

THE DEINDUSTRIALISATION OF GLASGOW

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INTRODUCTION: THE DEINDUSTRIALISATION OF GLASGOW

Glasgow's industrial collapse

Manufacturing employment in the Clydeside conurbation now stands below one quarter of its 1952 level (see table 1). In the city of Glasgow itself the decline has been even greater. Nor has shrinking industrial employment been replaced by jobs in the expanding services sector: employment in this sector stands just above the level of fifteen years ago. In order to understand what forces can contribute to Glasgow's 'reindustrialisation', it is first necessary to consider the context of its decline.

The British context of Glasgow's industrial experience

This deindustrialisation of Glasgow, in terms of the absolute and relative decline in industrial employment, reflects the restructuring of employment away from manufacturing across almost all mature industrial capitalist economies. However, Glasgow represents the most extreme form of a shift which has itself proceeded farther and faster in Great Britain than elsewhere in the world. Thus, while the last three decades have seen a decline in the proportion of employment in manufacturing throughout the OECD, with the

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exception of Japan, the share of manufacturing output in GDP has dropped by almost one third in Britain in this period, compared to about one fifth in the OECD countries. This process has reflected a deteriorating balance of trade in manufactures for Britain, declining shares of world exports and increased import penetration of domestic markets.

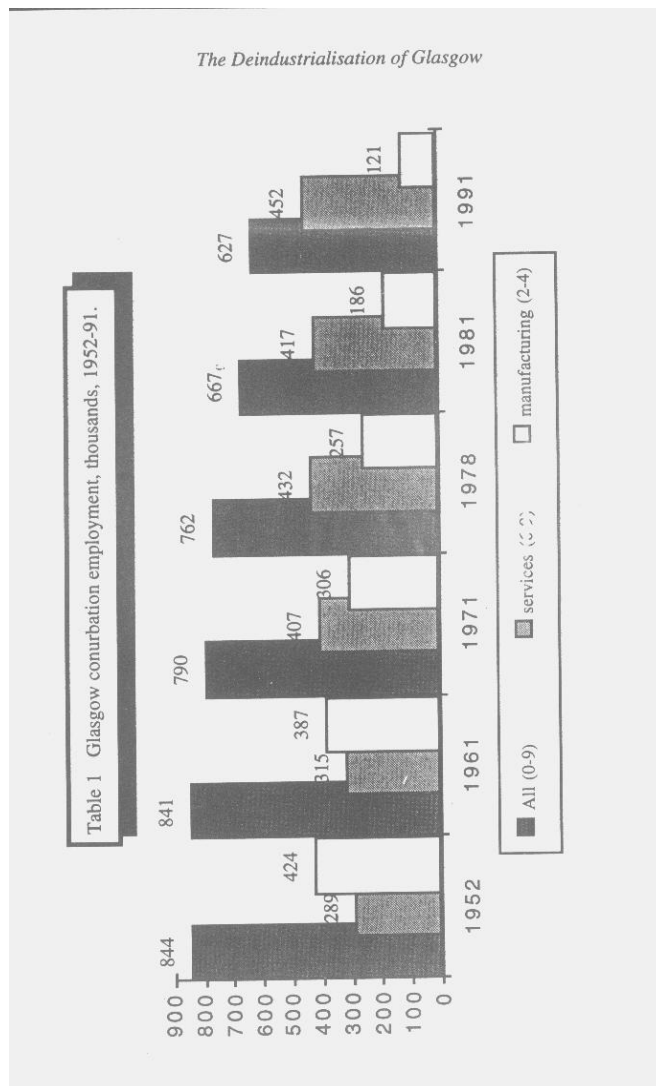
Within Britain there has been a general shift in the weight of employment and output away from the older centres of industry in the north of England, Scotland and Wales towards the South East and the Midlands of England. While employment and self employment in the 'South' (S. East, East Anglia, S. West and E. and W. Midlands) increased by over one million between 1975 and 1990 (to around 16 million) in the 'North' (Rest of England, Scotland and Wales) it decreased by over three quarters of a million jobs to under 9 million (MacInnes 1992). Glasgow's recent experience has therefore been the bleak one of a declining central urban area in a declining conurbation within a declining region located in a country whose industrial base is becoming a relatively less important part of the world economy.

GLASGOW AS THE FURNACE OF WORLD INDUSTRIALISATION

The significance of the relative decline of Britain as a major industrial power has been hotly debated. Some see it as an inevitable retreat from its dominant nineteenth-century role as 'workshop of the world'. Others have argued that the shift from manufacturing to services in terms of both output and employment has resulted from the British state's failure to appreciate the strategic role of industry in generating wealth, and the strength of the legacy of 'laissez faire' in a country which embarked on the industrialisation with hardly any state involvement of the kind found in countries which industrialised at a later stage (MacInnes 1987). But the current trajectory of Glasgow's decline depends on its special position in the development of British industrial capitalism.

Glasgow's original wealth came from the tobacco and slave trade; then it became a centre for textiles, including carpets. The skills developed there gave rise to a body of engineering talent which was eventually applied to much heavier industry. The zenith of Glasgow's industrial power as 'the Second City of Empire' (recorded not just in the economic statistics but in the confidence and flamboyance of the architecture) rested mainly on coal mining (as a source of power as well as an input to metal manufacture), iron and steel production, heavy engineering (steam engines, locomotives, rolling stock, machinery) and shipbuilding. Technological innovation, skill

development, and technological as well as market linkages between each industry fuelled rapid growth. These industries were all geared to exports to imperial markets. Glasgow built the ships and railways which formed the



arteries of an expanding world capitalist system. The profits from Glasgow's industries went to finance foreign portfolio investment. (Dickson et al 1980; Gibb 1983; Slaven 1975)

As the industrial core of the British empire Glasgow was also the most 'proletarian' city in the world and the birthplace of the British Communist Party. At the start of this century Beardmore's Parkhead Forge, with 56 shops, was probably the largest industrial site in the world (Damer 1989). Glasgow's population had grown twenty fold in barely a century, with population densities of up to 1800 persons per hectare in some of the worst slums in Europe. 56% lived in houses where there were three or more people per room. The equivalent figures for England and Wales were 7% and 9%! (Royal Commission on Housing in Scotland 1917, quoted in Smout 1986, p. 35). Conditions were harsh - no shipyard was enclosed before World War I, the working week for skilled workers was 54 hours, while unskilled work was mostly casualised. Wages were below English levels. Child mortality rates were high, disease endemic; poor nutrition even left Glasgow's workers physically smaller than their English counterparts. Rural underemployment rooted in steadily increasing agricultural productivity combined with the prospect of relative urban wealth drew thousands of young migrants to the town from its own hinterland, from the Highlands of Scotland and from Ireland. As late as 1951 a half of all houses in Glasgow consisted of one or two rooms only. The equivalent figure for London was 5.5% (Smout 1986). Glasgow today still has among the worst mortality rates for coronary disease and cancer in the world.

THE ECLIPSE OF GLASGOW'S INDUSTRIAL POWER

If the rise of Glasgow's industrial power was fast, so too was its fall. Its industrial expansion was dangerously dependent on a narrow imperial role. As long as foreign portfolio investment continued to bring forth more orders for capital goods made in Glasgow, its regime of accumulation might continue to flourish. But once competitor industries abroad developed, the city's future depended on diversification into new products and industries by its enterprises. While return on foreign paper continued to be good, and industrialists were used to minimising fixed long-term investment, they had little incentive to diversify. Instead, Scottish capital invested very heavily in foreign stock (Lenman 1977, p. 193). The integration between its heavy industries which powered its rise also seemed to hamper diversification towards new expanding sectors of the economy. Thus in contrast to the way in which Glasgow's early development as a commercial centre and producer

of textiles led into its next phase as an engineering and shipbuilding centre, its heavy industry seemed to frustrate rather than foster the conditions for subsequent growth (Checkland 1981). This 'over-specialisation' thesis has been used to explain the poor economic performance of Scotland as a whole in the twentieth century, and has been criticised by McCrone and his colleagues as empirically weak (Kendrick et al 1985), but it is surely accurate for the particular experience of Clydeside. The recession after World War I ended the boom conditions which world war had sustained. Other competitor industrialising economies were able to themselves produce capital equipment which Glasgow had earlier supplied to world. The slump in world trade reduced the demand for ships. In 1933 the Clyde launched 56,000 tons of ships: 7% of the 1913 level. Seven out of ten Scottish shipbuilding workers were without work while overall one in three men in Glasgow were recorded as unemployed (Keating 1988).

An illustration of the failure of innovation and diversification was the development in Glasgow by Bennie of a prototype 'railplane'. This was a propeller-driven monorail car, claimed to operate at speeds of up to 120 mph which could be cheaply constructed above existing railway tracks. The rationale was both to separate fast passenger traffic from slower rail freight and to offer a fast, space saving, urban transport system. This would enable the railways to meet the twin challenge of road and air transport. Here was surely an example of a number of traditional engineering firms collaborating to capture new markets with new technologies which utilised their traditional skills. In fact the project illustrates the conservatism and lack of dynamism of Glasgow's inter-war industry. The prototype was developed and paid for by the railplane's inventor. He commissioned various Glasgow firms to carry out the development work, but they did not see it as their role to turn an idea into a product. Because of a mixture of bad timing, poor marketing, bad luck and government indifference, it was never commercially developed in the ten years before the outbreak of World War II. After the war, the aeroplane was starting to hold out the prospect of even faster passenger travel - the opportunity for the railplane had passed.

GLASGOW AND POST-WAR ECONOMIC POLICY

Glasgow's industrial problems, visible in the inter-war period, were masked by World War II and the boom in international trade which followed after 1945. Rearmament and then replacement demand sustained the city's traditional industries. Around 400,000 people continued to be employed in the conurbation's manufacturing industries, and in the 1950s the Clyde

launched about 400,000 tons of ships each year. Less visible was the fact that this static tonnage represented a share of world tonnage shrinking from around 20% to 5% (Foster and Woolfson 1986; Randall 1980).

Glasgow's development after 1945 took place within the new approach to economic policy based on a government commitment to maintaining full employment through an active regional policy designed to direct new industrial investment towards areas of high unemployment and 'labour surplus' such as Clydeside. Additionally, as part of the development of the welfare state, government took on more responsibility for urban planning and housing development.

There was a tension in the concept of regional policy between the aim of minimising unemployment in each region, and the aim of freeing up and mobilising the 'labour surplus'. The first aim was congruent with protection of declining industries in weak regions; the second aim implied letting such industries fail in order to mobilise the surplus labour released. However, the scale of the international expansion of trade after 1945 masked the effects of this. The general expansion of activity brought unemployment rates tumbling everywhere.

The emphasis on the role of mobile investment meant that much new investment in regions such as Glasgow was inward investment, either from abroad, especially the USA, or from the South of England. Reindustrialisation based on inward investment also brought the problem of external control: that is, whether such plants had stronger links with other parts of a multinational enterprise than with other enterprises in the local economy and were more vulnerable to changes in the parent enterprise's global production strategy. There need not be any automatic match between the interest and strategy of the parent enterprise and the interests of the local Scottish economy (Firn 1975). Inward investing plants competed for the 'labour surplus' with more traditional industries offering less attractive rates of pay and different labour relations traditions. The lines of conflict of outlook and interest here ran in quite complex ways. Foreign plants often brought higher rates of pay, but more hostility to trades unions than indigenous capital. As early as 1969 the Scottish Council (Development and Industry) noted that :

Pressures of international competition, particularly from America, draw companies together in amalgamations to increase their competitive strength. The increasing involvement of government in industry - both privately and publicly owned - adds to the forces which lead large groups

to locate their headquarters in London..... the question is now how to stem the stampede of decision making centres, of heads of design and commerce to the south. (quoted in Foster and Woolfson 1986, p. 51)

THE RECONSTRUCTION OF THE URBAN ENVIRONMENT

The new policy environment meant that those planning the post war reconstruction of Glasgow assumed that the overall level of employment would not be a problem. Their main concerns were with rehousing a dreadfully overcrowded population, planning land use accordingly and developing an appropriate transport infrastructure, to maximise the local mobility of the labour surplus. To raze the overcrowded slums, half the city's population was to be moved, a quarter of them into overspill 'new towns' outside the city boundary. Within the city five peripheral greenfield housing estates were to be built. This uprooted population was to be maintained as an efficient labour force by the construction of an improved urban transport system combining motorways and rail links (Randall 1980). An ambitious wartime plan to link the new peripheral estates with the city centre by monorail (perhaps the Bennie system could have been adopted?) was never realised. It was assumed that mobile investment would provide ample employment in the new areas.

These developments were controversial. The razing of older 'slum' areas rather than their rehabilitation, together with the path cleared for the urban motorway network, destroyed existing communities and scarred the city centre. The peripheral estates were isolated, lacking in any amenities, were drably laid out and had higher than target population densities. Many high rise and other schemes were badly designed. Against this, a vast number of people were moved out of grossly overcrowded, insanitary and dangerous slums - no mean feat given the limited resources of local government and the unparalleled scale of the problem. This marked the real start of trying to improve the urban environment in Glasgow, and undo the legacy of the nature of its nineteenth-century growth. It had employment implications too: a major cause of employment loss in the central conurbation was the shortage of suitable new sites for industry.

These developments also meant that in the modern period it makes little sense to consider Glasgow city on its own - we have to understand what is going on there in relation to the complementary development of the outer conurbation including the new towns, which themselves became the main centres of new industrial development rather than remaining dormitory areas.

This increasingly became their main role as the need to attract more and more inward investment became the key to maintaining employment levels in the region. This became an urgent question as from the mid-1960s industrial employment levels in the conurbation started to fall steadily. The relative 'prosperity' of parts of the periphery in the conurbation - in particular the new towns - and the relative decline of parts of its older core - in particular the city centre - are linked. The shift of population and employment out of the core of the conurbation has to some extent been part of a planned improvement in the economy of the area as a whole.

THE DYNAMICS OF INDUSTRIAL EMPLOYMENT CHANGE IN MODERN GLASGOW

As table 1 showed, the conurbation has endured a rapid and prolonged decline in its manufacturing employment, so that it now stands below one third of the level of the mid 1960s. Part of this decline can be attributed to the relative deindustrialisation of the British economy. In the corresponding period British manufacturing employment has declined to around 60% of its previous amount. Another part can be attributed to the shift in the weight of economic activity in Britain towards the South East (although this shift can itself be seen as a product of the more rapid deindustrialisation of areas in the North such as Glasgow). Finally there has been a shift in manufacturing employment within the conurbation away from the older areas such as the centre, east end and riverside areas of the city to greenfield sites and industrial estates sited on the periphery of the city and beyond its boundaries in the smaller towns and new towns around the conurbation. In order to understand the current forces at work in Glasgow we need to examine its recent employment performance in some detail.

The gross components of employment change

Net changes in the amount of industrial activity in an area conceal important gross components of change in that activity. Thus we still find new jobs being created in declining industries and areas - but at a much lower rate than existing jobs are lost. Conversely in expanding areas or industries we find the position reversed. The balance of decline or expansion in an area or industry depends on the difference between the sizes of these components, not on the absolute size of either. This is a straightforward point, but one of considerable importance since many common-sense accounts simply assume that decline is a function of large absolute employment loss and expansion a function of large employment creation. The comparison tends to be made

between the size of only one of the corresponding components of change rather than examining the process as a whole. This is unfortunate because a closer examination of the components of change can tell us more about the mechanics of decline and expansion.

It might be assumed that Glasgow's major problem has been its loss of existing jobs through plant contractions, redundancies and plant closures. In fact this is not its main problem. It has a high rate of manufacturing job loss, to be sure, but it has stayed at the same level for a considerable period of time, and is actually lower than that found in more dynamic industrial areas of the conurbation such as the New Towns. Glasgow's major problem is its low rate of job creation: less than half that of the New Towns and one which has declined in the course of the 1970s and 1980s. This is shown in the data in tables 2 and 3. Table 2 is based on counting separately the flow of jobs lost or gained each year in each manufacturing plant, totalling this up over a ten year period and expressing the changes as a percentage of the stock of initial employment. It shows that the New Towns lost jobs almost equal in number to their initial stock of employment over the ten year period. However they also gained many more new jobs - so that overall industrial employment expanded rapidly. By contrast while Glasgow only lost four fifths of its original stock through closures and contractions over this period, it only gained new jobs equal to less than half its original stock. Table 3 shows the trend in Glasgow on an annual basis over a longer period of time. It can be clearly seen that the level of job loss has fluctuated cyclically but has been fairly stable. The problem has been a sharply declining level of new job creation.

Further analysis of the experience of opener plants in various industries and areas in the conurbation suggests two things. First the paradoxically high rate of job loss in the dynamic New Towns is caused by a substantial turnover of employment in opener plants: many die young. Paradoxically the high rate of job loss in the New Towns is symptomatic of their ability to attract new firms - some of these fail and contribute to job loss, but some go on to create substantial numbers of jobs. Second this suggests that although the number of jobs Glasgow loses is not as high as is found in the New Towns much less of it can be attributed to the failure of new opener plants. Given that Glasgow does not face this 'problem' its lower absolute rate of gross job loss in fact comes from a population of older plants which should not be losing as many jobs as they do. Its rate of job losses is not inflated by the failure of young plants as the New Towns' job loss rates are. Third, part of Glasgow's problem lies in the small size and slow growth of the new plants which it does gain. Large plants on greenfield sites, which offer the opportunity of creating

substantial levels of employment in the future, go to the new towns and other such areas - not to the centre of the conurbation.

Table 2

Gross Components of Change on an annual basis, 1968-77

Sector / Location of employment	Openings and Expansions as % of 1968 stock	Contractions and Closures as % of 1968 stock
Manufacturing: New Towns	131	98
Electronics: All Scotland	101	98
Manufacturing: Dominant Towns	83	76
Manufacturing: All Scotland	63	77
Manufacturing: Greater Glasgow	49	81
Staple industries*: All Scotland	46	74

Dominant Towns: Stirling, Annan, Dumfries, Lockerbie, Sanquhar, Cowdenbeath, Dunfermline, Inverkeithing, Burntisland, Glenrothes, Kirkaldy, Leven, Anstruther, Cupar, St. Andrews, Inverness, Kilmarnock, Newmilns, Ayr, Girvan, Troon, Blairgowrie, Crieff, Perth.

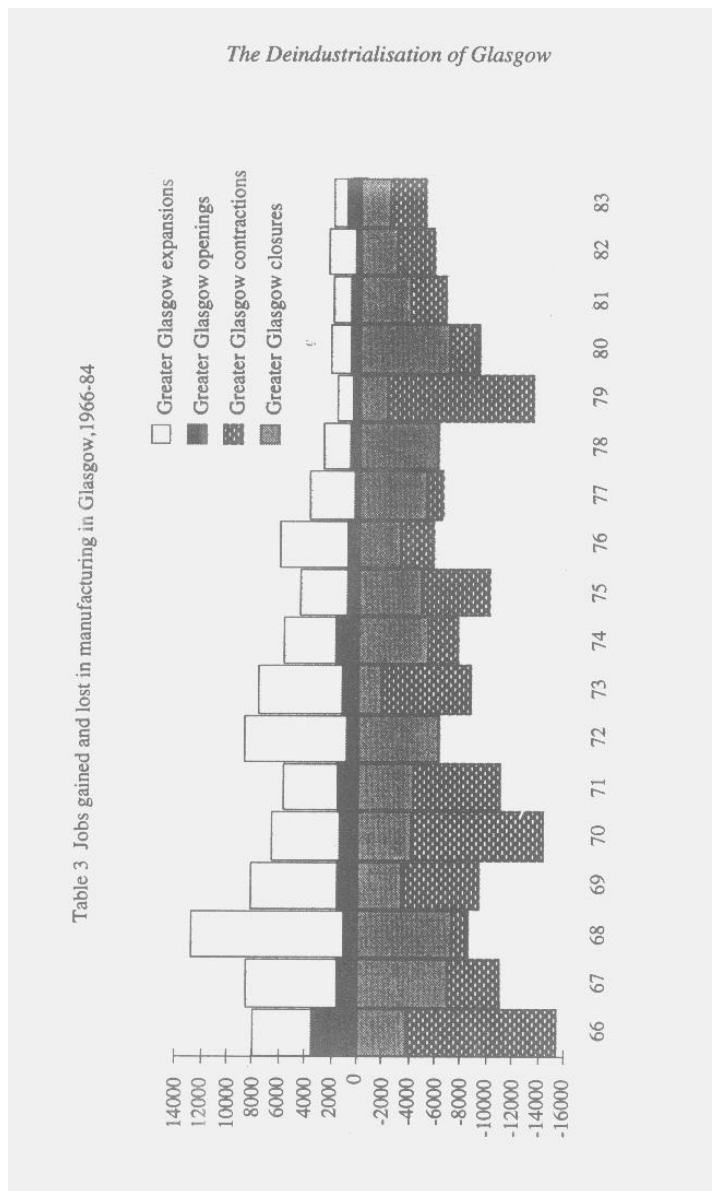
Staple industries: Shipbuilding, steel, railway engineering.

Source: SCOMER

Table 4 compares the age structure of employment in Glasgow city and elsewhere and shows that a population of older plants in Glasgow is the legacy of the bulk of inward investment and other new plant openings going into new areas. In Scotland as a whole by 1984 a half of manufacturing employment was in plants which had opened since 1950 but in Glasgow only 30% of employment was in such plants. In the new towns such as East Kilbride and Cumbernauld, virtually all jobs were in such plants.

Thus inward investment, while bringing new employment to the conurbation as a whole, has favoured some areas at the expense of others. New towns are attractive places to live and work. They have a younger and more skilled workforce. They are an attractive location for new industry. Conversely in

some parts of the inner city - such as its East End - declining employment opportunities are reinforced by a population which is older, has fewer skills, less experience of recent employment and so on. Within the reconstruction of the conurbation which has improved living conditions and the environment



in the conurbation as whole, there has been a tendency to create both virtuous circles of growth and vicious circles of decline.

Table 4

Proportion of Employment in Manufacturing Establishments Opened Since 1950

	1970	1978	1984
Greater Glasgow	19	26	31
All Scotland	31	41	50

Source: SCOMER

Inward investment, external control and new firm creation

Other effects of the conurbation's reliance on inward investment are visible too. One is the inexorable rise of 'external control' and the development of a branch-plant type economy. In Strathclyde region as a whole a 1987 survey of large manufacturing establishments found that less than one third were independent or controlled from within Scotland. One in five was foreign owned, one in three based in London and the South East of England, and the remainder from elsewhere in Britain (Strathclyde Regional Council 1988). Another dimension of this is the relatively low rate of new firm formation and of self employment in the conurbation - which tends to depress the level of independent or locally controlled firms. For example between 1979 and 1988 the number of businesses registered to pay tax (an indicator of small and medium sized operations) increased by 22% in Britain. But in Glasgow there was a decline of 3% (Strathclyde Regional Council 1991). One argument suggests that the low level of new firm formation is a pernicious effect of external control. Externally controlled plants are not only less likely to carry a full range of management functions on site - and therefore provide fewer management career opportunities - they are also less likely to purchase professional services locally (such as marketing, legal or accountancy expertise). As part of larger organisations they offer career paths to the

enterprising which take them away to other parts of the organisation and other parts of the country or the world. They therefore provide a threefold drain of potential entrepreneurial and managerial talent from the conurbation. Against this it can be argued that external control also brings inputs of capital, new forms of technology, working methods and other types of expertise which may be diffused through the local area (Richardson and Turok 1990, Turok and Richardson 1991).

The conclusions which these patterns point to are, first, that Glasgow city's major problem is job creation. Its collapsing industrial employment is a function of the inability to attract or create new plants, some of which would have expanded and created new jobs. Second, rather than losing too many industrial jobs Glasgow is losing the 'wrong' types of job. Its job losses are from established industry and industry which is vulnerable because it is too old rather than because it is young (as in the New Towns). The result of these trends is the ageing of Glasgow's industrial structure.

These patterns have a relevance to policy initiatives. Inward investment and plants in newer industries such as the electronics industry is often criticised because it is seen as unstable: new jobs created in a fanfare of publicity disappear only a short time afterward with the failure of a plant, or promised extra jobs do not materialise. But if young plants are always vulnerable to closure then this should rather be seen as an inevitable aspect of progress, rather than an indication of a more fundamental failure. Radical critiques of regional policy have sometimes seen the shifts in location of industrial employment as a question of footloose capital exploiting workforces in a weak bargaining position, extracting subsidies from the local state, then moving on to new pastures. This is too conspiratorial a picture.

Conversely these patterns also suggest that successes in employment creation have to be treated with considerable caution. It is often not appreciated just how large a volume of industrial employment needs to be attracted to an area simply to maintain the volume of its existing stock - let alone reverse any decline in that stock. This is well illustrated by two examples: the slump in employment in the recession of 1979-82 and the fortunes of the electronics and other hi-tech industry over the last two decades.

The end of the state commitment to full employment in 1979

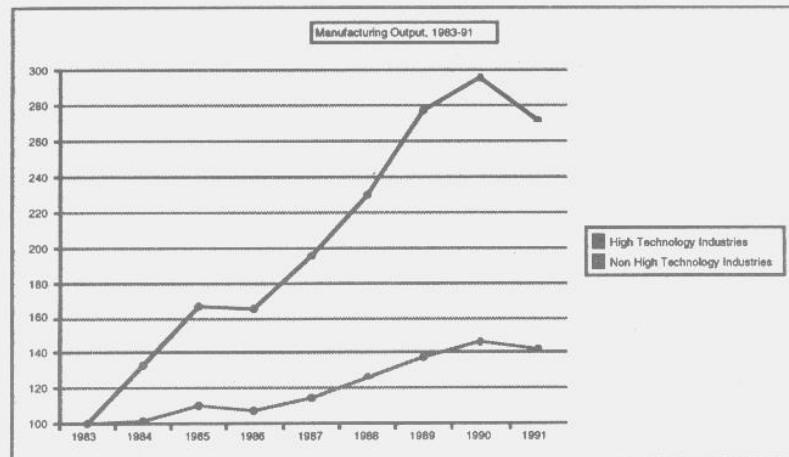
The election of the Thatcher government in 1979 brought with it, amongst other things, the ending of the government's attempt to base its economic management on the pursuit of full employment (a goal which had anyway

proved increasingly illusory during the 1970s). In a dramatic reversal of policy, industry was 'squeezed' in an attempt to reduce inflation. The result was a dramatic increase in redundancies and closures. But for Glasgow and its conurbation the slump brought an added problem: the supply of inward investment dried up. One result, as table 1 showed, was the loss of over one quarter of the conurbation's manufacturing employment in a couple of years (1978-1981). Another result was the pattern of job loss. The new town areas actually fared worse than Glasgow city: more dependent on inward openers, and with more young, vulnerable, plants around, employment slumped here even more dramatically.

Hi-tech industry and employment

The electronics industry, especially the manufacture of computers, office equipment and semiconductors, has become an increasingly important part of the Glasgow conurbation economy. The arrival of dozens of US-based companies since 1945 has been followed more recently by Japanese, Taiwanese and Korean investment. By 1988 Strathclyde Region exported £2 billion worth of computer and office machinery, mostly to Europe, accounting for over one half of all Scottish non-whisky exports. By contrast it exported only about £330 million of mechanical engineering products in the same year (Strathclyde Regional Council 1990). Output in the electronics sector, together with other, smaller, hi-tech industries in Scotland has grown strongly in the 1980s, and is perhaps one of the brighter hopes in an otherwise depressed region. Figures for the conurbation are not available separately, but they probably mirror the overall Scottish performance. Stewart (1990) analysed the output index for 'hi-tech' and other manufacturing for Scotland from 1973 to 1990. The hi-tech sector, which quadrupled its output between 1979 and 1989, was responsible for *all* the net growth of manufacturing output over this period. Table 5, based on Census of Production data, shows that while non-high-tech industries achieved some growth in output in the 1980s, this was far below the rates achieved in the hi-tech sector. These output and export data are encouraging and other evidence shows that productivity in such hi-tech plants is high and growing. This suggests that the Glasgow conurbation can indeed still be a site for high performance industry into the next century. But the less encouraging aspect is the very limited employment creation effects of such development, as it has been underpinned by dramatic increases in labour productivity. Thus between 1983 and 1990 output from hi-tech industries almost trebled, but employment increased by just 4%.

Table 5



GLASGOW AFTER INDUSTRY - A POST INDUSTRIAL CITY?

While manufacturing industry plays a strategic role in generating wealth, and its products are much more likely to be traded across regional boundaries than those of the service sector, it has become much less significant than the latter in employment terms. While the traditional image of the Glasgow worker is that of a male industrial worker it is worth emphasising that by 1987 less than one worker in ten in Glasgow was a man working in manufacturing. By contrast the largest group of workers, accounting for one in four employees, were women in public services.

Table 6 shows the main trends in employment in Glasgow city, the surrounding outer conurbation and Britain, from 1981 to 1991 (the last year for which data is available). A number of features stand out. In the 1980s the services sector in Britain grew by 17% adding over two million jobs. The fastest growth has been in business services, banking insurance and finance jobs (SIC 8). But in Glasgow city employment in services as a whole (SIC 6-9) hardly grew at all: growth in business and finance was outstripped by falls in the rest of the private services sector. Despite the shift in Glasgow city's image as a centre of consumption rather than production - a city of culture

Table 6 Employment trends in Glasgow 1981 - 91 (in thousands of jobs)

	Total	Manufing (2 - 4)	Services (6 - 9)	all SIC 6 shops, hotels leisure etc.	all SIC 7 transport & comms	all SIC 8 business & finance	all SIC 9 education & health	Part time Males	Part time Females
1981									
Glasgow City	376.3	86.6	256.7	69.7	32.1	39.1	115.7	8.7	62.3
Outer Conurbation	291.1	99.3	160.8	50.3	16.4	11.1	83.0	7.4	47.4
All Conurbation	667.4	185.9	417.4	120.0	48.6	50.2	198.7	16.0	109.6
GB national	21,314	6,057	13,101	4,099	1,400	1,731	5,871	718	3,781
1991									
Glasgow City	336.5	48.9	259.5	60.5	22.1	49.0	127.8	10.8	63.2
Outer Conurbation	290.1	72.6	192.8	61.4	18.7	18.7	94.0	10.0	59.8
All Conurbation	626.6	121.4	452.3	121.9	40.8	67.8	221.9	20.9	123.1
GB national	21,569	4,574	15,341	4,656	1,324	2,623	6,738	981	4,731
Absolute change between 1981 and 1991									
Glasgow City	-39.8	-37.8	+2.8	-9.2	-10.0	+9.9	+12.1	+2.2	+1.0
Outer Conurbation	-1.0	-26.7	+32.0	+11.1	+2.2	+7.7	+11.1	+2.7	+12.5
All Conurbation	-40.8	-64.5	+34.9	+1.9	-7.8	+17.6	+23.2	+4.9	+13.4
GB national	255	-1,483	+2,240	+557	-76	+892	+867	+263	+950
Relative change between 1981 and 1991									
Glasgow City	-10.6	-43.6	+1.1	-13.2	-31.1	+25.3	+10.5	+25.1	+1.6
Outer Conurbation	-0.3	-26.9	+19.9	+22.0	+13.5	+69.2	+13.3	+36.4	+26.3
All Conurbation	-6.1	-34.7	+8.4	+1.6	-16.0	+35.0	+11.7	+30.3	+12.3
GB national	1.2	-24.5	+17.1	+13.6	-5.4	+51.5	+14.8	+36.6	+25.1

Source: Census of Employment; The outer conurbation is defined as the following Local Authority areas: Bearsden & Milngavie, Clydebank, Cumbernauld & Kilsyth, East Kilbride, Eastwood, Hamilton, Monklands, Motherwell, Strathkelvin, Renfrew.

rather than industry - employment in the sector (SIC 6) which covers retailing and hotels, restaurants, pubs and leisure has actually fallen by 13%, compared to a national rise of 14%. One reflection of this has been the fact that while part time female employment, which is concentrated in the service sector, has increased by a quarter in Britain, it has hardly risen at all in Glasgow. Glasgow's role as a centre of consumption and provider of leisure services for the surrounding area may be important in changing the city's image - but it has not yet had a direct impact on its employment structure. This is a little ironic in that the major criticism levelled at the shift from production to consumption has been that jobs in this sector are more often low-paid, part-time, short-duration jobs for young people and women. The picture is more bleak in Glasgow: even the low-paid part-time jobs are harder to come by than in the rest of Britain. Together with faster than average falls in manufacturing employment, this produced a 10% reduction in jobs in Glasgow over the decade compared to a small increase in Britain as a whole. The outer conurbation picture is closer to the British average, and it did particularly well in the leisure and retail and business and finance sectors: this probably reflects the continued shift of jobs out of the city.

The sector which produced the greatest amount of new employment in Glasgow (compensating for the jobs lost in leisure and retail) was public services: the only sector of employment where growth approached the British rate. At first sight this is a surprising result. Since many public sector service jobs are related to population movements, one might have expected a decline in Glasgow. In fact the trends are explained by central government decisions to locate various branches of national public sector administration in Glasgow and the conurbation. This can create substantial employment growth, but also employment decline if the national need for these services themselves falls. Enterprise and culture may be important for job creation in Glasgow, but so too is the state.

Glasgow as a centre of consumption

These employment trends put into context the extent and nature of Glasgow's shift from an industrial metropolis to a centre of consumption. There are perhaps three dimensions to this. The first is the experience of Glasgow, common to all major British cities, that the established urban environment is a relatively unattractive place for new industrial investment because of shortage of suitable sites or premises, high costs and perceived inadequacies, quantitative or qualitative, in skill levels of the available workforce. Hence the urban-rural shift in the weight of industrial activity discussed earlier.

The second is the attempt in Glasgow itself to develop the service sector and aspects of the consumption industries, especially tourism. This has taken a number of forms. First there have been several high profile, and expensive, events designed to attract visitors to the city. These include the 'Glasgow's Miles Better' campaign started in 1983 which aimed to reverse Glasgow's image externally (and to its own inhabitants) as a city of poverty, grime, unemployment, drunkenness, violence and squalor; the annual Mayfest cultural festival; the Garden Festival in 1988; designation as European City of Culture 1990; and most recently its designation as City of Architecture 1999. The District and Regional councils matched the EC's £0.5m contribution to the costs of European City of Culture with a £47m expenditure (Booth and Boyle 1993, p. 36): £68 per head of the city's population.

Second, these initiatives went along with substantial public investment in what might be called a cultural infrastructure: a new concert hall, a new building for the Royal Scottish Academy of Music and Drama, a national exhibition and conference centre, the Burrell museum and art gallery complex and the Tramway performance space. Myerscough's study of Glasgow estimated that almost 15,000 jobs were dependent on leisure industries and tourism in 1985 (Myerscough 1988). His study of the 'City of Culture' project (Myerscough 1992) estimated that it had brought a 'net return' of £14m and created 'up to' 5,600 'person years' worth of jobs. It has been hoped that the development of 'cultural industries' creates jobs directly, and indirectly through multiplier effects. But these categories are very wide and inevitably ambiguous. Employment sustained by 'cultural tourism', or visitors consuming cultural industries' products, is much smaller. 'City of Culture' may have been a cultural success, but despite some up-beat claims at the time, there is little evidence that it significantly 'pump primed' employment in the culture industries. Part of the problem here is the very low incomes endured by visual artists, authors, performers and musicians even when highly qualified and experienced (Moorhouse et al 1995).

Third there has been considerable private investment in housing, retailing, hotels and offices in the city centre. Former warehouses, disused factory buildings and riverside dockland have been used for luxury housing in 'Merchant City'. The St Enoch Centre, Princes Square and Buchanan St shopping complex have changed retailing in the city centre. There is a strong theme running through these developments that Glasgow has made itself into an attractive location not only for the tourist for a short stay but for the senior manager or public official for their working lives. It is hoped that just as important as the immediate income or employment returns to the economy of

the city from these cultural and other consumption activities is the longer term ability to attract more mobile investment to Glasgow and its hinterland, and encourage more potential entrepreneurs, qualified workers and decision makers to want to stay in Glasgow rather than migrate South towards the centre of the British economy. Thus a second link has been mooted between cultural activity and economic development: that it boosts inward investment by enhancing the image of an area, especially for key personnel. Such an effect is very difficult to measure objectively: does a vibrant culture count for more than good housing or golf courses? And do any of these matter as much as a cheap, productive, appropriately skilled and plentiful labour supply?

Rather than a radical new departure these initiatives fit into a longer tradition, going back to 1945, of competing for inward investment by making the urban environment a more attractive one. As such it suffers from some of the same advantages and disadvantages: the improvement in the environment is enjoyable for those who benefit from it, but for those who miss out it is not so wonderful. The new shopping malls and cultural centres of Glasgow are entertaining and attractive for those with money to afford the products or the entrance fee. For those in the peripheral housing estates, the 1 in 3 of the city's population dependent on income support (Mooney 1994a, p. 12), the 23% of men or 9% of women in Glasgow who are registered unemployed (as of July 1994), women in low-paid employment (76% of full-time manual workers and 48% of full-time non-manual workers (Mooney 1994a, p. 13)), such improvements are both less affordable and less accessible. In some ways both the virtuous and vicious circles of decline have become stronger.

There should be substantial caution about the expected returns from the culture and consumption based developments Glasgow has pursued. Competition between cities to attract industrial investment is intense. The relative attractions for a young potential entrepreneur between a career beyond the city through the internal promotion ladder of his or her firm and a pleasant home environment are not at all clear. And the effects of the sorts of policies the city has pursued are virtually impossible to measure. It is extremely difficult to assess comprehensively, for example, the precise costs and benefits to the city of its massive 'City of Culture' project in 1990. There are enough intangibles to give both supporters and detractors ammunition.

There is also a more subtle question of what might be called the cultural politics of 'heritage'. A strong part of the culture of Glasgow is becoming the commercialisation of the city's history. The city now has two working shipyards remaining in its boundaries. A major play, 'The Ship', commissioned by the BBC for the City of Culture year, focused on life in the

shipyards and was actually set in the disused Harland and Wolff engine shed mentioned earlier. It seems that now that the shipyards and the factories and much of the slums that surrounded them have gone, they have become a potent cultural symbol in a wider 'elegiac discourse' of Scottish identity (McArthur 1993, p.102): a symbol of tradition and community (and surer national identity?) to set against the forces of change, affluence and consumerism. Glasgow has plenty of such images of its past to market and mobilise. Scottish Television makes the most of them through its big network earner **Taggart**. But what may make commercially attractive culture makes poor history. What are the effects on a city's soul of the uncritical veneration of a past that was often brutal and bequeathed the city's present and future troubles?

Lim (1993) has identified five main criticisms of the use of arts and culture as urban regeneration strategies: the need for a positive image for inward investors encourages an emphasis on prestige and flagship developments; aiming for an economically viable 'critical mass' of cultural activity concentrates attention on city centre areas rather than local communities; 'who benefits' is fudged: 'will it be those most in need, the local elite, visitors from elsewhere or business groups?' (Lim 1993, p. 593); sanitised images of the city may be emphasised at the expense of grittier ones more faithful to the reality of continued deprivation; and, finally, the result of successful initiatives may be gentrification of an area, rather than a better quality of life for the original inhabitants. All these criticisms seem relevant to Glasgow's experience.

The reindustrialisation of Glasgow is unlikely to be achieved by culture alone, notwithstanding the latter's decisive importance for how we imagine Glasgow. (Would it be the same city if we did not have Alasdair Gray's **Lanark**, or Iain Pattison's **Rab C. Nesbitt**, to shape our imaginings?) Nor does the solution to its problems lie with some 'post-industrial' future. Alongside the promotion of culture, more prosaic, and probably more substantial, public efforts have continued to tackle problems of industrial change more directly. Strathclyde Regional Council's Economic and Industrial Development Committee spends £12m each year on its economic strategy, aimed at increasing skill levels, reducing unemployment and improving the performance of local enterprises (Strathclyde Regional Council 1994). Before its transformation into Scottish Enterprise, the Scottish Development Agency was spending £35m per year on Glasgow (compared to £5m for Edinburgh). Between 1976 and 1986 £0.4bn was spent on the Glasgow Eastern Area Renewal Project, including £78m from the Scottish Development Agency and £139m by the Scottish Special Housing

Association and the Housing Corporation in Scotland. While the GEAR area lost 12,000 jobs between 1975 and 1983, one evaluation credited GEAR with the creation of 2-3,000 additional jobs (McGregor et al 1992a, p. 52). Recently the District and Regional Councils, Glasgow Development Agency and Scottish Homes formed the Glasgow Regeneration Alliance. It plans to invest £1.5bn over the next ten years (thirty times the amount spent on City of Culture). Data assembled by the GRA identified 8 'Priority Regeneration Areas' with a population of just under 300,000: over two-fifths of those living in the city. All these areas have male unemployment rates in 1994 above 25%; some approach 40%. All had long-term unemployment rates (proportion of unemployed who are long-term unemployed) over 38% in 1989. The proportion of council tenants on housing benefit varied between two-thirds and three-quarters (Mooney 1994b, p. 15). The GRA plan is aimed at bringing the large pools of unemployed, relatively unskilled labour in these areas into employment through encouraging inward investment (McGregor et al 1992b). Some commentators have suggested that this may simply bring yet more low-paid employment in Glasgow. But it seems clear that while unemployed workers in these areas will never find jobs building ships, they are more likely to find themselves assembling circuit boards or staffing tele-sales lines than working in the 'culture' industries. Glasgow may be miles better, and much has been achieved, but there are a few miles further to travel yet.

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