# Policy Review

2019

# Foreword

## Professor Bobby Duffy

Welcome to this first edition of the Policy Institute's *Policy Review*. I'm eight months into my role as Director, and I'm hugely excited about the excellent work being done by the team – and the incredible opportunities we have in front of us.

I come at this from a non-academic background, so I'm maybe more struck by the special space that universities can create in order to have a real impact on policy and practice. The assets we have at the Policy Institute, as part of the Faculty of Social Science and Public Policy and of King's more generally, are incredible: the research power, neutrality, and commitment to making the world a better place that run through the organisation are huge strengths. We also have the time to look at longer-term issues, exceptional connections in the UK and internationally, first-rate physical spaces at the heart of a global city, next to government – and, of course, the ability to draw on the energy and enthusiasm of our students.

This makes working out what we focus on a special privilege and responsibility – we don't want to waste this close-to-unique position on unimportant work, or to duplicate great work being done elsewhere. There are so many policy issues that are under-examined, partly because of the huge vacuum created by the focus on one particular, admittedly pressing, issue. And even without that, we're a long way from perfectly evidence-informed policymaking.

The real issue, then, is ensuring coordination and collaboration, which will be a focus for the Policy Institute. We are keen to hear from and help others as much as we can, so do get in touch.

Given there are so many things we could do, we did need to pick some for us to focus on, drawing on our areas of expertise and current work, and where we think we could usefully add to important issues. These are summarised below, and our *Policy Review* has been structured around these research themes.

First up we have Professor Dame **Sally Davies**, outgoing Chief Medical Officer for England – and we're delighted to say, our newest Visiting Professor – who draws on her excellent latest annual report (I would say that, as the Policy Institute team helped with it) to highlight the vital importance of futures thinking in health. This is a trend that's been picked up by the Care Quality Commission, Health Foundation and many others.

**Harriet Boulding**, **Ahmed Seedat** and **Saba Hinrichs-Krapels** then explore the challenges of strengthening health systems in low- and middle-income countries. They make the case for why values, intuition and personal relationships are key – especially when robust evidence may be lacking.

Another recent addition to our Visiting Faculty, **Alec Ross**, looks at potential scenarios for cyberwarfare, raising the interesting question of whether big tech companies like Google would ever engage in a cyberattack against another country. Alec has had first-hand experience working on these issues in the US government, as a Senior Advisor for Innovation to Hillary Clinton while she was Secretary of State.

Lord **George Robertson**, Visiting Professor and former Secretary General of NATO, reflects on the alliance's past and future as it grapples with new threats and a somewhat capricious US president.

The UK is widely seen as too London-centric and we need to build a more regionally balanced country through further devolution, argues **Jack Brown**, Lecturer in London Studies at King's. Taking the opposing view, Lord **Nicholas Macpherson**, a Visiting Professor with the Strand Group at King's, and former Permanent Secretary to the Treasury, outlines why he thinks the case for more devolution is still undermined by questions of how much power and to what locality.

Dame **Louise Casey,** another Visiting

| The value of evidence | Security & defence policy | Health systems & delivery | Communities & opportunity | Cities, growth & innovation | Trust, facts & democracy |
|---|---|---|---|---|---|
| How to ensure that research benefits society | How states and societies can deal with threats in a volatile world | How care is delivered at a time of limited resources and increased demand | Understanding disadvantage and exclusion to help improve life chances in communities | Understanding the key social, economic and environmental challenges that will be both posed and solved in cities | Understanding shifting trust, pressures on our shared view of social realities, and how democracy needs to react |

Professor and former Victims' Commissioner, picks up on the discussion of knife crime, and in particular how the analogy that we should treat it as a public health crisis makes a familiar error of mistaking a symptom for a cause. Instead our focus should be on poverty and inequality of opportunity. This focus on inequalities will only grow – the ambitious Deaton Review, led by the Institute for Fiscal Studies, will be keeping the spotlight on this issue. We'll be contributing to the review by looking at attitudes to inequality over time.

Can big data and AI help address inequality and strengthen our communities? **Michael Sanders**, of the Policy Institute and What Works Centre for Children's Social Care, and **Louise Reid**, from the same What Works centre, discuss how machine learning and new data sources have the power to mend society, not least by helping government to identify where spending money will do the most good.

We have developed an excellent strand of work over many years understanding the value of evidence – the science of science (and social science). Key to this is understanding what works in terms of evidence itself. Our Visiting Professor and Executive Director of the Royal Statistical Society, **Hetan Shah**, writes about his work on the Social Metrics Commission and how its new way of measuring poverty is an important first step towards actually addressing it.

**Alexandra Pollitt**, a Research Fellow at the Policy Institute, discusses her work looking at the considerable financial return on investment in health and biomedical research. As she says, work like this is important for convincing those who hold the purse strings – whether that's government, private or public funders – that supporting research is a worthwhile endeavour.

Trust, facts and democracy is one of our newest research themes, and our Visiting Professor and former Cabinet Minister **Douglas Alexander** writes for us here on what he calls the "crisis in belonging". Douglas underscores the importance of developing new shared stories that can unite society and combat what has proven to be persuasive populist rhetoric.

Finally, taking up the theme of our divided society, our Research Associate **Kirstie Hewlett**, writing with **John Hall** and **Julian McCrae**, highlights the need for more precision in the debate on polarisation. Surveying the academic literature on the issue, she argues that we need a robust, shared understanding of the problem before we can properly address it.

I hope you find this review interesting and useful, and if you'd like to pick up any of the themes here, or have any other thoughts, please do get in touch.

**Bobby Duffy**
*Professor of Public Policy and Director of the Policy Institute, King's College London*
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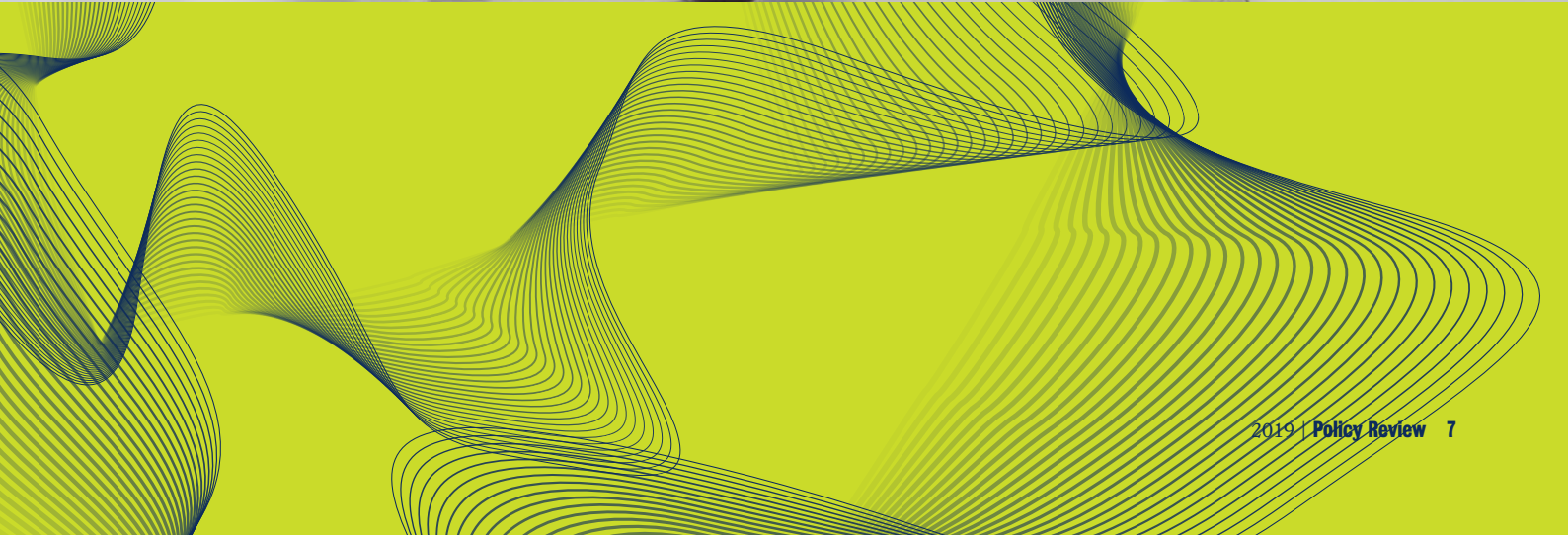# Health systems and delivery

*How care is delivered at a time
of limited resources and increased demand*

# Better health is within our reach – but it requires us to properly plan for the future

## Professor Dame Sally Davies



Too often healthcare is spoken of as a cost to the state and society, rather than an investment that generates returns for individuals, communities, businesses and the nation. The NHS and public health services are not a burden on our finances – they help to build our future.

In my latest Chief Medical Officer annual report, I looked at the future health of England's population.[1] I wanted to take an aspirational view of what health could and should look like in 2040 if we commit to it being our nation's primary asset.

As we look to 2040, the evidence suggests that we are currently at a fork in the road, with two vastly different – but equally plausible – scenarios on the horizon. One concerns me: if certain trends were to continue and even worsen, we could end up in a situation where the most deprived continue to lose out. The gap in life expectancy could worsen substantially, aggravated by a digital divide – we must not let this unfair future be our reality.

The alternative is that our society prioritises health as one of the nation's primary assets. This society would generate health gains, as well as reductions in health inequalities, through a "prevention first" approach. We can and should make it easier for people to be healthier. We should, for example, continue to develop fiscal measures that incentivise food companies to improve access to foods of high nutritional value, while at the same time disincentivising the production and sale of energy-dense and high-sugar products. Structural approaches are more likely to improve population

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health and reduce diet-related inequalities than interventions focused on the choices that individuals make.

In our future, prevention should also be personal to the individual, with such measures underpinned by a "health-promoting environment". This is a future within our reach, but only if we consider the future and uncertainties that could affect health. So how can we plan effectively to ensure we are prepared for an uncertain future?

The consideration of activities and environments in light of whether they are health-promoting or health-harming, and how much uncertainty they contain, should be prioritised in research and policy. "Futures thinking" is an important part of this planning, helping us to imagine what different futures might bring.

The Policy Institute and Behavioural Insights Team have visualised this process as a "cone of uncertainty", which helps us to consider different health futures in 2040. The issues that seem most important today can make it harder to think about what might be most relevant for the future. But by acknowledging trends in the health of the population today and imagining the different outcomes they may lead to – from those which are quite likely, to potentially more uncertain, disruptive futures – we are able to tell stories about possible futures which can help us anticipate and plan more effectively.

The top of the cone presents the best case, or "utopian", outcome that we might hope for. In contrast, the bottom of the cone represents the worst case, or "dystopian", scenario. Such a process allows the identification of research and policy considerations to ensure we set the foundations to plan for and protect a healthier future for all. The cone was used in my report to examine three areas of interest – anti-microbial resistance (AMR), obesity and the impact of technology on mental health.

In my 2011 annual report, I identified AMR as a leading threat to our future infection prevention, diagnosis and appropriate effective treatment.[2] We are now certain that without significant action, AMR will have a substantially damaging effect upon future health and the global economy.
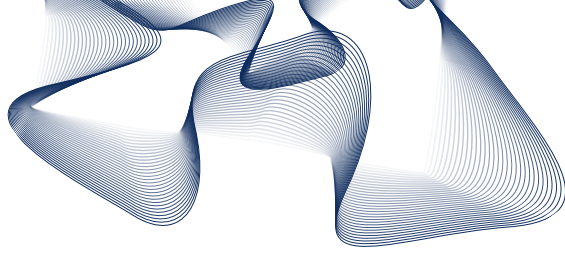
The future is less clear for obesity. While a dystopian scenario where



**FIGURE 1:** VISUALISATION OF THE "CONE OF UNCERTAINTY"
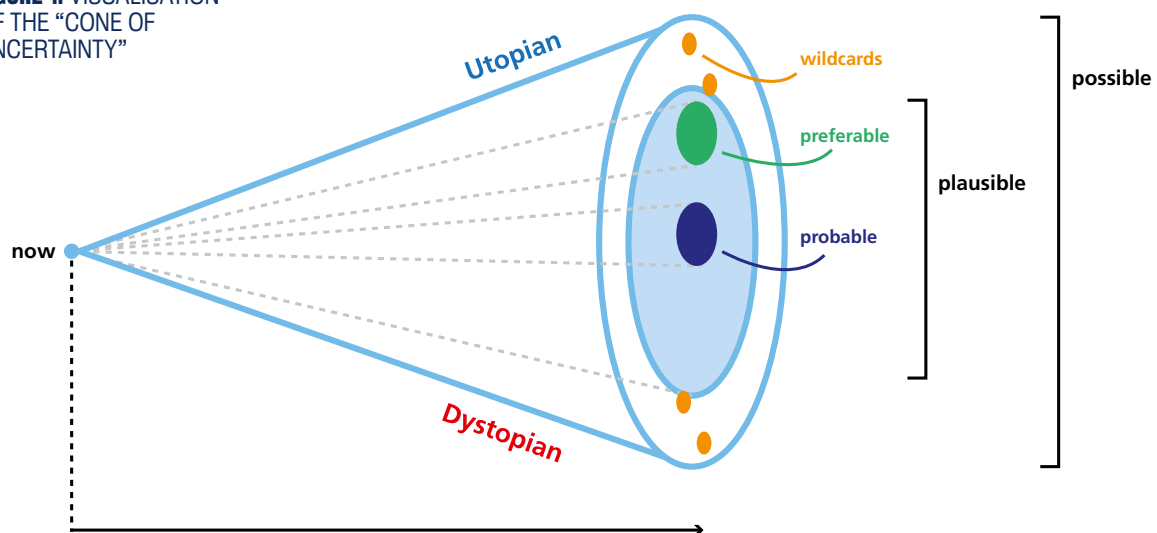
> **"**
> It seems essential that futures thinking should be a mainstream activity for health planning in England, and that it will strengthen the policy process by bringing the full range of stakeholders together to consider the challenges and opportunities the future may hold.**"**

obesity is the greatest cause of preventable deaths and disability is possible, this is not inevitable; embracing and scaling up the population approaches to obesity and creating a health-promoting environment would allow England to lead the world in successfully changing behaviours and tackling obesity.

In contrast, the future impact of technology on mental health is very uncertain. There is concern about the potential harm of technologies, particularly the impact of social media on mental health, and it is important to assess the evolving evidence. Further, we must remain cognisant of avoiding a "digital divide", which could reshape health inequalities in the coming decades. However, the "connected world" also has the potential to transform mental and other health services and address social isolation.

Once created, scenarios can be used for a number of purposes. Sometimes they can help think through potential risks. Sometimes they can be used to generate new ideas. And sometimes, they enable a group to come to a collective vision of the future they want to try to create. Much of the value of this type of scenario planning process is in bringing together stakeholders with very different viewpoints and curating relationships that will enable the health system to nimbly adapt to whatever the future ultimately turns out to be.

Such a dialogue – between the public, patients, clinicians, policymakers and politicians – will be critical to securing the health of the nation and ensuring a successful and sustainable NHS and health system. It seems essential that futures thinking should be a mainstream activity for health planning in England and will strengthen the policy process by bringing the full range of stakeholders together to consider the challenges and opportunities the future may hold.

It is realistic to aspire to better and more equitable health in the next 20 years. Every part of the health system has a role to play in creating a healthier and fairer future. The fortunate truth is that we already know how to make fantastic improvements and prepare for better health that is within our reach. The green shoots of a brighter future are already visible in some parts of our health system. Now we need to develop, plan and scale, harnessing technology to help them grow.

*Professor Dame Sally Davies is Chief Medical Officer for England, and Visiting Professor at the Policy Institute, King's College London.*

# Strengthening health systems in low-income countries requires more than evidence

**Dr Harriet Boulding, Dr Ahmed Seedat and Dr Saba Hinrichs-Krapels**

Child.org collect anthropometric data in a Kenyan school

It is widely understood that health policy, more than any other public policy area, is based on the best available evidence. But what if that evidence just isn't there? In that case, certain groups may lose out – usually people from poorer communities. The reality is that very little of the research into health systems, policy and delivery of health interventions focuses on low- and middle-income countries (LMICs),[3] a problem compounded by the many contexts in which there is an urgent need for intervention – where, put simply, inaction can be fatal.

For example, the 2014 Ebola outbreak in West Africa was an emergent situation where local and international health workers, policymakers, diplomats and researchers worked together to mobilise a rapid, innovative response.[4] So what happens in a context like this, in which there is an urgent need but very little evidence to support action? What if there is compelling evidence in a high-income setting, but the context for your current work is so different that you cannot say with any degree of certainty that it will be successful in your current setting? These scenarios are all too familiar to those who work in global health and on strengthening health systems in LMICs.

Health system strengthening is loosely defined as "any array of initiatives and strategies that improve one or more of the functions of the system", though in

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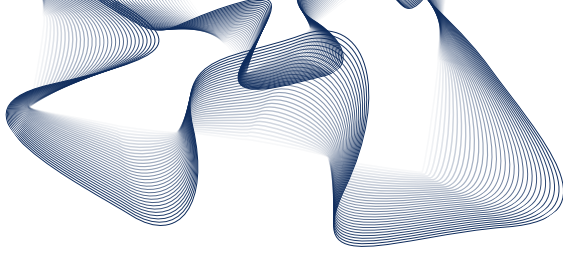
reality understandings of what it means to do this work vary considerably.[5] Some have even questioned whether it is possible to have a coherent health systems strengthening agenda where a lack of evidence is a factor in developing policies and practices.[6]

Yet we know from experience that, while having strong evidence is important, it is only part of a bigger picture. If you ask researchers and practitioners to reflect on the factors for success in global health, you will often hear intuition, relationships, leadership and, crucially, values, mentioned alongside the evidence base.

Speak with practitioners in some areas, and you may encounter an intuitive "have a go" attitude that is seemingly quite at odds with an evidence-based approach. But in reality, there are some non-pharmaceutical health interventions where trying it out and seeing what happens is certainly not the worst thing you can do. This holds true in both high- and low-income contexts, where, regardless of setting, many have argued that it is simply not necessary to run a randomised controlled trial before trying out a community health intervention in the way that one would for a new drug.[7] For example, interventions designed to provide accessible information about healthier eating need not be held to the same standard of initial trialling that is expected of pharmaceuticals.
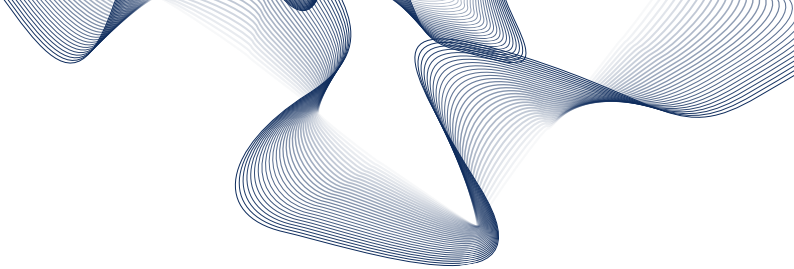
In our own work on strengthening global health systems, we regularly find ourselves in situations where we are, to some extent, in experimentation mode. We conduct policy analysis in low-income settings that addresses a variety of issues, such as increasing access to high-quality mental health care and community-based interventions to tackle cardiovascular disease.[8,9] Each of these projects involves an intervention that has not been tried previously in these contexts.

This work relies on developing a deep contextual understanding that may not be available from the evidence alone. And in order for an intervention to be successful, it requires buy-in from all stakeholders who are in one way or another responsible for making it work. It is important to seek input not only from the policymakers responsible for allowing an intervention to proceed, but also from the health workers, patients, administrators and industry partners who all have a role to play in determining outcomes.

Doing this well requires a commitment to inclusivity, willingness to learn and adapt, fostering leadership and creative thinking that give an intervention the best chance of success. It also entails establishing a set of shared values with partners in low-income countries, ensuring that approaches to health system strengthening are responsive

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to local priorities. When doing this complex and vital work, values can be as important as evidence in improving outcomes.

Without a common set of values, no initiative can be effective or sustainable. Given the diverse nature of health system strengthening, these values appear in many forms, but there is a common and essential human element that is crucial to determining success or failure.

Health services are provided and used by a range of different people, who are in turn influenced by socio-political forces, communities and relationships.[10] This is why any evidence that is deployed or produced needs to go hand in hand with a sophisticated understanding of people and context.

Transforming health systems relies on understanding the role of these people in influencing outcomes, and in ensuring that they have the capacity to do so. Achieving that requires not only an evidence-based approach, but a values-based one.

*Dr Harriet Boulding is a Research Associate, Dr Ahmed Seedat is a Policy Analyst, and Dr Saba Hinrichs-Krapels is a Senior Research Fellow, at the Policy Institute, King's College London.*

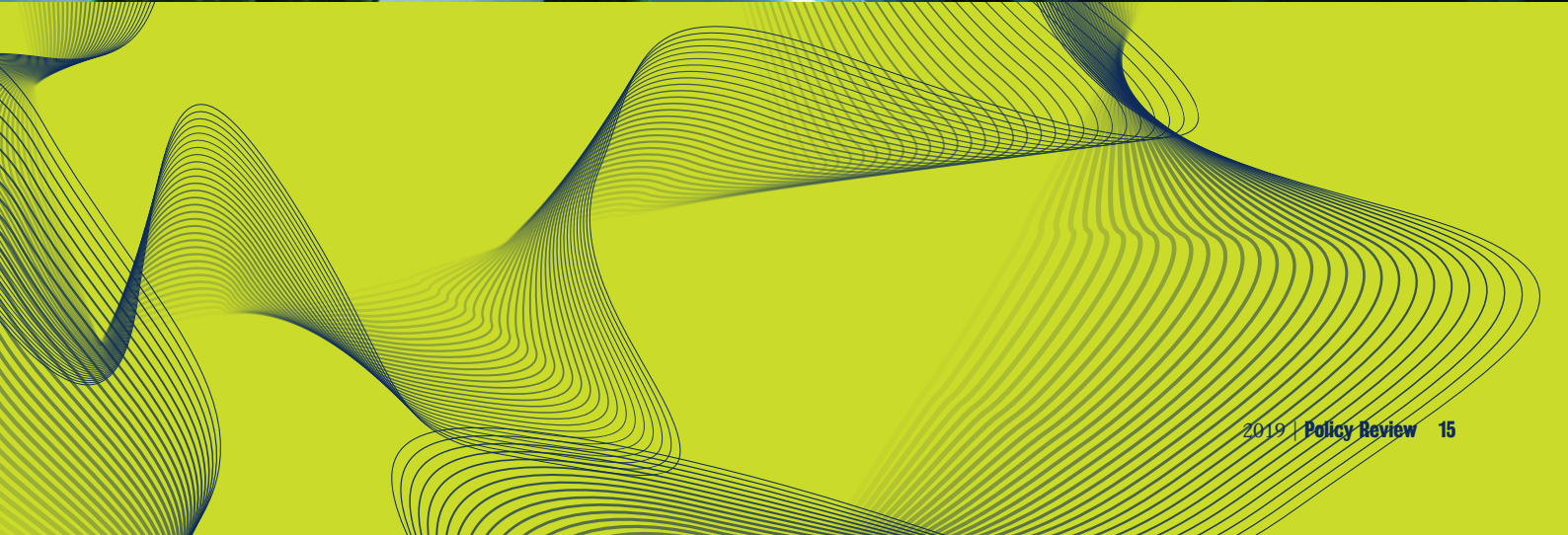> "
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# Defence and security policy

*How states and societies can deal with threats in a volatile world*

# Will the next war be a cyberwar?

**Alec Ross**



Cybercombat is a distinctly 21st-century form of conflict, and the norms and laws that were developed in prior centuries to de-escalate conflict and create clear distinctions between combatants and non-combatants, between the battlefield and the home front, between a just war and an unjust war simply do not apply. The weaponisation of code is the most significant development in warfare since the development of nuclear weapons, and its rapid rise has created a domain of conflict with no widely accepted norms or rules that could well lead to the next war.

The analogy that most foreign policy hands point to as a possible precedent for containing cyberweapons is nuclear nonproliferation: the creation of arms control agreements, treaties, United Nations resolutions, and international monitoring programmes to govern the spread and use of nuclear weapons. Under this international framework, nuclear war is still a threat, but nuclear weapons are well understood and there are processes in place to manage them. Similar sets of procedures and rules have also developed for the weaponisation of airplanes, space, and chemical and biological weapons.

But the confounding factor when it comes to cyberwar is that the barriers to entry are so much lower in cyber than in any of these other domains. Any country, or even any rogue group or individual, that puts a little bit of time and effort into it can develop some nasty offensive cyber capabilities. It is, in fact, the near-opposite of the development of nuclear arms, which requires years of work, billions of dollars, and access to the scarcest of scarce scientific talent and trans-uranium elements.

To create a cyberweapon, all one needs are a computer, an internet connection, and the right coding skills.

Will the next war be a cyberwar? There are two scenarios in which I could imagine this happening.

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## Shooting back

During my time working for President Obama, a massive cyberattack traced to China hit more than 30 American firms including aerospace, defence and technology companies, most famously Google, who went public with the charge that the Chinese government was trying to steal its most precious algorithms.

Google and many of the other companies on the receiving end of the attack came to the US government and left it to us to engage on their behalf diplomatically.

This won't always be the way companies respond. It is only a matter of time before some hotshot group of engineers recognises and stalls a cyberattack, and instead of calling law enforcement or some other part of government, launches a counterattack against the aggressor. They shoot back, so to speak. I wonder what would have happened if, when Google had identified the source of the hack, it had responded in kind with an attack designed to disable its attacker's network and computers. The Google engineers are some of the best in the world. Would China have considered this an attack or

some other form of invasion? It might have. What's interesting here is that the combat would not be between two countries, but between a country and a company. And if there were a war between Google and China (or between a company and any country) would the United States assume some sort of role or responsibility given Google is based in the United States? It could. It probably would. And in that case we suddenly have something that looks very much like a cyberwar.

This was tested a few years ago when Sony was cyberattacked by the North Korean government. Sony did not have the cyber skills in house to respond in any sort of counterattack (as Google could have). The Japanese (Sony is a Japanese company) and American governments denounced the attacks and it was reported that some combination of the US and China shut down networks in North Korea for a brief period as a warning in response, but the conflict was largely measured and contained. That won't always be the case.

## An attack on the internet of things

The second scenario in which I could imagine the next war stemming from or being rooted in cyberconflict would result from an attack on the "internet of things", where any object has the potential to transmit and receive data on a network, from cars and farm equipment to watches and appliances, even clothing.

An attack on a power grid, transportation system or other digitally enabled system that breaks or harms something non-digital would trigger a different reaction to that set off by an attack on computers or corporate IP. It would be treated more like a bomb being detonated, something targeting citizens in a more tangible and less forgivable way.

The ways this could happen are varied
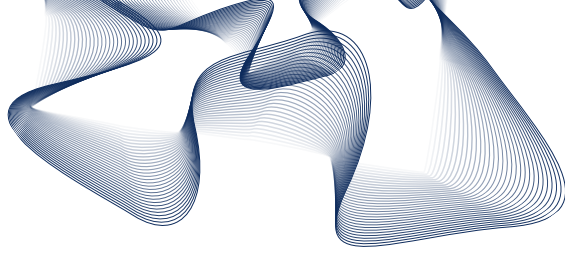
> **"** If international norms and treaties are not agreed to, setting definitions and boundaries for cyberconflict, a cyberwar is increasingly just as likely to be fought at some point between a country and a company as it is between two countries.**"**

and difficult to anticipate. Systems are being put in place that connect pacemakers to the cloud. There's a benefit to that – it could automatically shock you if it senses something is wrong. But what if a terrorist, or a country trying to cause disruption decides to shock all the pacemakers in a given country?

Well, if there are voters involved – if grandfathers have their pacemakers shocked by a rogue state hacking the cloud – then there is likely to be more than a cyber response or a cyber response soon followed by a more conventional act of war.

In each of the two scenarios above, and in any of a half-dozen more that we could imagine, what complicates matters even further is that the layout of the internet scrambles the traditional idea that both sovereign countries and warfare are tied to geography and physical place. A company may be headquartered in one country but have networks and servers in another. If those networks and servers are attacked, is it the responsibility of the headquarters country or the country where the servers are located to respond? If neither government responds and the corporation defends its network

with a cyberattack of its own, who else does this entangle? If international norms and treaties are not agreed to, setting definitions and boundaries for cyberconflict, a cyberwar is increasingly just as likely to be fought at some point between a country and a company as it is between two countries.

Sadly, there is little to no prospect for any sort of short-term progress to be made developing international law, treaties, or other frameworks establishing norms and rules for cyberactivity. The United States won't agree to anything that the Europeans would demand that limits intelligence-gathering activities. The Chinese won't admit to, much less agree to, anything related to industrial espionage. The Russians have gone on the attack. And the non-state actors that supply much of the conflict in the cyber domain will never accede to the niceties of agreements forged by governments.

*Alec Ross is a former Senior Advisor for Innovation to Secretary of State Hillary Clinton, and Visiting Professor at the Policy Institute, King's College London.*

# NATO at 70

**Lord George Robertson**



In the history of the world, NATO is a unique achievement – a triumph of inter-state co-operation. But past glories are no guarantee of future respect. As the alliance turns 70, there seems to be no end to the voices calling for its reform or even its dissolution. Perhaps that is the same as it ever was. But what is certainly different is that one of these voices is now amplified by the megaphone – and Twitter following – afforded to him by his place in the White House, in the country that has historically been NATO's strongest ally.

President Trump is never less than controversial and capricious, but in at least one respect he has done the European allies a service. He has shattered the complacency in Europe that America would always be there for us with its military umbrella. That has for too long permitted and justified a less than stellar record on defence investment in all but a handful of European countries.

If we turned a blind eye to this complacency before, it is now impossible to ignore. It is a serious liability. Increased defence investment (and investment is what it is) is now required not just to satisfy the US president's call but also the self-interest of every European state.

Hollowed out forces, non-deployable troops, irrelevant battle tank battalions, slow fast jets, unguided missiles, budgets financially engineered and padded out with pensions – they all defy the cause of a modern military set of capabilities.

NATO's capacity to counter aggression, wherever it comes from, depends on it having the right capabilities for deterrence. Indeed, I said at the door of NATO when I took over in 1999 that I had three priorities in office: "capabilities, capabilities and capabilities".

My successor Jens Stoltenberg has rephrased the same message with his own three Cs: "cash, capabilities and contributions". And in this anniversary year, these words have to mean more than just rhetoric.

A qualified defence of the Trump approach to international defence and security co-operation is the first of my messages for NATO at 70. The other

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relates to a country to which the US president has shown a surprising and – some say suspect – fondness for: Russia.

I have been involved in Russia since I visited Leningrad as a school student in 1963. I was to be the first chairman of the trailblazing NATO Russia Council. I know and have great respect and affection for the Russian people. So these words come from a place of genuine sadness, not innate hostility.

The Russian leadership is beginning to believe a narrative about the US and its allies which bears no resemblance to reality. Comments by General Gerasimov, the Russian chief of staff, reached worrying levels of mistrust and misperception: there is no "Trojan Horse" strategy by the West to destabilise Russia.

NATO is a defence alliance – it represents no threat to any country or any group which does not attack, threaten or subvert its members. That is what NATO is and will continue to be.

We have come, it appears, a long way from when President Putin told me in 2001 that he wanted Russia to be part of Western Europe, and the day in Rome in 2002 when we sat around the NATO-Russia table and pledged that the Cold War was over and a new era of co-operation had begun.

We are now talking past each other despite the challenges facing the ordered world being common to each of us. Terrorism, extremism, migration, climate change, and the problems caused by

> **"The Russian leadership is beginning to believe a narrative about the US and its allies which bears no resemblance to reality."**
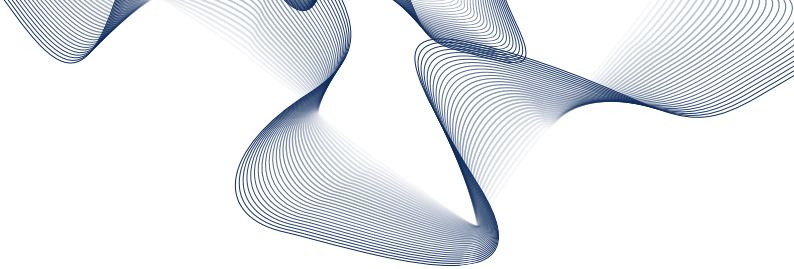
ageing societies with low growth – these are only some of the challenges facing Russia just as much as the West. So why are we not talking about them together?

Seeing NATO as a threat to Russia and its interests and getting your retaliation in first is a dangerous misperception unsuited to the nuclear age. It has to stop before some accident or misjudgment leads to a catastrophe.

Resuming not just the formality but the depth of the NATO Russia Council is not a concession to unacceptable Russian behaviour in Ukraine, Crimea and in Salisbury, England. It is to recognise that whatever disagreements we have – and we do have them – the ordered world has a big and urgent set of tasks lest the disordered world prevails.

One of the most precious honours

I received after I left NATO was to be named by the Queen as one of the Sixteen Knights of the Thistle, Scotland's ancient and highest order. It requires a motto to be invented for a coat of arms. I chose "Vigilance and hope". We must all remain vigilant and pay the price for it, but in the interests of future generations we must also keep hope alive. That is our overwhelming responsibility, and we cannot shirk it.

*Lord George Robertson is a former NATO Secretary General, Labour peer, and Visiting Professor at the Policy Institute, King's College London.*
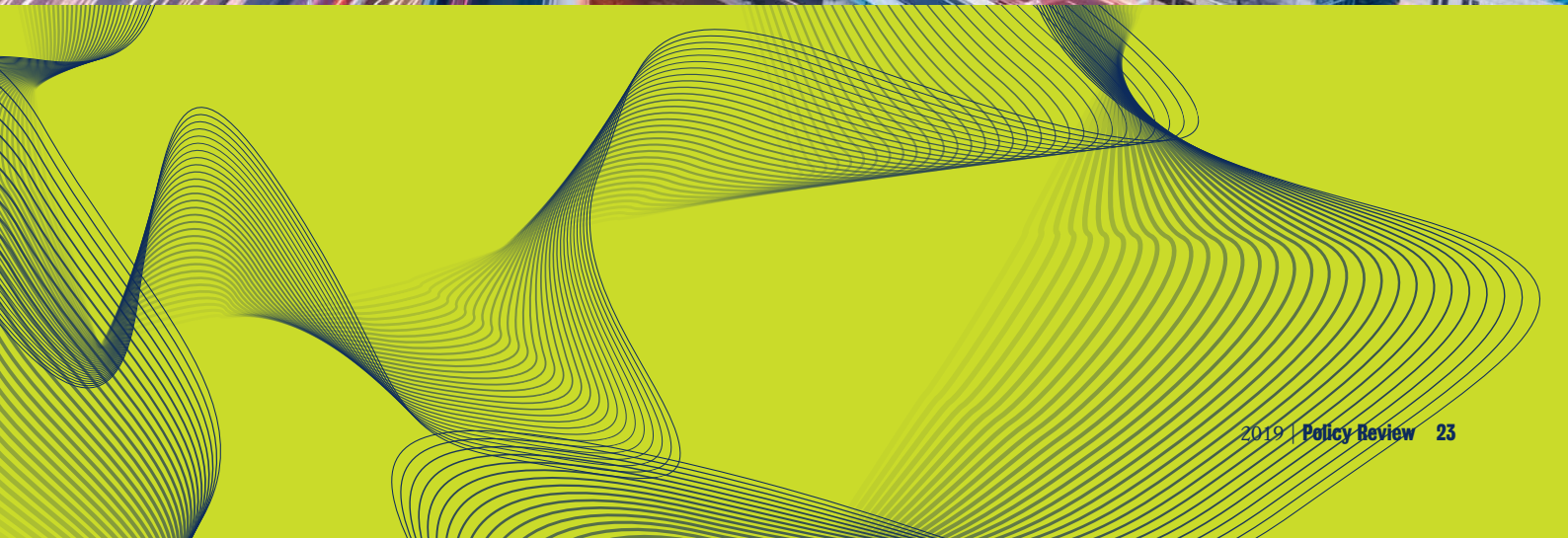
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# Cities, growth and innovation

*Understanding the key social, economic and environmental challenges that will be both posed and solved in cities*

# More devolution may be key to solving the UK's London-centric imbalance

**Dr Jack Brown**



Unlike New York or Berlin, London is simultaneously the political, economic and cultural centre of national life in the United Kingdom.

It is perhaps no surprise, then, that the capital has often had an uneasy relationship with its nation state throughout their shared history. But in recent years, this relationship has appeared more fractured, even hostile. Why is this? Why now? And what should we do about it? In 2018, I authored a report with Centre for London, drawing on opinion polling and interviews with local leaders across the UK, in an attempt to answer these questions.[11]

The first thing to note is that London survived the financial crash with minimal damage, yet many blamed it on the politicians and bankers who reside in London's two ancient cities. Today, the capital's economy is going great guns, with the gap between its performance and that of the rest of the nation growing year-on-year.

Regional growth need not be a zero-sum game, and London's success need not come at the expense of anywhere else's. But while it may not be the faul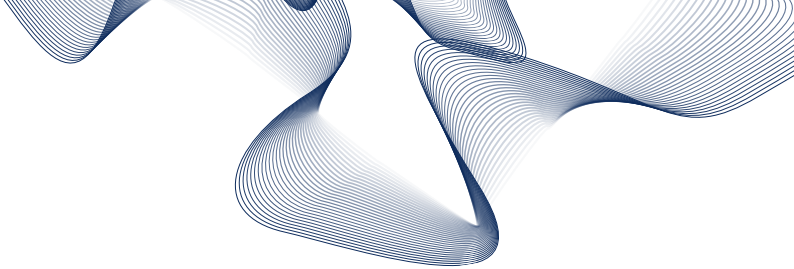t of the capital, the UK is certainly a spatially unequal place, often described as the most regionally imbalanced nation in Europe. Whether intentionally or otherwise, the UK economy skews heavily towards London and its surroundings.

London's success has huge benefits for the UK. In 2016/17, the Greater London region contributed £32.6 billion more in taxes to the public purse than it received in public spending. Alongside its commuter belt of the South East and East of England (otherwise known as the Wider South East), London is the only part of the UK to contribute more than it receives. On a regional basis, the rest of the United Kingdom is – currently, at least – entirely reliant on London and its neighbours to pay its bills. While this situation is far from ideal for both capital and nation, we are yet to find a solution.

Despite this reality, there is also a continued and widespread perception that London's success is not being shared. Centre for London polling found that while over three-quarters of Britons living outside of London agreed that the capital contributes either "a lot" or "a fair amount" to the UK economy, just 16% say that it contributes the same to their local economy. As mentioned, this is not entirely accurate: money raised

> **"**London is the only part of the UK to contribute more than it receives. On a regional basis, the rest of the United Kingdom is – currently, at least – entirely reliant on London and its neighbours to pay its bills.**"**

in London funds public services across the nation, not the other way round. However, this sense of disconnect is real, and powerful.

Perhaps there is something that runs slightly deeper here. Centre for London polling also found that Britons' pride in London as capital city reduces with geographical distance from it. YouGov analysis also demonstrates that distance also correlates with Brits becoming more likely to think London gets more than its fair share of public spending, as well as increasingly unfavourable views of the capital in a more general sense.

There is a feeling that the capital is remote, uncaring and disinterested in the rest of the nation. Perhaps unsurprisingly, those parts of the UK that are the biggest net receivers of London's cash are also some of the most anti-London. A similar correlation between high Leave-voting areas and dependency on EU cash was also seen in 2016.

To make things worse, Centre for London's polling also demonstrated that, despite London playing numerous roles in national life, it is the capital's role as the home of the UK's central government that springs to mind first when non-Londoners think of the city. So it appears that "London" is often a codeword for dissatisfaction with government.

Local decision-makers across the country believe that a subliminal

> **"**
> Local decision-makers across the country believe that a subliminal 'London-centrism' affects the minds of London-based national politicians and civil servants.**"**

"London-centrism" affects the minds of London-based national politicians and civil servants. By virtue of being based in the capital, national decision-makers are felt to skew their policies towards London and its own particular needs. In a diverse nation of towns, rural areas and unique cities with differing specialities and requirements, this is seen to be failing.

At the more extreme end, there is the idea of a remote, metropolitan elite, out of touch with the concerns of "real people" outside of London, and even working actively against their interests. Nigel Farage is currently making great political capital of rallying against the perceived betrayal of Brexit by the "Westminster elite". The narrow Leave victory in the 2016 EU referendum has been widely and repeatedly interpreted as a rejection of distant, unaccountable elites by "the people". And, as has been widely observed, the Greater London region was the only one in England to vote to remain in the European Union.

How to remedy this? How could we build a more regionally balanced UK, and better connect people, places and power?

Current government policy involves redirecting Arts Council funding away from London, and moving civil servants (and Channel 4) out of the capital. But this simply moves the same problem to a different location. And with 80% of jobs in the private sector, the arrival of a small office of civil servants is hardly the transformative measure that towns, cities and regions outside of London need to grow.

On top of this, Centre for London's polling showed that there is little public appetite for simply moving national institutions elsewhere in the country. When given a list of London's key national political, cultural and other institutions, and given the opportunity to pick up to three that should be moved out of London to elsewhere in order to
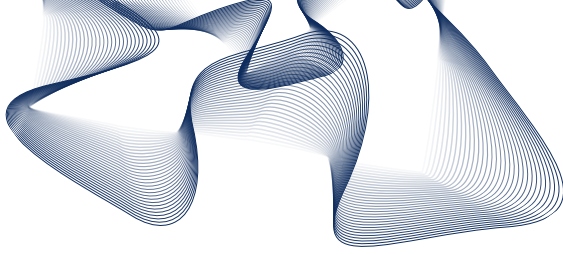
make the country "fairer", the top pick by quite some margin was "none".

So, if rearranging the parts is unlikely, how about rebuilding the machine? The best way to end "London-centric" national policymaking would be to make fewer decisions nationally. Serious, radical devolution of power to a more accountable local level could give the UK's diverse towns, cities and regions the tools they need to grow.

The Blair government established devolved bodies in Scotland, Wales, Northern Ireland and London. George Osborne introduced metro mayors to represent combined authorities across England, and championed the "Northern Powerhouse" and the "Midlands Engine". Greater Manchester, which has devolved powers over healthcare that go beyond even those afforded to London, presents a great example of what strong local leadership can do when trusted by central government to get on with it.

But the powers given to devolved bodies and politicians in the UK remain meagre by international standards – and particularly so in England. The percentage of taxes raised (and spent) by central government is higher in the UK than in most of our competitor nations. And yet progress on devolution, like so much else, has stalled entirely. Brexit dominates national life and policymakers' time and energy.

With a great deal of historical baggage, and politicians at the centre inherently reluctant to cede power, creating a truly devolved country would require serious consideration and serious effort. But rather than proving a distraction, the results of the 2016 EU referendum should surely be an impetus – to addressing regional imbalances, and delivering power to the most local, most accountable level.

*Dr Jack Brown is a Lecturer in London Studies in the Department of Political Economy, King's College London.*

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Serious, radical devolution of power to a more accountable local level could give the UK's diverse towns, cities and regions the tools they need to grow."

# The case against further devolution

## Lord Nicholas Macpherson



Moving the capital of a country is a powerful symbol. But experience suggests that it rarely changes the concentration of economic and political power. Look at Brazil. Has Brasilia ever challenged the dominance of São Paolo and Rio de Janeiro. Similarly, Nigeria. Abuja has never challenged the dominance of Lagos and Kano. And so Jack Brown is right to see removing London's capital status as a side-show.

He is also right to see the issue of where Civil Service jobs reside as a second order issue. I was running the public spending side of the Treasury when Sir Michael Lyons conducted a review of how many jobs should move from London to the regions of the UK. The case for moving jobs was strong. The cost of office space in central London was far higher, and in the absence of regional pay scales it was much easier to retain staff in the North East than in Whitehall. And so the Lyons Review resulted in a sensible transfer of posts, such as the movement of the Office for National Statistics to Newport.

But I was under no illusion about its ability to make local economies more dynamic. The fact is that it is the private sector which ultimately creates income and wealth, and those regions which do best are the ones which attract skills and capital and create conditions for innovation and enterprise. It is no coincidence that universities play a central role in city regions' success, and that towns that are not big enough to support a university – Rotherham and Barnsley, for example, tend to struggle.

And in so far as national wage rates in the public sector are higher than local private-sector wage rates, the public sector will tend to absorb too much of the local skill base. If the public sector was the key to regional prosperity, Northern Ireland would be the richest region in the UK.

I am not against moving the Treasury to Liverpool or the Bank of England to Birmingham, as has sometimes been mooted. But I fear it will change little.
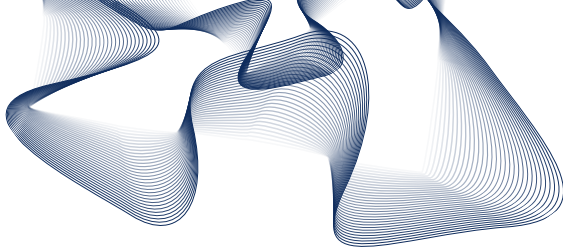
Jack Brown's solution is to devolve more power to a local level. And I am sympathetic to his proposals.

But that raises age-old questions about how much power and to what locality.

It's easy when it comes to the nations of the United Kingdom. Scotland and Wales are all historic entities with different traditions; Northern Ireland is younger and its antecedents more ad hoc but its border is no less real as the debate about the "backstop" has underlined. London was a coherent entity long before Dick Whittington became Lord Mayor, albeit one which has grown steadily in size and sprawl

> " Moving the capital of a country is a powerful symbol. But experience suggests that it rarely changes the concentration of economic and political power."

over many centuries.

But as you get outside London things get altogether more difficult. England does not have a Parliament. Yet Westminster presides over one of the most centralised states in England. Attempts to create regional government failed at its first fence – the referendum to set up a north eastern regional assembly in 2004 voted "no" by a convincing 78:22 majority.

Local authorities have more legitimacy. But the complex history of boroughs, counties and the two-tier nature of much of local government provides few clues as to what constitutes the right political and administrative entity. In any case, much of central government activity over the last 40 years has been about reducing local accountability. Local education authorities are a shadow of their former selves, and a long history

**"**
**The complex history of boroughs, counties and the two-tier nature of much of local government provides few clues as to what constitutes the right political and administrative entity."**

of rate- and now council tax-capping mean that local authorities have little room for manoeuvre when it comes to determining overall levels of expenditure. The fact that local electorates show little sign of caring about the emasculation of local authorities is grist to central government's mill.

I look back with a nostalgia on the debate on devolution fostered by Gordon Brown as Chancellor and Prime

Minister. Reformers alighted on the city region as the best way forward, drawing on analysis when David Miliband was Secretary of State for Communities and Local Government. More recently, George Osborne and others leapt on this bandwagon, harnessing the ambitions and record of civic leadership in Manchester to hold out the hope for a new form of devolution.

So far so good. But few city regions have been as easy to define as Greater Manchester. Is Yorkshire a region, or an amalgam of city regions led by Sheffield and Leeds? In which case what does that mean for North Yorkshire? What about rural areas which have historically seen themselves as the antithesis of the city?

And what about democratic legitimacy? The Blair and Cameron governments favoured democratically elected mayors, influenced by the US model. But many people prefer the proximity of local councillors. Mayors are by their nature remote.

And what powers are they going to wield? As well as centralising powers over education in the name of decentralisation, successive governments have been reluctant to put police accountability in the hands of local authorities, hence the move to police commissioners.

And more important still is the question of what tax-raising powers city regions are going to be given. The democratically elected politicians in Westminster, and the unelected officials in Whitehall who advise them, guard their tax-raising powers jealously. The council tax is a pale imitation of the domestic rates, and the failure to revalue properties since 1991 has made its incidence uneven and incoherent. Business rates continue to be determined at a national level. Successive governments have taken modest steps to incentivise localities to generate more revenue from economic development.

But the measures have not gone far enough. And attempts by Michael Lyons and others to broaden debate about taxation to include local income taxes as well as a more coherent property tax regime have been given short shrift by Westminster.

Disappointingly, the current government has shown scant interest in devolution of power and I don't expect it to feature much in the forthcoming leadership election, where I expect the leading candidates to celebrate Brexit as a way of increasing the power of Westminster rather than an opportunity to increase the powers of the devolved governments, or cities or local authorities.

And so Jack Brown's hopes that we can move to a more nuanced form of devolved government in England are likely to be disappointed. In the meanwhile, London is likely to go from strength to strength, buoyed by the legitimacy of its governance. To all intents and purposes, London is another country.

*Lord Nicholas Macpherson was Permanent Secretary to the Treasury from 2005 to 2016, and is now a Visiting Professor with the Strand Group, at the Policy Institute, King's College London.*

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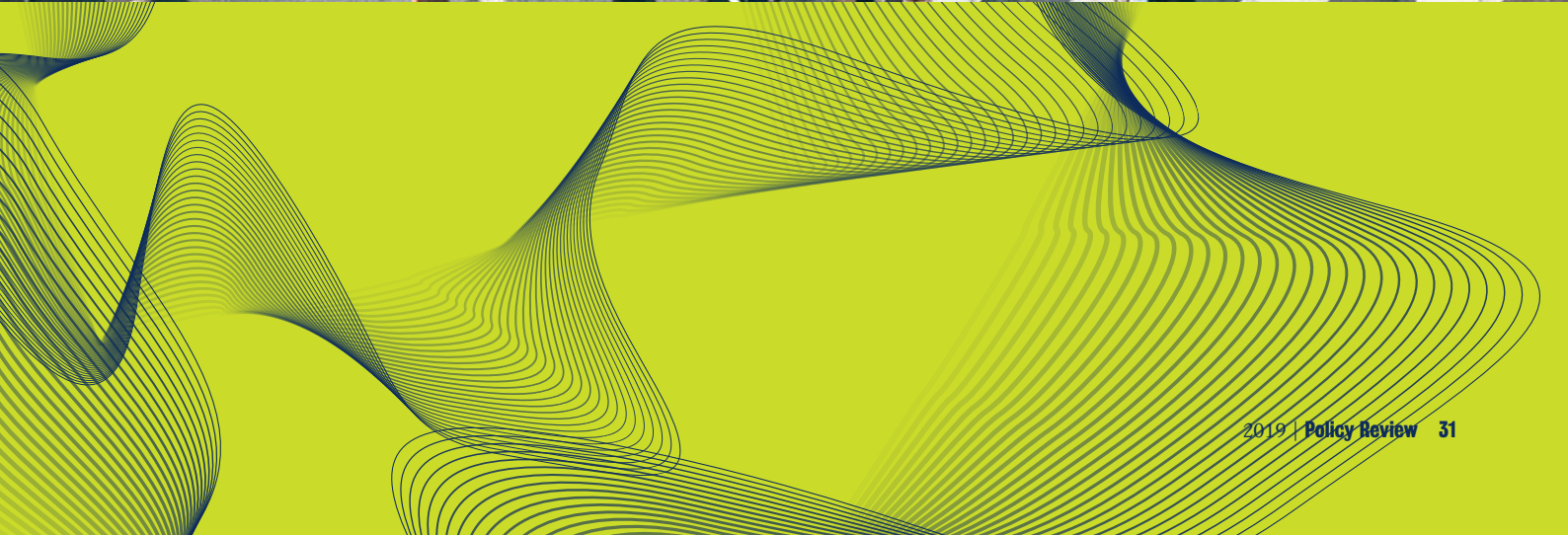
# Communities and opportunity

*Understanding disadvantage and exclusion to help improve life chances in communities*

# We can tackle knife crime by tackling poverty

**Dame Louise Casey**



In 2010 I was appointed as the first Victims' Commissioner and for 18 months I met and listened to parents, families and loved ones of those bereaved through murder and manslaughter. I was succeeded by the remarkable Baroness Newlove, a woman who herself sadly has suffered just such a bereavement, and has successfully championed the rights of victims ever since.

Coping with death at any time in anyone's life is tough and requires resilience; coping with the death of your beloved child is of a different order. We know as human beings that there is a natural order: parents become old and pass away for younger generations to take up the baton of life.

But when your child is murdered it is fundamentally different. It is out of the natural order. The idea that another human being killed your child – not natural causes, not illness, not accident – is simply unnatural and abhorrent to our humanity. You never recover.

This is currently the backdrop to the debate on knife crime and law and order when it should be on the front face. Children should not carry knives. Young people should not be groomed to be in gangs. No parent should be told their child has been killed by another child.

All governments of any political persuasion know they have some fundamental duties, that reach way beyond questions of Left or Right. And dealing with crime is a key one of them. They should forget that duty at their peril.
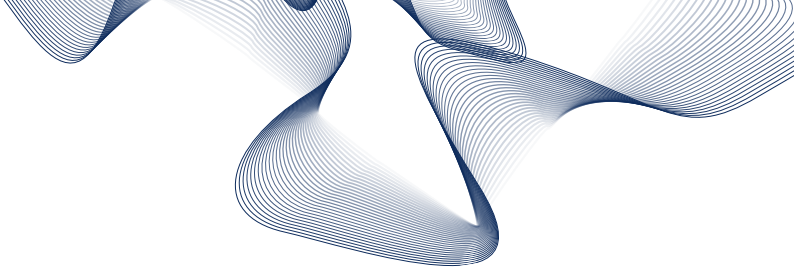
So when we have two 17-year-olds being killed on our streets in the course of one weekend, we have a significant national problem that they need to respond to.

While headline-grabbing incidents may be important in spurring governments to action, it is important that any policy response is informed by robust data. And the most credible data we have – while not perfect – do support

> **"** All governments of any political persuasion know they have some fundamental duties, that reach way beyond questions of Left or Right. And dealing with crime is a key one of them.**"**

the impression given by news media that we are seeing an increase in knife crime.[12]

Between 2010 and 2014, the incidence rate of common knife crime offences recorded by the police in England and Wales declined from 577 per million to 442 per million. In the years since, this decline has more than reversed, with an estimated 730 offences per million in 2018.

So the need to act is clear, but the risk is that the response only deals with the surface, not the underlying causes. We do need a national knife crime strategy – but more importantly we need a national poverty strategy.

The Home Secretary has moved to saying we should treat knife crime like a "disease",[13] calling on all parts of the public sector to tackle it. This acknowledges the much wider range of causes and is welcome, but likening it to a disease misses the point – it is really a symptom.

And it's part of a much bigger issue – that we've partly let these problems grow by being distracted from any domestic agenda by Brexit. It's not just knife crime: domestic violence is up, child poverty is up, school exclusions are up. We need to get a grip.

These issues are so clearly inter-related, as the Child Commissioner's report on the link between exclusions and getting involved in gangs showed[14] – if you're excluded from school, you're 200 times more likely to get mixed up in a gang. The correlation between rising exclusions and rising knife crime probably isn't a complete coincidence.[15]

This is all driven by an underlying growth in the numbers of people who feel not just left behind but kept behind. And this plays out in families. In all the families where we know we have a gang member or anyone arrested for knife crime, why are we not knocking their door down with help? What can we do

about their brothers and sisters? There isn't a prevention strategy at a national level and we need one, not only in London.

Although London has the highest incidence of knife crime – 167 per 100,000 for the year ending December 2018 – other regions as varied as the West Midlands, West Yorkshire and Greater Manchester also dramatically exceed the national average.[16]
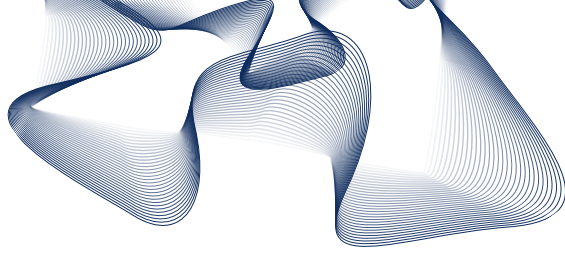
A focus on London may explain the narrative in some parts of the media that this is predominantly a problem among

> **"**
> In all the families where we know we have a gang member or anyone arrested for knife crime, why are we not knocking their door down with help?**"**

black men and boys. But geography and ethnicity intersect: in London, the vast majority of knife crime victims are black; outside the capital, the majority of victims and perpetrators are white.[17] Looking at 2017 data,[18] knife crime fatalities among young people in London were all black men of average age 18; outside London these victims were mostly white boys and girls of average age 12.

It is important that we work to understand how race fits into the dynamic. Fundamentally, though, this is about poverty, lack of opportunity

and indeed hope.

You are significantly more likely to end up committing crime and being in a gang if you're from a poorer family. If we had a strategy that was tackling poverty, it would deal with many of these issues.

And to be in denial about the effect of the austerity agenda shows political weakness. Local government, which provides many of the answers on prevention, has been cut by over 50%. There are consequences if there is nowhere for a struggling parent to get help.

Likewise, the reaction to the Prime Minister's notion that there was "no direct correlation" between the fall in police numbers and knife crime rang hollow to the country. You cannot arrest your way to less crime, but lower police numbers can stop us dealing with it.

A leaked Home Office research paper (which overshadowed the launch of the government's "serious violence strategy" last year) stated that cuts were "unlikely to be the factor which triggered the shift in serious violence, but may be an underlying driver that has allowed the rise to continue".[19]

And this is only part of a wider loss. Much of the "glue" that used to exist in poorer areas has gone, from Sure Start and parenting programmes to youth clubs. We are no longer tough on crime or tough on its causes.

If these were different children, from different families, we would be in a different situation by now. And that's why it angers me to my very core that we are not preventing these families ending up having to go to morgues and identify their children. And we could be.

*Dame Louise Casey is a former Victims' Commissioner, and Visiting Professor at the Policy Institute, King's College London.*

# How data and machine learning can help strengthen communities

## Dr Michael Sanders and Louise Reid



> "We need to make sure we understand – and are checking for – bias in our models, but where these biases are either small or can be corrected for, there is a lot of potential to direct targeted government services."

Armies of researchers and data scientists at universities and in the public and private sectors are trying to make use of advances in the availability of data and in computing power. There are interesting frontiers in these areas, and they could be used to help our communities thrive. There are three main areas that we see as key to bringing about this change: machine learning and predictive analytics, better descriptive data, and better understanding relationships.

### Predictive analytics

One of the major uses of machine learning is to predict the future based on past events. The world is an ever-changing place, so this can never be perfect, but a computer can make inferences based on everything that's happened before, and what tended to happen next. Unlike with humans, emotions, boredom or inherent biases don't play a part – although the machine will tend to learn from any bias that already exists, like implicit or explicit racism, sexism, or ageism.

We need to make sure we understand – and are checking for – bias in our models, but where these biases are either small or can be corrected for, there is a lot of potential to direct targeted government services. This targeting would allow government to use money more effectively by deploying it where it is likely to do the most good, rather than spreading it more thinly across a wider number of cases, many of which may be lower-risk. Bringing additional datasets into the mix would let us reduce or better identify bias, improve accuracy, and build a more holistic picture of the problem we're aiming to tackle.

### Who gets measured, gets helped

It's a truism of government accountability that "what gets measured, gets done", but the more data we have and the more it is used to target services, the more we will see a new paradigm emerge of "who gets measured, gets helped".

We see this in a number of ways, for types of characteristics which, for one reason or another, tend to appear less often in large datasets that shape policy. In children's social care, for example, government datasets will usually have an indicator for whether or not a child has been in foster care, either at the moment or in the past. So we can see, for example, how well those young
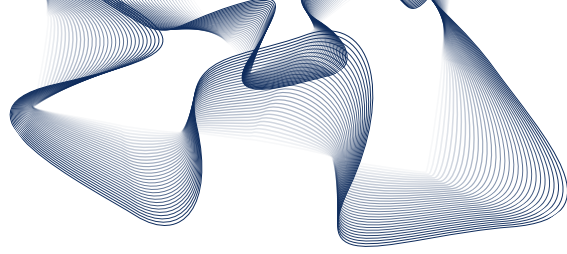
> **"In some ways, young people with child protection plans have worse outcomes than looked-after children. Their absence from major datasets makes it harder to see this, and might mean that they're ignored by well-intentioned policies."**

people do at school, and how likely they are to go to university. We see it in later life as well, where research tells us that 20% of rough sleepers are care leavers, a fact which has recently prompted the British government to invest £5 million in reducing homelessness among this group.

Young people who have, or have had, child protection plans – the next rung down the statutory child protection ladder – are found much less frequently in the datasets that researchers use. This means that there are far fewer studies looking at these young people and their outcomes – even though they still have very difficult lives – than young people who have been taken into care. Where research has been done, for example in the United States, and by the Rees centre at the University of Oxford, we see that in some ways, young people with child protection plans have worse outcomes than looked-after children.[20] Their absence from major datasets makes it harder to see this, and might mean that they're ignored by well-intentioned policies.

The same is true for the LGBT+ community. Data on people's gender or sexuality have to date not been collected in the UK's decennial census – 2021 will be the first time it asks people for this information. But the Office for National Statistics is concerned that there will be a high level of non-response or inaccurate response. The majority of datasets used by government and by researchers are silent on LGBT+ issues, and so studies can't reflect the lived experiences of people. We know from research on lower-income students and people of colour that a sense of social distance can alienate them from education and lead to worse outcomes – and these findings have led to interventions to close the gap – but for LGBT+ students, who are largely invisible in our data, we miss them entirely.
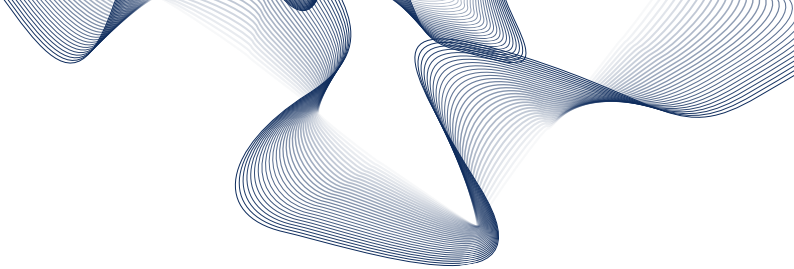
Better-quality descriptive data, and a more systematic approach to asking questions relating to factors that might be relevant, is going to be essential if data are going to be used to improve outcomes for everyone in society.

## Better understanding relationships

Human relationships are complex and multifaceted, and as such are pretty hard to understand, even for other human beings, let alone computers. This may be why the most prominent use of matching algorithms in human relationships have been limited to relationships which are, shall we say, brief.

More computing power, and our ever-growing set of connections, offers the prospect that we can better understand how information flows through relationships, and the kinds of relationships that are likely to be successful. Some of this is already being put into use by some of our former colleagues, who have developed an app which helps bridge the social divide between groups and enables people to form more – and more inspiring – friendships.

This is not just an exercise in social mixing, however. There is a growing

consensus that our tendency to share information with one another, and to rely on each other for social signals about what is right and true, has been hijacked by organisations looking to manipulate us into buying X product or voting for Y cause. Early analysis of data relating to "fake news" on Facebook showed a disturbing prevalence of such news even before the more recent scandals brought it to public attention, and that attempts to curb the sharing of such content were only moderately effective. 10 years later, policymakers around the world need not to leave this kind of analysis to those who would do us ill, but must use their power – both computing and legislative – to better understand it and build tools to combat its abuse.

## Conversation needed

We've shown here three ways that data can be used. Each carries risks – such as targeting the wrong people due to bias, or of encouraging (or at least failing to prevent) nefarious actions online. But a revolution in the use of data isn't coming – it has already made substantial strides. If they are to keep abreast of this rapidly changing digital world, policymakers have two responsibilities: to get to grips with data and its uses while trying to ensure it is used for good, and to create a loud, boisterous public debate on these issues – without which this research, and its use in policy, cannot have democratic accountability.

*Dr Michael Sanders is a Reader in Public Polic at the Policy Institute, King's College London, and Executive Director of the What Works Centre for Children's Social Care.*

*Louise Reid is Head of Programmes and Interim Head of Research at the What Works Centre for Children's Social Care.*

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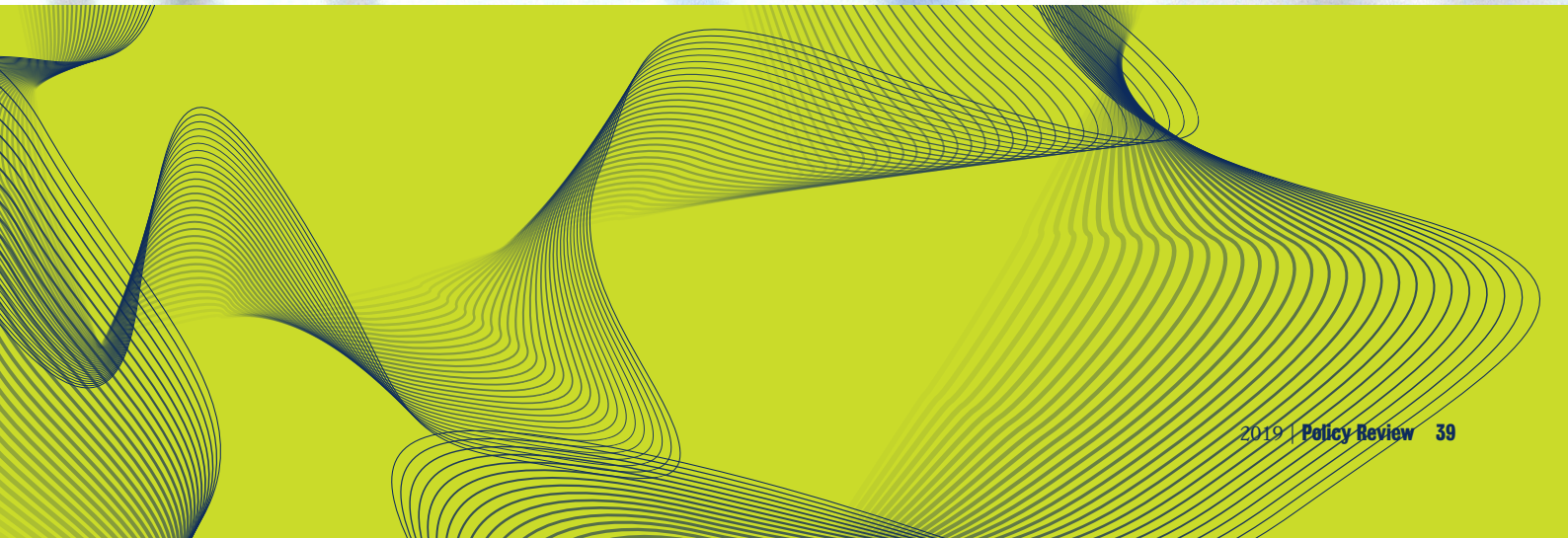> A revolution in the use of data isn't coming – it has *already* made substantial strides."

# The value of evidence

*How to ensure research benefits society*

# Better measurement of poverty means better policymaking

## Hetan Shah



> "There is widespread agreement that tackling poverty is an important policy matter. But how we measure poverty is critical to thinking about how we should tackle it."

As Director of the Royal Statistical Society, I know that what gets counted, counts. The way we define and measure something changes the way that we understand it. For example, on the same day in 2014 David Cameron said "there are 3,000 more nurses under this government" Tom Blenkinsop MP said "today, there are 2,500 fewer nurses in our NHS". Both were right, according to the definitions and timespans they were using. Mr Blenkinsop compared the number of people working as nurses between September 2010 and September 2014. Mr Cameron, on the other hand, considered the full-time equivalent number of nurses, health visitors and midwives, and reviewed the period between May 2010 and September 2014.

There is widespread agreement that tackling poverty is an important policy matter. But how we measure poverty is critical to thinking about how we should tackle it. The traditional measure of poverty in the UK has been to consider a household as being in relative poverty if its income is below 60% of the median household income after housing costs. I was a member of the independent Social Metrics Commission, chaired by
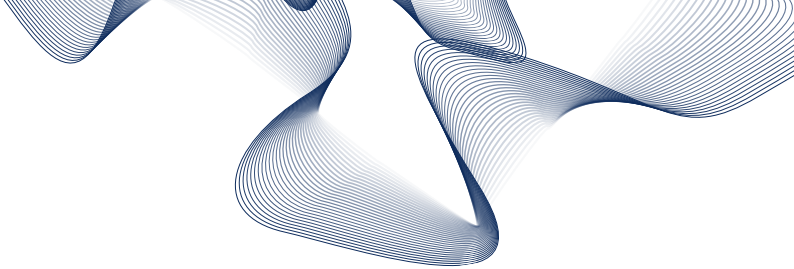
Baroness Stroud, which reviewed how we measure poverty and put forward recommendations at the end of 2018 to change the traditional measure.

The Commission argues poverty should be about the relationship between the *total resources* that somebody has at their disposal, and the *total needs* that they have. This rather simple statement leads to significant changes in our practical understanding of poverty. "Total resources" implies looking beyond income to assets. Under our new total resources measure, more than a million people who hold liquid assets of over £10,000 are taken out of poverty in comparison to the traditional measure. Assessing *needs* means not treating everybody the same but, for example, taking childcare or disability costs into account.

Our new poverty measure shows that 14.2 million people in the UK population are in poverty: 8.4 million working-age adults, 4.5 million children and 1.4 million pension age adults (2016/17). The total number is around the same as the traditional poverty measure. But by counting assets and assessing people's real needs more effectively, around two and a half million people who were living in poverty according to the old poverty

measure – in particular, many pensioners with assets – are no longer counted as poor. These are replaced by a different set of people – mostly people with disabilities and families with children. Of the 14.2 million people in poverty, nearly half – 6.9 million – are living in families with a disabled person.

The change in measurement therefore leads to a profound change in our understanding of who is poor: it indicates far fewer pensioners are living in poverty than the old measure suggested, while also pointing to disability as a much bigger feature than previously recognised. Inevitably this means we need to also rethink the best ways to tackle poverty. Our policy prognosis is driven by what we count and how we count it.

The other recommendation of the Commission was to position our measure of poverty within a wider measurement framework. This includes indicators of the depth, persistence and lived experience of poverty, which allow us to understand more about the nature of poverty in the UK. This moves us away from the reliance on a single measure, which can never give the full picture.

But better measures rarely change things on their own. Policymakers can sometimes take an overly technocratic view that better data will solve everything. I would argue there are deeper lessons in the experience of the Social Metrics Commission about how to do policymaking in contested areas. This increasingly matters in the polarised times we live in.

The first lesson is that the Commission brought together a range of people with differing perspectives. Around the table were expert bodies such as the Institute for Fiscal Studies, the Joseph Rowntree Foundation and the Royal Statistical Society. There were also people with a mixture of political leanings and affiliations, who would not normally work together.

The second lesson is that it took a number of things to build trust between a politically diverse group. This required a skilful chair in the form of Baroness Stroud. It also took time: the Commission met almost monthly over a two-and-a-half year period, with a significant portion spent at the outset building a shared understanding of the problem we were trying to tackle. People were able to listen to each other, and there was a safe space to change our minds. And perhaps most important of all, we would not proceed on any issue until there was a consensus.

Thirdly, the group engaged from the outset with a wide range of external stakeholders. A group of academics and a group of civil society organisations were kept abreast of the work on an ongoing basis. Natural suspicions that they may have had about the work that was happening were therefore reduced. This meant that when the Commission published its final report, there was almost unprecedented support for its findings from external organisations, and

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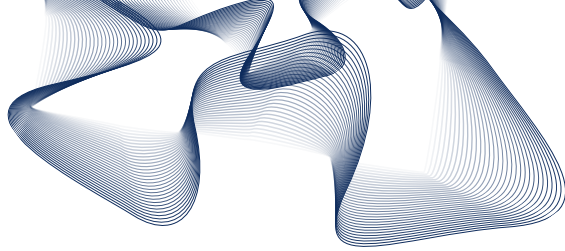
from commentators from different parts of the political spectrum. Government, including statisticians, were also consulted at an early stage, with the National Statistician, John Pullinger, being an advisor to the project.

The work of the Commission can be considered successful at multiple levels. It was analytically successful in providing evidence to throw new light on an old problem. But perhaps more interestingly, it was able to create consensus among a wide range of stakeholders in an area that is highly politicised. The UN Special Rapporteur on Extreme Poverty and Human Rights used the Commission's assessment to underpin his review of poverty in the UK. The government announced in May 2019 that it will take up the findings of the Commission and develop new experimental statistics based on its recommendations for publication in 2020. The Commission is hopeful that this is a first step towards our proposed measure being taken up as the UK's official poverty measure. Then we can stop arguing over definitions, and start arguing about how to address poverty.

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“
We can stop arguing over definitions, and start arguing about how to address poverty.”

# Health research offers a big return on investment

**Alexandra Pollitt**



Each year, globally, we invest hundreds of billions of dollars of public money in biomedical and health research. In many countries, this investment feels under threat – and while there have always been many competing priorities for the public purse, this threat seems more immediate in the context of widespread austerity, shifting political sands and an increased questioning of the role and value of evidence in our society.

But what *do* we get in return for this investment in research? Can we justify it when faced with so many other pressing societal needs? And if so, how can we effectively make the case for supporting research?

There is no doubt that research has been vital in transforming healthcare. We are living longer, healthier lives than ever before. However, the extent to which this progress is due to research (rather than, say, general improvements in living standards) is unclear. We need to generate the evidence – and to convince those who hold the purse strings, we need to do so in the language of finance. To articulate a compelling economic argument, we must be able to show that research stacks up as an investment, just as we might make the economic case for roads, schools or aircraft carriers.

This is what we set out to do – along with collaborators from Brunel University London, RAND Europe and the Office of Health Economics – in a series of studies estimating the economic returns of UK biomedical and health research. Such calculations are not straightforward. The time between research investment and health gain is often long, and the contribution of any individual country is difficult to disentangle from the international research endeavour. We also need to be able to quantify and monetise the

> **"**
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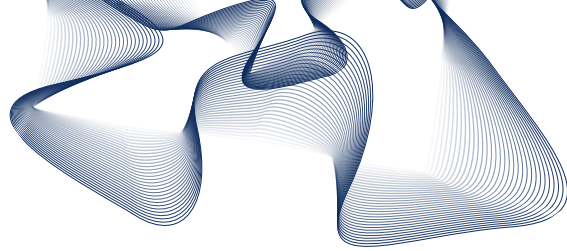
> **"**
> **But health gains are not the whole story. Simply by doing research we also generate broader benefits for the economy, a phenomenon often referred to as 'spillovers'."**

improvements in people's health that research contributes to.

Previous attempts in this area had tended to adopt a top-down approach. That is, the starting point had been the overall improvement in mortality and morbidity of the population. A critical assumption must then be made about how much of this health gain results from medical research. However, there is little evidence on which to base such an assumption. To address this challenge of attribution, we opted for a bottom-up approach, starting instead from identifying the most important research-based clinical interventions in a particular health area – in the case of our three studies, cardiovascular disease, cancer and musculoskeletal conditions. Summing up the health benefits resulting from each of these interventions gave us the total health gain – or "output" – for our economic model.

To calculate the "input", we used the records of UK government and charity research funders to work out how much money had been invested over time in research in these same three health areas. Then because research (a) does not produce immediate results, and (b) is international, we applied a "timelag" between the input and output in the calculations, and we estimated the role of UK research specifically (in comparison to international). Both estimates were based on an analysis of the evidence underpinning UK clinical guidance, on which NHS care is based.

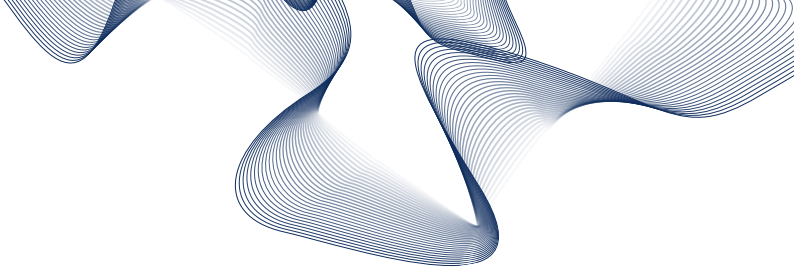The methods used were complex and are documented in detail elsewhere, but essentially, the estimates set out above allowed us to calculate a rate of return for each pound of public money invested in UK medical research. For cardiovascular research our best estimate was 9%.[21]

This means that for every £1 invested in medical research, we receive 9 pence back in health gains each year. When this approach was applied to cancer research and musculoskeletal research the equivalent figures were very similar, at 10% and 7%.[22,23] As is the case in any study of this kind, it was necessary to make assumptions and acknowledge uncertainties in the data, but we erred on the side of caution throughout, aiming for a final estimate which was, if anything, overly conservative.

But health gains are not the whole story. Simply by doing research we also generate broader benefits for the economy, a phenomenon often referred to as "spillovers". For example, life sciences companies in the private sector build on and interact with publicly funded research, creating jobs, bringing medicines and technologies into healthcare, and so on. The return on public medical research spend in terms of impact on GDP has separately been estimated to be between 15% and 18% in the UK. Combining this with the estimated monetised health gain, this suggests an overall return of around 25% on public investment in UK medical research (representing 7-10% in relation to health gain and 15-18% for impact on GDP).[24]

In other words, for every £1 of public money invested in UK medical research,

we receive around 25 pence back in health gains and GDP benefits every year. It is difficult to compare this figure directly to other areas of public spending, but it is well in excess of the yields of 6-8% that governments typically expect from public investments.

Economic analysis has proven a powerful tool in making the case for medical research, but it still rests upon an array of caveats and assumptions. Producing similar analysis in other research disciplines is harder still – and, indeed, would often not provide an appropriate or comprehensive picture of their impacts in any case. For a government faced with tough trade-offs on public spending, it would also be helpful to have evidence on the "marginal" return to our research investment – ie not just what the average return is, but the incremental benefits we could expect from investing a little bit more. This is an important gap in our current knowledge.

A challenge remains around how we can create robust, comprehensive and engaging accounts of research impact in all disciplines, not just to convince the Treasury, but also to demonstrate value to society as a whole. Assessing the rich diversity of benefits that can come from research needs a similarly diverse range of approaches, tools and methods. There is much work still to be done. Further developing these approaches in a robust and inclusive way is essential for us to better articulate the value – economically, socially and culturally – of investing in research.

*Alexandra Pollitt is a Research Fellow at the Policy Institute, King's College London.*
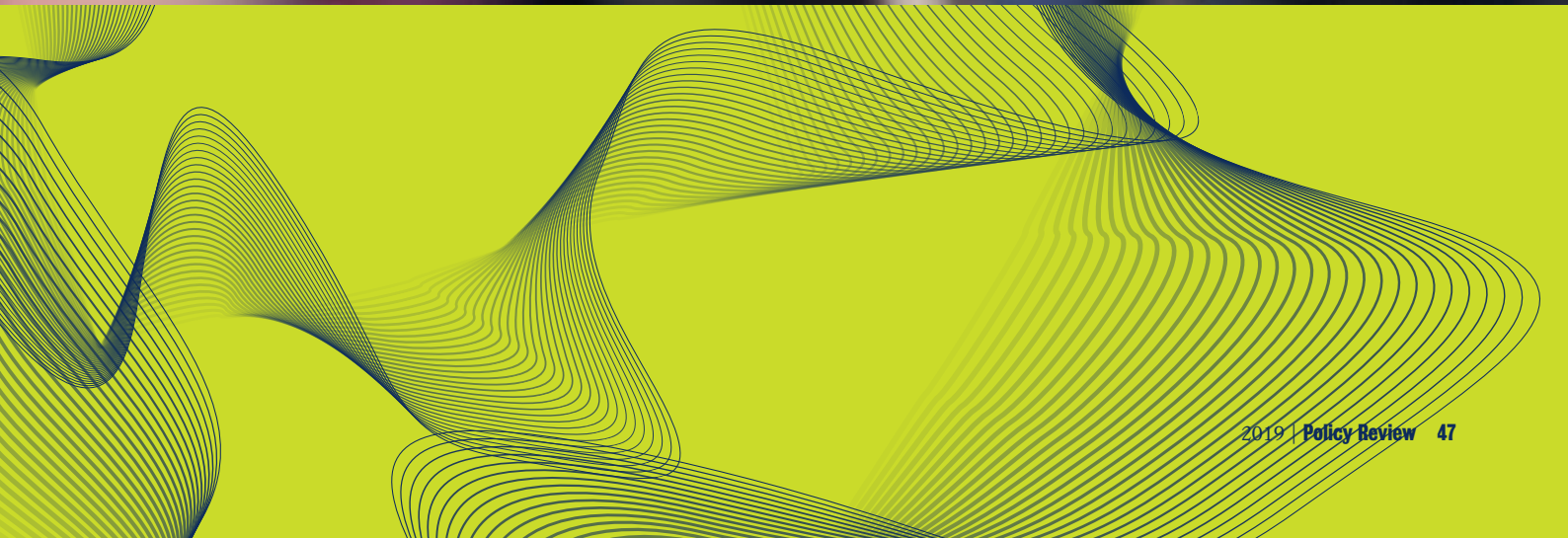
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# Trust, facts and democracy

*Understanding shifting trust, pressures on our shared view of social realities, and how democracy needs to react*

# The crisis in belonging

## Douglas Alexander



Today in Britain we are living through a crisis in belonging. The country is divided – economically and culturally. Who is us and who is them? Why today does a sense of belonging also so often bring a sense of fear and division in its wake? Why are so many of the questions that dominate our public debates really a variation on a single question: who are we?

We live in times when that question has shifted centre stage in our national life.

What forces are shaping those shifts and how are they are changing our political debates? Why in the years after the financial crisis are we seeing arguments about belonging and identity so often overwhelm familiar ones about economics and income? This isn't what most of us imagined would be our future.

But a decade of stagnating wages and the anger it has generated helps explain the view that says "Let's stick with our tribe". This economic anger and cultural anxiety has grown at a time when traditional religious observance – something that has created division between communities, but still retains the power to bind – is dying out in many parts of Britain.

The older bonds of religion, work and class have always had the potential to divide, creating a very strong sense of "us" but at the expense of "them". But indisputably they provided huge sections of society with a belonging to share.
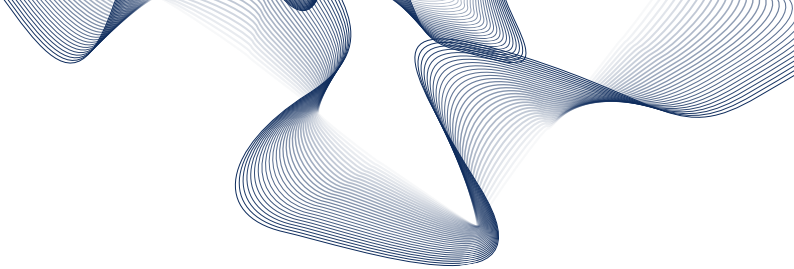
Therefore, in this age of much less religious observance, how well have we done in finding a unifying secular story in recent years? The recent financial crisis trashed many people's faith in the powerful: in the bankers, the politicians, even in the experts. And leaders too have failed to tell a story that can bind. As a result, the tectonic plates of British politics started shifting as people flocked to stories and storytellers that made sense of their anxieties, hopes and fears.

No sense of belonging has proved more durable than what the political scientist Benedict Anderson called "the imagined community of the nation". In this time of economic anger and cultural anxiety,

> "
> In this time of economic anger and cultural anxiety, growing numbers of voters have sought to anchor themselves in a sense of place, a sense of tradition, a sense of tribe."

growing numbers of voters have sought to anchor themselves in a sense of place, a sense of tradition, a sense of tribe.

Nationalism is on the rise in Britain and in many other countries. 10 or 15 years ago, very few at that time were predicting the re-emergence of much deeper, older stories and myths of national belonging. Even old national identities are constructed or imagined by storytellers and songwriters, by poets and writers, as well as politicians. Scottish nationalism is a case in point, rooted in a similar sense of "us" and "them".

Rooted in nationalism is a politics of a sense of difference. Personally, I am morally uncomfortable with a politics that at its heart is about difference. Patriotism to me doesn't require an enemy, but nationalism always does. Getting our country back. Making our country great again. Taking back control. These are the stories of belonging and loss that are shaping the destinies of nations. Understanding the power of shared stories is fundamental to understanding the divisions and debates of contemporary Britain.
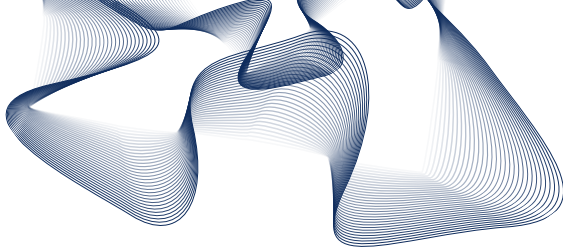
The sense of affinity, of belonging, of tribe that has shaped British politics for a century is now yielding to new loyalties. A shift from political affiliation to identity is changing how our politics is conducted. There is no scope for compromise. So, is our fate a future of divisive votes and divided communities? Can we develop different and better stories of belonging? Stories that can pull us together, rather than pull us apart?

Throughout the whole of human history shared stories have brought individuals and communities together. Many of us got a sense of story on the night of the opening ceremony of the 2012 Olympics. We saw Britain's past evoked, with all of its trouble and strife. There was very British humour – who else would have had their Queen jump

> **"**
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out of a helicopter in front of a watching world? We saw the diversity of modern Britain, celebrated by the arrival of the Windrush, along with a celebration of our popular culture and indeed our National Health Service. But ceremonies like this are, at most, a once in a lifetime event.

Yet, in an age of diverse channels, where our social media tends to affirm as much as inform us, can either stories or rituals possibly have the power now to build us into shared belonging?

Even if as a country we manage to fashion shared stories aimed at bringing us together, they will only resonate if they reflect and are underpinned by shared experience. Whether we rebuild our common life or are simply pulled apart by economic divisions, this will determine whether those shared stories take root. And as outlined by Kirstie Hewlett and colleagues in the next article, we need to learn much more about the trends in, and nature of,

> **"**
> As humans we are all at our best when our lives are enmeshed in relationships, and respect and belonging. So we can build a future together where we become better at sharing risks, rewards and resources.**"**

division in order to know what to do to encourage belonging.

But could our enduring yearning for human relationships for a sense of belonging actually provoke a different and more hopeful future? Could the economic anger and cultural anxiety we are witnessing across the country today actually spark a renewal in our national life?

If, for example, you look at the establishment of credit unions or trades unions, at its core that was an expression of a value for solidarity. So much of our economy today – some would argue our society today – operates on a market logic of meritocracy, not solidarity. Can we therefore imagine institutions beyond the marketplace that we are operating in today? I'm convinced that as human beings we are hardwired to belong. Without people feeling a greater sense of security, however, even the most compelling shared stories founder, and as we are witnessing, the wrong stories will simply shrink our minds and shrink our hearts.

I believe we belong together in a way that's deeper and far more primal than our politics today suggests. As humans we are all at our best when our lives are enmeshed in relationships, and respect and belonging. So we can build a future together where we become better at sharing risks, rewards and resources. We

can build a future of shared stories, of shared hopes and of shared dreams. But we can only do so if instead of turning away from each other, we actually turn towards each other. And that's more than a task for our politicians. That's a task for each of us.

*Douglas Alexander is Chair of UNICEF UK, a former Cabinet Minister, and a Visiting Professor at the Policy Institute, King's College London.*

# To heal a "divided Britain", we first need to know what's broken

**Dr Kirstie Hewlett, John Hall, and Julian McCrae**

"
The challenge facing politicians and policymakers who aspire to "heal a divided Britain" is that there is actually little consensus over the specific nature and scale of the problem, let alone what could be done to solve it."

Concern about polarisation has grown since the EU referendum in 2016. As the results were announced, the political establishment were quick to assert that the outcome "revealed a divided Britain",[25] and have since continued to reiterate the need for politicians on all sides to come together to deliver "a Brexit ... that brings the country back together, rather than entrenching division."[26]

Headlines have also reinforced these messages, warning that we now live in a "more tribalized Britain",[27] a nation even more "bitterly divided" than it was during the miners' strike, the poll tax protests of the 1990s and the Iraq war.[28]
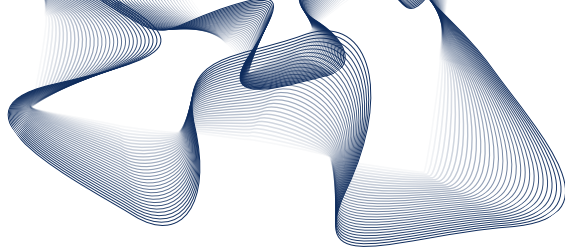
As Douglas Alexander outlines so well in his piece for this publication, the discussion of division has taken hold, and for good reason. We know that splits have formed along a variety of fault lines in the UK, be it by where we live, our age, level of education, or how we voted in the EU referendum. The identity attachments formed around the latter, in particular, appear to run far deeper than traditional party affiliation,[29] taking on an almost tribal quality. A survey conducted by YouGov in 2017 showed that both "Leavers" and "Remainers" saw their own group as "honest",

"intelligent" and "open-minded" and the other as "hypocritical", "selfish" and "closed-minded".[30] And added to this are myriad other pressures that appear to be pushing us further apart – from economic and technological inequalities to politics.

But the extent to which such divisions are playing out to the extremes suggested by headlines and political rhetoric remains significantly under-researched. Equally, there are a number of issues on which values and attitudes have remained consistent – or have even converged. The 2018 British Social Attitudes Survey found that divides are narrowing on a range of issues, such as sex before marriage, same-sex relationships, abortion and gender equality.[31]

We need to form a better understanding of what is going on, including exactly what we mean by polarisation and how we measure it. Indeed, the challenge facing politicians and policymakers who aspire to "heal a divided Britain" is that there is actually little consensus over the specific nature and scale of the problem, let alone what could be done to solve it.

Part of the challenge lies in the lack of conceptual clarity around

what polarisation really means. Too often, terms such as "division" and "polarisation" are either used interchangeably or accepted as simple and universally understandable, but when you start trying to measure them it becomes apparent that they're actually complex and contested concepts.

For a nation to be polarising requires more than a difference of opinion. Disagreement is part and parcel of an open and democratic society. Polarisation implies something more – that the divides in our society are so great that they prevent us finding a way forwards. Some of the most influential models of polarisation are multi-dimensional, observing, for example, the interplay between increased variance and bi-modality of opinion, conflict extension,[32] issue salience,[33] and consolidation of particular sets of attitudes into distinct social identities (see box). Other models also distinguish these measures of ideological polarisation from "affective polarisation", in which partisans begin to divide themselves socially and dislike others on the basis

of whether they identify as liberal or conservative – irrespective of whether they actually disagree on matters of policy.[34]

Coherence in these conceptualisations matters. As has been revealed by the deeply contested, long-standing debates around "culture wars" in the US, much of the scholarly disagreement about whether the overall population is truly polarising has stemmed from a lack of consensus on what is meant by the term "polarisation", along with the conflation of incompatible trends or scales of measurement.[35] As the idea of a divided Britain continues to take hold, we urgently need to come to a shared understanding of what we actually mean by polarisation, and to reflect more on the point at which the balance tips from healthy disagreement into a tribalised stalemate.

We also know very little about whether the most salient forms of division observed in the UK are representative of the population at large or whether they reflect the position of a much smaller, politically engaged group. Looking again

## Key terms for defining ideological polarisation

### Variance
The gap between the furthermost extremes of identity or opinion widen, making it harder to find a compromise.

### Bi-modality
Opinions gravitate towards a number of distinct positions or "modes". The greater the distance between these modes, the increased chance of social conflict.

### Conflict extension
Opinions cohere on a range of issues or policy areas in line with a particular social or political position.

### Salience
The relative weight of opinion that different topics carry (ie which issues do people care the most about?).

### Consolidation into distinct social identities
Social attitudes become linked to individual characteristics or identity stereotypes, forming into distinct social identities (eg "Leavers" and "Remainers", "Corbynites").

> **"For a nation to be polarising requires more than a difference of opinion."**

to the more established evidence base in the US, there is growing agreement that the most extreme forms of polarisation surface among the political class (ie elected officials and candidates, donors, political or issue activists, etc). And it is these more extreme positions that disproportionately dominate the media.[36]

Studies such as More in Common's *Hidden Tribes* reveal the huge value to be gained in distinguishing between the fringes of extreme political opinion and the "Exhausted Majority", who despite having varying degrees of political understanding and activism, "share a sense of fatigue with our polarized national conversation [in the US], a willingness to be flexible in their political viewpoints, and a lack of voice in the national conversation".[37]

In the UK, too, it may prove useful to move away dichotomous groupings such as "Leave/Remain", "Closed/Open", "Somewhere/Anywhere", which artificially reduce the population into competing camps. We need to draw out the full spectrum of opinion, values and attitudes, to identify common ground for respectful discussion and debate, rather than continuing to give disproportionate weight to the opinions at the most extreme ends of the spectrum.

The EU referendum raised important questions for policymakers about divisions and inequalities in our society. Whether these differences are real or imagined, fixed or shifting, is of deep consequence.

We urgently need to nuance how we think about and discuss division in the UK, reflecting how opinions on individually divisive issues or life experiences intersect, inform identity and become mutually reinforcing. To do so will require a deeply collaborative approach, drawing on a cross-disciplinary range of policy, academic and professional expertise. In order to develop the understanding needed to truly bridge any national divides, researchers, policymakers and experts will have to bridge the divides of their respective fields to come to a shared understanding of the problem.

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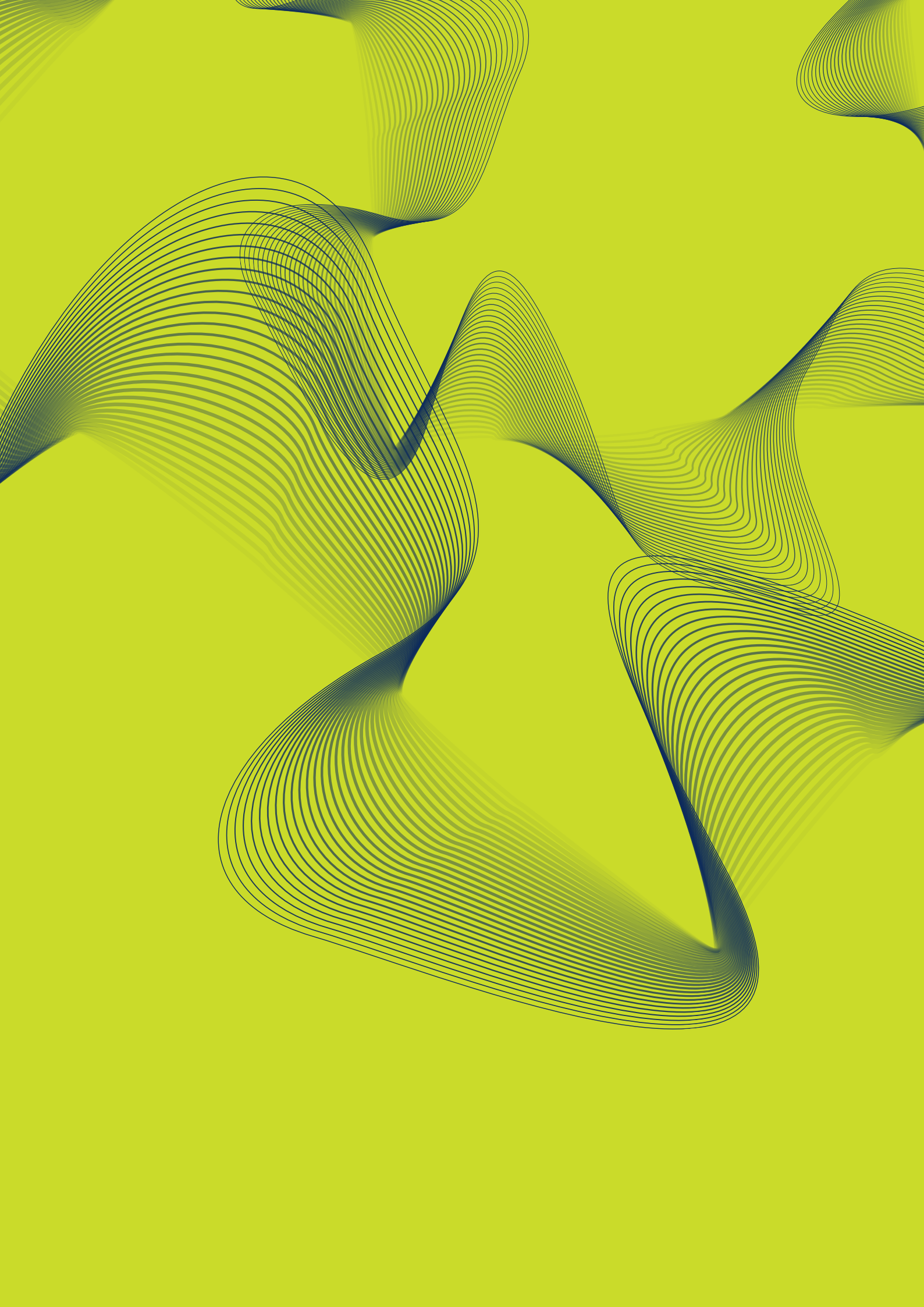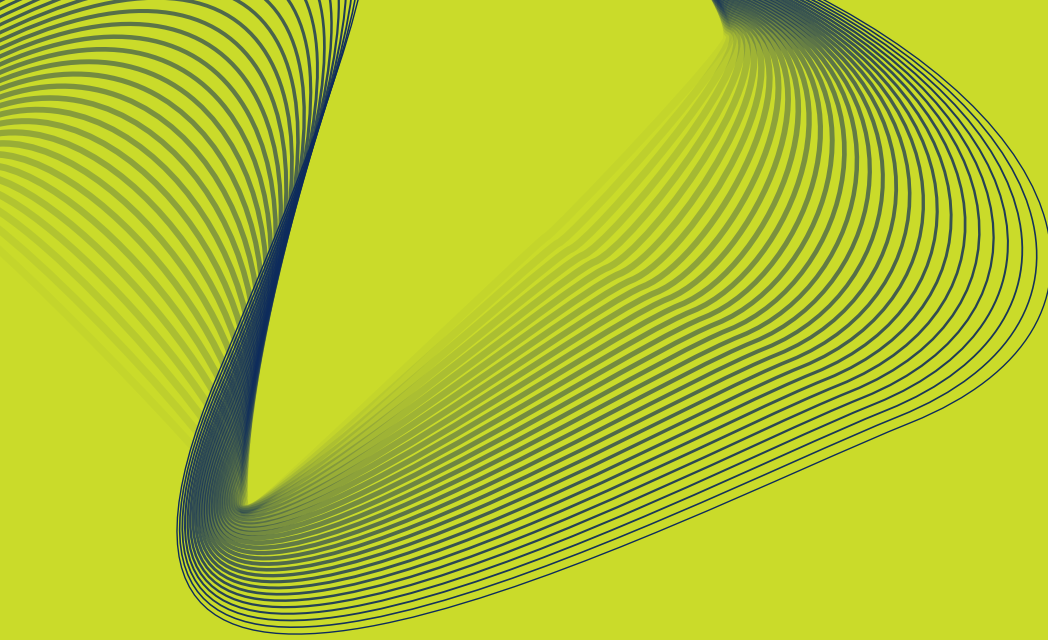
*John Hall is an Independent Consultant.*

*Julian McCrae is a Senior Advisor at the International School for Government, King's College London.*

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