobs, you know. It's a positive as far as I'm concerned. Naturally the deal that was made in 98 wasn't ideal for the towns and all that, but it was a deal, and it's something that's got to work. As I said, you didn't have nothing back then, so how can beggars be choosy? (Mayor, Munhall).¹²⁹

¹²⁹ In a community meeting the mayor revealed that the towns had very little say in the planning of the Waterfront and were dictated to by the owners/planners of the site. (Serrin meeting, 24/3/06). The development was funded through Tax Increment

What is quite clear though is that the development links poorly to the town, being separated from it by a busy rail freight line, and offers little of benefit to its people, with few of the jobs going to local residents. In the views of local community activists:

It's almost as if there is two Homestead's now, there is the Waterfront Homestead, and then there's the rest (Founding member, Homestead Economic Redevelopment Corporation (HERC)).

They rebuild the bridge so you can get on and off without having to touch the dirty town. I mean what the hell, everybody just considers Homestead to be full of drug dealers and killers and shit. I mean there's like this really bad image of the town around the region (Co-director, Mon Valley Unemployed Committee, former worker Homestead Works).

It's destination shopping, people wake up on a Saturday morning and they're going to the Waterfront. They're not out for the day, they're not going to Homestead, they're going to the Waterfront. And so in that regard there is practically zero impact from having the Waterfront in conjunction to 8th Avenue (Chairman, Homestead Economic Redevelopment Corporation (HERC)).

In the future it was felt that the proposed Mon-Fayette Expressway through the Valley which will link Pittsburgh with Interstate 68 in West Virginia would aid regeneration, though there are still route issues to be resolved before building begins and it seems certain to damage liveability further in some communities. The Expressway was first planned in the 1950s, however, so some have reservations about whether it will ever actually be built. There are also some plans to introduce a passenger rail link through the mill sites but these are at a very early stage.

Financing (TIF) which means the towns receive only partial tax revenues from the site, the rest going to the developer.

While much of the talk on Mon Valley regeneration is on attracting good jobs, there is now a different population in place, for many of whom jobs growth alone would not be insufficient. The local employment base is also still shrinking. Jobs growth is a necessary but not sufficient condition for regeneration. The integration of disadvantaged groups into the labour market must also be addressed, as well as many other social, skills and educational issues. So far, much less official thought has been given to these aspects of renewal.

6.10 Summary conclusions

Neither of the study areas recovered from the shocks of the 1980s in the following decade. Local demand for labour had not improved sufficiently, and in many respects the social and economic problems became worse as patterns of socio-spatial marginalisation became more entrenched and extreme.

In both areas there were continuing elements of inertia. In the Mon Valley many people have physically moved on, but the infrastructures and institutions responsible for economic and social development have remained rooted in the industrial era. Such structures are now wholly inappropriate to deal with contemporary problems. In Northumberland, elements of the population have remained in stasis, with old attitudes to work and commuting persisting. This is exacerbated by new norms of worklessness in parts of the coalfield, based on the long-term direct and indirect effects of decreased local demand for labour and increasing numbers relying on benefits. The combination of these perpetuates a culture of low aspirations.

In both areas, there has been a real sense of the de-bounding of communities as the former, relatively coherent, industrial communities

were replaced and challenged by new social trends and migration patterns, creating new tensions.

The public welfare context continues to exert a strong effect on development. While some parts of Northumberland have been and are continuing to adjust, public welfare is still propping up many communities through the provision of benefits and public goods. The fundamental problem of the poor local opportunity structure, however, is not being addressed. In the Mon Valley many communities remain under-resourced and rudderless. While the mill sites are redeveloped, the town's infrastructure continues to decline, and they continue to lose jobs and population.

There has been a distinct geography to the long-term effects of deindustrialisation in both areas. Parts of Northumberland have become commuter and tourist areas, and parts of the Mon Valley centres of consumption. The localities and communities who were most vulnerable however, have over last 25 years seen an increasing cumulative and structural concentration of disadvantage. As processes of selective migration, housing market sorting, dependency on public welfare and social and economic deprivation have become focused on specific areas, particularly the older industrial wards of Blyth and Ashington in Northumberland, and the mill towns in the Mon Valley.

While serious social problems have developed in both areas they remain more acute and intractable in the Mon Valley. Massive out-migration has left a collapsed housing market. Combined with changing Federal housing policy, this has attracted in-migration, which has generally imported the problems of the working poor and welfare dependent from elsewhere in the region. There is thus a central difference in the experience of the two study regions: the Mon Valley's long-term problems have been largely imported from elsewhere, and are the result of the broader failure of American social policy. In

Northumberland such problems have developed in-place, thus representing a failure to deal more specifically with the consequences of industrial decline.

Chapter 7) Conclusions: deindustrialisation past and present

This chapter draws together the key findings from the research and reviews their wider conceptual significance. This relates, firstly, to the critical influence revealed by the international comparison of national models of political economy on local restructuring processes. Secondly, the concept of deindustrialisation is revisited and augmented, accounting for contemporary insights arising from the long-term perspective adopted in this study.

7.1 Key findings of the research

Following community experiences through, from the huge shocks of the 1980s to the present, has allowed a comparatively long-term, structural interpretation of current conditions in the two regions to be developed. This has challenged those, like Murray (1996), who ascribe social malaise in deprived areas to the growing incidence of individual recklessness, which I believe to be symptom rather than cause. Social problems in the study areas must be placed in their historical context if we are to gain a fuller understanding of their present situation.

A long-term perspective is important for several reasons. First, employment disadvantage in both areas has arisen through a combination of historical processes and attitudes *and* the emergence of new norms and social trends over the period since deindustrialisation. In the Mon Valley change has been dominated by migration relationships, while in Northumberland we have seen the damaging impacts of increased in-situ levels of worklessness. The transformation of these communities has moved beyond the static cultural situation in which they are often portrayed. Secondly, while the crisis began with a loss of jobs in both areas, in neither is employment creation now a

sufficient remedy. The populations are now very different from those initially affected. Modern problems of low aspirations, poor motivations and qualifications, require both intensive demand *and* supply-side interventions, rather than the often polarised prescriptions between one or the other of past debate.

Thirdly, the longer-term perspective adopted here has allowed the persistence of some remnants of past social structures and cultures to be gauged, these add to the complexity of the task required to remedy current problems. Examples include local government institutional arrangements in the Mon Valley, and elements of cultural lock-in in Northumberland. Lastly, regeneration policies must be sensitive to these issues. They need directly to address the difficulties of community relations and institutional inertia in the Mon Valley, and the cultural stasis, founded on the damaging results of worklessness in Northumberland. All these issues reflect both the origins and subsequent consequences of deindustrialisation.

In both areas, the initial responses of individuals to deindustrialisation clearly had long-term implications for their future development prospects. Lacking what they considered to be a reasonable alternative, many workers withdrew from the local labour market, especially onto sickness benefits in Northumberland, and through out-migration from the Mon Valley. In Northumberland the sickness benefits system created an institutional infrastructure and local knowledge base directed towards benefit claiming which proved highly significant in the area's subsequent development. As the area continued to lose skilled trade jobs and basic factory employment during the 1990s, claiming sickness benefits extended to other sets of manual workers and to younger cohorts. This was most characteristic of particular localities, where worklessness became normalised among social networks of peers and extended families, shaping the aspirations, motivations and expectations of work among the next generation.

In the Mon Valley, the longer-term impacts of migration left a collapsed housing market, which drove a social-demographic shift as the working class population was replaced by incomers more dependent on benefits or marginal employment. Problems were therefore imported from elsewhere to compound those originating locally from job losses. These in-migration flows were encouraged by changing federal housing policy, including its withdrawal from public housing provision.

In neither area, however, is the story simply one of collapse. There is a locally varied geography of change. For example, parts of Northumberland have become commuter and tourist areas, and parts of the Mon Valley centres of consumption. In many respects, however, these apparently positive developments have concentrated disadvantage and deprivation, intensifying the longer-term impacts of deindustrialisation. They have ostensibly functioned to bypass the intractability of local needs by selectively linking more attractive areas to outside networks of commuting, consumption or tourism. Such developments have never offered effective substitutes for the types of jobs required to support the local economies. On the other hand, for the most vulnerable localities and communities, the last 25 years have seen an increasingly cumulative and structural concentration of disadvantage, as processes of selective migration, housing market sorting, dependency on public welfare, and social and economic deprivation became geographically focused. In Northumberland this is most obviously in the older industrial areas of Ashington and Blyth, as well as some of the more peripheral villages, while in the Mon Valley it is highly concentrated in the mill towns. These have become areas of structural decline and stubborn worklessness.

7.2 Reflections on the research questions

Some potential drivers of patterns of labour market restructuring, derived from past research, were discussed in Chapters 2 and 3. These related largely to the role of local work cultures in industrial communities, and particularly their inter-generational dissemination. This was framed within a structure of both the local demand for labour established by private investment decision-making, and the constraints of the public welfare system. As the research progressed, it became clear that the important differences in restructuring tended to derive more strongly from national policies and attitudes than much past literature has acknowledged. In summary, two important drivers can be identified. First, differences in the respective public welfare systems have been critical, especially the greater role of publicly funded regeneration in the UK, the availability of welfare benefits (particularly Incapacity Benefits) and the universal National Health Service. A second driver relates more to national attitudes towards economic change and labour mobility. In the US there is a greater degree of commodification of place, with a historical emphasis on labour mobility complementing the mobility of capital in processes of accumulation. These cultural differences are the result of historical experience actively reproduced by contemporary state policies.

The initial research questions were somewhat exploratory, and reflected the proposed focus on household responses and coping mechanisms leading into longer-term development trajectories. In many respects the prefix to question 4 (pages 19-20) about national differences came to permeate all the other research questions. The expanded focus on community and locality change also meant that some processes which could have been investigated through a household study, for example changes in the domestic division of labour, could no longer be examined in detail.

While the research evidence partially validates how the original questions were formulated, the national political economic models impacted across the range of questions even more strongly than was anticipated. This was largely a consequence of the long-term comparative nature of the study, and the resulting emphasis on structural processes rather than short-term particularities. National characteristics influenced the form taken by ‘recovery’, and set the context for labour market decision-making in profound ways. They also created different longer-term patterns of development in both study areas.

The re-presentation of the questions as the research developed therefore placed more emphasis on comparison of the dominant national political-economic models in the UK and the US during the 25 year period. More specifically it focused on how these models, and changes within them, affected:

- Workers’ initial labour market decisions about taking employment or remaining unemployed, migrating or out-commuting.
- The extent to which deindustrialised local labour markets have recovered in the period since closures.
- Different segments of the labour market.
- And, critically, how the impacts of short-term labour market restructuring, driven by industrial workers’ decision-making, influenced longer-term outcomes.

7.3 Initial decisions and longer-term patterns of change

Lack of local demand

Initial individual decisions have to be seen in the context of how much, and also what type of work was available locally. Declining employment levels were clearly important, but there was also an increase in female labour supply in both areas. The type of work available was particularly significant for areas previously dominated by heavy industry because of the cultural norms that had accompanied this type of employment, based on the masculinity of heavy work and the male breadwinner model. In both study areas local demand for labour has never recovered from the shocks of the 1980s. The numbers of jobs in Northumberland fell by around 5% between 1981 and 2001, but the numbers of male jobs declined by a quarter as female employment rose sharply. In the Mon Valley the number of both male and female jobs continues to decline, with little indication that the trend will abate in the foreseeable future.

The public welfare context

The public welfare systems in each country were key determinants in the labour market adjustment processes. These encompass not just benefits and healthcare, but also education, economic development and housing. In Northumberland many aspects of the public welfare system encouraged, or at least allowed, people to remain and cope 'in-place'. The availability of Incapacity Benefit especially presented an exit strategy from the labour market for former miners, enabling individuals to cope financially without having to look for alternative work. The level of redundancy payments also meant that some bought their homes, further limiting their prospects for future mobility. In the Mon Valley, in the absence of such provision, and with much lower redundancy payments, finding alternative work at the time of closures was essential, even if this meant moving away. These differing welfare

contexts were reinforced by national healthcare provisions. In the absence of universal coverage, the need to pay premiums was an important stimulus to finding alternative employment in the Mon Valley.

These welfare differences have also exerted a strong longer-term influence, although in somewhat different ways. In Northumberland, the availability of benefits, including IB, Jobseeker's Allowance and Income Support, continued to enable people to cope without work 'in-place'. Much of the benefit dependent population now also live in social housing, which adds to their immobility because of the difficulties associated with transfers to other areas.

In the Mon Valley, a stronger impetus has remained to take any available work, even for low wages in contingent employment. The growing importance of the housing voucher system has also tended to make those dependent on welfare more geographically mobile. They are nevertheless also liable to be attracted to the most deprived communities because of the greater availability of housing from landlords willing to let to them. This caused an influx of welfare dependents into the Mon Valley, and particularly to the mill towns, as their housing markets collapsed.

This research has highlighted contrasted deficiencies in the public welfare system in both countries. In neither case have the outcomes been beneficial. In Northumberland public welfare did not go far enough. It attempted a 'sticking plaster' approach by affording some maintenance of incomes, public sector employment, environmental improvements and limited private investment. More expansionary job creation programmes were needed at the time, offering sustainable outcomes for former industrial workers. Effectively writing off a generation of workers, by diverting them from unemployment to sickness benefits, has had unintended consequences. In the Mon Valley, the lack of any real form of support has created an ongoing cumulative

process of declining infrastructure, education and environment in many of the towns, leaving, and also attracting from outside, a residual population living on the margins.

It is however important to separate the individual from the community impacts of the two welfare systems. The US model perhaps better served some of those workers who originally lost employment. Many left in search of better opportunities, while others moved into alternative industries locally. Even though these were often low-waged, this kept an attachment to the labour market which, in some cases, could be built upon. Generally these workers did not suffer the stasis associated with the structures of public welfare and culture in Northumberland. Problems imported from elsewhere or developed locally, however, for example for black workers unable to access alternative employment, reflect a broader deficiency in American welfare and society. Rather than a specific inability to cope with industrial decline, this is the failure to provide opportunities for the most disadvantaged citizens. In Northumberland, welfare failings more directly reflect the response to industrial decline. This raises questions about the multiple criteria required to evaluate the effectiveness of welfare policy in different areas of chronic decline.

Cultural influences

Much has been made in past commentaries about the importance of understanding the culture of mono-industrial communities. This is certainly significant, but the extent to which culture outlives location change depends in part on the public welfare systems that sustain it. Culture develops within the boundaries of economic opportunity, and cannot be presented as a stable, totalising structure. It is fluid and contingent.

In Northumberland cultural attitudes present themselves most obviously in approaches towards both education and commuting. In the Mon Valley they are manifested most strongly in institutional structures, and reluctance to alter decision-making arrangements that are entirely inappropriate for the huge challenges they face.

In Northumberland in the period after closures, attitudes towards work were built on the previous reliance on well-paid male employment. Initially, former miners would often not entertain the idea of going into service sector, or 'women's work'. In the Mon Valley however, economic necessities often overruled such attitudes. In Northumberland, there was also a tendency to compare wages in alternative work with what had previously been earned. In contrast, the comparator in the Mon Valley was most likely to be what could otherwise be earned (i.e., nothing). 'Culture' therefore operates within the confines of specific economic and public welfare situations. In Northumberland the combination of higher redundancy payments and the availability of universal healthcare and benefits gave workers much more of a *choice* over whether to work and what types of work they would do, than was the case in the Mon Valley.

These cultural attitudes from the industrial era did not only affect initial responses to restructuring. They have been modified, and in some ways intensified, by new developments. For older workers in Northumberland, attitudes to commuting may be linked to the area's economic history and past life/work arrangements based on mine work. Subsequent attitudes may be traced partially to the same received wisdom about work. But they have also been increasingly linked to new patterns, involving low aspirations, engagement and motivation, arising from the continuing area and inter-generational effects of localised worklessness in some areas of the coalfield.

In the Mon Valley, the inertia of institutional responses to change may be seen in part as reflecting the attitudes of the older generations to preserve the structures that historically appeared to served them well. But these structures have lost their economic and tax-base support, and become subject to new rationales of self-interest, including strong prejudices about race and economic standing.

The longer-term perspective

Much of the literature on social and economic deprivation in deindustrialised areas is implicitly path-dependent, in that it generally assigns causality to the disappearance of old industries. Few though give much thought though to the actual mechanisms of transition, from past hardworking industrial communities to today's places of economic and social deprivation. Examination of initial responses to closure, and subsequent transmission effects and their longer-term impacts, provides a much fuller explanation of what is meant by path-dependent development. It also links the community studies of deindustrialisation undertaken during the 1980s, for example by Bluestone and Harrison (1982), Cunningham and Martz (1986), and Weiss (1990), with more recent studies of contemporary spatial patterns of disadvantage which leave temporal processes implicit. The particular form taken by path-dependent development, however, is important. This is because the difficulties of regenerating, or re-regulating, these economies today arise both from an inheritance of institutional lock-in, and new sets of structural constraints on social and economic action developed over a long period.

The outcomes of the closures for individual workers were highly structured according to skill levels, age, and, in the Mon Valley, race. In the longer-term, low demand for labour, and the initial responses to job losses, provided the context for the establishment of a set of new structural determinants. A low aspirations culture developed in many

communities, determining how people perceived work opportunities, education, and commuting. The emergence of these new social structures, and the processes supporting their development, are lacking in much of the research literature. The explanations for the current deprived state of these areas clearly cannot simply be ascribed to increased recklessness or idleness of individuals or households in particular communities. In Northumberland, poor opportunities in the local labour market, and the inter-generational and area effects of living in such areas of disadvantage, have increasingly structured work decisions over time. While Bourdieu (1981) describes working class aspiration formation, and Hudson (2004; 463) writes of “people like us”, what is now required is more detailed exploration of aspiration formation among workless households and how this is, and has become, historically embedded.

Past conceptions of institutional lock-in are also too simplistic. Some aspects of lock-in described in this study have been observed elsewhere, for example in the reluctance to commute in Northumberland, also described by Hudson (2005) and Waddington (2003). There are also new facets to consider, however, in the normalisation of worklessness and benefit dependency, or the acceptance of the deprived condition in parts of the study areas. These are social characteristics that may prove even more difficult to change than those observed in the past.

Furthermore, in some instances where cases of lock-in have looked superficially robust, they now appear to have a different underlying causality. For example, commuting behaviour in Northumberland is no longer primarily informed by previous household experiences, but by low aspirations and highly localised activity spaces, resulting from a lack of household resources. These are reinforced by the inadequacy and insensitivity to local needs of public transport services. Similarly, the reluctance to change government structures in the Mon Valley is no

longer primarily linked to local civic pride and company advantage, but rather more to self-interest over resources, itself driven by inter-locality competition.

7.4 Prospects

Similarities

A substantial degree of employment disadvantage already existed in both areas before the closures of the 1980s. *Within* both areas, the map of inequality has been redrawn very little over the last 25 years. In the context of a general area decline, however, those beginning from the lowest base, the most vulnerable communities, have been left in severest distress, as processes of economic sorting through the housing market, exacerbated by state policy, have intensified areas of acute labour market disadvantage.

In both areas the longer-term impacts of industrial decline have prevented sections of their populations from adjusting to the new realities, through a lack of the skills required to access employment opportunities. The loss of *local* entry-level manual jobs has served to marginalise sections of the population and has concentrated social and economic disadvantage. Furthermore the geographical concentrations of disadvantage which have been created have become vicious self-reinforcing cycles.

Some localities have become places of worklessness, with high unemployment, inactivity and benefit claiming. Poor educational attainment, low car ownership, and limited financial resources combine with low aspirations to severely limit access to non-local employment opportunities. There is also typically a greater incidence of social problems, including crime, drugs and alcohol abuse, and teenage pregnancy. Low-skill service sector and production employment leaves

many residents failing into the cycle between unemployment and low-wage jobs. In such circumstances, economic and social mobility is extremely difficult, and it hardly surprising that aspirations and motivations remain low. In Northumberland this encourages the retreat to the benefits system. In the Mon Valley, those affected carry on a marginal existence, with some eligible for limited welfare benefits while others struggle in various forms of contingent or informal work paying poverty wages.

Differences

While similar types of problems have resulted from industrial change in both areas, there remain important differences. In Northumberland the multiplier effects of industrial decline have tended to be somewhat less severe. The loss of local jobs has been less pronounced, though more gendered, as government policy at the time of closures was partly successful in increasing demand for female labour. The physical manifestations of decline are also much less obvious because of the funding mechanisms of local government and the use of national resources for physical regeneration. In contrast, in the Mon Valley the physical run-down, the failure of the school systems, and the lack of public money to address these problems, has created an even more challenging environment for development. The area's economy continues to decline and there is little sign this is about to be arrested, let alone turned around. Here, regeneration remains a depressingly distant prospect.

7.5 The failure of state planning

In both countries lack of coherent public planning and effective early demand-side action meant industrial decline became a cumulative structural process. While in the Mon Valley the largely 'hands off' stance adopted by the federal, state and county governments left dire

conditions for those who could not, or would not, migrate, in Northumberland the income maintenance offered by sickness benefits was no substitute for a concerted and well-funded expansionary policy for employment creation.

In the longer-term, where planning has attempted to boost local demand in both regions it has generally been aimed at attracting low-skilled, low-wage employment, for example in unskilled production processes, healthcare or call centres. This created a process of deskilling, as high level, though industry specific, skills have not been replaced with new capabilities to attract new investment. Furthermore, increasingly competitive inter-locality relationships in both countries have left deprived and peripheral places, such as the Northumberland coalfield and the Mon Valley, at a distinct disadvantage in competing for both private and public sector investments.

Where developments are occurring they are generally happening much too slowly. In Northumberland there has been some adjustment, with commuting increasing slowly and the educational attainment of younger generations showing some improvement, but progress in the most deprived communities is painfully slow. In the Mon Valley, small pockets of new house building and rehabilitation, and some redevelopment of mill sites, indicate that something is happening, but not at a pace anywhere near that which would begin to suggest regeneration.

It is therefore clear that there has been no self-righting of the labour market. Instead a new, more troublesome equilibrium has been established, with the creation of pockets of hopelessness where people feel disengaged from the labour market, and from society itself. Much more is therefore required to address these problems and turn around the new culture of deprivation. There is a pressing need for *both* supply and demand side action. Too often in recent debates commentators have polarised these policy interventions. While lack of jobs was the

root cause of the problems, stimulating labour demand would now no longer be enough. The characteristics of the local populations have changed, either in-situ or through migration, and there are real questions over the employability of significant numbers in some communities, even if the jobs were available. When Peck and Theodore argue that it is not the will to work which has changed dramatically in high unemployment areas but simply the availability of jobs, they oversimplify the situation (2000; 731-733). In both study areas, a sizeable number of residents are so detached from the labour market that worklessness has become normalised. Supply-side measures are therefore of real importance, even though demand boosts are also clearly required. Their current incarnation, however, pushing people into 'crap jobs', simply perpetuates the problems of these localities. A more holistic approach is required that addresses aspirations to work and equips people with the skills to access opportunities which offer better sustainable prospects.

7.6 Key conceptual insights I: Models of national political-economy

The divergent experiences of the two case study areas, in which similar processes of industrial decline have created radically different patterns of labour market restructuring, largely reflect differences in their respective national political-economic systems. More specifically, their modes of regulation both strongly influenced initial processes of labour market restructuring and continued to shape subsequent development. Within this national frame there are of course elements of local specificity and the causal structures are only realised under certain circumstances, specifically in this case under radical industrial decline.

The significance of national political economic systems for geographically uneven development arises from the tensions that always need to be resolved between the differing interests of capital, as they are manifested spatially. This resolution is performed by

constructing an 'imagined general interest' which necessarily prioritises some interests and 'spatio-temporal horizons', while marginalising others (Jessop, 2001b; 13-14 also Cox, 2004; 251). This 'imagined general interest' frames the limits of state involvement. In the 1980s it resulted in the conscious abandonment of state help for 'old industries' and, in the US at least, old industrial regions, with a shift towards those regions and industries which were perceived to be in the vanguard of economic development in the 'post-fordist' period¹³⁰. These regions and industries were typically socially, and often geographically, distant from the old industrial regions (see Scott 1998).

Nationally formulated policies therefore had geographically diverse and divisive effects, as some regions were favoured by national accumulation strategies (Cox, 2004; 251; MacLeod, 2004; 77). The south east of England, for example, occupied a privileged position in the 1980s (and since) as it became a 'spatially selected strategically significant region within the UK national project', being the main beneficiary of government R and D defence spending, tax cuts, training policy and mortgage relief (Jones, 1997 cited in MacLeod, 1997; 545; Peck and Tickell, 1995; 28; see also Jessop, 2001b).

Uneven development must however be regulated, or 'contained' by the national mode of social regulation, and this process has proved to be a key distinction between the two countries. In the UK the 'regulatory deficit' associated with such dominant spatial privileging created a complementary need to be seen to be addressing the problems of regions which were not 'strategically significant', notably through publicly funded regeneration. An example of this was the Urban

¹³⁰ Some 40 years previously, in the immediate post-war period, the study regions were themselves being prioritised as areas of production at the centre of the national interest as a result of their strategic importance in national defence. Coalmining in the UK, and steel production in the Mon Valley (the Homestead works produced plating for Naval submarines) were considered strategically important in maintaining military capabilities.

Development Corporations (UDCs), established by the Thatcher government and driven by a perceived ‘legitimation requirement’ that something needed to be seen to be done to tackle inner-city problems (Goodwin and Painter, 1996; 639).¹³¹ This was a product of several factors including the historical legacy of place-community reproduction (contrasted with the greater degree of commodification of place in the US), the politics of the urban riots and, in some area, the direct culpability of state policies for localised economic decline. In contrast, the US government has consistently maintained a more ambivalent approach towards the distribution of population, meaning that such a ‘legitimation requirement’, and the securing of the reproduction of individual communities, remains much weaker.

Variegated capitalism - and the explanation of differential restructuring

The Mode of Social Regulation (MSR) of Fordism was expressed differently in different countries because ‘[a]ctual regulatory influences develop in specific historical and geographical contexts’ (Goodwin and Painter, 1995; 641). Consequently there have also been variants of neo-liberalism in the search for new forms of regulation after the collapse of Fordism (Peck, 2002).

The process of capital accumulation in the US has for a long-time been based on inter-locality competition and the acceptance of geographically uneven development (Cox, 2004; 252). In addition to this, what Cox (2004; 253-254) terms the ‘auto-finance-oil nexus’, has been highly significant. US state policy has underwritten cheap petrol, subsidised home ownership, provided money for freeway development,

¹³¹ In more recent years spending on spatially targeted regeneration policy has become further prioritised, as New Labour has added a greater measure of ‘morality’ to Conservative policy, attempting the economic regeneration of marginalised communities and adopting series of ‘stealthy’ redistributive measures (through targeted means-tested benefits, particularly Tax Credits) to redirect some revenues (Jessop, undated; 4; also Peck, 2004; 215).

and designed planning policies to encourage local planning competition - based on opening up greenfield development. This has encouraged greater mobility of labour and capital, fostering a more geographically expansive form of capitalism. The UK has a much longer history of central planning in the national interest, for example the New Towns policy to reduce pressure on urban housing markets, or attempts to influence the geography of investment to guide it to high unemployment areas (ibid, 253). Planning policy has also historically been more restrictive, with greater emphasis on regenerating old, rather than producing new, communities. These important historical differences set the context for future developments.

In the UK, as this research has demonstrated, the public welfare system and the historical-cultural context have played much greater roles in ensuring the (re)production of place and communities in old industrial areas. Even as welfare is reformed towards workfare, the commitment to such area reproduction remains. Some recent policies, such as the New Deal for Communities, even posit this as the appropriate scale for regeneration. In the US, the historical and policy framework has always been much less concerned about place-specific community collapse, with public welfare providing a bare minimum of support. The two systems therefore represent 'quite contrasting forms' of the politics of local and regional development (Cox, 2004; 247).

National political-economic differences have therefore largely created the distinction between the place-based and mobility-dependent responses observed in the two study regions. The reproduction of coalfield communities in Northumberland was underwritten by publicly funded infrastructure development and the maintenance of finance for public goods such as schools, which served to protect the liveability, if not the employment rates, of the area. In addition, the payment of income maintenance benefits, primarily inactive benefits, meant that men displaced from the labour market would not have to look for work

elsewhere. Other elements of the national political-economic system were also significant, including housing policy, through the historical funding of social housing rather than private renting and the restriction of mortgage capital for those on limited incomes, which both served to limit mobility. Lastly, the availability of public healthcare removed the impetus to move in order to access medical care present in the US. The adjustment process in Northumberland was therefore based to a much greater extent on bringing resources to people in-place. In a sense this implied a greater sense of command and empowerment in Northumberland at the time. Over the longer-term, however, these relations have been increasingly imbued with a sense of dependency on public funding.

In the Mon Valley much more emphasis was on people moving to ensure they could access resources. The time-limited nature of benefit payments, the absence of national healthcare, the downward spiral of local public finances for services and schools which vastly reduced the liveability of areas, the greater availability of mortgage capital and the reliance on housing vouchers, together produced a much greater dependence on labour mobility. These differences produced the initial labour market responses to industrial change, and set the areas on their subsequent development trajectories.

These cases illustrate the significant degree of ‘capitalist variegation’ which exists, even between systems which may appear superficially similar (Peck and Theodore, 2007). Political-economic systems, stylistically described variously as Keynesian Atlantic Fordism, and subsequently as market liberal or neo-liberal models (Jessop, 2002; 64-64; Esping-Anderson, 1990), actually generate quite different outcomes as a result of their distinct institutional and cultural histories. The key difference lies in the remaining support for the reproduction of place-communities in the UK in ways not apparent in the US. Over the long-term, this has produced quite different path-dependent (or at least

path-contingent) development outcomes. While some similarities between the two systems may be increasing, at the local community level they have created very distinct outcomes, which cannot be simply, or quickly, overcome by (re)regulation.

7.5 Key conceptual insights II: Deindustrialisation, past *and* present

In this final section attention turns to the ways in which this research has, in several respects, added to our understanding of deindustrialisation. Four contentions have been presented. First, small town deindustrialisation remains understudied compared to that in larger urban areas, even though the outcomes in such places remain comparatively more damaging and intractable. Secondly, in relation to the coherence of industrial communities it has been argued that many such concepts are now outdated. Thirdly, deindustrialisation within localities is itself a deeply uneven process, differentially affecting individuals and communities. Finally, deindustrialisation is presented as a process that affects not just industrial workers who lose their jobs, but also future generations, as the impacts of, and adjustments to jobs losses, have established the localised conditions of continuing structural decline.

The urban bias

While the 'urban' has been the focus of a great deal research on economic restructuring, much industrial production in the past took place in small company towns, such as Ashington and Homestead. The story of long-term decline and change in these towns needs telling. They cannot simply revitalise themselves as high-tech cities or service centres. In many ways, for them their history looms much larger, straight-jacketing their future in a way that is less apparent in urban centres which may be much better at imagining a post-industrial future divorced from industry and history, if not necessarily at achieving it.

The notion of community

This research questions the relevance of old notions of coherent industrial communities still incorporated in some parts of the literature. Profound local changes have clearly created very different communities to those of the past, as the bonds that once held them together have loosened or broken. Paradoxically, however, new forms of community have emerged in response to the conditions they face which, in some areas, are now significant barriers to change. Here Hudson's (2001) explanation of community formation in industrial localities has been complemented by analysis of the process of de-bounding in deindustrialised communities over the past quarter century, developing a synthesis of community disintegration and partial reformulation.

Population turnover and local migratory processes in both areas have formed increasingly complex and polarised geographies. These processes have produced communities which are fractured by wealth, opportunity and history. In the Mon Valley, the extent of this disintegration is more complete, palpable tensions having been created between established communities and incomers. There are also disturbing racial overtones to much of the local discourse about this.

The geography of deindustrialisation

Within the negative regional effects of industrial change, those localities and communities with older housing stock, lower employment levels and generally a less skilled workforce have tended to suffer most from closures. During the last 25 years such areas have seen the increasing concentration of extreme disadvantage. Selective migration driving housing market sorting processes, combined with public policy responses, has intensified and entrenched social and economic deprivation. In Northumberland these areas can be identified as the

older industrial areas of Ashington and Blyth, as well as some of the more peripheral coastal villages. In Mon Valley it is clearly the mill towns. For these areas the structural decline associated with deindustrialisation continues, and the different dimensions of social and economic deprivation in such places produce areas of stubborn worklessness with little hope of regeneration. This more localised geography of deindustrialisation has previously been much less acknowledged than the broader regional impacts.

Deindustrialisation as a process

Deindustrialisation has evidently not been the short-term fix that makes resource use more efficient (Tomaney et al, 1999; 402). A glance at the economic activity figures illustrates the fallacy of this argument. It has been a long-term process of adjustment, with severely negative results on some groups of people, and on specific locales. This study has followed the process, through job loss, initial adjustments, and their longer-term consequences. It has traced the causality of change through various stages, defining deindustrialisation as an evolving process rather than an event. At the local scale, it is not a short-term shock, but a series of adjustments, still unfolding 25 years on.

Deindustrialisation has been presented as a process which has become more entrenched as its characteristics change over time, it is therefore as relevant now as it was during the 1980s, when it attracted so much attention in geographical and other writings.

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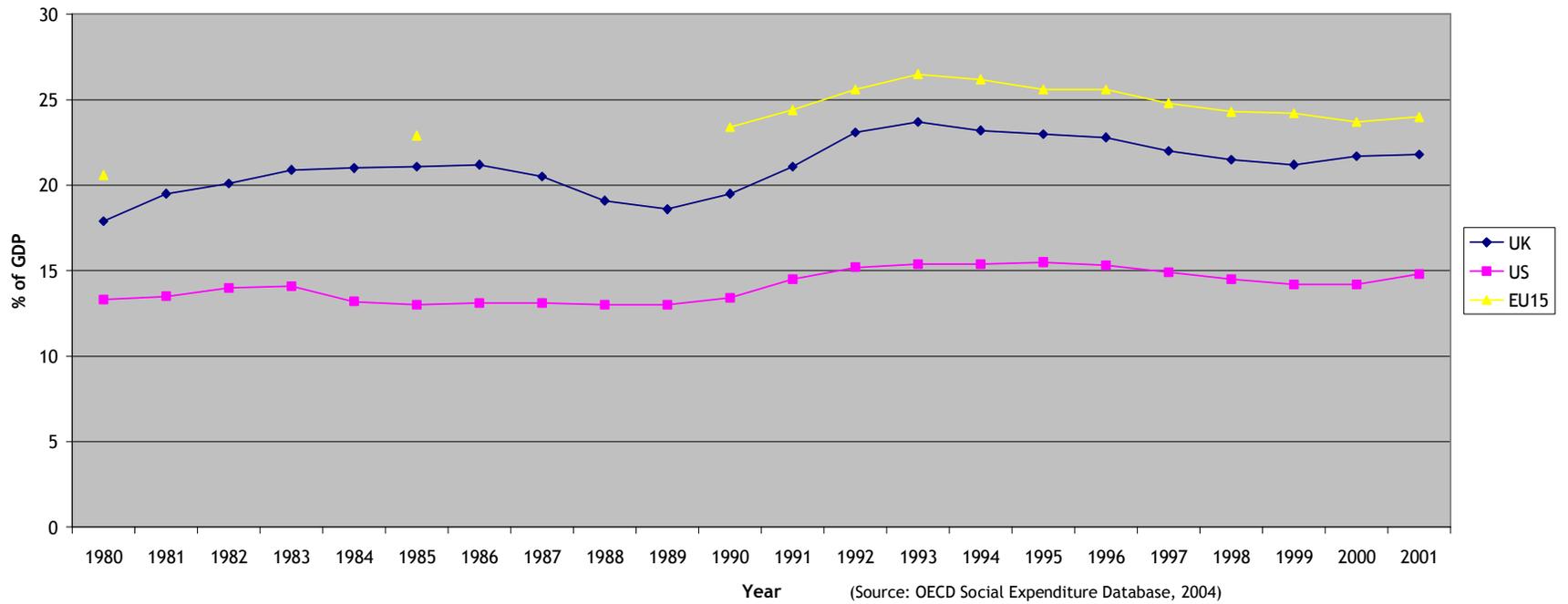
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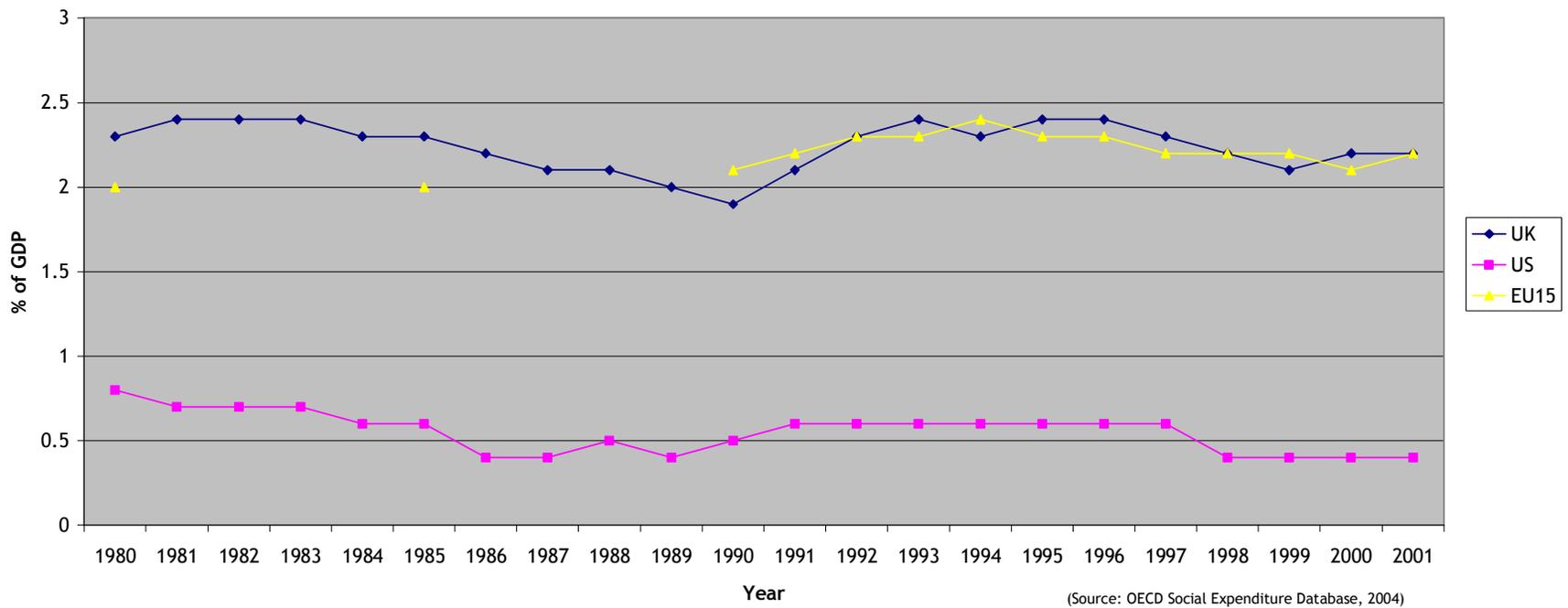
Appendices

Appendix I Public spending in the UK, US and EU

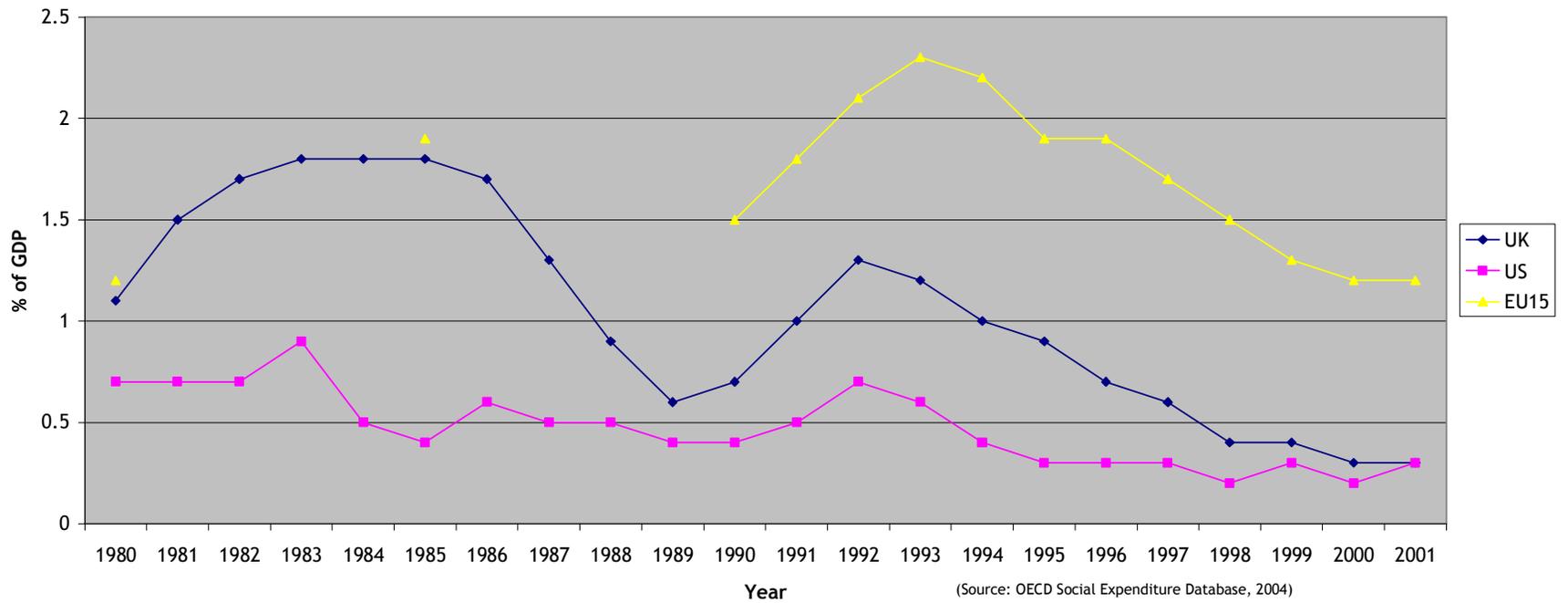
Total public social expenditure as a percentage of GDP



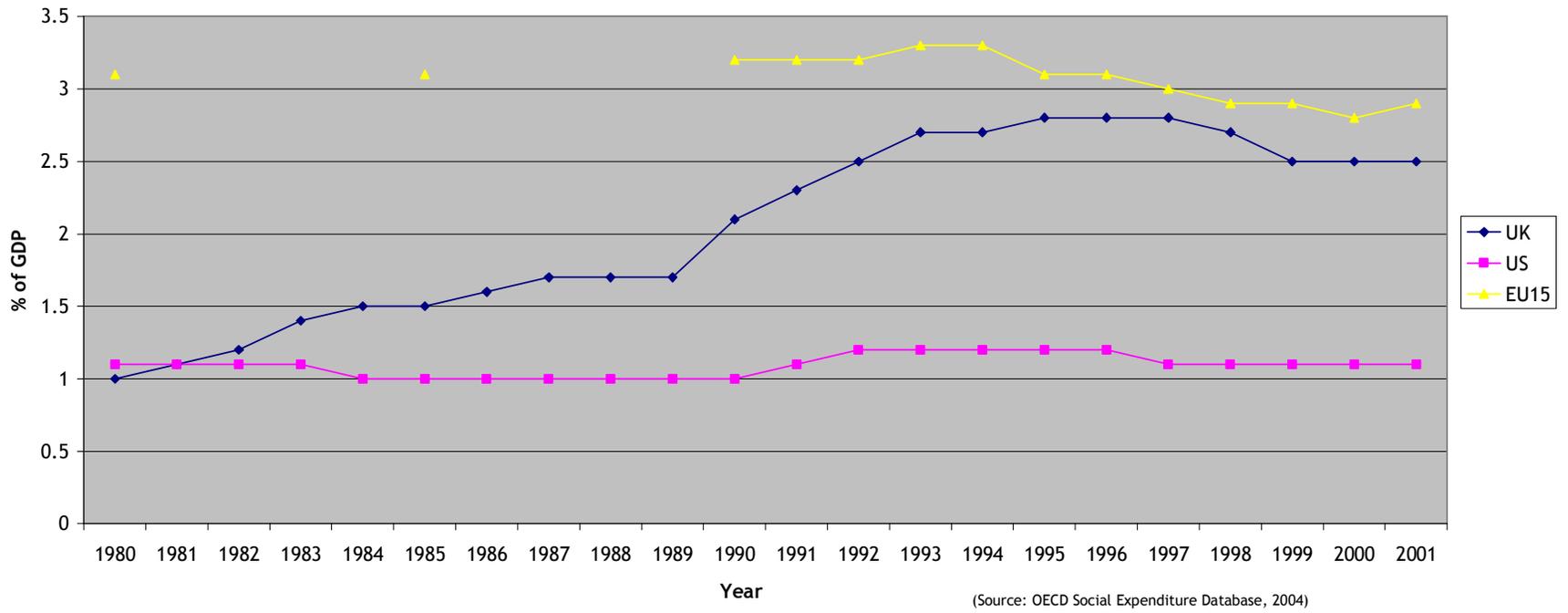
Public social expenditure: family as percentage of GDP



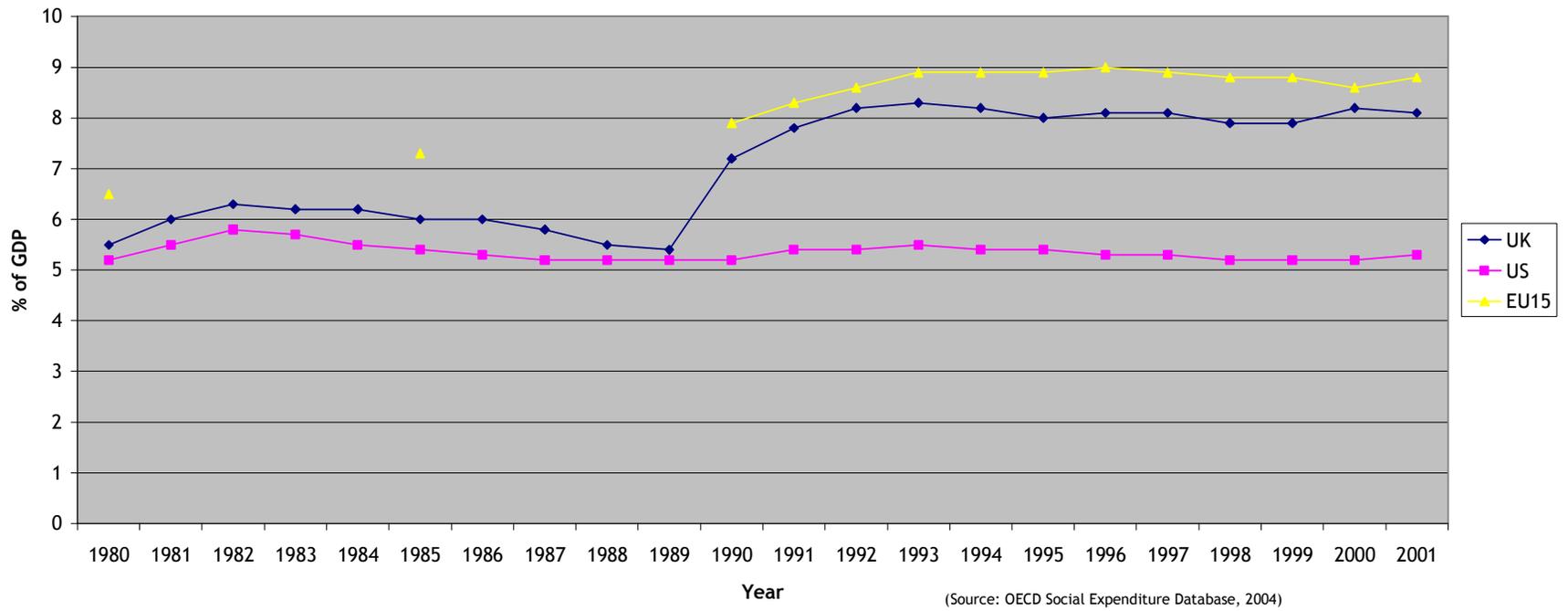
Public social expenditure: unemployment as percentage of GDP



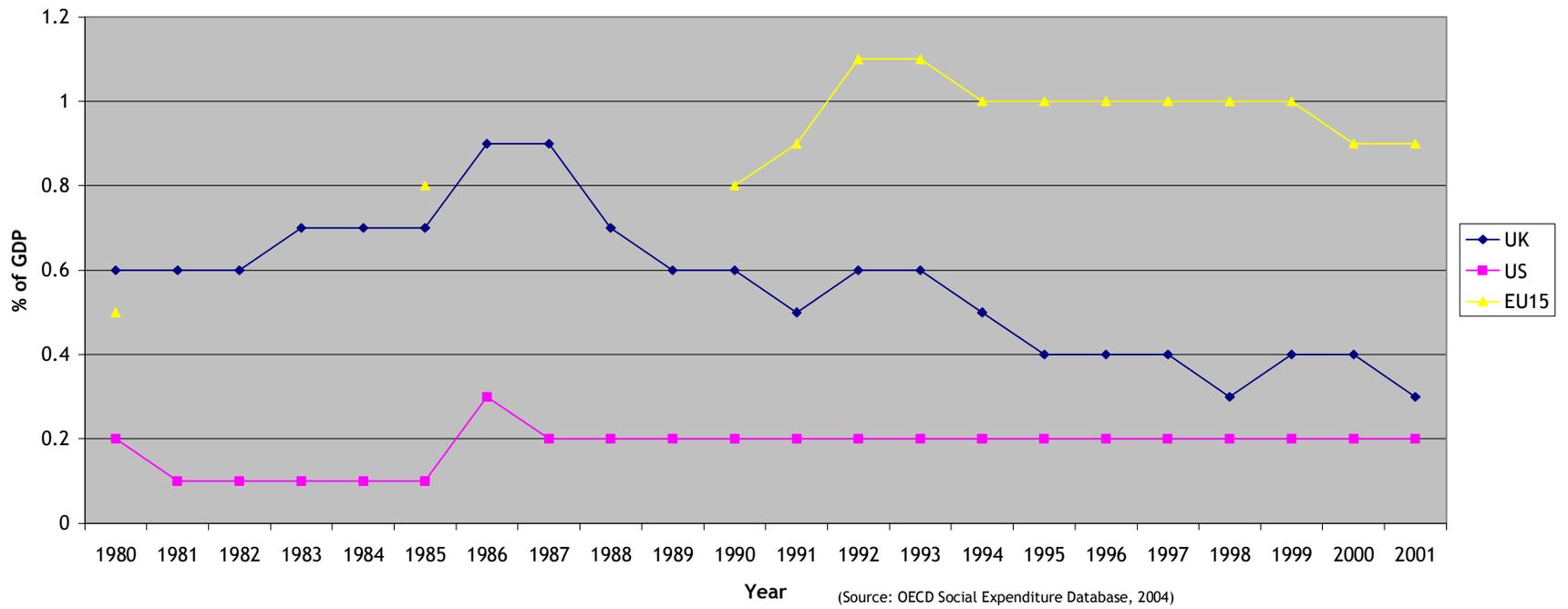
Public social expenditure: sickness benefits as a percentage of GDP



Public Social Expenditure: old age as percentage of GDP



Public social expenditure: active labour market policies as percentage of GDP



Appendix II

Incapacity Benefit reforms and details of the Employment Support Allowance

‘From 2008, and for new claimants only, a new Employment and Support Allowance (ESA) will replace Incapacity Benefit (IB) and Income Support paid on the grounds of incapacity. This will be structured as follows:

- When an individual applies for the ESA, they will enter an assessment phase lasting no more than 12 weeks (this includes the reformed PCA ó as outlined in the previous chapter). After 8 weeks, claimants will undertake a work-focused interview (WFI). During this assessment phase, they will receive a 'holding benefit' set at Jobseeker's Allowance (JSA) rates.
- If the PCA confirms eligibility for the benefit, the claimant will move on to the main phase of the ESA. Most will receive the 'Employment Support' component which will be conditional on drawing up a personal action plan focused on rehabilitation and work-related activity. The benefit rate will be higher than the holding benefit and set above the current long-term Incapacity Benefit rate. If claimants do not attend their WFI or prepare an action plan, the benefit will be reduced in a series of slices down to the holding benefit level.
- Claimants with the most severe illnesses and disabilities, as identified in the new PCA, will receive the 'Support' component of the ESA which will be paid at a higher level than the current equivalent rate. They will not be required to undertake work-related activity, but will be able to engage in it on a voluntary basis.

(Source:www.publications.parliament.uk/pa/cm200506/cmselect/cmworpen/616/61607.htm)

Appendix III

Full Northumberland coalfield commuting tables, 2001

Main commuting flows from the rural coalfield of male full-time workers, 2001

| Destination ward | Out-Commute | Expected error | As % of total |
|----------------------------------|-------------|----------------|---------------|
| Chevington (Castle Morpeth) | 416 | 4 | 6.5 |
| Alnwick Castle (Alnwick) | 384 | 4 | 6 |
| Amble East (Alnwick) | 296 | 5 | 4.6 |
| Ellington (Castle Morpeth) | 249 | 5 | 3.9 |
| Morpeth Central (Castle Morpeth) | 239 | 5 | 3.7 |
| Ulgham (Castle Morpeth) | 235 | 5 | 3.7 |
| Alnmouth and Lesbury (Alnwick) | 201 | 5 | 3.1 |
| Amble Central (Alnwick) | 198 | 5 | 3.1 |
| Alnwick Hotspur (Alnwick) | 195 | 5 | 3 |
| Alnwick Clayport (Alnwick) | 186 | 5 | 2.9 |
| Shilbottle (Alnwick) | 181 | 5 | 2.8 |
| West City (Newcastle) | 142 | 5 | 2.2 |
| Pegswood (Castle Morpeth) | 138 | 6 | 2.2 |
| Warkworth (Alnwick) | 138 | 5 | 2.2 |
| Amble West (Alnwick) | 133 | 5 | 2.1 |
| Hebron (Castle Morpeth) | 129 | 5 | 1.7 |
| Longhoughton (Alnwick) | 119 | 5 | 1.9 |
| Cramlington West (Blyth) | 111 | 5 | 1.7 |
| Morpeth South (Castle Morpeth) | 97 | 5 | 1.5 |
| Newbiggin East (Wansbeck) | 90 | 5 | 1.4 |
| Central (Wansbeck) | 85 | 5 | 1.3 |
| Moorside (Newcastle) | 75 | 5 | 1.2 |
| Teams | 70 | 5 | 1.1 |
| Dene (Newcastle) | 66 | 5 | 1 |
| Haydon (Wansbeck) | 65 | 5 | 1 |

(Source: CIDS)

Main commuting flows from the urban coalfield of male full-time workers, 2001

| Destination ward | Out-Commute | Expected error | As % of total |
|-------------------------------------|-------------|----------------|---------------|
| Cramlington West (Blyth) | 1311 | 5 | 6.1 |
| Morpeth Central (Castle Morpeth) | 836 | 6 | 3.9 |
| Sleekburn (Wansbeck) | 800 | 7 | 3.7 |
| Kitty Brewster (Blyth) | 797 | 6 | 3.7 |
| Newbiggin East (Wansbeck) | 592 | 7 | 2.7 |
| West City (Newcastle) | 591 | 6 | 2.7 |
| Cowpen (Blyth) | 580 | 7 | 2.7 |
| Haydon (Wansbeck) | 538 | 7 | 2.5 |
| Stakeford (Wansbeck) | 533 | 7 | 2.5 |
| Central (Wansbeck) | 531 | 7 | 2.5 |
| College (Wansbeck) | 495 | 7 | 2.3 |
| Wensleydale (Blyth) | 493 | 7 | 2.3 |
| Croft (Blyth) | 490 | 7 | 2.3 |
| Hebron (Castle Morpeth) | 440 | 7 | 2 |
| Bothal (Wansbeck) | 406 | 7 | 1.9 |
| Morpeth South (Castle Morpeth) | 386 | 7 | 1.8 |
| Dene (Newcastle) | 358 | 7 | 1.7 |
| Collingwood (North Tyneside) | 343 | 7 | 1.6 |
| Bedlington Central (Wansbeck) | 340 | 8 | 1.6 |
| Moorside (Newcastle) | 310 | 7 | 1.4 |
| Ellington (Castle Morpeth) | 299 | 8 | 1.4 |
| Seaton (Wansbeck) | 294 | 8 | 1.4 |
| Camperdown (North Tyneside) | 270 | 8 | 1.2 |
| Teams | 263 | 7 | 1.2 |
| Sandyford (Newcastle) | 250 | 7 | 1.2 |
| Grange (Newcastle) | 233 | 8 | 1.1 |
| Holystone (North Tyneside) | 231 | 8 | 1.1 |
| Ponteland North (Castle Morpeth) | 226 | 8 | 1 |
| Cramlington Village (Blyth) | 215 | 8 | 1 |

(Source: CIDS)

Main commuting flows from the rural coalfield of female full-time workers, 2001

| Destination ward | Out-Commute | Expected error | As % of total |
|----------------------------------|-------------|----------------|---------------|
| Alnwick Castle (Alnwick) | 237 | 4 | 7 |
| Morpeth Central (Castle Morpeth) | 162 | 4 | 4.8 |
| Amble East (Alnwick) | 158 | 4 | 4.7 |
| Alnwick Hotspur (Alnwick) | 153 | 4 | 4.5 |
| Chevington (Castle Morpeth) | 152 | 4 | 4.5 |
| Hebron (Castle Morpeth) | 141 | 4 | 4.2 |
| Alnwick Clayport (Alnwick) | 131 | 4 | 3.9 |
| Amble Central (Alnwick) | 128 | 4 | 3.8 |
| Central (Wansbeck) | 116 | 4 | 3.4 |
| Morpeth South (Castle Morpeth) | 113 | 4 | 3.4 |
| Moorside (Newcastle) | 99 | 4 | 2.9 |
| Morpeth North (Castle Morpeth) | 94 | 4 | 2.8 |
| West City (Newcastle) | 90 | 4 | 2.7 |
| Haydon (Wansbeck) | 77 | 5 | 2.3 |
| Seaton (Wansbeck) | 77 | 4 | 2.3 |
| Ulgham (Castle Morpeth) | 68 | 5 | 2 |
| Alnmouth and Lesbury (Alnwick) | 68 | 5 | 2 |
| Amble West (Alnwick) | 62 | 5 | 1.8 |
| Shilbottle (Alnwick) | 61 | 5 | 1.8 |
| Warkworth (Alnwick) | 61 | 5 | 1.8 |
| Dene (Newcastle) | 57 | 5 | 1.7 |
| Grange (Newcastle) | 49 | 5 | 1.5 |
| Pegswood (Castle Morpeth) | 46 | 5 | 1.4 |
| Ellington (Castle Morpeth) | 41 | 5 | 1.2 |
| Longhoughton (Alnwick) | 40 | 5 | 1.2 |
| College (Wansbeck) | 33 | 5 | 1 |
| Stannington (Castle Morpeth) | 33 | 5 | 1 |

(Source: CIDS)

Main commuting flows from the urban coalfield of female full-time workers, 2001

| Destination ward | Out-Commute | Expected error | As % of total |
|-------------------------------------|-------------|----------------|---------------|
| Central (Wansbeck) | 702 | 5 | 5.8 |
| Kitty Brewster (Blyth) | 583 | 5 | 4.9 |
| Haydon (Wansbeck) | 562 | 6 | 4.7 |
| Dene (Newcastle) | 472 | 5 | 3.9 |
| Croft (Blyth) | 465 | 6 | 3.9 |
| West City (Newcastle) | 428 | 5 | 3.6 |
| Morpeth Central (Castle Morpeth) | 427 | 6 | 3.6 |
| Seaton (Wansbeck) | 405 | 6 | 3.4 |
| Morpeth South (Castle Morpeth) | 390 | 5 | 3.2 |
| Sleekburn (Wansbeck) | 383 | 6 | 3.2 |
| Moorside (Newcastle) | 379 | 5 | 3.2 |
| Hebron (Castle Morpeth) | 353 | 6 | 2.9 |
| Bedlington Central (Wansbeck) | 335 | 6 | 2.8 |
| Wensleydale (Blyth) | 294 | 6 | 2.4 |
| Cramlington West (Blyth) | 286 | 6 | 2.4 |
| Cramlington Village (Blyth) | 259 | 6 | 2.2 |
| Morpeth North (Castle Morpeth) | 249 | 6 | 2.1 |
| College (Wansbeck) | 236 | 6 | 2 |
| Grange (Newcastle) | 214 | 7 | 1.8 |
| Cowpen (Blyth) | 197 | 7 | 1.6 |
| Bothal (Wansbeck) | 165 | 7 | 1.4 |
| Hirst (Wansbeck) | 160 | 7 | 1.3 |
| Collingwood (North Tyneside) | 153 | 7 | 1.3 |
| Benton (North Tyneside) | 137 | 7 | 1.1 |
| Newbiggin East (Wansbeck) | 127 | 7 | 1.1 |
| Ponteland North (Castle Morpeth) | 121 | 7 | 1 |
| Sandyford (Newcastle) | 119 | 7 | 1 |
| Plessey (Blyth) | 115 | 7 | 1 |

(Source: CIDS)

Appendix IV

Indices of Multiple Deprivation 2004: Deprivation rankings for the coalfield by local authority area

The Indices of Deprivation are formed using 7 domains. These domains and their relative weighting are given below:

- Income deprivation (22.5%)
- Employment deprivation (22.5%)
- Health, deprivation and disability (13.5%)
- Education, skills and training (13.5%)
- Barriers to housing and services (9.3%)
- Crime (9.3%)
- Living environment deprivation (9.3%)

(ODPM, 2004)

Northumberland coalfield (90 SOAs)

| Variable | Coalfield High (Best) | Coalfield Low (Worst) | Number in Worst 5% SOAs England | Number in Worst 10% SOAs England | Number in Worst 20% SOAs England |
|--|-----------------------|-----------------------|---------------------------------|----------------------------------|----------------------------------|
| IMD Percentile of all SOAs in England | 93.4 | 1.2 | 5 | 13 | 30 |
| Income Percentile of all SOAs in England | 97.5 | 1.5 | 4 | 10 | 28 |
| Employment Percentile of all SOAs in England | 77.5 | 0.3 | 16 | 33 | 48 |
| Health and Deprivation Percentile of all SOAs in England | 82.5 | 0.7 | 13 | 29 | 49 |
| Education, skills and training Percentile of all SOAs in England | 98.2 | 1.4 | 8 | 18 | 38 |
| Barriers to housing and services Percentile of all SOAs in England | 99.8 | 18.0 | 0 | 0 | 2 |
| Crime and Disorder Percentile of all SOAs in England | 99.9 | 2.6 | 1 | 6 | 15 |
| Living Environment Percentile of all SOAs in England | 100.0 | 34.6 | 0 | 0 | 0 |

Alnwick coalfield area (10 SOAs)

| Variable | Alnwick coalfield High (Best) | Alnwick coalfield Low (Worst) | Number in Worst 5% SOAs England | Number in Worst 10% SOAs England | Number in Worst 20% SOAs England |
|--|-------------------------------|-------------------------------|---------------------------------|----------------------------------|----------------------------------|
| IMD Percentile of all SOAs in England | 81.5 | 23.2 | 0 | 0 | 1 |
| Income Percentile of all SOAs in England | 76.8 | 9.6 | 0 | 1 | 2 |
| Employment Percentile of all SOAs in England | 66.4 | 9.2 | 0 | 1 | 2 |
| Health and Deprivation Percentile of all SOAs in England | 82.5 | 16.0 | 0 | 0 | 1 |
| Education, skills and training Percentile of all SOAs in England | 82.5 | 17.3 | 0 | 0 | 2 |
| Barriers to housing and services Percentile of all SOAs in England | 99.8 | 19.8 | 0 | 0 | 1 |
| Crime and Disorder Percentile of all SOAs in England | 98.1 | 48.8 | 0 | 0 | 0 |
| Living Environment Percentile of all SOAs in England | 98.0 | 45.2 | 0 | 0 | 0 |

Blyth coalfield area (22 SOAs)

| Variable | Blyth coalfield High (Best) | Blyth coalfield Low (Worst) | Number in Worst 5% SOAs England | Number in Worst 10% SOAs England | Number in Worst 20% SOAs England |
|--|-----------------------------|-----------------------------|---------------------------------|----------------------------------|----------------------------------|
| IMD Percentile of all SOAs in England | 77.5 | 2.0 | 2 | 6 | 11 |
| Income Percentile of all SOAs in England | 95.4 | 2.6 | 2 | 4 | 10 |
| Employment Percentile of all SOAs in England | 64.1 | 0.3 | 8 | 11 | 15 |
| Health and Deprivation Percentile of all SOAs in England | 54.3 | 1.1 | 4 | 9 | 14 |
| Education, skills and training Percentile of all SOAs in England | 68.1 | 1.4 | 6 | 8 | 12 |
| Barriers to housing and services Percentile of all SOAs in England | 99.2 | 20.9 | 0 | 0 | 0 |
| Crime and Disorder Percentile of all SOAs in England | 99.9 | 6.3 | 0 | 2 | 8 |
| Living Environment Percentile of all SOAs in England | 100.0 | 34.6 | 0 | 0 | 0 |

Castle Morpeth coalfield area (17 SOAs)

| Variable | Castle Morpeth coalfield High (Best) | Castle Morpeth coalfield Low (Worst) | Number in Worst 5% SOAs England | Number in Worst 10% SOAs England | Number in Worst 20% SOAs England |
|--|--------------------------------------|--------------------------------------|---------------------------------|----------------------------------|----------------------------------|
| IMD Percentile of all SOAs in England | 93.4 | 11.8 | 0 | 0 | 2 |
| Income Percentile of all SOAs in England | 97.5 | 14.3 | 0 | 0 | 5 |
| Employment Percentile of all SOAs in England | 75.8 | 4.0 | 1 | 4 | 7 |
| Health and Deprivation Percentile of all SOAs in England | 74.0 | 5.5 | 0 | 1 | 4 |
| Education, skills and training Percentile of all SOAs in England | 98.3 | 8.1 | 0 | 1 | 5 |
| Barriers to housing and services Percentile of all SOAs in England | 99.2 | 22.8 | 0 | 0 | 0 |
| Crime and Disorder Percentile of all SOAs in England | 98.0 | 24.6 | 0 | 0 | 0 |
| Living Environment Percentile of all SOAs in England | 100.0 | 65.5 | 0 | 0 | 0 |

Wansbeck coalfield area (41 SOAs)

| Variable | Wansbeck coalfield High (Best) | Wansbeck coalfield Low (Worst) | Number in Worst 5% SOAs England | Number in Worst 10% SOAs England | Number in Worst 20% SOAs England |
|--|--------------------------------|--------------------------------|---------------------------------|----------------------------------|----------------------------------|
| IMD Percentile of all SOAs in England | 87.1 | 1.2 | 3 | 7 | 16 |
| Income Percentile of all SOAs in England | 97.1 | 1.5 | 2 | 5 | 11 |
| Employment Percentile of all SOAs in England | 77.5 | 0.7 | 7 | 17 | 24 |
| Health and Deprivation Percentile of all SOAs in England | 47.3 | 0.7 | 9 | 19 | 30 |
| Education, skills and training Percentile of all SOAs in England | 82.4 | 3.3 | 2 | 9 | 19 |
| Barriers to housing and services Percentile of all SOAs in England | 97.9 | 18.0 | 0 | 0 | 1 |
| Crime and Disorder Percentile of all SOAs in England | 97.8 | 2.6 | 1 | 4 | 7 |
| Living Environment Percentile of all SOAs in England | 99.7 | 48.3 | 0 | 0 | 0 |