

## BOOK REVIEWS

**Philip McCANN, Tim VORLEY (eds.), *Productivity and the Pandemic. Challenges and Insights from Covid-19*, Edward Elgar Publishing, Cheltenham/Northampton, 2021, 305 pages**

The persistent weakness of the development of the United Kingdom's productivity after the 2008/09 crisis has posed a major challenge for economic policy, and this problem has a clear spatial dimension. The *Productivity Insights Network*, a multi-disciplinary network of social science researchers investigating the UK's productivity puzzle, published a timely book on the challenges in a post-Covid economy. Addressing a wide range of topics related to the possible impact of the Covid-19 pandemic on labour productivity, the book consists of 21 chapters prepared by 46 contributors. Given the broad perspective of the volume and the limits of this review, we have chosen to focus on the parts of the book most closely linked to the topic of entrepreneurship, innovation, and business growth. Therefore, below we will discuss chapters 1, 2, 3, 4, 5, 6, 12, and 20.

Chapter 1 takes a detailed stock of the impacts of the virus-induced crisis observed and anticipated in the first year of the pandemic in an international and a UK context. The authors first set the scene for the whole book and describe the nature of the pandemic crisis, and the reaction of the different sectors to the supply and demand-side shocks. A subsection of this chapter is devoted to the quakes in the financial and capital markets that hit the SME sector through credit contractions, the real estate industry through radical uncertainty, as well as economic development projects. The patterns of recovery may differ between countries and regions, but the most likely outcome will be the widening of the gaps between the economic core and the periphery. This phenomenon has also occurred in the UK,

since the economically weaker regions have been the most adversely affected by the crisis, e.g. due to the reduction of workforce, business dissolutions, increased investor risks, whilst service sectors in London are among the least affected sectors. As a result, widening inter-urban and inter-regional inequalities challenge the 'levelling up' agenda.

With the help of a series of stylised facts, Chapter 2 discusses 'the long tail of less productive firms' in the UK in comparison to their main international competitors. At the upper side of the distribution, frontier firms are vulnerable to the shocks caused by global value chains, as productivity and demand shocks 'travel up and down the value chain.' The author discusses the role of creative destruction in clearing the market, thereby increasing overall efficiency. However, this effect has been weak after the 2008 financial crisis, partly due to labour market conditions. The last subsection of this chapter concerns several pandemic-relevant questions, including the impacts of trade restrictions, reshoring tendencies, increasing concentration of businesses, the constraints to the diffusion of technologies to laggard firms, as well as the impacts of government subsidies on creative destruction. Positive impacts can be expected if the crisis induces some firm-level solutions that may increase efficiency, productivity, and resilience to future shocks (Chapter 3). Reshoring of supply chains may create new opportunities, assuming that domestic suppliers are competitive enough. Accordingly, coordinated central and local government policies are required to develop the business environment, and local governments need to engage in supporting innovation, skill development and infrastructure development. Chapter 4 refers to this as fostering the productive culture of entrepreneurship through digitisation, the adoption of management practices, (public) schemes for business growth financing, and a local high street redesign.

Chapter 5 discusses the implications of the Covid-19 crisis on the functioning of entrepreneurial ecosystems (EEs), and their various stakeholders (banks, business incubators, accelerators, universities, venture funds, government-funded entrepreneurship support organisations, and business angels). EE as a 'new' market-oriented industrial policy with its stress on entrepreneurial agency and localised determinants of firm success was widely embraced by national governments across the globe in the post-2008 era. Overrepresented in successful and large EEs, the disproportionate role of high-growth enterprises (HGEs) or scaling-up firms in job creation, productivity and exports is particularly evident in the UK economy. The pandemic has placed HGEs centre-stage in productivity recovery, prompting the government to direct a coronavirus support package to protect these firms. The efficiency and integrity of EEs may be undermined by several developments induced by the Covid-19-crisis, such as the decline of seed and venture capital finance targeting this narrow cohort of firms, a transition to remote work, online networking, and the reduction of relational interactivity, alongside delays in angel and VC investments. The authors argue for stronger governmental in-

terventionism to enhance the ecosystems' robustness and resilience to external shocks and joint action with ecosystem leaders to boost the relational capacity of EEs and business angel and venture capital financing.

Chapter 6 links the prospect of sustainable post-pandemic recovery to the availability of risk capital for ambitious start-ups and scale-ups, which would be put into peril by an eventual contraction of the business angel market. In addition to fostering more risk averse behaviours among investors, the pandemic has triggered a sectoral shift in angel investments toward Fintech, Remote Education and Health/Med Tech. Despite a continuation of business angel investing, the chapter forecasts a drop of aggregate angel investment activity in the years 2020-21 based on the perceived decline in seed and start-up investments. To reverse this trend, the government is urged to increase tax incentives for business angels and introduce co-investment schemes such as the *Future Fund*. Complementing tax incentives, non-dilutive finance programmes comprising grants for innovation and commercialisation essentially support pre-revenue seed entrepreneurs. The review of policy measures indicates that the government, by adopting a top-down approach to crisis management, has sidelined the issue of exacerbating regional economic inequalities whose deleterious impacts on national productivity were amply exposed in pre-pandemic analyses.

When this book was being written, one timely question was that of the pattern of the expected economic recovery, and Chapter 12 supposes that an asymmetric 'L-shape' is the most likely scenario in the UK. The Covid-19 crisis has been different from previous recessions, for example, when it comes to the sectors involved or the scale of the falls. However, the recovery may take on some typical forms as experienced after previous crises, such as households accumulating financial assets, firms deferring investments, and a possible interplay of employment and output dynamics with strong cyclical effects on productivity. Even though some local areas are initially hit hard by the recession, what really matters in the long run is their capacity to revive, which may be determined by local sectoral composition and the regional specialisation. The Covid-19 crisis is expected to have a harder impact on the more peripheral areas of the UK. During the recovery, the automation initiatives may have adverse effects on job markets in these regions, and insolvencies may damage their capacities. Government policy responses (furlough schemes, business loans) may postpone a part of the output shock, and public investments will focus on job creation and the demand side. By dint of this policy intervention productivity resurgence and creative destruction may not take place in the short run.

Chapter 20 highlights the shifting priorities of top-level innovation policy under post-pandemic recovery. Generally speaking, the UK as a world-leading innovation hub is strong in frontier technology development, but not in the diffusion and dissemination of innovation. The Industrial Strategy of the UK addresses the problem of low productivity and underinvestment in R&D, confirming the UK's

commitment to raising the level of overall R&D spending driven by frontier tech firms and the diffusion and scaling of the use of innovations. Innovation policy (through the provision of equity aid) is urged to play a pivotal role in ensuring the growth of earlier stage and frontier firms that have been hit hard by the decline in R&D expenditure and private equity investments. The intensification of digital technology diffusion and adoption by businesses is likely to alter business models and working practices in the long run, placing remote interaction and home-working at the centre. The chapter presents the pandemic as an opportunity for policymakers for rebalancing the economic and social objectives of innovation policy. The centrality of innovation system thinking is emphasised in the efficient delivery of the economic and societal objectives of innovation policy (fostering goals in the field of environment, health, well-being, security, resilience, etc.) beyond those of growth and productivity. The pandemic has also impacted the nature of policy outcomes, their evaluation and measurement, with new areas, such as behavioural change, the societal diffusion of new approaches and practices, as well as health and environmental outcomes prioritised over the more traditional outputs of innovation policy.

In summary, this book provides good guide to understanding the diverse implications of the pandemic crisis in exceptionally uncertain times. We highly appreciate that the contributing experts undertook the effort to consider the emerging pandemic-related trends and prospects at a relatively early stage after its onset. The limited temporal focus does not allow for drawing premature conclusions on the nature of post-pandemic productivity and business recovery in the UK, but it is safe to say that the impacts will be profoundly uneven across different sectors and geographies, with large industrial clusters and spatial agglomerations recovering faster than non-metropolitan or lagging areas. That said, the main messages for productivity upgrading are valid not only for the UK, but for other regions experiencing spatial inequalities and low productivity performance such as Central and Eastern European countries.

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**Acknowledgements.** This book review has been made with the financial support of project No. K\_135185 provided by the National Research, Development and Innovation Fund and the János Bolyai Scholarship of the Hungarian Academy of Sciences.

**Annett STEINFÜHRER, Anna-Barbara HEINDL,  
Ulrike GRABSKI-KIERON, Anja REICHERT-SCHICK (eds.),  
*New rural geographies in Europe – Actors, Processes, Policies,*  
*(Rural Areas Series: Issues of local and regional development, 6.),*  
Zürich: LIT, 2020, 295 pages**

This is the 6th volume of a book series, containing the edited and selected contributions of the 2017 RuralGeo Conference, “New rural geographies in Europe – actors, processes and policies” organised by the Rural Studies-section of the Thünen Institute (Braunschweig, Germany) in cooperation with the Working Group Rural Areas (Arbeitskreis Ländliche Räume) of the German Geographical Society. The editors of this book recruited contributors from these two organisations.

The last Working Group has built systematically a national and international interdisciplinary network of researchers and university teachers – mainly from Western and Southern Europe – a fact which is also mirrored in the composition of the volume’s authors. As a geographer from the eastern part of Europe, I observed that our region is highly underrepresented in this book. The study fields cover dominantly northern, western and southern European regions with a Romanian case study as an exception. However, this does not mean that the editors do not have knowledge about the state of rural studies, the problems or research results in the eastern part of Europe.

The introductory chapter provides a highly detailed picture of rural trends with a focus on Europe as a whole, including a content analysis of leading rural scientific journals and the territorial foci of papers (Heindl and Steinführer, 2020). The absence of Eastern Europe in this review is not that problematic because the main trends of east European rural transformation in the last three decades have already been summarised in another collected volume, edited by Jerzy Banski (Banski, 2019), containing more than 30 chapters (reviewed by Nagy (2020)). In fact, a parallel analysis of the two volumes offers an interesting comparison of topics, trends, processes, and challenges in different macro-regions of the European continent, although the research questions and the used methods were (partly) different.

In the introductory chapter, the editors explain that this Working Group and the wider research team organised around the RuralGeo community applied an interdisciplinary approach to investigating the transformation of rural areas over the last decades (Heindl and Steinführer, 2020). They see ‘rural’ as a highly heterogeneous spatial category, differentiated by several spatial processes. ‘Rural’ is an umbrella term including areas developing under the influence of certain metropolitan centres, active parts of an intensive urban-rural relationship or even

threatened by peripherisation (Lang, 2015; Raagmaa *et al.*, 2019; Görmar *et al.*, 2019), and/or depopulation. The mosaic-like structure of rural areas induces different development paths, different problems and challenges, different scales of values, welfare and well-being preferences, and indexes.

The book contains 14 chapters – including the introduction – which are organised around three main perspectives following the sub-title of the 2017 Conference (*Actors, Processes, Policies*). The grouping of chapters is not always clear. For example, two chapters focusing on rural gentrification have been separated from one another, while a chapter on sustainable tourism could have been placed also under the major topic ‘Policies’.

As noted before, the introductory chapter gives the reader a detailed summary about rural studies inside Europe and its development through the changing research focus of the topic. Here, some points are highly interesting: i) the increasing importance of an interdisciplinary approach including, e.g. sociology, geography, regional studies, agrarian research, and environmental issues amalgamated with the changes in the relevant legal and political framework; ii) the moderating influence of individual case studies and the emerging importance of comparative research; iii) the growing importance of institutional background, human capacities, local and regional decision-making processes, and participatory planning and development; and iv) the shift from a pure description of processes towards a better understanding of the hidden driving forces, the beneficiaries, and decisions of excluded social groups.

The editors of the book, however, have not defined a clear unified theoretical framework for the authors to interpret the transformation of rural areas in recent decades. As a consequence, the theoretical background to the major questions in the book is eclectic. We can identify institutionalist, constructivist, relationalist, and network-based theories as the frameworks in individual chapters. This eclectic approach can also be seen when it comes to the methods, geographical scale, and even the number of regional/local case studies chosen. In some case studies a critical approach is weak, while critical rural theories are almost missing in the book.

## TOPICS AND APPROACHES

The first part of the book focuses on local ‘actors’ of certain rural areas, however, in some chapters the important role of ‘outer’ interest groups can be identified (see Métenier, 2020 – gentrification; Mose and Mehnen, 2020 – sustainable tourism). To some extent, the discussed topics are very innovative, such as gamification (Robinson, 2020) or renewable energy sources (Authier, 2020), but there is also sample room for such ‘evergreen’ problems like rural gentrification or ageing (Busch, 2020).

In the second part of the book the research focus turns from ‘actors’ to ‘processes’. I understand the logic of the editors in this case, but the segmentation (more precisely the division) into actors and processes seems to be a bit artificial. In fact, long-term and short-term processes can be hardly separated from the actors’ interests, strategies, preferences, reactions, and the like, while, at the same time, the actors actively define the direction, speed, and depth of processes in a certain spatial unit.

As a geographer working on rural areas I could see there are three chapters that give me new angles for my fieldwork. First, there is the topic of ‘food deserts,’ a phenomenon with which we are familiar in our case studies from Hungarian peripheries (see Nagy *et al.*, 2016). The majority of our own research on food deserts have been reinforced by the North German case study (Jürgens). The findings of the Romanian case study (Stoica, Zamfir and Saftoiu, 2020) about small towns with rural specificities (a certain re-ruralisation process in the countryside) shows similarities with results found in other East-European countries (e.g. about ‘ceremonial’ towns in Hungary after 1990). Last but not least, I have identified several similarities between the Spanish and Italian case studies (Navarro *et al.*, 2020) about the effect of neo-endogenous development policies to reproduce spatial inequalities in rural areas. From an East-European viewpoint, there is also an emerging criticism against the wider neo-liberal development agenda of EU and national policies, including rural development policies.

The third part of the book (‘Policies’) includes three chapters focussing on the local consequences of top-down decisions (national or EU levels). The most important issues discussed in the chapters are the LEADER programme of the EU, resilience, and migration trends. These topics are quite interesting, the long-term perspective, the historical timelines and temporal comparison of certain processes are the most promising parts of the chapters. The chapter on migration waves and their political narratives (Weidinger) has given me the most interesting viewpoint because of the method that the author applied. (Migration is a highly sensitive research topic in Hungary, even the post-Second World War wave, the post-1956 wave or the recent wave of 2015).

## **SPATIAL FOCUS AND COMPARABILITY**

The western half of the European continent is highly over-represented in the book, following the nationality and research interest of the authors. The study areas cover some regions of Germany, Great Britain, France, Spain, Italy, and Sweden. As noted before, Romania is the only case from Eastern Europe. Most of the chapters try to give a comparison between two or more study areas or at least limit some micro-regional units with specific characteristics inside the chosen area.

The inner structure of individual chapters is highly homogenous (which points to the difficult work of the editorial team), following a common writing guide (such as: Introduction – Research objectives, scientific design and/or state of research – Methods and conceptual design – Study areas – Case study analysis – Discussion – Conclusion). This makes the chapters well-structured, although in some papers the inner logic is partly different following the specific needs of the topic or research approach. But at the same time, this improves the quality of the volume.

The last section of the book contains the most important information about the authors, and the former volumes of the RuralGeo Working Group (mostly in German), which offer some additional readings for researchers of rural studies. While reading the book I became deeply interested in all the other volumes of the series and I would highly recommend them to all researchers in rural disciplines. The chapters and the book as a whole would be also useful in higher education, especially in rural geography, rural sociology, institutional studies, as well as for illustration purposes in lectures on the EU.

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**Friedrich von BORRIES, Benjamin KASTEN,  
*Stadt der Zukunft. Wege in die Globalopolis*, Fischer Verlag,  
Frankfurt am Mein 2019, 208 pages**

After releasing a series of 18 books devoted to contemporary natural environment, the Fischer Publishing House proposed another series of publications, this time focussed on the future of the environments of large cities. The intention was to present the potential opportunities for developing a sustainable modern society. The publishing house invited scientists and researchers to share their visions of the future based on their extensive knowledge and present their ideas of how society could function, residential areas could work, energy could be utilised, and space could be organised.

Up to this point one could conclude that this is yet another book promoting the views of individuals, minor or major authority figures in the science world. Yet the book by Friedrich von Borries<sup>1</sup> and Benjamin Kasten<sup>2</sup> entitled *Stadt der Zukunft. Wege in die Globalopolis* has been constructed in a way which actually provokes deliberation, and triggers reflection and internal discussion. Even the introduction into the topic raised seems original as the authors begin by presenting their rather controversial vision of 2070 Berlin in the form of a graphic short story with political undertones. That is a form of provocation and the intention was presumably to intrigue and trigger a reaction in prospective readers. It seems that the book's target audience consists of young people who are most interested in the environment in which they will have to live in the future, i.e., in 30–50 years. Therefore, the application of the form of a graphic short story in the publication and its elaborate graphic contents will probably encourage more young people to read it.

Using the form of graphic short story, the authors have described their perfect city of the future, using the example of Berlin, where 8 million people would live in a city open to all, one which is climate neutral and utilises new eco-friendly public transport without passenger cars, filled with greenery which had replaced former thoroughfares, with farms producing protein from insects, houses with plant-covered façades, which purify the air and absorb energy, and with a forest with trial forms of human residence. I must admit that both the form and the contents of the introduction offer much food for thought and can trigger many debates in various circles about the desirable future, which should be considered a purposeful and effective way of attracting young readers' attention.

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<sup>1</sup> Friedrich von Borries, born in 1974, architect and professor of design theory at HFBK Hamburg, owner of a design studio, where he focusses on architecture, design, art, and urban planning.

<sup>2</sup> Benjamin Kasten, born in 1980, has studied urban and regional planning, currently works at the design studio of Friedrich von Borries.

In the following chapter, the authors have concentrated on the role of global cities discussed from the perspective of the domains of science they represent architecture and urban planning. I believe that the fact of emphasising at this point the role of spatial organisation and its impact on our quality of life, on how we perceive the world and how people interact has an educational value. As do the propositions being advanced and the questions being formulated, which force readers to pause and think. The propositions are supported by diagrams which present statistical data, mainly gathered from American studies. They have a flaw, though, as there is no information underneath the figures stating the sources of the data – the sources of statistical data are summarised at the end of the book. Furthermore, the authors' views are, well, only their views, stated without appropriate grounding in literature.

However, the most expansive and the most valuable part of the book contains descriptions of research fields associated with the functioning of global cities in the future. It includes such topics as: historical past, population density, infrastructure, population mobility, ecosystem, resources, and modes of recovering them from waste, communication, work, housing, and issues related to ownership, security, social participation, and the aesthetics of the space in which we are going to live in 30–50 years. A major advantage of this part is the fact that the authors indicate various kinds of projects underway throughout the world, which were intended to highlight the directions in which the organisation of the future global city might develop. They have supplemented their book with a compilation of snippets regarding those projects, which once read again trigger reflection and review of one's own opinions. It offers interesting material for discussion in the proposed research fields.

The publication is complemented with statements by three people from different regions of the world and different cultures regarding their visions of human places of residence. Once again, this compilation of diverse opinions from different cultures shows how different social needs associated with future city organisation can be.

The reviewed book is of a popular science nature, yet its contents have been structured well. It is intended mainly for young readers, a fact clearly indicated by the utilisation of the form of graphic short story to present visions of the future. It is thought-provoking while providing specific statistical data and examples of projects which suggest future directions of development. It does not offer any ready-made solutions as apparently people do not have one vision of a desirable future space for living. That is why it worth discovering views grounded in statistics and the executions of innovative projects and posing a major question: how diverse our visions of future living space are, and for what we should strive.

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