Regional transition and recovery through innovation

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Overview of the Greater Manchester Local Industrial Strategy

Global Change
- Technological and Economic Change
- Demographic and Climate Change

Strategic Drivers
- National Industrial Strategy
- Greater Manchester Strategy
  - "Our People, Our Place"

1. Digital, creative and media: A leading European digital city region
2. Advanced materials and manufacturing: A world-leading city region for advanced materials and a Made Greater future
3. Health innovation: Global leadership in health and care innovation, extending healthy lives
4. Carbon neutral living in the city-region by 2030
5. Clean growth: Carbon neutral living in the city region by 2030
6. Business environments: Engaging leadership, increasing innovation adoption, raising export levels

Fiscal environment

Local Industrial Strategy & Innovation Ecosystem
Demand side and missions

• Policy interventions biased towards supply-side support for business innovation and research system
• Demand side policies needed to complete the ecosystem and to incentivise innovation in the direction of societal priorities including sustainability and health
  – C. 14% of the European Union’s gross domestic product (GDP) (€2 trillion p.a.) is spent on the purchase of goods and services.
  – 14% of EU GDP is public procurement - dominant buyers in transport, energy, environmental services, health, social care and education
  – Can create lead markets which lead to broader diffusion and adoption of socially desirable technologies.
  – Much of this market power is deployed at city and regional level
• Innovation procurement is potentially an important tool in driving missions
  – Cities offer a key opportunity for an integrated approach to missions as lower barriers to integration across governance functions and to citizen engagement
Towards recovery and growth

- Post-Covid recovery & sustainability transition mean previous industrial base/skills/employment will need major shift

- Some observations and speculations
  - Accelerated innovation driven by Covid is likely to stick, not least because some regulatory barriers have been broken and will be difficult to re-instate
  - Heavily hit sectors may seek to skip a generation and accelerate sustainability transition through advances such as lightweighting materials and hydrogen or other greener fuels
  - Tension between lock-in to declining industries versus ability to build on legacy sectors and skills to drive transition
  - Transition may make parts of current research and innovation infrastructure obsolete and demand new facilities aligned to emergent sectors
  - Demand for greater inter-regional equity or ‘levelling-up’ will affect research and innovation as it becomes clear that growth sectors are knowledge intensive and require substantial public investment
  - Not all regions are likely to benefit from transition and competition may be intensive