



# Spatial Economics Research Centre

Tuesday, 27 January 2009

## The Geography of Recession (part II)

Back in October, I took issue with the way people were talking about the likely [geographic impact of the recession](#). In short, it seemed to me that reports of the economic death of the "south" were greatly exaggerated. Past experience suggests that the gap between north and south might narrow, but is highly unlikely to be reversed. But I noted that even the first "prediction" - that the south was particularly hard hit in the last recession- is still the subject of some dispute.

Which brings us to some recent reports and figures. First, Centre for Cities [City Outlook](#) received wide coverage yesterday of its finding that cities in the north are seeing the highest increases in JSA claimants [NB: they also point out that the north-south divide language I am using here hides some important details - sorry for that]. Second, the ONS tells us that [manufacturing made the largest contribution to the slowdown](#) with a 4.6% fall last quarter as opposed to a 0.5% fall for business services. This will clearly be bad news for those cities that rely on manufacturing more than services, and as we know those cities tend to be located in the north.

One final thing, the comment in my October post about "two quarters" now looks optimistic, but doesn't change my conclusion on the geographic impact. In short, it's grim everywhere.

Posted by [Prof Henry G. Overman](#) on [Tuesday, January 27, 2009](#)



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