



The Long and Winding Road to Economic Recovery

NADO Webinar

May 19, 2020

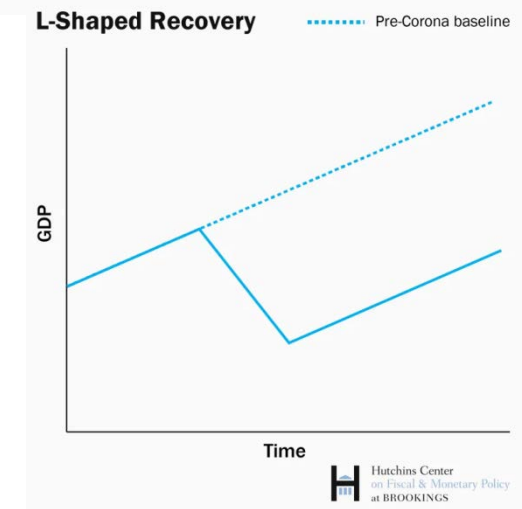
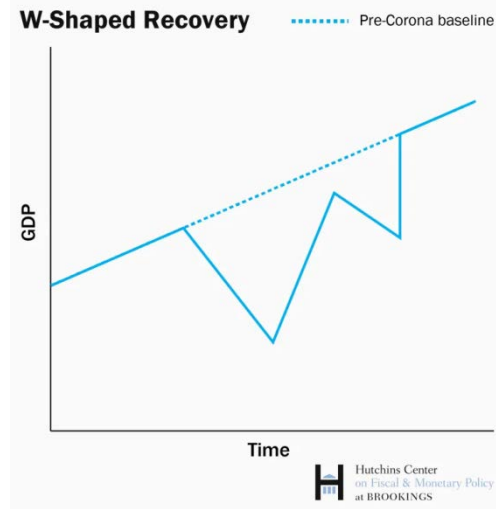
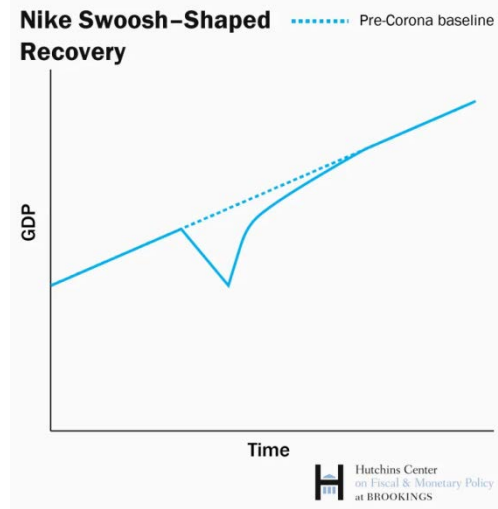
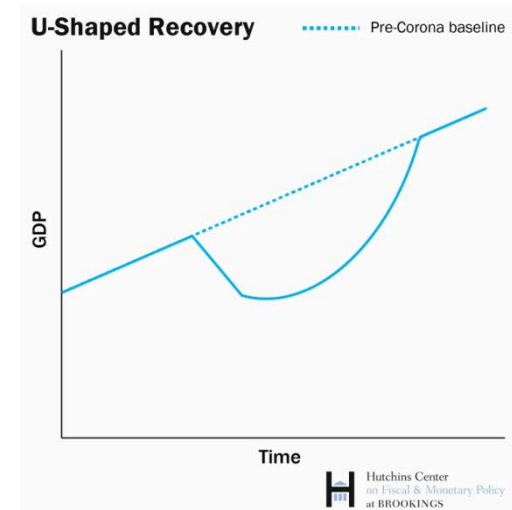
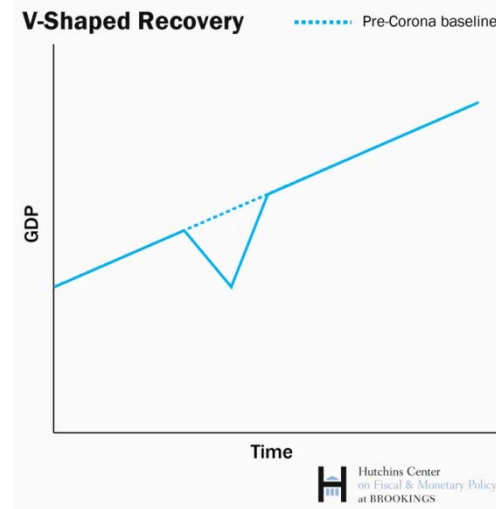
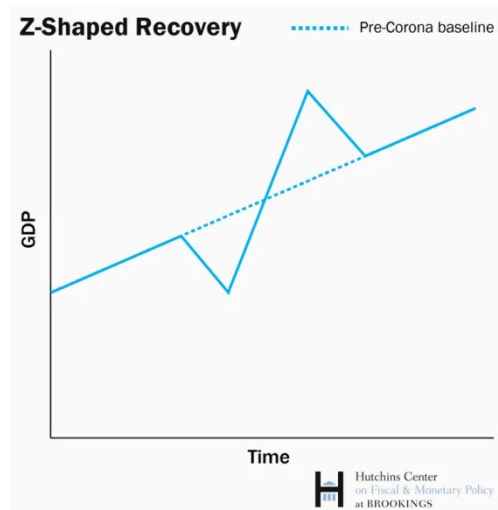
Erik R. Pages

ENTREWORKS
CONSULTING

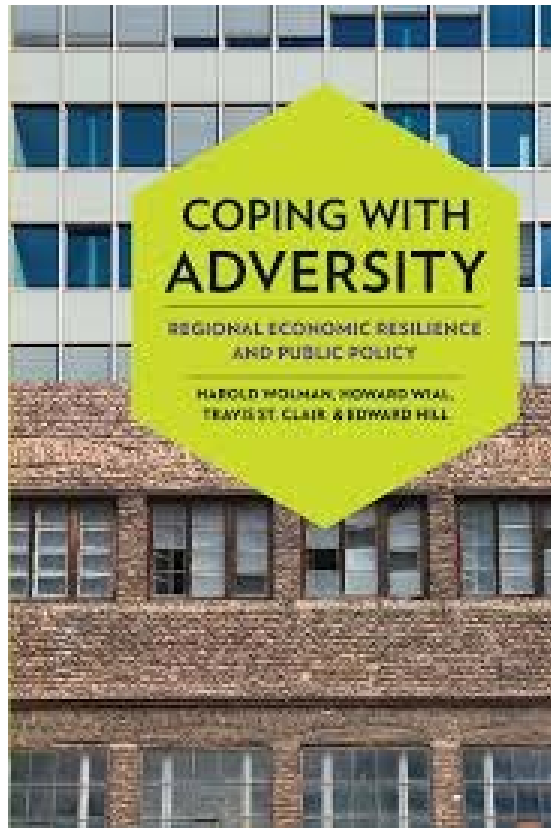
Today's Talk

- **Our Current Dilemma: What Does Recovery Look Like?**
- **What Do We Know about Economic Resilience and Recovery?**
- **A Success Formula? $T + I + E + BRE = R$**
- **Final Thoughts and Reactions**

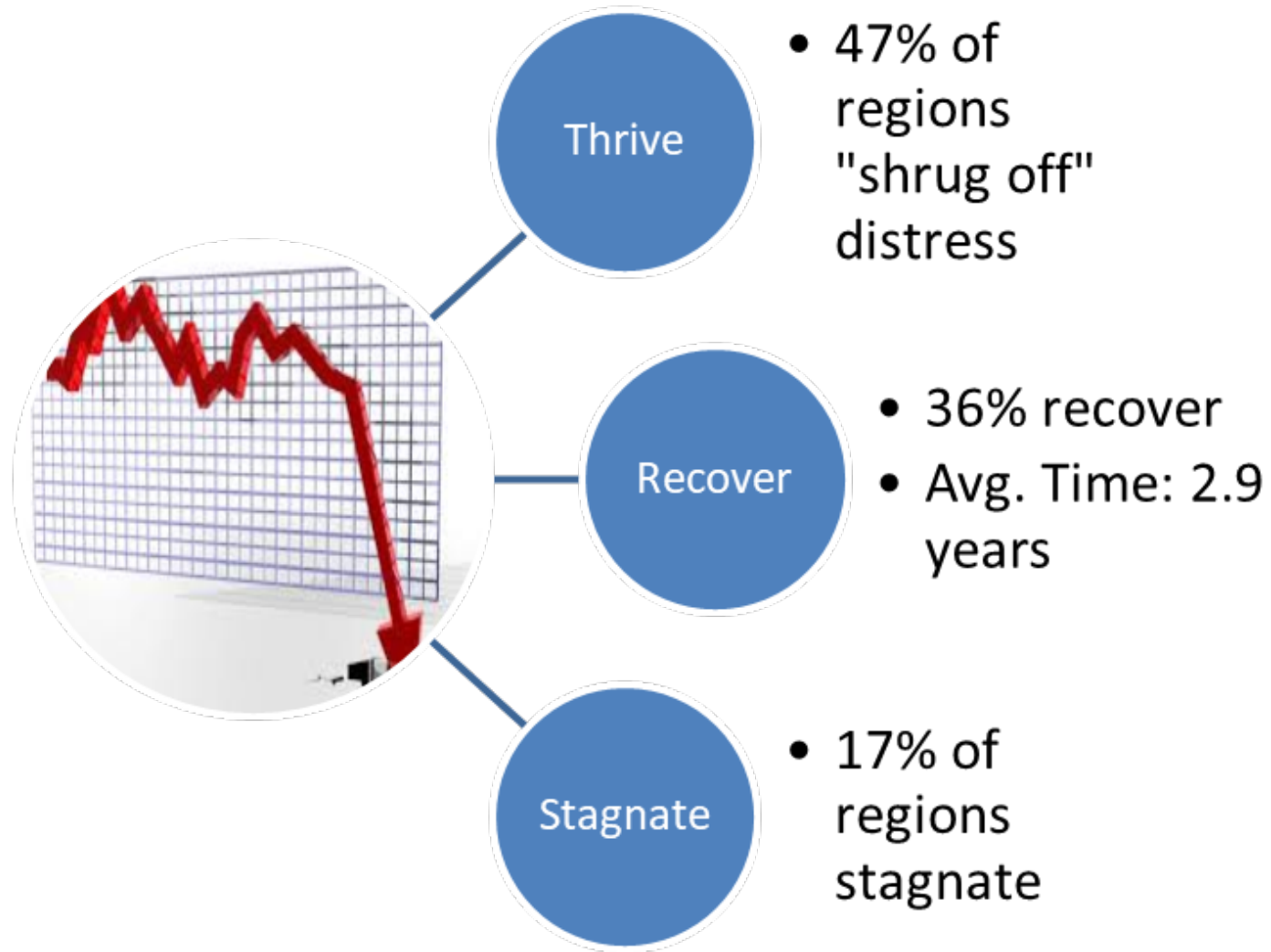
What Does Recovery Look Like?



New Thinking on Resilience



- Assessed all US Metros between 1978 and 2004
 - 1500 Economic Shocks
- Nature of shocks can matter greatly—e.g. regional vs. national downturn
- Community recovery patterns can vary greatly



Community Responses: What Works for Revitalization?

- **Short-Term:** Limited options beyond marketing and promotion
 - Big Infrastructure Projects can help
- **Medium-Term:** Help firms start, innovate and diversify
 - Worker training and technical assistance to business
- **Long-Term:** Build and attract talent
 - Develop world-class infrastructure

Other Lessons

Short-Term: Can Shocks be Avoided?

- Can't avoid shocks—no region is able to avoid economic shocks
- ED Programs have little short-term impact on avoiding crisis or in quick recovery

Long Term: How to Help?

- Resilient regions are:
 - More talent rich
 - Have diverse export sectors
 - Viewed as “business-friendly”
- ED programs have large long-term effects
 - Build talent
 - Develop amenities
 - Improve competitiveness

$$\mathbf{T + I + E + BRE = R}$$

T = TALENT

- Talent was Number 1 Economic Development Issue before COVID
- It will be Number 1 Issue post-COVID, too!
- Future Considerations
 - **New Ways of Working**
 - Digital Competencies and Skills
 - **New Ways of Learning**
 - Reduced role for Traditional Higher Ed
 - Increased role for On-the-Job Training and Upskilling
 - **New Places for Work**
 - Growing importance of Third Places
 - **A New Local Safety Net?**
 - Increased links between economic development and social safety net provision

I = INFRASTRUCTURE

- **Job 1: Broadband**
- **Job 2: Broadband**
- **Job 3: Broadband**
- **Job 4: Build Infrastructure to Attract/Retain Talent**
 - Housing
 - Amenities
 - Great Schools
 - Third Places
 - (37% of jobs can be done at home)



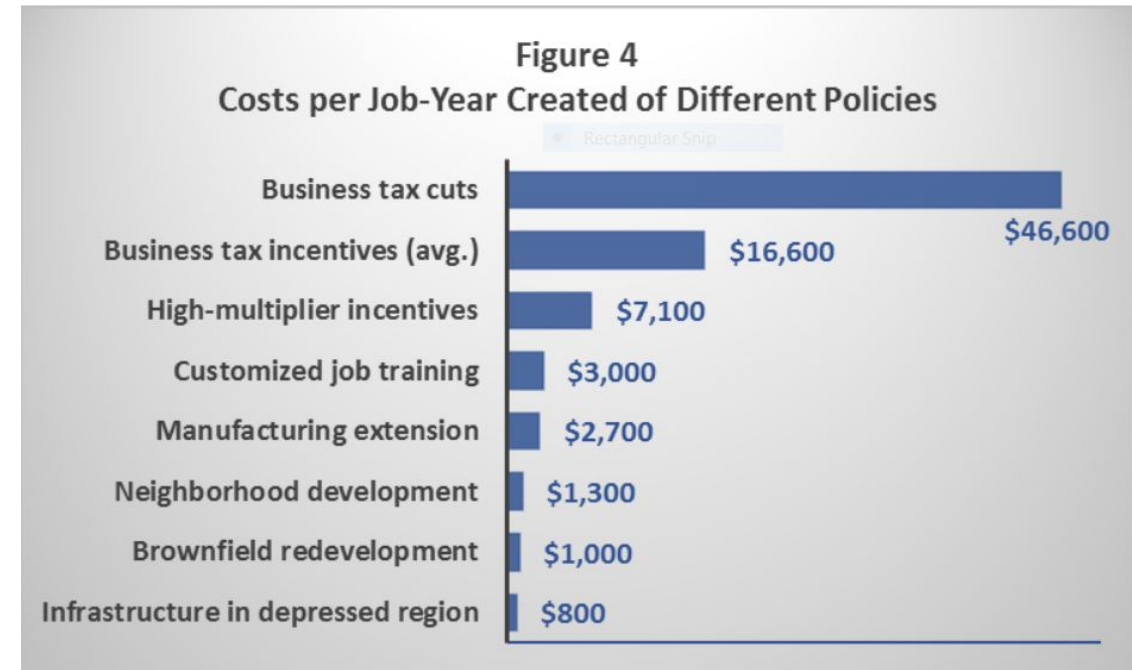
E = ENTREPRENEURS



- Step 1: Ease the Transition
 - Cash Flow/Liquidity vs. Job Preservation
- Step 2: Help Others Get in the Game
 - Startup rates rise after crises
- Step 3: Capture New Opportunities
 - Supply Chain Shifts
 - Ghost Kitchens
 - Buy Local
 - All Things Digital

BRE = Business Retention & Expansion

- Effective economic development is a contact sport.
- Reach out to local business—**Business Triage**
 - **Clear the Wreckage**—soft landings for those most hurt
 - **Heal the Wounded**-Help ailing firms
 - Buy Local Campaigns
 - Business Succession Strategies
 - **Nurture the Survivors**-Develop new capacities and new markets
 - Digital skills
 - Market Intelligence
 - Supply Chain Connections



R = Recovery

- Embrace Recovery and Rethinking!
- **RECOVER: Critical Role for Federal Programs**
 - Grants, not Loans
 - Maximum Flexibility
 - Think Bigger! Major investment to state/local governments is needed!
 - Think Broader!
- **RETHINK: What Does a Just Economy Look Like?**
 - Build a Community that Works For Everyone
 - Invest in:
 - Child Care
 - Transportation
 - Community Amenities
 - Main Street Revitalization

New Missions for Economic Developers?

- Who's Our Customer?
 - Employers or People?
- What's Our Job?
 - Job Creation or Community Building?
- What's Our Legacy?
 - Supporting Prosperity for All



Questions?

Erik R. Pages

EntreWorks Consulting

epages@entreworks.net

703-237-2506

www.entreworks.net

BLOG: www.entreworks.net/blog

Newsletter Sign-Up: <http://www.entreworks.net/Newsletter.php>

ENTREWORKS
CONSULTING

