

# Inclusive growth under a COVID-19 recovery

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## Introduction

The coronavirus (COVID-19) pandemic poses challenges of an unprecedented nature to communities across the UK. We are yet to see the full depth and magnitude of its impacts but evidence is emerging that people and places with the least resilience to economic vicissitudes are suffering most. In this blog we argue that the case for a policy reset oriented around inclusive growth is compelling and provides the basis for “building back better”. This reset would have two dimensions. First, it would avoid a ‘growth at all costs’ approach to economic development that has done little in the past to address longstanding inequalities. Second, it could also provide an opportunity to acknowledge and address the limitations of inclusive growth as a concept fraught with complexity and vagueness. A more radical conceptualisation of inclusive growth - built around asking what kind of economy we want to create as we emerge from the pandemic - could play a central role in recovery approaches.

## The uneven impacts of the COVID-19 pandemic

The COVID-19 lockdown has impacted severely on economic activity with [data](#) showing falling output, increasing benefit claims, declining job rolls, reductions in working hours and growing household indebtedness. This is only beginning to filter through into official measures of unemployment and significant rises can be expected as the Job Retention Scheme (JRS) ends in October and the extent to which furloughing has masked unemployment becomes clear. All observers anticipate a deep recession with high levels of unemployment and it remains to be seen how quickly the economy can bounce back as lockdown measures are eased, especially if further spikes in COVID-19 infections and local lockdowns occur.<sup>1</sup>

The crisis has also had significant social impacts beyond health issues for those who have directly contracted the virus. These include worsening [mental health](#), increased [domestic violence](#), and the as yet fully unknown social and educational consequences for young people of not attending school for over five months.<sup>2</sup>

The pandemic has been highly uneven in its [social and economic impacts](#). [Death rates](#) have varied significantly by age but also by ethnic group, occupation and level of area deprivation. Economically, the [disproportionate impact of lockdown](#) on sectors including non-food retail, hospitality, and the arts and entertainment has hit groups concentrated in those sectors harder, particularly younger workers. A [divide has also opened up](#) between those able to switch to homeworking and those whose jobs can only be carried out at their place of work. For the latter, this has either meant being furloughed or losing jobs where workplaces have been closed or scaled back, or continuing to work through the crisis. Working [women’s employment](#) prospects have also been affected by a lack of childcare that has played a role in redundancy or reduced hours for some, with many left juggling paid work and unpaid labour in the home. Meanwhile, some of the lowest paid and most insecure workers have remained working, often without adequate PPE.

Evidence also shows that the economic impacts of the COVID-19 crisis are spatially uneven across the UK. For example, those places that started with comparatively high claimant counts have seen the [highest spikes](#) through the crisis. Combined with the skills and sectoral profiles present in local economies, the [weakest economies](#) may be expected to be the least resilient

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<sup>1</sup> The Office for Budget Responsibility’s (OBR) latest [Fiscal Sustainability](#) report outlines three scenarios in which the most positive sees the UK on track to record the largest decline in annual GDP for 300 years, with output falling by at least 10 per cent in 2020 and unemployment peaking at 9.7 per cent in Q3 2020. It should be emphasised that these are scenarios not forecasts but at the very least sketch out a plausible economic trajectory for the UK in the short to medium-term.

<sup>2</sup> A recent expert [opinion piece](#) has warned that “physical distancing measures to contain the spread of COVID-19 have removed many sources of face-to-face social connection from people’s lives, which might affect people’s mental health, particularly in adolescence, a period of life characterised by a heightened need for peer interaction”.

to crises. In short, if the [“levelling up” agenda](#) was a concern for the Chancellor of the Exchequer before the onset of the crisis, it has now become much more pronounced.

As the UK emerges from lockdown, the task of minimising the negative economic fallout of the pandemic is urgent. Priorities include supporting businesses that remain viable in the long-term to continue trading and [minimise redundancies](#), while helping those who lose jobs to find [alternative employment](#) including retraining where appropriate. However, the unique circumstances we are in means that a traditional package of spending and measures to deal with recession and secure a return to ‘growth as usual’ is no longer enough. This is partly about the scale of intervention required to support recovery from the severe downturn predicted. But it is also about asking more fundamental questions around how we value and reward work and what kind of economic growth we want to create.

The crisis has highlighted the vital but undervalued work of many essential workers such as those in social care, food, transport, retail and logistics who have all helped to keep the country running throughout the crisis. For many of these workers, a return to ‘normality’ would simply lock in the low pay and insecure terms of employment they experienced before the pandemic. And yet while lockdown has been an extremely challenging experience for many, it has also had upsides for others in terms of a better work-life balance. Some workers have enjoyed a respite from the five-day working week and grinding commute. Fewer or more flexible hours have allowed more time to be spent with, or caring for, other household members.

The crisis has changed expectations and experiences of work, raising questions about how we might build back an economy that delivers good quality jobs, supports a better work-life balance and promotes greater social and economic equality within environmentally sustainable limits. This has [popular support with surveys](#) repeatedly showing the vast majority do not want to return to the ‘old normal’ in terms of the way our economy and economic lives are organised. Responding to this requires a framework for economic development that seeks to better share the proceeds of growth to address inequalities, while recognising the need to orientate growth to support wider social, economic and environmental goals. We argue that inclusive growth, for all its flaws and conceptual fuzziness, has the potential to underpin this agenda.

## What is inclusive growth and how can it support the COVID-19 recovery?

The 2017 RSA Inclusive Growth Commission<sup>3</sup> defined inclusive growth as *‘Enabling as many people as possible to contribute and benefit from growth’*. It emphasises both the social and spatial dimensions of inclusive growth:

- **Socially:** Benefitting people across the labour market spectrum, including groups that face particularly high barriers to high quality employment.
- **Place-based:** Addressing inequalities in opportunities between different parts of the country and within economic geographies.

This dual focus on ensuring the distributional impacts of growth benefit both low income groups and areas has much to offer in the current context as the pandemic threatens to increase social and spatial divides.

The concept had already gained traction before the crisis with many local and combined authorities developing dedicated inclusive growth plans or, in England, embedding inclusive growth principles in Strategic Economic Plans and Local Industrial Strategies.<sup>4</sup> While central

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<sup>3</sup> RSA (2017) [Inclusive Growth Commission: Making our economy work for everyone.](#)

<sup>4</sup> See for example Leeds City Council (2018) [Leeds Inclusive Growth Strategy 2018-2023](#); Mayor of Liverpool (2018) [Inclusive Growth Plan: A Strong And Growing City Built On Fairness](#); Team Doncaster (2018) [Doncaster Inclusive Growth Strategy 2018-2021](#); [North of Tyne Devolution Deal](#)

government in the UK has not explicitly embraced inclusive growth, both the devolved [Welsh](#) and [Scottish governments](#) have incorporated inclusive growth or related ideas like the Foundational Economy in their [economic strategies](#).

To date inclusive growth has been mired in debates about its value with three main criticisms. First, it is seen as [dependent on growth](#) which can be [unsustainable](#) or, in the current context of a 20.4 per cent drop in output between [April and June 2020](#), utterly unfeasible. Second, it is regarded as a milquetoast adjunct to ‘business as usual’ economic development, often repackaging well-established forms of support for disadvantaged groups and areas to provide an inclusive veneer to policies and strategies. Third, it has been accused of supporting environmentally unsustainable forms of development that are largely heedless of the challenges presented by, and the responses needed to address, the [climate change emergency](#).

However, the scale of the current crisis and significant level of government intervention in response has dramatically shifted perceptions of how nations can and should manage their economies. Paying the wages of 9.6 million workers<sup>5</sup> at a cost to date of £34.7 billion through the [Job Retention Scheme](#) signals a new willingness by the UK government to increase borrowing to limit the scale of the economic downturn and is the first significant challenge to fiscal austerity since 2010.

Access to low cost financing and a willingness to let debt grow underline the possibility for the UK government to finance a recovery programme on a scale that hitherto would have been considered unimaginable. It creates a favourable fiscal context for a radical policy reset built around more far-reaching conceptions of inclusive growth. Within this, inclusive growth could provide a framework for not just protecting or creating jobs but for developing policies to stimulate more equitable and sustainable forms of growth that promote wellbeing. Developing inclusive growth strategies requires us to first ask what kind of lives we want to lead and then think about how economic policy might realise that vision.

Using even their current limited powers, local actors can begin to embed inclusive growth strategies drawing on the principles of inclusive work to date. There is also much to learn from parallel concepts and frameworks such as the inclusive economy, new municipalism, the Foundational Economy, wellbeing economies, community wealth building and Doughnut Economics. In terms of the latter, [recent work in Amsterdam](#) using the lens of Doughnut Economics asks how the city can thrive and support social and ecological goals at both a local and global level. Though we need to be clear sighted of potential trade-offs between them (as noted below), these areas could usefully inform, and potentially integrate with, inclusive growth frameworks.

## What might inclusive growth look like?

[Inclusive growth](#) has been associated with a range of policies, strategies and interventions to date. The focus has predominantly been on creating ‘more and better jobs’ accessible to those with lower levels of skills and other barriers to labour market entry.<sup>6</sup> It has also included proposals to better integrate health and social care systems, increase affordable housing, promote digital inclusion, support green energy and low carbon initiatives, and build community wealth through localising procurement spend and supporting the social economy.

This is not to suggest that inclusive growth offers an ‘off-the-shelf’ set of policy prescriptions which can be neatly inserted into COVID-19 recovery plans. Rather, inclusive growth provides a framework for thinking about how a return to growth can be harnessed to address social and spatial divides and avoid the trap of reproducing or heightening the inequities that

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<sup>5</sup> This is the [cumulative total of people](#) that are and have been on furlough, not the number on furlough now (or at a specific point in time).

<sup>6</sup> For a review of policies in inclusive growth strategies see the [Embedding inclusive growth in the Sheffield City Region](#) report.

characterised growth after the 2009-09 recession. It is also an opportunity to explicitly recognise and seek to address some of the well-founded critiques of inclusive growth.

Space precludes a full discussion here of the range of approaches and interventions that inclusive growth could bring to bear on recovery plans. So, we have focussed on three aspects of inclusive growth that highlight ways in which the concept can be harnessed and developed to support recovery: infrastructure, 'good work' and civic society.

- **Infrastructure**

Embedding economic recovery strategies in an inclusive growth framework can help avoid the trap of simply trying to recreate the unsustainable and imbalanced forms of growth that preceded the pandemic. In terms of infrastructure, activities such as roadbuilding, private housing development and other large infrastructure projects - that formed a key part of the responses to the financial crisis of 2008-09 financial crisis – will have to sit alongside a wider set of novel interventions that directly support firms and workers. The task becomes one of not just identifying 'shovel-ready' projects which might create jobs and training opportunities, but also asking more fundamental questions about how infrastructure development can create the kinds of places we want to live and work in.

Infrastructure is often turned to in order to spur economic revivals, despite our ex-post knowledge of intervention effects being rather limited. One reason for this may be that local authorities can shape capital allocations, to some degree. However, despite business cases often [citing inclusive growth](#) concerns in various forms, our understanding of how infrastructure shapes inclusive growth is somewhat limited.

We can also consider infrastructure implications at different spatial scales. At a UK wide level, infrastructure such as HS2 has been proposed as critical for the UK's rebalancing or levelling up. Though disputed by a [number of commentators](#), the claim is that faster connections to London will act as a spur to regional development in other city-regions in the Midlands and North of England. This is a core issue for levelling up given the yawning gaps between regions of the UK in terms of headline economic outcomes. But what confidence can we have that connective infrastructure will close rather than expand existing divides when movements of firms and workers may go in either direction?

Responding to the issues of regional imbalances and infrastructure investment more widely, [Coyle and Sensier](#) (2019) revisit appraisal approaches and argue that a more nuanced recognition of what infrastructure will achieve in different regional settings is required in decision-making. Within a region or city-region, furthermore, infrastructure was a dominant feature in the initial city and growth deals that were agreed to. Again, economic transformation was widely claimed, however, thorny issues concerning additionality and displacement raise questions around who gains and who loses from an intervention.

An inclusive growth-led view of infrastructure will also need to embrace [social and green infrastructure](#) as part of ambitions to "build back better". In terms of social infrastructure for example, recreation, faith, education and health facilities play a role in supporting local economies, and, as Latham and Layton (2019) put it, generate places that "can be experienced as inclusive and welcoming". The provision of such social infrastructure also needs to be considered in terms of [maintaining existing stocks](#), as debates about the roles of public libraries in local settings during austerity highlight.

As a response to COVID-19, infrastructure may be seen as an important area where policymakers can seek to make change. Indeed, at a UK level, the Prime Minister has promised to ["build, build, build"](#), and this brings back discussions about the role of the planning system in supporting infrastructure delivery. With the work of the [UK2070](#)

[Commission having reported](#) earlier in 2020, ideas and principles set out here – not least the formative role of strategic spatial planning - may usefully guide local and national actors in shaping infrastructure approaches.

Tensions and trade-offs in infrastructure projects need to be clearly articulated. How [short-term compulsions](#) (such as using development to create jobs and re-activate the labour market) link with long-term societal objectives (such as climate change) require careful policy consideration. One further consideration, here, is behaviour change as a result of persistent periods of social distancing and how to avoid locking in negative trends through infrastructure development. As [Michael Batty](#) (2020) has intimated, low density suburbs and the private may see increased demand because of the isolation benefits they provide. If such trends persist, there are clear climate implications whilst issues of forced car ownership may become more pronounced.

- **Good work**

The COVID-19 crisis has opened up new dimensions to debates about ‘good work’ which have already informed many existing inclusive growth strategies. A focus on job quality became prominent following the 2008-09 recession amid concerns that firms increasingly sought to maintain employment and profitability through suppressing wages and using flexible contracts. This had [implications for employees](#) in terms of low incomes, in-work poverty, underemployment, job insecurity and health and wellbeing. [Employment practices](#) also impacted on the wider economy which exhibited weaknesses before the pandemic in terms of poor real wage growth and productivity performance.

Inclusive growth strategies have already sought to promote good quality jobs through a range of approaches designed to improve wages, job security and working conditions. These include supporting sectors more likely to generate ‘middle-wage’ jobs, encouraging in-work progression, using procurement to drive up employment standards among suppliers, and promoting Good Employment charters. These all have a role to play in supporting recovery, particularly for those in low-paid roles whose value is now more fully recognised in light of their contribution during the pandemic.

The crisis has arguably exposed a wider appetite for more fundamentally rethinking work-life balance and the role work should play in our everyday lives alongside other social activities and commitments to family, friends and neighbours. The benefits of shorter working weeks, homeworking, reduced commuting and the greater flexibility to fit work around commitments such as caring responsibilities are changes that many workers want to remain permanent.

Inclusive growth strategies could place renewed emphasis on supporting this through using existing tools such as charters and procurement policies to drive changes in employer practices. Shared equity schemes could also be used as lever to support such goals. The UK government has already indicated a willingness to invest in innovative and high growth businesses through the £500 million [Future Fund](#) and to take an equity stake if the loan is not repaid. Similar approaches at local level could be oriented to inclusive growth objectives by supporting viable but currently struggling enterprises in return for clear expectations around job quality.

Inclusive growth frameworks could also provide a vehicle for thinking about how new disruptive technologies like Artificial Intelligence can be harnessed to create valuable new forms of economic activity rather than eradicate jobs and drive down wages.<sup>7</sup>

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<sup>7</sup> Acemoglu, D. and Restrepo, P. (2020) The wrong kind of AI? Artificial intelligence and the future of labour demand, *Cambridge Journal of Regions, Economy and Society*, 13 (1), pp. 25-35.

- **Citizen engagement**

Inclusive growth also needs to live up to its name by involving those whose lives it is seeking to change. Participatory democracy must be a guiding principle to developing the aims and objectives of inclusive strategies. If we are to understand how growth policies can help build more prosperous, secure and healthy lives, we need to ask those targeted precisely what that might look like.

The current crisis gives us an opportunity to develop proposals around a clear vision of what people value. It would avoid token consultation built around limited discussion of all too often arcane and technical development plans that fail to lay out real alternatives. Incorporating community 'voice' requires genuine methods of participative and deliberative platforms such as citizens' assemblies and digital platforms for citizens to suggest, and vote on, strategies, policies and programmes.

Examples abound of where this has been done successfully such as the use of the free open-source, web-based [Decidim platform](#) which has been adopted by a number of cities and municipalities to enable participatory democracy. In Barcelona it has been used to give residents an opportunity to influence strategic planning processes.<sup>8</sup> It combines digital participation with real-life consultation to provide residents with the scope to shape Barcelona's strategic plan as part of a process that is fully integrated with City Council planning processes.

This kind of approach could be used to enable combined authorities, LEPs and local authorities to involve residents in deciding what the goals of more inclusive forms of economic development should be and the projects it should prioritise.

## **What are the challenges of delivering inclusive growth?**

Delivering inclusive growth presents a number of challenges including co-ordination across spatial scales, setting the boundaries of local experimentation and funding.

A key challenge is determining the appropriate scale for delivery. Most inclusive growth plans and interventions to date have been delivered at the city region or local level. There are clearly advantages to this in terms of key stakeholders – local authorities, combined authorities, the voluntary and community sector, and employers – understanding local needs. But it often lacks co-ordination across areas e.g. because of the lack of a regional or pan-regional governance structure. It also receives little explicit support from national government, at least in England, which has been notable by its absence from the inclusive growth agenda. Given the balance of power and control between local and central government, the potential of locally-led inclusive growth approaches will be highly constrained if this agenda persistently runs against national policy agendas.

In an ideal context, inclusive growth should be embedded in a 'Russian doll' approach where nested policies, strategies and interventions provide a coherent and co-ordinated response across spatial scales. Nationally, this requires a supportive national framework, for example, to protect or create jobs and businesses, regulate employment to drive up standards, and set the parameters for environmentally sustainable growth.

It also requires the UK government to establish a clearly defined set of funding streams, powers and responsibilities for local areas. As a minimum, the current ad-hoc, piecemeal rollout of [devolution needs to end](#) with all local authorities in England empowered to form combined authorities with uniform access to funding including ringfenced monies for inclusive

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<sup>8</sup> RSA (2017) Inclusive growth in action.

growth activities.<sup>9</sup> The ongoing [“central-local” relations in England](#), plus the complexities of tripartite arrangements in the devolved administrations, ultimately contour and limit the scope of local autonomy (despite the rhetoric of devolution continuing). The weakness of this has been exposed in current crisis by the lack of powers, funding and capacity among local areas to develop local responses such as test and trace systems.

More local autonomy comes with greater risk taking, however. Indeed, there is a strong argument to suggest that policies to support inclusive growth will only be effective where set within an [experimental governance mindset](#). Public audit will always be required, where public monies are utilised, but what latitude are we willing to give local policymakers to fashion novel interventions to try and address deeply entrenched local issues?

Another issue is that local actors face huge fiscal challenges in delivering inclusive growth. The crisis has significant ramifications for [local authorities](#) who face falling revenues from council tax, business rates, incomes from charges for facilities such as parking and leisure centres, as well as rental income and dividends from ownership of sites such as retail centres and airports. Early government promises to local authorities to provide ‘whatever it takes’ for them to replace lost incomes and keep running services have not fully materialised. Some are now facing [technical insolvency](#) within the current financial year. Realising inclusive growth ambitions requires a clear commitment to provide funding not only to support planned interventions but also to ensure strategic authorities have the revenue needed to build staff capacity to deliver projects.

Capacity to act also hinges on the spatial context at which inclusive growth is framed and delivered. At a regional level, firstly, unsustainable regional economic divides<sup>10</sup> highlight the need to ask how we ‘level up’ differences - e.g. between the North and London and the South East. This poses questions not just about how this can be done – and local authorities, combined authorities (and possibly regional powerhouse institutions), along with central government, are likely to have roles - but what exactly more inclusive outcomes might look like. Movement between regions for economic opportunities may increase individual prosperity but not that of the ‘lagging’ region workers leave. Moreover, inter-regional inequalities in income and wealth could be at least partially offset by other measures of wellbeing and quality of life such as reduced levels of air pollution and better access to green space. This raises questions about what should be valued and by whom.<sup>11</sup>

Divisions within regions or city regions would also need to be addressed through asking who benefits from local growth policies. If we look at the City, Growth and Devolution Deals agreed over the last eight or so years, we can point to growth and competitiveness arguments typically trumping other concerns. This may also rest on a logic of ‘metrophilia’,<sup>12</sup> which may push less prosperous towns and hinterlands to the margins of policy concern, despite their role in generating growth.<sup>13</sup>

Recovery plans provide an opportunity to reset the growth-first approaches driven by competitive and deal-based forms of governance to date. They can be used to promote more inclusive visions of development based on articulating clear goals around tackling social and economic inequalities and promoting environmental sustainability. Indeed, an emergent policy concern is developing around the idea of [inclusive innovation](#), where steps made to promote

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<sup>9</sup> As [Sandford](#) (2020) spells out, some consideration as to the nature of decentralisation, and whether this truly reflects devolution, may be useful to consider.

<sup>10</sup> McCann (2020) [Perceptions of regional inequality and the geography of discontent: insights from the UK](#), *Regional Studies*, 54:2, pp. 256-267.

<sup>11</sup> Pike, A., Rodríguez-Pose, A. and Tomaney J. (2007) [What kind of local and regional development and for whom?](#) *Regional Studies*, 41, pp. 1253-1269.

<sup>12</sup> Waite and Morgan (2018) [City Deals in the polycentric state: The spaces and politics of Metrophilia in the UK](#), *European Urban and Regional Studies*, 26 (4), pp. 382-399.

<sup>13</sup> Fothergill, S. and Houston, D. (2016) Are big cities really the motor of UK regional economic growth?, *Cambridge Journal of Regions, Economy and Society*, 9 (2), pp. 319-334.

grassroots and social innovation are shaping discussions about how regional innovation systems can be fostered and promoted.

At the lowest level, finally, we need to consider the absolute condition of some small areas and neighbourhoods within regions and city-regions. It is not the comparative position and performance of places that expressly raises concern here, rather that the socio-economic conditions of deprived places remain deeply problematic and challenging in and of themselves (as suggested by various indicators such as energy poverty, life expectancy, employment levels etc). Decades of only partially successful interventions under the auspices of urban renewal and regeneration have been concerned with this tier, and policies vary from physical renewal to labour market programmes. Inclusive growth – as a guiding approach for urban and regional policy – may reconfigure such initiatives in two ways. First, it can enhance efforts to secure [community buy-in](#) to proposed development objectives by asking what kind of development is sought. Second, it can consider how wider regional or city regional policy agendas from carbon reduction through to active travel prioritisation impact the fortunes of such places.

Regions and local authorities may be in a stronger position to develop and pursue local visions of inclusive growth that are sensitised to the needs of residents. However, this potential will be shaped by national policy frameworks, the coherence of approaches to establishing local competencies and autonomies, and the extent to which localities are able to pursue experimental approaches. Developing an effective inclusive growth approach may require, indeed, a post-deal-making landscape or at least a change in local-central relations in other ways.

### **An approach for “building back better”**

The now hackneyed phrase that crises generate opportunities has been framed by some in terms of giving scope for a [policy reset](#). In Manchester and Liverpool, for example, recovery arrangements are being guided by the slogan of [“build back better”](#). This builds on the idea that a recovery is certainly needed but not just any recovery if it still excludes many from economic activity or gain, or accelerates crises of a different nature (such as the climate emergency).

A recent [OECD note](#) posits the following principles as central to a “build back better” approach:

- Screen all elements of stimulus packages for their longer-term implications.
- Build pipelines of “shovel-ready” sustainable infrastructure projects.
- Maintain (and increase) ambition of long-term environmental objectives ... and ensure that policies and investments ... are aligned with those outcomes.
- Actively support development of green finance flows.
- Design public procurement processes that value both resilience and low-carbon.
- Provide specific support for reskilling and training.

Saying this is easier than doing it, however, and policymakers are confronted with a series of overlapping narratives that appear to rest on and claim progressive ends. For example, to what extent does inclusive growth mean the same thing as supporting a wellbeing economy, and is green growth complementary? Some headway needs to be made by localities in identifying what these [varying rubrics mean](#), and what trade-offs may sit between them.

A further key question for the “build back better” agenda is what discretion localities have to shape their own course. The UK’s highly centralised policy structures give few freedoms – and this applies in some devolved contexts also - so what instruments can be adopted to shape local agendas? In terms of existing tools, local industrial strategies (LISs), which seek to

respond to broader societal missions, may be pursued to both set an agenda and argue for policies and investments. Many areas are now drawing up dedicated [COVID-19 recovery plans](#) that explicitly align with existing LISs. Of course how the implications of COVID-19 will shape the approach and design of the [Shared Prosperity Fund](#) will also warrant careful scrutiny, and will be significant for many deprived places.

Statutory organisations can also develop these agendas in partnership with other local stakeholders including ‘anchor institutions’ in the educational and health sectors who are well positioned to support inclusive growth ambitions around ‘good work’ and localising procurement spend. Universities have a key role to play here both as substantial local employers and also in delivering in ambitions sent out with the newly formed [Civic Universities Network](#) to **drive positive societal change**.

Inclusive growth has its critics but we would argue it has enough elasticity to be stretched to embrace a significant shift in the way economic development is undertaken. Taking an approach where inclusive growth rests on core principles rather than definitive definitions (given the varied contexts and settings in which is it applied), it recognises the need to configure economic policy to meet social objectives. Moreover, it is a concept that is well established and adopted by a number of local and combined authorities so time does not need to spent securing buy in from key actors. This leaves it well placed to underpin a major policy reset, where the reset is configured along two dimensions: one, a reappraisal of local economic development approaches that places growth in balance with other social and environmental concerns; and two, a repositioning of inclusive growth from a top-down endeavour to a direct response to questions of how citizens want to live their lives in possibly very changed times.

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