

COVID-19, Inequalities and the Future of Cities

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The end of cities? Or post-COVID cities?

The death of the commuter is an extinction-level event for London

The capital is bankrupt, its business model destroyed by shifts in behaviour that may never now be reversed



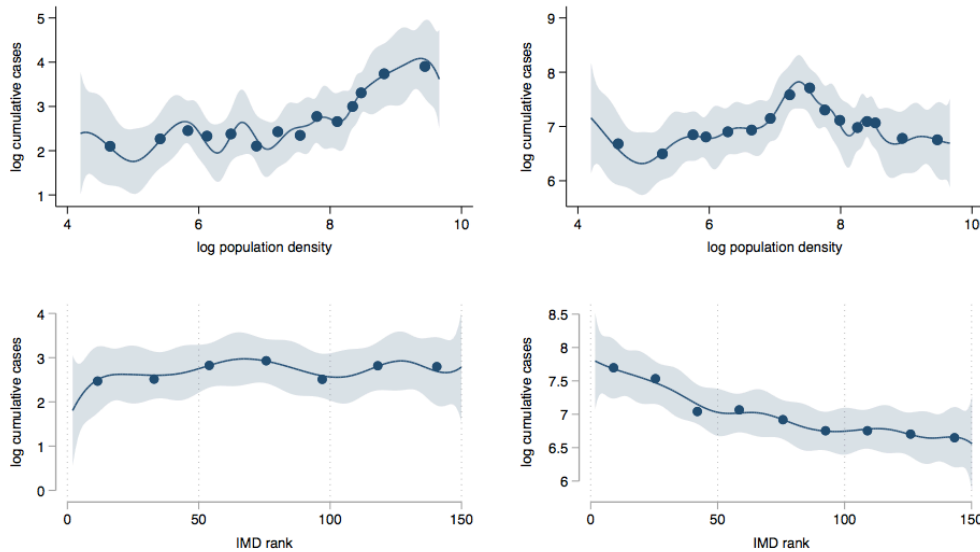
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The pandemic has hit poorer cities and people harder

Case rates, density and deprivation in March 2020 (L) and October 2020 (R)



Source: PHE, ONS, MHCLG.
Notes: Binned scatter plot with robust standard errors, cubic b-spline curve and 95% confidence band. Confirmed lab-positive cases / 100k people as of 23 March (L) vs 21 October (R). Log population density per 100,000 people. IMD Rank of average score, where 1 is most deprived.

- A big city problem?
- Link to density gets *weaker*
- Link to deprivation *stronger*
- Why? People in poorer places are more exposed at work and at home; may have worse health overall
- Worse for people in BAME communities

What now?

- Effective vaccines are here, and distribution has started. Does this mean we're just ... going back to normal?
- **'End of Cities' is clearly less likely – for now**
- **Longer term, four linked drivers of change:**
 - **Economic damage** – it's vast. V-shape or K-shape recession, with some places / industries / groups left behind?
 - **Forced experiments** – will this year's disruptions become new norms? What jobs will come back, and where?
 - **Pandemic risk** – are (big) cities now riskier, or seen as riskier places?
 - **Cross-country differences** – in quality of leadership, institutions, policy

The end of the office?

- **The Great Working From Home Experiment**
 - Only 44% of UK jobs can be done from home
 - WFH gap has closed: from 6% pre-lockdown to 43% in June
 - That share is higher in (bigger) cities
- **Statics vs dynamics** – WFH seems OK for existing teams ...
 - But what about: entrepreneurship, chance interaction, new ideas?
 - Cities help all this happen, especially for younger workers
- **Private vs social benefits** – even if WFH is good enough for individual firms, may be bad for urban growth overall

New geographies?

- **A shift within cities, or across the whole urban system?**
- **City centres** – lots more experimentation in office work
 - Will firms then concentrate activities in fewer places? Which places?
 - Longer term, will we see more offshoring?
- **Local shops and services** – will the Pret Economy shift 1:1 from e.g. city centres to suburbs? How much will stay online?
 - Retail (online + delivery) vs. leisure (based on face to face)
- **Housing** – higher-paid workers most likely to WFH. Moves to more desirable towns, suburbs will make those places pricier
 - Not much evidence of an urban exodus yet
 - More spatial segregation, not Levelling Up

Final thoughts

- **Not the last global pandemic** – ‘post-COVID’ framing isn’t helpful. Better = pandemic-resilient cities?
- **‘End of Cities’ seems less likely – for now**
- Forces of change may **deepen urban inequalities**, not level up
- **‘Accelerating trends’** ≠ back to normal!

Thanks!

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