

# Inclusive Growth Community of Practice

19 June, Albany Centre, GCVS, Glasgow



**Stephen White**  
**Scottish Government**

## Inclusive Growth: What's New?

Professor Alan McGregor

EDAS Inclusive Growth Community of Practice Launch Event

19 June 2018



INSPIRING  
PEOPLE

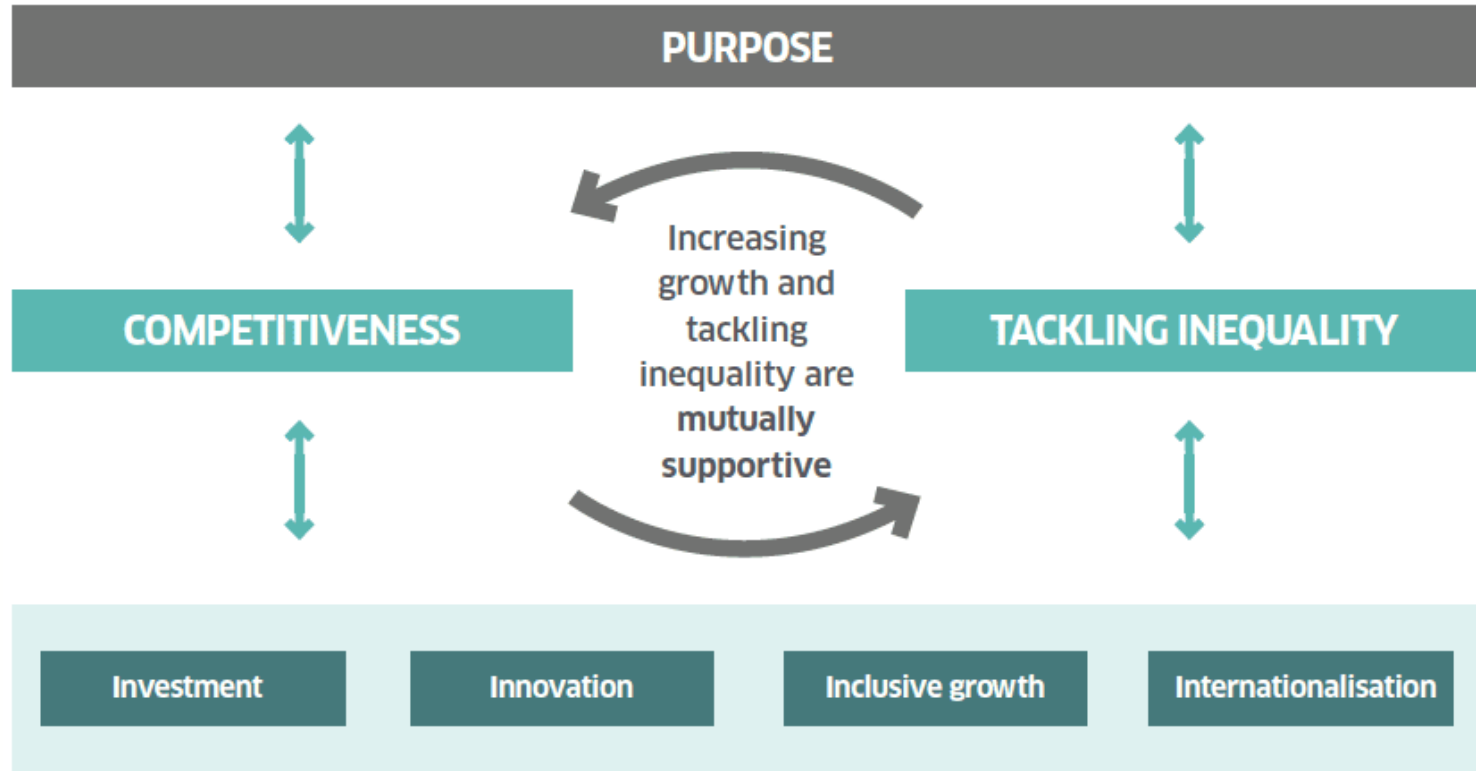
# What I want to say

1. Start with how Inclusive Growth is defined in Scotland
2. Make some points about this definition
3. Reflect on 'Inclusive Growth' work I've been involved with over last 45 years
4. Consider lessons for how to get better at this moving forward

# Inclusive Growth: Scottish Government Perspective

1. **SES definition: ‘Growth that combines increased prosperity with greater equity; that creates opportunities for all + distributes the dividends of increased prosperity fairly.’**
2. **Key elements:**
  - **Build on traditional growth policies: investment, innovation, internationalisation, LM participation.**
  - **But multi-dimensional – includes social inclusion, well-being, community participation and environment.**
  - **Tackles inequalities in both opportunities + outcomes**
  - **Promotes more equal growth across cities, regions + rural areas - with this being delivered at devolved levels, with communities involved.**

# The Big Picture



# Thoughts on Inclusive Growth

1. No argument - growth does not fix inequalities, but tighter labour markets do help some groups.
2. Governments may have more purchase on inclusion than growth – so danger we get balance wrong.
3. Key is to build growth and inclusion outcomes into:
  - Assessments of impacts of major policy developments across range of fields.
  - Appraisal of all major public sector investments.
  - Consideration of proposals on taxation, welfare and public sector services expenditures + delivery.
4. One challenge is agreeing weight placed on inclusion versus growth.
5. Bigger challenge is delivering growth + inclusion. Very good at talking about this, but on effective actions?

# Have we been here before? A personal, potted history!

1. 1974ish: Ferguslie Park CDP.
2. 1975ish: Urban Regeneration Team at Scottish Office.
3. 1979ish: GEAR Project
4. 1989ish: New Life for Urban Scotland
5. 1989ish: Castlemilk Economic Development Agency (Glasgow's local regeneration agencies)
6. 1995ish: Economic Inclusion + Scottish Enterprise – including 2-day course for SE staff (who had transgressed in some way!)



# **A personal, potted history! (Contd.)**

- 7. 2002ish: Closing the Opportunity Gap + Scottish Government**
- 8. 2005ish: Spreading the Benefits of Growth and SE**
- 9. 2007ish: Linking Opportunity + Need (LOAN) – Communities Scotland**
- 10. More recent times:**
  - Lot of work for Scottish Government + SDS on employment + skills access + outcomes**
  - Lot of work north + south of border on city region skills plans, where the inclusion bit of Inclusive Growth tends to sit.**

# Lessons for Delivering on Inclusive Growth

1. **What are community engagement/involvement/participation/empowerment – and how do we make meaningful + effective? Both residential communities + communities of interest.**
2. **Is co-production around interventions + services more pragmatic + practical approach?**
3. **What is area regeneration policy goal – people or place? Still no clarity on this.**
4. **Sustainable area regeneration needs sustained + substantial investment, private as well as public – no quick fixes here.**
5. **Exactly same resource message for helping people further from labour market into fair work.**
6. **For most disadvantaged groups + areas we must get all key services much better lined up.**

# Lessons for Delivering on Inclusive Growth (contd.)

7. **Setting up multi-dimensional partnerships/boards/etc., + achieving effective co-investment/joint working are not same thing – but latter we badly need.**
8. **Not enough thought going into how we identify synergies between different elements of Inclusive Growth – for example raising incomes of disabled people in most deprived areas of poorest sub-regions.**
9. **We have a fixation with targets in inclusion area – better we put year on year improvement at heart of our effort.**
10. **Finally, we need better understanding of appropriate geography for planning + delivering inclusive growth effectively - highly unlikely this will be same for all elements of process.**

# **New course on Inclusive Growth- along with EDAS**

- 1. Glasgow University is developing, in collaboration with EDAS, a 1-day course on Inclusive Growth for practitioners – to start delivery in last quarter of year.**
- 2. Course will consider some of questions raised in previous slides, but with no guarantees to answer them! Requests for money back should be directed to EDAS!**

# Challenges with operationalising inclusive growth

**Dr David Waite**

**Policy Scotland and Urban Studies, University of Glasgow**

**david.waite@glasgow.ac.uk**

**EDAS**

**Glasgow, June 19, 2018**

# Different spatial contexts for inclusive growth

- **National**

- New economy success versus continuing challenges through post-industrialisation

- **Regional/city-region**

- Stark differences within our cities and regions

- **Neighbourhood**

- Persistent challenges for certain locales (as indicated by SIMD rankings)

**Can we develop a policy framework that gives cohesiveness and consistency to the aforementioned layers?**

# “The revenge of the places that don’t matter”

- The consequences of uneven economic development
- Electoral effects

“In sum, the places that don’t matter are becoming tired of being told that they don’t matter and are exercising a subtle revenge. They are voting down or threatening to vote down a system they perceive has quelled their potential and driven them down a road in which the future offers no opportunities, no jobs, and no hope”

- Implications for how we approach economic and spatial policy
  - Need for “Place sensitive territorial development policies” - “Policies aimed at maximizing the development potential of each territory, solidly grounded in theory and evidence, combining people-based with place-based approaches, and empowering local stakeholders to take greater control of their future”.

# Differences with prior approaches

Pro-poor growth	Inclusive growth
If it improves absolute incomes of the poor	Inequality as a consideration for political stability and cohesion
If the incomes of the poor increase faster than income growth of the wealthier	All in a society to contribute and reap benefits from growth
Improvement in indicators beyond income, such as in health, education and nutrition	Process as well as outcomes

Source: Benner and Pastor (2016: 4-6)

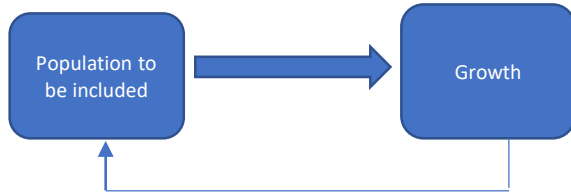


# Relating Growth and Inclusion



Accept that this is the system we have to work within; how do we get more people - and those that have up until now missed out - to engage in the labour market to raise incomes?

Or ...



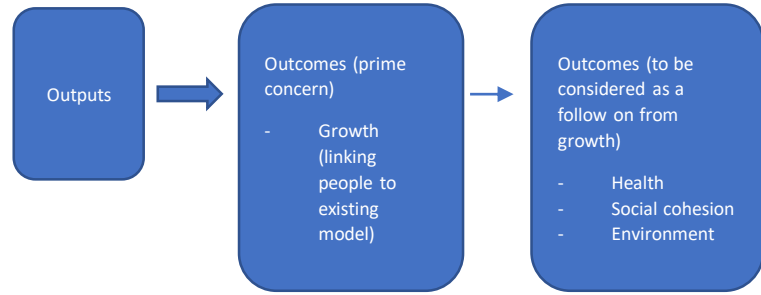
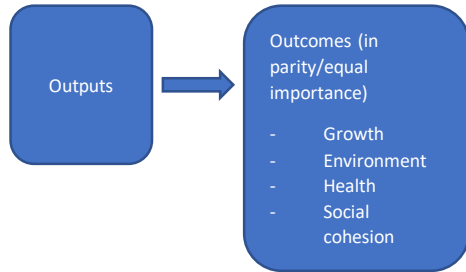
Wellbeing effects, giving consideration to costs of growth processes (even where the link above raises incomes/growth in the short term)

**Key fault line** – one is about making the best of the existing growth model for those currently missing out; the other gives consideration to the sufficiency and nature of the growth

# Framing theories of change

Or

...



# Work of the Commission

- Sighthill/Canal and North Pilot – aim to give a framework to consider how the project has (or has not) contributed to inclusive growth
- A major component of the Glasgow City Deal, focusing on a major place-based regeneration just north of the city centre
- Project aims to increase growth, but also tackle multiple deprivation and address fragmented communities
- Steps underpinning the pilot:
  1. **The inclusive growth problem specific to the intervention**
  2. **The breadth of how we consider inclusive growth**
  3. **The data to track change and progress**

**The micro, project specific perspective is helpful; it moves us from broad aspiration – which most agree with - to considering the balance of objectives**

# Possible principles for a “community of practice”

- **Avoiding narrow sectoral interests;** Housing, skills, social enterprises and firm investment patterns are all necessary but, in themselves, insufficient factors/policy areas for driving inclusive growth. Plurality of perspective will be important.
- **Avoiding economy-society binaries;** rather than the latter needing to tame the former, it may be more productive to consider them as inter-linked and co-constitutive. e.g. gendered labour (the household and the gender pay gap)
- **Community-led understanding;** consider the scope for broader stakeholder groups to participate in economic development policies and strategies
- **Limited control;** many of the outcomes central to achieving inclusive growth will hinge on the design and use of policy levers not controlled locally
- **Trade-offs;** are we clear sighted when growth and inclusion do not support each other? If/when privileging one over the other, in a decision, can we be clear with the basis or justification?

# Inclusive Growth Community of Practice

19 June, Albany Centre, GCVS, Glasgow