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Spatial Economics Research Centre

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High Flying Cities

According to the Financial Times, [there is a growing gap between the UK's successful and unsuccessful cities](#). This raises issues for the coalition and their objective to 'make sure growth is balanced right across the country'.

Most work on urban and regional economics suggests that this objective is simply unachievable. One model of economic growth (the so called [Solow model](#)) does predict convergence across places, but most other research (including the endogenous growth, urban and new economic geography literatures) predict that growth will be lumpy.

When SERC was launched in 2008 our [first policy paper](#) highlighted the uneven fortunes of UK cities and explained why differences were likely to strengthen. It argued that the government needed to embrace this unevenness and put it at the centre of its strategy for achieving more balanced growth across the UK, even if this came at the expense of more unbalanced growth within regions. This would require less 'jam spreading', a concentration on relatively successful cities and the recognition that policy should focus on improving outcomes for people, *not* specific places. The FT report suggests that the recession has strengthened the case for this less balanced approach to rebalancing.

Posted by [Prof Henry G. Overman](#) on [Thursday, June 16, 2011](#)

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