



Spatial Economics Research Centre

Thursday, 12 November 2009

Manchester-Leeds Linkages

We launched our research for the [NW on links between Manchester and Leeds](#) yesterday.

The research finds that closer integration between Manchester and Leeds could bring economic benefits to much of the North. However, any impact would depend on changes in the industrial structure and in the composition and skills levels of the population. My worry is that such changes may be mostly compositional (i.e higher educated workers moving in to the two cities) in which case existing residents who don't up-skill could actually be worse off (because rising average incomes might drive up e.g. house prices).

That worry brings us back, yet again, to the question of whether people or places are the most crucial objective for policy. For some policy makers raising average incomes in the North is a suitable objective even if that just comes from moving already better paid workers around. As I have said before, [I think the main focus should be on directly helping the disadvantaged](#).

But if you are someone who believes in helping places per se, focusing on relatively successful places within less successful regions at least has the advantage that you are [working more with market forces than against it](#). Manchester and Leeds certainly meet those criteria so focusing interventions on improving the performance of those two economies may not be such a bad thing, *conditional* on existing government objectives.

Posted by [Prof Henry G. Overman](#) on [Thursday, November 12, 2009](#)

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