Forget independence for London – but the capital now needs its own devolved government more than ever

blogs.lse.ac.uk/politicsandpolicy/london-needs-its-own-devolved-government/

25/06/2016

London has vote to remain in the EU while the rest of the UK – and especially England – voted to leave. This has led to calls for London to declare independence. Independence is not going to happen. But as **Tim Oliver** argues, a fully devolved government for London is possible. It's time the UK recognised that London is its undiscovered country, a fifth constituent part that deserves devolved powers of its own.



The night of 23 June 2016 saw London (60 per cent), Scotland (62 per cent) and Northern Ireland (55.8 per cent) vote strongly to remain in the EU while Wales and the rest of England outside London voted to leave. The consequences for UK-EU relations will take years to sort out. The consequences for the UK's own internal relations potentially even longer.

Such was the shock amongst some Londoners at the result that by the morning of 24 June a campaign had begun calling for London to declare independence from the UK, #londependence. The campaign might have started as a joke, but by the end of the day had attracted 82,400 signatures and touched a nerve in a city that has found itself in disagreement with the rest of the UK.

Calls for London to be independent are a reverse of the often heard complaint around the world to 'End London rule!', something heard most recently during the Scottish independence referendum. An anti-London feeling also fueled some of the leave vote elsewhere in England, and there will be some elsewhere in England who welcome the idea of London leaving.

London has become a place apart from most of the rest of the UK and especially England. It is a city seen as home to a metropolitan, globalised elite that benefits from the EU. No other large developed country has a capital city so large, so central to its economy (by a long way) and so at odds with its country, or one growing more different and doing so as fast.

Such is London's distinctiveness that its mayor, Sadiq Khan, whose own election as the first Muslim mayor of a major Western city was taken as a sign of how London was a place apart, put out a statement in which he made clear that:

I want to send a particular message to the almost one million Europeans living in London, who make a huge contribution to our city – working hard, paying taxes and contributing to our civic and cultural life. You are welcome here. We value the enormous contribution you make to our city and that will not change as a result of this referendum.



When in 2014 former Conservative turned UKIP councillor Suzanne Evans lost her London seat she blamed it – and UKIP's poor performance in the metropolis – on London's young, educated, cultured, media-savvy population not understanding the heartache felt by the rest of the country. That might have been picked over for her insinuation that UKIP supporters are old, not educated or cultured and that somehow the 'media-savvy' were duped by media. But her warning that London risks becoming detached from the rest of the UK has been taken up many times elsewhere.

That Khan and the First Minister of Scotland, Nicola Sturgeon, agreed on the importance of the EU to their areas is a helpful reminder that Scotland is not the only part of the UK that is less Eurosceptic than the rest of the UK.

But while Scotland might now head down the road towards another independence referendum, London has no such option. But by making clear London's distinct part in the Union the referendum could pave the way for granting the metropolis a devolved government. This would be a logical step for allowing the city to better manage the implications of such decisions as the referendum and to better look after its own needs. It also paves the way for a federal UK and a federal UK government that thinks about the wider UK and is no longer so beholden to the outlook and needs of London.

The UK's Undiscovered Country

You don't need to have visited London, dipped into the wealth of books about the city, or seen the differences in referendum voting patterns to know how different the metropolis can be to the rest of the UK. While other urban areas such as Manchester are also increasingly different from the rest of the UK and also voted remain, it is London's size and dominance that make it unique.

London now boasts its largest ever population which is expected to push through 10 million in the not too distant future. London's population could then be as large as the 10 million that currently live in Scotland, Wales and Northern Ireland combined (or already dwarfs them if London's current 14 million metro region population is used).

The population growth has been thanks in large part to immigration. London has always had a somewhat unique population compared to the rest of England or the UK, but some projections point to a city where more than half were born outside Britain. Already 'White British' make up only around 45 per cent of the population.

No surprise then that Londoners are a more diverse lot than any other population in the UK. Yet according to the 2010 census they are also the most likely to identify themselves as British. This is in part because ethnic and minority communities, which make up a large part of London's population, identify themselves as 'Black British' or 'British Asian'. 'English' has strong ethnic connotations to it. Londoners are also more intimately connected to the British state that makes their city its central home. After all they share the city with the British monarchy, government, media, and major British cultural institutions.

Economically London as 22.9 per cent of the UK economy matters more to the single market and political union that is the United Kingdom than the 20.9 per cent that Germany is to the economy of the European Union. Its global economy is the UK's most diverse and resilient and the least dependent on links with the EU. The UK is clearly imbalanced economically towards London and the South East, the net contributions to HM Treasury from those inside the M25 dwarfing those of any other part of the UK. That economic success has come in no small part to being an open, international trading city. Londoners are not known for being isolationist or Eurosceptic. They can be the epitome of global Britons.

Or at least some of them are. London is home to some of the UK's worst poverty and inequality. The 2011 riots were centred on London. Londoners can have health problems and ages of death equivalent to either the best in the world such as Japan or the worst such as Guatemala. UKIP might not be the force it is elsewhere in England and Wales, but the referendum result showed that areas such as Barking, where a white working class still dominates, can be just as Eurosceptic as elsewhere in England.

Housing shortages (everyone knows never to get a Londoner started on the topic of house or rental prices), a creaking transport system, pollution, security problems ranging from petty crime to terrorism, simmering race relations, education and language difficulties, unemployment and homelessness, planning and political representation make for a set of problems that stand apart from the rest of the UK.

The rest of the UK can be forgiven for thinking they hear too much about this. With the British media and political elite based in London, the rest of the UK – especially the rest of England – can appear a political wasteland, populated largely by emaciated, unloved and ignored local governments.

Londoners have the least reasons to complain about the UK given their ability to affect UK, European or international politics. With UK government and the diplomatic community based there, London is better connected to them than anywhere else in the UK. Prime Ministers have vetoed the EU Treaty to protect the financial interests of London. The Westminster Parliament has a disproportionate territorial representation within it thanks to the large number of members of the House of Lords who list London as their main address.

By way of comparison, if the USA had a capital city that dominated it like London does the UK then it would be a city of 42.8 million people (bigger than any single state) with an economy equal to that of California and Texas combined. Within it you would find the political, diplomatic, cultural, economic, university, IT, media and communication concentrations found in Washington D.C., New York, Los Angeles, Boston, San Francisco and Atlanta.



London Calling Devolution

HM Government located in the Whitehall and Westminster districts of London controls the UK – and especially England – to an extent found in few other places in the developed world. Constitutional reform to devolve power has so far not solved the issue. If anything the approach taken has added to confusion that risks unraveling the Union. The situation can only get worse as London continues to grow in size and difference from the rest of the UK. And if Scotland were to leave then London's dominance over the remaining UK would grow further.

Further reforms all have their problems, whether they are devo-max to regions such as Scotland, devolution to areas such as Manchester, the creation of an English Parliament, English Votes for English Laws (EVEL), or moving UK government out of London altogether.

Devolution to Scotland, Wales and Northern Ireland has been ad hoc, with no real strategy behind it. Devo-manc lacks the financial muscle to add up to much. Moving government out of London is prohibitively expensive. Create an English Parliament in London and you merely accentuate the centralisation problem. Build it outside London without granting London autonomy from it and the English Parliament risks a fraught relationship with a metropolis that will likely want to ignore it

EVEL has accentuated a sense of separation for Scotland. It also raises the so far unanswered question of whether London MPs should be barred from voting on matters in the rest of England that in London come under the purview of the Greater London Authority and Mayor.

Creating a devolved government for London is both an inevitable step for the UK to become a federal union, and a positive step that separates UK and London government. A Greater London Assembly turned into a London Parliament and a Mayor turned into a First Minister (albeit still perhaps retaining the title of mayor) with accompanying cabinet would see London take control of its own affairs.

As Mayor of London, Boris Johnson commissioned the London Finance Commission, chaired by the LSE's Prof. Tony Travers, which recommended granting London greater tax raising powers. If Johnson now becomes Prime

Minister then the former mayor should be pushed to consider further powers for the city he governed for two terms.

Londoners would still complain that their taxes are used to prop up the rest of the UK, but at least that transfer would be clearer and subject to the appropriate scrutiny by the people of London and their representatives. They would also be rightly concerned about the difficult but necessary task of striking a balance between a devolved government and that of the borough councils that for fifty years have done so much to run London.

The UK would gain because UK ministers and politicians in Whitehall and Westminster would no longer have to concern themselves with the London matters that can so often draw their attention and lead to accusations of UK policies being shaped to meet the needs of a global city. Instead they would be confronted with their real job, which is to think about the whole UK.

This is not to argue that London should get the devo-max settlement headed Scotland's way. The UK is a political union, and UK government should never forget that its primary responsibility is to protect and maintain a commonwealth for the whole Union. A federal union demands federal powers for Westminster and Whitehall. For all the talk of differences, London, like Scotland, shares many things in common with the rest of the Union. As things stand, however, the concentration and overlapping of political power in London deprives other areas of the UK of the political, economic, social and constitutional attention they deserve. That is unsustainable.

Granted, London would still be the largest, most powerful part of the Union, and UK government would still be there, subject to the informal contacts that are so difficult to monitor. But London and the UK would at least have taken a big step towards ensuring UK government governs for the whole Union and not just its largest and most powerful part.

About the Author

Dr Tim Oliver is a Dahrendorf Fellow at LSE IDEAS. His research focuses on UK politics, UK-EU relations and transatlantic relations. He tweets at @timothyloliver.



Image credit: London Tower Bridge & the Shard, by Sam valadi CC BY

Image credit: London surnise, by Adam CC BY-NC