



Perceptions of Growth in two Welsh Market Towns

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Table of contents

Executive summary	3
1. Background.....	7
1.1 The context of rural Wales	8
1.1.1 The Wellbeing of Future Generations Act.....	8
1.1.2 Growth deals	8
1.1.3 Future Wales: The National Plan 2040	8
1.1.4 Development agencies	9
1.1.4 Current interest in the agency approach	9
1.1.5 Community-led development approaches	10
1.2 Small business and lifestyle business.....	10
1.3 Foundational economy, liveability and purposeful business	12
1.4 Circular economy and sustainability	13
1.5 The upward orientation of growth	14
2. Methods	16
2.1 The case studies.....	18
2.3 Participants.....	19
3. Analysis.....	22
3.1 Growth as community-building	25
3.2 Bottom-up growth?	26
3.3 Growth as maintenance & survival	28
3.3.1 Lifestyle business.....	29
3.3.2 Survival strategies	30

3.3.3 Community purpose	30
3.4 Barriers & narratives.....	30
3.4.1 Uncontrolled degrowth & physical trade	30
3.1.3 Marketing, visions & collaboration.....	31
3.4.2 Small business barriers	32
3.5 Growth through opportunity	33
3.5.1 Job opportunities	34
3.5.2 Education / Training	35
3.6 Foundational growth	35
3.6.1 Local belonging and local services	36
3.6.2 Public ownership.....	37
3.6 Sustainable growth.....	37
3.8 Traditional conceptions of growth.....	39
4. Key policy questions	41
4.1 How can government facilitate greater investment in the economy, particularly considering infrastructure, pensions and SMEs	41
4.2 How can policy be designed in a way that better supports productivity and growth	42
4.3 How should the government target resources to drive economic growth and build resilience within and between places, ensuring that benefits reach the communities who need them most?	43
4.4 What are the trade-offs between pursuing local economic growth and improving the resilience of local economies?	43
5. Conclusion and recommendations	45
5.1 Examples of good practice	45
5.2 Recommendations for practitioners	46
5.3 Recommendations for policymakers.....	48
References and Sources	51

Executive summary

The aim of this research was to identify how growth, in terms of business and community development, is perceived by those living and working in rural towns in Wales. Case studies of Llanidloes (Mid Wales) and Llangefni (North Wales) were used to explore perceptions of growth and how enterprise can be supported in these locations, through a better understanding of what growth and development means to those living there.

The overarching picture that emerges is that there is very limited support among participants for an approach to growth in the traditional ‘upward’ manner, i.e. in terms of expansion and increase in profit or reach, except in the discourse of a few policymakers. Instead, communities and small businesses understand growth as ways forward or ways of improving. The table below (table 1) summarises more specific themes and views of growth identified in this work and associated recommendations.

Type of growth identified in this study	Short summary	Recommendation
Growth as community-building	Growth is seen as a communal endeavour which people engage in to improve their community. Thriving local businesses contribute to sense of belonging.	Recognition of Community Growth Growth initiatives should be tailored to the specific locations they affect, recognizing how communities may see growth as a communal activity and what this means for growth strategies and aspirations.
		Community hubs Community hubs as spaces where community members can meet, interact, try out business ideas and build community should be encouraged. Such venues can pull individuals into town centres and create further opportunities.
Bottom-up growth	Growth is seen as something that needs to happen in a place on its own terms, based on values which are already present. This calls into question who gets to define place and culture.	Place-based indicators of growth Each policy should have specific indicators attached at the outset, specifically catered to the policy and the needs and objectives of the places where it will be applied.
		Equality & inclusion Place-based growth approaches need to recognise and address exclusions and power dynamics

		within places, to promote equality and inclusion.
Growth as maintenance / survival	Growth is seen as being able to continue with business, maintain current operations and continuously make a living from rural business.	Supporting community/lifestyle aspirations There should be tailored business support for micro-businesses with community or lifestyle-based aspirations, as well as for businesses that are self-employed, e-commerce, digital or without specific business premises.
		Recognising economic benefits of community-owned business Community-owned businesses with community purposes have significant effects on employment, service provision and quality of life and should therefore be supported and encouraged.
		Collaborative networks Town offering should be enhanced through collaborative networks involving multiple stakeholders to increase footfall in market towns.
Foundational growth	Growth is enabled through adequate public services and infrastructure and growth is created through investment in this.	Investing in the foundational economy & community ownership Make strategic investments into infrastructure, services, housing and the physical infrastructure of towns, allowing for public or community ownership of commonly used assets.
		Encouraging community ownership There should be support for communities who wish to take ownership over key infrastructure or services in their area.
Growth through opportunity	Growth is created through opportunities for young people to stay or move to rural areas and have opportunities for	Targeted recruitment Businesses should advertise vacancies to their potential employees, identifying the specific values and social contributions of their job offer. The offering and business values should then be

	appropriate jobs and training.	used consistently across the platforms used by the business.
		Distributing education & training opportunities There should be access to opportunities for training and education as near to people as possible, as well as training courses accessible for people in employment needing to upskill. It thus needs to be delivered in flexible ways which can be accessible all across Wales.
Sustainable growth	Growth has to have a long-term outlook, both in terms of environmental sustainability and social and funding security.	Sustainable development Regional approaches to growth should take into account a broad range of indicators, including health, discrimination, exclusion and safety.
		Long-term approach Consider ways of making public sector strategies more long-term and independent of grant funding.
		Sustainable ways forward Continue working towards sustainability and green economies at the regional level.
		Social enterprise support Advice for businesses that want to become more purposive, or initiatives who want to adopt more of a social enterprise approach to become independent of grant funding.
Traditional growth	Growth is seen as a matter of productivity, GVA and inward investment.	Evaluation methods to suit targets Economic policy delivery should be evaluated in relation to indicators that adequately measure desired outcomes. regional approaches to growth should take into account a broad range of indicators, including health, discrimination, exclusion and safety.

		Fit for purpose growth definitions Definitions of growth used when working in communities should be based on community definitions and the purpose of interventions.
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Table 1: Table listing the approaches to growth identified in this research and the recommendations connected to each finding.

1. Background

Economic growth and development at regional or community level is often associated with an upward curve of higher income,¹ better quality of life and higher standard of living, conforming to deep-rooted conceptual metaphors² that suggest that “more is better” and “the future will be better” – ideas that are fundamental to many modern societies. However, to what extent this applies or how it is understood in rural areas is not self-evident. This study has investigated how growth is perceived by businesses, community members and organisations as well as policymakers in two rural Welsh market towns, Llanidloes and Llangefni.

Traditionally, understandings of small business growth often focus on the presence or absence of factors such as resources³, effective decision making,⁴ conducive environment⁵ and business owner/entrepreneur skills;⁶ in affecting the ability to expand a business or maximise profits. Growth models are then created based on this.⁷ However, perceptions and understandings of growth are not limited to expansion and profitability for all businesses. In rural areas especially, entrepreneurs may go into business to enable a certain way of life or living in a particular location.⁸

The report will be structured as follows: Section 1 will detail relevant growth models and strategies for growth and development that have been applied to rural Wales. Section 2 will outline the methodology and introduce the two case studies. This will be followed by analysis, first discussing themes of local economic community (3.1), bottom-up growth (3.2) and growth as maintenance and survival (3.3) and the narratives surrounding these themes in relation to growth barriers (3.4). The next sections will cover the themes of growth and opportunity (3.5), foundational economy (3.6), sustainable growth (3.7) and traditional conceptions of growth (3.8). Section 4 responds to four current questions for policy and section 5 offers conclusions and recommendations.

¹ CRAFTS, N. 2015. Economic growth: onwards and upwards?. *Oxford Review of Economic Policy*, 31, 217-241.

² LAKOFF, G. & JOHNSON, M. 1980. *Metaphors we live by*. University of Chicago Press.

³ DOBBS, M. & HAMILTON, R. T. 2007. Small business growth: recent evidence and new directions. *International Journal of Entrepreneurial Behavior & Research*, 13, 296-322.

⁴ KUDYBA, S., FJERMESTAD, J. & DAVENPORT, T. 2020. A research model for identifying factors that drive effective decision-making and the future of work. *Journal of Intellectual Capital*, 21, 835-851.

⁵ SIEJA, M. & WACH, K. 2019. The Use of Evolutionary Algorithms for Optimization in the Modern Entrepreneurial Economy: Interdisciplinary Perspective. *Entrepreneurial Business and Economics Review*, 7, 117-130.

⁶ GREBEL, T., PYKA, A. & HANUSCH, H. 2003. An Evolutionary Approach to the Theory of Entrepreneurship. *Industry and Innovation*, 10, 493-514.

⁷ STEFFENS, P., DAVIDSSON, P. & FITZSIMMONS, J. 2009. Performance Configurations over Time: Implications for Growth- and Profit-Oriented Strategies. *Entrepreneurship Theory and Practice*, 33, 125-148.

⁸ SKOKIC, V. & MORRISON, A. 2011. Conceptions of Tourism Lifestyle Entrepreneurship: Transition Economy Context. *Tourism Planning & Development*, 8, 157-169.

1.1 The context of rural Wales

1.1.1 The Wellbeing of Future Generations Act

In 2015, Wales adopted the Wellbeing of Future Generations Act.⁹ The Act places a well-being duty on public bodies to pursue sustainable development, which is defined as improving social, economic, cultural and environmental wellbeing of Wales in the present without compromising future generations' ability to meet their needs.¹⁰ This will be done to achieve seven wellbeing goals: prosperous, resilient, healthier, more equal Wales, cohesive communities, vibrant culture and thriving Welsh language and a globally responsible Wales.¹¹

The act has several national indicators which may be understood to relate to economic growth, or other understandings of growth, including qualifications, gross disposable household income per capita, pay gaps, income poverty, employment levels, GVA per hour worked and more.¹²

1.1.2 Growth deals

Current policy to encourage economic development in Wales includes growth deals and city deals. Relevant to the case studies are the Ambition North Wales Deal, signed in 2020, and the Mid Wales Growth Deal, signed in 2022 which aim to create more jobs, increase Gross Value Added (GVA) and attract investment to their areas. Regional growth deals have their origins in city-centric policymaking which considers cities to have unique economic growth opportunities.¹³ This logic often views cities as growth engines that pull surrounding rural areas along, which risks creating hierarchies, peripheries and exclusions.¹⁴

1.1.3 Future Wales: The National Plan 2040

The planning document Future Wales: The National Plan 2040 identifies key issues for rural communities and economies to be depopulation and demographic imbalance caused by inappropriate or insufficient access to jobs, housing and infrastructure.¹⁵ The plan has a strong focus on climate change adaptation and mitigation, as well as urban

⁹ NATIONAL ASSEMBLY FOR WALES 2015. Well-being of Future Generations (Wales) Act 2015. Cardiff: National Assembly for Wales,.

¹⁰ WELSH GOVERNMENT. 2025. *Well-being of Future Generations (Wales) Act 2015: the essentials* [Online]. Welsh Government. Available: <https://www.gov.wales/well-being-future-generations-act-essentials-html#60668> [Accessed 26 February 2025].

¹¹ Ibid.

¹² WELSH GOVERNMENT. 2022. *National indicators and national milestones for Wales* [Online]. Welsh Government. Available: <https://www.gov.wales/well-being-future-generations-national-indicators-2021-html> [Accessed 26 February 2025].

¹³ WAITE, D. & MORGAN, K. 2018. City Deals in the polycentric state: The spaces and politics of Metrophilia in the UK. *European Urban and Regional Studies*, 26, 382-399.

¹⁴ HARRISON, J. & HELEY, J. 2015. Governing beyond the metropolis: Placing the rural in city-region development. *Urban Studies*, 52, 1113-1133.

¹⁵ WELSH GOVERNMENT 2021. Future Wales: The National Plan 2040. Cardiff: Welsh Government.

planning, aiming to create ‘inclusive growth’ through strong foundations, future industries and productive regions that would build community resilience.¹⁶

1.1.4 Development agencies

From 1957-2006, there were a series of development organisations and agencies operating to promote growth in Mid and rural Wales. The Mid-Wales Industrial Development Corporation was funded by Mid Wales local authorities from 1957,¹⁷ then replaced by the Development Board for Rural Wales (DBRW) in 1976¹⁸ which merged with the Welsh Development Agency (WDA) in 1998,¹⁹ to be abolished by the Welsh Government in 2006.²⁰

These agencies aimed to address population decline by attracting industrial investment that would generate more employment in Mid Wales.²¹ The rurality of the population was seen as a problem needing to be addressed through attracting industries and residents to the towns.²² By the time they were abolished, the organisations had moved towards community-led local development, for example through delivering LEADER and EU funding²³ and running support schemes.²⁴

1.1.4 Current interest in the agency approach

An inquiry into rural productivity, released in 2024 by the Rural Growth Cross-Party Group of the Welsh Parliament, called for a re-establishment of a rural development board responsible for rural growth and the creation of a rural development strategy for Wales which would address issues surrounding economy, infrastructure and connectivity; housing and planning; food production and the supply chain; and, tourism.²⁵

¹⁶ Ibid.

¹⁷ MWIDA 1960. *Development in Mid-Wales : a review of the Mid-Wales Industrial Development Association 1957-1959, and recommendations on future action*, Aberystwyth, Mid-Wales Industrial Development Association.

¹⁸ ALDEN, J., LEHMANN, L., MARTIN, M. & NEWCOMBE, V. 1983. *Regional development policies for rural areas: mid Wales*, Cardiff, Department of Town Planning, University of Wales Institute of Science and Technology.

¹⁹ WELSH, M. & HELEY, J. 2023. Rural regionalism in the 21st century: a tale of no cities. *Territory, Politics, Governance*, 11, 1439-1458.

²⁰ GOOBERMAN, L. & BOYNS, T. 2019. The Welsh Development Agency: activities and impact, 1976 to 2006. . In: MISKELL, L. (ed.) *New Perspectives on Welsh Industrial History*. Cardiff: University of Wales Press.

²¹ HOWE, J. 1996. A Case of Inter-agency Relations: Regional development in Mid Wales. *Planning Practice & Research*, 11, 61-72.

²² LAW, D. & HOWES, R. 1972. *Mid-Wales, an assessment of the impact of the Development Commission Factory Programme*, London, H.M.S.O.

²³ WRO 2004. An Overview of Policy and Resources Impacting on Rural Wales. Wales Rural Observatory.

²⁴ GOOBERMAN, L. & BOYNS, T. 2019. The Welsh Development Agency: activities and impact, 1976 to 2006. . In: MISKELL, L. (ed.) *New Perspectives on Welsh Industrial History*. Cardiff: University of Wales Press.

²⁵ THE RURAL GROWTH CROSS-PARTY GROUP 2024. Generating Growth in the Rural Economy: an inquiry into rural productivity in Wales.

Furthermore, the Commission for Welsh-Speaking communities recommended the establishment of a body to co-ordinate and lead activities relating to Welsh language and economic development in areas with higher density linguistic significance.²⁶

1.1.5 Community-led development approaches

Community participation approaches started to develop in the UK in the late 1960s²⁷ and are still used in various ways. Community Development has aimed to strengthen civil society and empower communities by working with their perspectives to develop social, economic and environmental policies.²⁸

It can be seen as having three main objectives: improving local capacity, overcoming market failures and facilitating local empowerment.²⁹ Community-led approaches can be considered successful because they combine local consultations with resources to realise the visions of communities.³⁰

In the 1990s, Integrated Rural Development (IRD) became influential in the UK and EU.³¹ IRD conceives of rural areas as multifunctional spaces with multiple interests,³² and rejects siloed approaches where different sectors have their own policies, instead taking a holistic focus on spatial areas.³³

1.2 Small business and lifestyle business

Entrepreneurship has been seen as a way to maintain vitality in sparsely populated rural areas through optimising resource use and anticipating current trends.³⁴ Traditionally, economic theory tends to emphasise external constraints, rather than whether growth is pursued by the business.³⁵ Entrepreneurs, people who are innovative, creative and able

²⁶ THE COMMISSION FOR WELSH-SPEAKING COMMUNITIES. 2024. Empowering communities, strengthening the Welsh language: The Report of the Commission for Welsh-speaking Communities on communities with a higher density of Welsh speakers. Available at: <https://www.gov.wales/sites/default/files/publications/2024-08/empowering-communities-strengthening-the-welsh-language.pdf>

²⁷ EDWARDS, B. 1998. Charting the discourse of community action: Perspectives from practice in rural Wales. *Journal of Rural Studies*, 14, 63-77.

²⁸ FRANCIS, D. & HENDERSON, P. 2004. Rural Community Development Practice in the United Kingdom and Ireland: A Scoping Paper. Carnegie Commission of Rural Community Development.

²⁹ MOSELEY, M. J. 2003. *Rural Development: Principles and Practice*, London, Sage.

³⁰ GRIFFITHS, E., SHARP, N., GRUNHUT, S. & WOODS, M. 2023. An evaluation of LEADER in Wales. *GSR report number 01/2023*. Cardiff: Welsh Government.

³¹ BRISTOW, G. 2000. Structure, Strategy and Space: Issues of Progressing Integrated Rural Development in Wales. *European Urban and Regional Studies*, 7, 19-33.

³² WRO 2004. An Overview of Policy and Resources Impacting on Rural Wales. Wales Rural Observatory.

³³ BRISTOW, G. 2000. Structure, Strategy and Space: Issues of Progressing Integrated Rural Development in Wales. *European Urban and Regional Studies*, 7, 19-33.

³⁴ FULLER-LOVE, N., MIDMORE, P., THOMAS, D. & HENLEY, A. 2006. Entrepreneurship and rural economic development: a scenario analysis approach. *International Journal of Entrepreneurial Behavior & Research*, 12, 289-305.

³⁵ DOBBS, M. & HAMILTON, R. T. 2007. Small business growth: recent evidence and new directions. *Ibid.* 13, 296-322.

to transform risk into profit³⁶ can have a key impact on business strategy,³⁷ and may be motivated by community rather than monetary benefit.³⁸

Policies often assume that if there is potential for growth, owners would want it.³⁹ However, not all businesses perceive growth to be associated with profit and expansions. Especially in rural areas, businesses may juxtapose a certain quality of life with business growth, aiming for work life-balance and maintaining close control of the business.^{40, 41, 42}

Key motivations for running a business include wanting to live in a particular area or being one's own boss.⁴³ Aspects such as experiencing flow at work or achieving business goals may be perceived as growth irrespective of profit gains or expansion.⁴⁴ Furthermore, different forms of growth are caused by different circumstances, so policies that contribute to increased business sales do not necessarily contribute to growth in employment.⁴⁵

Small local populations can limit trade, and rural businesses are more likely to saturate their markets,⁴⁶ but this also protects against competition.⁴⁷ However, rural businesses often have trans-local⁴⁸ international supply networks and regional and national support networks connected to a stretched sense of the local.⁴⁹

³⁶ PETERS, M., FREHSE, J. & BUHALIS, D. 2009. The importance of lifestyle entrepreneurship: A conceptual study of the tourism industry. *PASOS*, 7, 393-405.

³⁷ LEWIS, K. 2008. Small Firm Owners in New Zealand: In it for the 'good life' or growth? *Small Enterprise Research*, 16, 61-69.

³⁸ MOSELEY, M. J. 2003. *Rural Development: Principles and Practice*, London, Sage.

³⁹ LEWIS, K. 2008. Small Firm Owners in New Zealand: In it for the 'good life' or growth? *Small Enterprise Research*, 16, 61-69.

⁴⁰ PETERS, M., FREHSE, J. & BUHALIS, D. 2009. The importance of lifestyle entrepreneurship: A conceptual study of the tourism industry. *PASOS*, 7, 393-405.

⁴¹ SKOKIC, V. & MORRISON, A. 2011. Conceptions of Tourism Lifestyle Entrepreneurship: Transition Economy Context. *Tourism Planning & Development*, 8, 157-169.

⁴² LEWIS, K. 2008. Small Firm Owners in New Zealand: In it for the 'good life' or growth? *Small Enterprise Research*, 16, 61-69.

⁴³ SKOKIC, V. & MORRISON, A. 2011. Conceptions of Tourism Lifestyle Entrepreneurship: Transition Economy Context. *Tourism Planning & Development*, 8, 157-169.

⁴⁴ DRNOVŠEK, M., SLAVEC, A. & ALEKSIĆ, D. 2024. "I want it all": exploring the relationship between entrepreneurs' satisfaction with work-life balance, well-being, flow and firm growth. *Review of Managerial Science*, 18, 799-826.

⁴⁵ DOBBS, M. & HAMILTON, R. T. 2007. Small business growth: recent evidence and new directions. *International Journal of Entrepreneurial Behavior & Research*, 13, 296-322.

⁴⁶ FULLER-LOVE, N., MIDMORE, P., THOMAS, D. & HENLEY, A. 2006. Entrepreneurship and rural economic development: a scenario analysis approach. *Ibid.* 12, 289-305.

⁴⁷ JONES, L., HELEY, J. & WATKIN, S. 2015. Local Cultures of the Ceredigion Economy: Practices of Endogenous Development in Rural Mid Wales. In: MCDONAGH, J., NIENABER, B. & WOODS, M. (eds.) *Globalization and Europe's rural regions*. London: Routledge.

⁴⁸ WOODS, M., NIENABER, B. & MCDONAGH, J. *Ibid.* Globalization Processes and the Restructuring of Europe's Rural Regions.

⁴⁹ DUBOIS, A. & HEDSTRÖM, M. *Ibid.* A Spatial Perspective on Small Firm Networking from a Rural Periphery - the Case of Swedish Norrland.

1.3 Foundational economy, liveability and purposeful business

An economic perspective focusing on the foundational economy emerged in the 2010s. Bentham et al (p. 7) identified the foundational economy as:

“that part of the economy that creates and distributes goods and services consumed by all (regardless of income and status) because they support everyday life.”⁵⁰

This includes health, education, food, infrastructure and other sectors which are present in all places to some extent, regardless of population, and which cannot usually be subjected to off-shoring or international competition.⁵¹ What sectors are understood as foundational may shift overtime.⁵² The foundational economy has been estimated to employ 40 percent of the UK workforce,⁵³ and potentially a higher percentage in Wales.⁵⁴

Foundational Economy sectors provide stabilisation and buffering for unexpected market changes, which can help balance local economies and allow a focus on locally embedded growth accelerators (Beel et al., 2022).⁵⁵

At present, regional economic prosperity is often compared based on Gross Value Added (GVA) per capita. This is flawed since it does not take income inequalities, living costs or wealth into account, and portrays the economy as producing useful services and physical products, without considering what these are, how they contribute to society and what is excluded.⁵⁶

Froud et al⁵⁷ instead propose the concept of foundational liveability, which is about ensuring a universal supply of services, respect for citizen’s affective and associational life and concern for environmental issues. Foundational liveability is calculated by taking household residual income (gross income less taxes and social charges) minus housing and transport costs for different types of home occupancy.⁵⁸ It highlights how differences in liveability are not necessarily between regions, but between generations and different housing occupancy forms.⁵⁹ Reducing regional differences in GVA is not likely to result in concrete improvements for liveability.⁶⁰

⁵⁰ BENTHAM, J., BOWMAN, A., DE LA CUESTA, M., ENGELEN, E., ERTÜRK, I., FOLKMAN, P., FROUD, J., JOHAL, S, LAW, J. & LEAVER, A. 2013. Manifesto for the foundational economy. *CRESC Working Paper Series*.

⁵¹ Ibid.

⁵² EARLE, J., FROUD, J., JOHAL, S. & WILLIAMS, K. 2018. Foundational economy and foundational politics. *Welsh Economic Review*, 26, 38-45.

⁵³ BENTHAM, J., BOWMAN, A., DE LA CUESTA, M., ENGELEN, E., ERTÜRK, I., FOLKMAN, P., FROUD, J., JOHAL, S, LAW, J. & LEAVER, A. 2013. Manifesto for the foundational economy. *CRESC Working Paper Series*.

⁵⁴ EARLE, J., FROUD, J., JOHAL, S. & WILLIAMS, K. 2018. Foundational economy and foundational politics. *Welsh Economic Review*, 26, 38-45.

⁵⁵ BEEL, D., JONES, M. & REES JONES, I. 2022. *City Regions and Devolution in the UK*, Bristol University Press. .

⁵⁶ FROUD, J., HASLAM, C., JOHAL, S., TSITSIANIS, N. & WILLIAMS, K. 2018. Foundational Liveability: rethinking territorial inequalities. *Working Paper No.5*. Foundational Economy Collective.

⁵⁷ Ibid.

⁵⁸ Ibid.

⁵⁹ Ibid.

⁶⁰ Ibid.

Increased pressure on foundational sectors to produce value for money rather than fulfil social obligations has created many jobs with low pay and poor conditions.⁶¹ The foundational economy approach should not just encourage competitive industries, but hold actors locally accountable and raise social standards⁶² as part of a purposive ecosystem.

Purposeful business is a perspective which understands the responsibility of business to be solving problems of the people and planet profitably while not contributing to or profiting from causing additional problems.^{63, 64} Purposeful or purpose-driven business profit from delivering goods and services which have intrinsic value to society and the common good.⁶⁵

1.4 Circular economy and sustainability

Business growth (understood as expansion) tends to be seen as desirable for its contributions to GDP, job creation and wellbeing of national economies.⁶⁶ This can be based on desire to achieve justice through increasing the total number of goods that can be distributed, meaning more needs can be fulfilled and standard of living improved through wealth lending freedom to shape one's own life.⁶⁷ However, it has not been proven that trickle-down effects have worked for income or environmental issues.⁶⁸

Circular Economy (CE) decouples economic growth from use of materials and although the main aim is to minimise waste and pollution, it has the potential to deliver economic benefits in the form of revenue, jobs and economic growth.⁶⁹ Environmental gains made through efficiencies or green technology can be offset by increased scales of economic production and consumption, which is known as circular economy rebound.⁷⁰

⁶¹ BENTHAM, J., BOWMAN, A., DE LA CUESTA, M., ENGELN, E., ERTÜRK, I., FOLKMAN, P., FROUD, J., JOHAL, S, LAW, J. & LEAVER, A. 2013. Manifesto for the foundational economy. *CRESC Working Paper Series*.

⁶² HANSEN, T. 2022. The foundational economy and regional development. *Regional Studies*, 56, 1033-1042.

⁶³ THE BRITISH ACADEMY 2021. Policy & Practice for Purposeful Business: The final report of the Future of the Corporation programme. The British Academy.

⁶⁴ BURVILL, S. M., CUMMINGS, B. & BOWEN, R. From entrepreneurial ecosystems (EE) to purposeful ecosystems (PE) in Wales in a post covid era. ISBE Annual Conference 2022, 2022 York.

⁶⁵ STUBBS, W., DAHLMANN, F. & RAVEN, R. 2022. The Purpose Ecosystem and the United Nations Sustainable Development Goals: Interactions Among Private Sector Actors and Stakeholders. . *Journal of Business Ethics*, 180, 1097-1112.

⁶⁶ DRNOVŠEK, M., SLAVEC, A. & ALEKSIĆ, D. 2024. "I want it all": exploring the relationship between entrepreneurs' satisfaction with work-life balance, well-being, flow and firm growth. *Review of Managerial Science*, 18, 799-826.

⁶⁷ MURACA, B. 2012. Towards a fair degrowth-society: Justice and the right to a 'good life' beyond growth. *Futures*, 44, 535-545.

⁶⁸ Ibid.

⁶⁹ DEMIREL, P. & DANISMAN, G. O. 2019. Eco-innovation and firm growth in the circular economy: Evidence from European small- and medium-sized enterprises. *Business Strategy and the Environment*, 28, 1608-1618.

⁷⁰ LANG, M. & MARSDEN, T. 2023. Territorializing sustainability: decoupling and the foundational economy in Wales. *Territory, Politics, Governance*, 11, 1635-1648.

Growth-driven economies are dependent on continuously increasing consumption of finite resources.⁷¹ Turning away from the expansive growth paradigm means that improvements in technology and knowledge should focus on making things better rather than more productive and efficient.⁷² However, 'better' can mean different things in different contexts, and the term 'growth' itself can be interpreted in different ways.

1.5 The upward orientation of growth

Traditionally, economic growth refers to an increase in the production of goods and services within an economy over time,⁷³ typically represented by upward trends in graph representations showing, for instance, an increase in Gross Domestic Product (GDP) from one period to the next.⁷⁴ Because economic growth is closely linked to rising wealth and improved living standards, it remains a key objective of economic policy in many countries worldwide.⁷⁵ Positive associations of the growth-as-increase concept reach far beyond economy into our everyday discourse, with metaphors such as 'growing in confidence'⁷⁶ pervasive across languages and grammatical patterns such as asking 'how tall' rather than 'how short'. However, this contrasts with some of the concepts discussed above which, for instance, acknowledge the inherent contradiction of pursuing infinite growth on a planet with finite resources.⁷⁷

Within a business context, growth is typically considered essential for the sustainability of ventures,⁷⁸ referred to in the academic literature as the 'growth imperative'.⁷⁹ This concept of growth is heavily 'upward' oriented, building on the idea that businesses want to constantly grow their revenue and reach. This ties in with the deeply engrained metaphorical concept of 'more is better'⁸⁰ and is baked-in to everyday life as well as academic thinking.⁸¹ As such, economic and business development strategies worldwide have historically focused on an upward trajectory of growth as a measure of success.

In rural Wales, government investments in transport and industrial infrastructure have historically been directed towards attracting inward investment and creating employment

⁷¹ Ibid.

⁷² SCHNEIDER, F., KALLIS, G. & MARTINEZ-ALIER, J. 2010. Crisis or opportunity? Economic degrowth for social equity and ecological sustainability. Introduction to this special issue. *Journal of Cleaner Production*, 18, 511-518.

⁷³ CRAFTS, N. 2015. Economic growth: onwards and upwards?, *Oxford Review of Economic Policy*, 31, 217-241.

⁷⁴ DRAGOI, D. 2020. Economic growth versus economic development, *Atlantic Review of Economics (ARoEc)*, 4, 1-11.

⁷⁵ SHARIPOV, I. 2015. Contemporary Economic Growth Models and Theories: A Literature Review. *CES working papers* VII.3: 759-773.

⁷⁶ LAKOFF, G. & JOHNSON, M. 1980. *Metaphors we live by*. University of Chicago Press.

⁷⁷ EDWARDS, M.G. 2021. The growth paradox, sustainable development, and business strategy, *Business Strategy and the Environment*, 30, 3079-3094.

⁷⁸ MIROSHNYCHENKO, I., DE MASSIS, A., MILLER, D. & BARONTINI, R. 2021. Family Business Growth Around the World, *Entrepreneurship Theory and Practice*, 45, 682-708.

⁷⁹ BANERJEE, S. B., JERMIER, J. M., PEREDO, A. M., PEREY, R. & REICHEL, A. 2021. Theoretical perspectives on organizations and organizing in a post-growth era. *Organization*, 28, 337-357.

⁸⁰ LAKOFF, G. & JOHNSON, M. 1980. *Metaphors we live by*. University of Chicago Press.

⁸¹ BANERJEE, S. B., JERMIER, J. M., PEREDO, A. M., PEREY, R. & REICHEL, A. 2021. Theoretical perspectives on organizations and organizing in a post-growth era. *Organization*, 28, 337-357.

opportunities leading to growth.⁸² However, such policies have been criticised in the past for leading to lower wages due the mismatch between workers' skills and available job opportunities⁸³ as well as creating cultural divisions.⁸⁴ This suggests that an upward trajectory in economic indicators does not always yield the outcomes that communities truly desire. Our study set out to address perceptions of growth in representatives of communities, small businesses and policy makers in rural Wales.

⁸² MIDMORE, P. 2018. Rural development in Wales: looking backwards, looking forwards, *Welsh Economic Review*, 26, 21-28.

⁸³ Ibid.

⁸⁴ MORRIS, D. 1995. Language and Class Fractioning in a Peripheral Economy, *Journal of Multilingual and Multicultural Development*, 16, 373–387.

2. Methods

This research employed a qualitative case study approach using a standard action research strategy, depicted below (Figure 1).

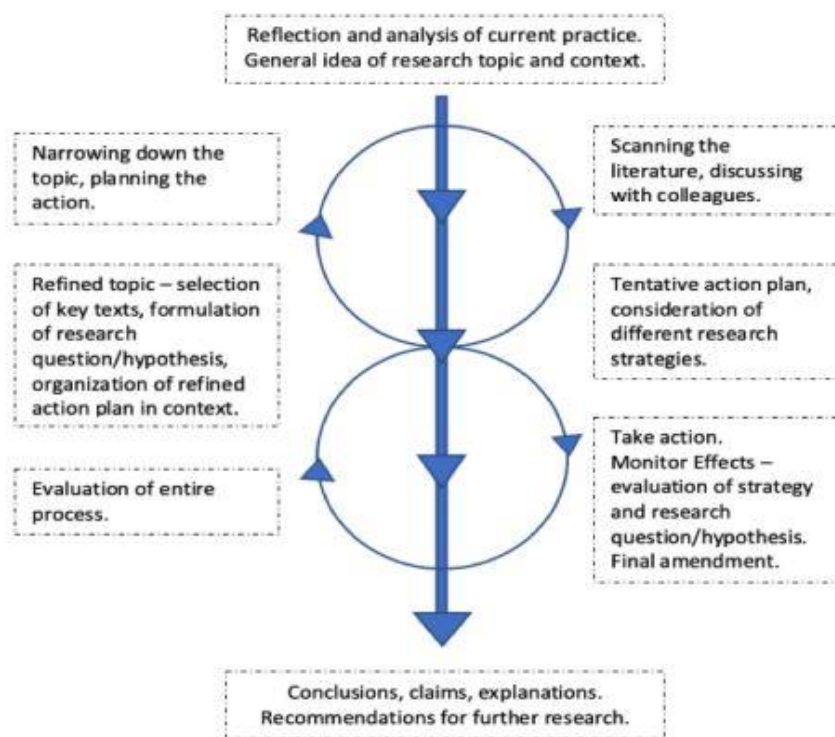


Figure 1: Action Research Diagram (Macintyre, 2000 p. 1).

The context for growth was identified through stakeholder focus groups, held at Royal Welsh Show in Builth Wells and also in the town of Llanidloes. During these focus groups conversations around perspectives of growth; barriers to, and support required for growth, and awareness of alternative business models were encouraged. Findings were used to develop interview questions for businesses, policymakers and community organisations to consider how those living and working in rural locations view business development, support and growth.

In Llanidloes, potential interviewees were recruited through an online survey, snowballing from existing contacts and from searching websites such as Llanidloes.com⁸⁵ for businesses and organisations. Identified businesses and organisations were then contacted via email with an interview participation request. This was not particularly successful, and most interviewees were recruited through snowballing. Policymakers at the county level were contacted via email and the town clerk agreed to forward the interview request to town councillors. Llanidloes interviews were conducted in English via phone call or teams. They lasted 15-50 minutes.

⁸⁵ To access the website: <https://www.llanidloes.com/> [accessed 26 February 2025].

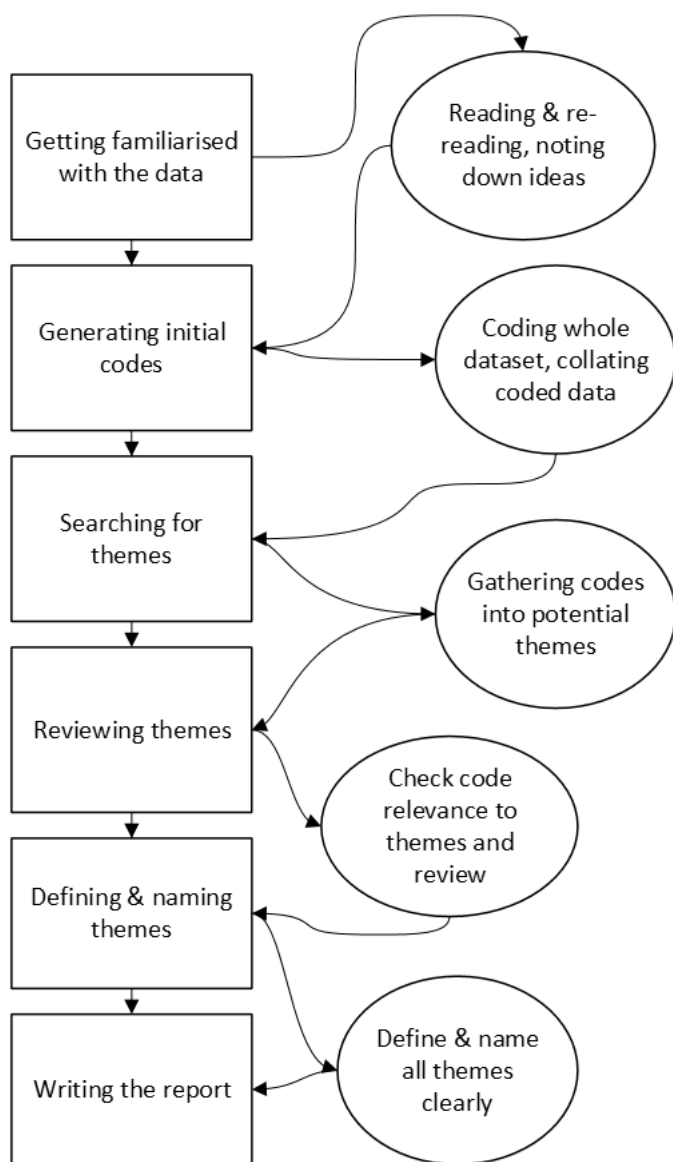


Figure 2: Process of thematic analysis (Braun & Clarke 2006).

In Llangefni, a random stratified sample of high street businesses, representing a range of non-chain retail and service-based businesses was identified including e.g. butchers, hairdressers, cafes and estate agents. The data was mainly collected as short semi structured interviews in person which took from 15 minutes to just over an hour. Discussion leading up to interviews was conducted in Welsh, but the interviews and surveys were completed in English. Four businesses failed to complete the survey due to being too busy with customers even after two repeat visits. The local residents survey in Llangefni was delivered along the high street taking random stratified sample (for diverse ages etc). Town and county councillors, as well as respondents from regeneration agencies were recruited by request for short interviews and through snowballing. One written response received in Welsh was translated by one of the researchers. The study made

early contact with the recently recruited part time Town Centre Manager and emails were sent to relevant local authority staff. A business study of the Isle of Anglesey was on-going during the project, which meant some potential participants may have been experiencing research fatigue.

The data for both case studies was analysed using six-step thematic analysis, see figure 2.⁸⁶ In addition, the language used to describe the concepts of growth was closely examined following principles and theoretical considerations of Cognitive Discourse Analysis.⁸⁷ This approach motivates a focus on those words and phrases that specifically

⁸⁶ BRAUN, V. & CLARKE, V. 2006. Using thematic analysis in psychology. *Qualitative Research in Psychology*, 3, 77-101.

⁸⁷ TENBRINK, T. 2020. *Cognitive Discourse Analysis: An Introduction*. Cambridge: Cambridge University Press.

highlight a way of thinking or mindset in relation to the given context. The present study was particularly interested in metaphors and related representations of growth concepts in relation to the classical expansion and ‘upward’ trajectory frequently associated with economic growth, especially in the context of policies and political debate. To achieve these aims, the data was treated as a corpus (independent of specific questions asked to participants), complementing thematic analysis as reported above. The interview data were compiled in an Excel spreadsheet and systematically analysed to identify recurring words and phrases used to describe the various concepts of growth. This analysis identified an overarching metaphor of growth as a *forward movement constrained by opposing forces*. Lexical items associated with these opposing forces were further examined, with particular attention given to their relevance to individual themes identified within the thematic analysis.

2.1 The case studies

Market towns are particularly interesting since they are often assumed to generate and drive job growth for their rural hinterlands, despite unclear evidence.⁸⁸ They could be considered leading in relation to social and economic development in rural areas as they received more funding from European Rural development Funds and the National Lottery Community Fund than other types of places in relation to their size.⁸⁹ Market towns have also been the focus for regeneration initiatives.⁹⁰

Llanidloes is located in the county of Powys and is the first town on River Severn. It had a population of 2197 at the time of the 2021 census.⁹¹ Llanidloes has a bypass off the A470 road, and the nearest railway station is at Caersws, 8.1 miles (13.8 km) away. Llanidloes has been facing shop closures in recent years, and a report to the town council suggests that although there is a good selection of shops in the town, irregular opening times are putting visitors and locals off shopping there.⁹²

Llanidloes and its surrounding area has a large proportion of older people, with 28.7% of the population aged 65 years and over (Census 2021), despite this, 58.5% of the population over 16 are economically active while 30.5% are retired (Census, 2021).⁹³ The Mid Wales economy was expected to shrink 3.5% between 2018-2040, while the UK

⁸⁸ WRO 2007. Small and Market Towns in Rural Wales and their Hinterlands. *Research Report 13*. Aberystwyth: Wales Rural Observatory.

⁸⁹ Ibid.

⁹⁰ Ibid.

⁹¹ BRINKHOFF, T. 2023b. *Llanidloes* [Online]. City Population: Thomas Brinkhoff. Available: https://www.citypopulation.de/en/uk/wales/powys/W45000225__llanidloes/ [Accessed 26 February 2025].

⁹² JONES, J. 2024. Llanidloes Community Research: Report to Town Council, County Council and Chamber of Trade.

⁹³ CENSUS 2021. *Llanidloes, Blaen Hafren & Llandinam Economic Activity Status* [Online]. Census maps: Office for National Statistics. Available: <https://www.ons.gov.uk/census/maps/choropleth/work/economic-activity-status/economic-activity-status-10a/economically-inactive-retired?geoLock=msoa&msoa=W02000106> [Accessed 26 February 2025].

economy was expected to grow 7.4%.⁹⁴ In the Mid Wales region over 89% of businesses are micro-businesses with fewer than 10 employees.⁹⁵

The market town of Llangefni is the administrative centre of Anglesey, situated near the middle of the island. It serves as a key hub for local governance, commerce, and education. The town had a population of around 5499 at the time of the last census,⁹⁶ with over 75% of residents identified as Welsh speakers.⁹⁷

Llangefni's industrial estate plays a vital role in the local economy, offering employment opportunities in sectors such as food production and engineering. However, the town has faced economic challenges, including the closure of the 2 Sisters frozen food factory in 2023, which led to significant job losses.⁹⁸ Although Llangefni no longer has a train station, it benefits from strong road connections, being close to both the A55 and A5, which provide transport links to the mainland and across Anglesey.

In Llangefni and the surrounding area 21.7% of the population are aged 65 years and over, but 58.7% of those aged 16 and over are economically active and 25.3% are retired.⁹⁹

2.3 Participants

There were 26 participants in total.

This included 17 participants in Llanidloes. 14 interviews were conducted. This included 6 members of the public, 3 businesses, 2 local level policymakers and 3 Powys-level policymakers. 2 businesses and one community member filled out the questions in written format. In addition, initial focus groups included 22 people, 3 of which were later interviewed.

There were 9 participants in Llangefni. This included 5 interviews, 2 with businesses, 1 with a policymaker and 2 with community members. 1 business, 1 community member, 1 policymaker and 1 community group filled out the questions in written format.

Participant ages were spread with slightly more interviewees aged between 60-69 than any other age group, which reflects the rural demographic. Most Llanidloes participants spoke mostly English but some were bilingual and in Llangefni there were two first-language Welsh speakers and some bilingual people. There was a mix of residence lengths from under five years, to having spent their whole life in the area.

⁹⁴ GROWING MID WALES 2020. A Vision for Growing Mid Wales: Strategic Economic Plan & Growth Deal Roadmap. Tyfu Canolbarth Cymru Growing Mid Wales.

⁹⁵ GROWING MID WALES PARTNERSHIP 2016. Framework for Action: To grow productivity, innovation and jobs across Mid Wales. Aberaeron: Growing Mid Wales Partnership.

⁹⁶ BRINKHOFF, T. 2023a. *Llangefni* [Online]. City population: Thomas Brinkhoff. Available: https://www.citypopulation.de/en/uk/wales/admin/isle_of_anglesey/W04000024__llangefni/ [Accessed 26 February 2025].

⁹⁷ CENSUS 2021 2022. Welsh language skills (understanding). In: OFFICE FOR NATIONAL STATISTICS (ed.).

⁹⁸ HERD, G. 2023. 2 Sisters: 700 jobs go as Anglesey chicken plant shuts. *BBC News*.

⁹⁹ <https://www.ons.gov.uk/census/maps/choropleth/work/economic-activity-status/economic-activity-status-3a/economically-active/?msoa=W02000006&geoLock=msoa>

Details about community and policymaker participants are listed in table 2. Details about participating businesses are listed in table 3. The businesses included sectors such as retail, hospitality, tourism and legal services. Businesses within the foundational economy sector or higher-level services were mostly absent from the sample, while family businesses and those trading on the high street were better represented, which affects the perceptions and perspectives highlighted.

Participant code	Place	Category	Age range	Gender	Length of residence (rounded to nearest 5)	Language
LSI1	Llanidloes	Resident	60-69	Female	10 years	English
LSI2	Llanidloes	Resident	30-39	Male	10 years	Welsh / English
LGI4	Llangefni	Policymaker	50-59	Female	All life	Welsh
LGI3	Llangefni	Resident	50-59	Female	35 years	English
LSI5	Llanidloes	Resident	40-49	Female	10 years	English
LSI6	Llanidloes	Policymaker, local level, small business	30-39	Male	Most of life	English (some Welsh)
LGI6	Llangefni	Resident	40-49	Female	All life	Welsh
LSI7	Llanidloes	Resident	50-59	Female	15 years	English
LSI8	Llanidloes	Resident, society member, small business	70-79	Male	10 years	English
LSI10	Llanidloes	Policymaker, local level	60-69	Male	20 years	English
LSI11	Llanidloes	Community initiative	60-69	Female	35 years	English
LSI12	Llanidloes	Policymaker, county level	70-79	Male	Over 30 years	English

LSI13	Llanidloes	Policymaker, county level	60-69	Male	Most of life	English
LSI14	Llanidloes	Policymaker, county level	40-49	Male	N/A	English (knows Welsh)
LGT2	Llangefni	Resident	18-29	Male	All life	Welsh / English
LSI3	Llanidloes	Resident	60-69	Female	5 years	English
LGT3	Llangefni	Community initiative	N/D	N/D	N/D	Welsh
LGT4	Llangefni	Policymaker	N/D	N/D	N/D	Welsh

Table 2: Table displaying characteristics of policymaker, resident and community initiative participants.

Participant code	Place	Time trading (rounded to nearest 5)	Turnover	Employee number	Sector
LGI1	Llangefni	70 Years	N/D	3	Retail
LSI3	Llanidloes	100+ years	~£1m	20	Legal services
LSI4	Llanidloes	10 years	£24K	1	Tourism / holiday accommodation
LGI5	Llangefni	Less than 5 years	£500K	25 (2 full time)	Hospitality & catering
LSI9	Llanidloes	5 years	£30 – 40K	1 sole trader	Tourism / holiday accommodation
LST1	Llanidloes	20 years	N/D	1 + proprietor	Printing
LGT1	Llangefni	15 years	N/D	1	Retail
LST2	Llanidloes	5 years	£48K	2 sole traders	Hospitality

Table 3: The table displays the characteristics of participating businesses.

3. Analysis

Table 4 highlights different forms of growth identified in the study, structured through identified themes. The participants mentioned below are not the only ones expressing these ideas of growth, but the ones who made the most statements in relation to the category.

Many participants expressed multiple understandings of growth. Importantly, participants rarely framed their everyday lives or thoughts in relation to the concept of growth and other than policymakers, few seemed to have spent much time thinking about it before the interview. The most popular themes were growth as community-building, growth through opportunity and foundational growth. Participants are referred to using codes made up of LS for Llanidloes or LG for Llangefni, I for interview or T for text response and a number for identification.¹⁰⁰

Type of growth	Short summary
Growth as community-building LSI1, LSI4, LSI6, LSI7, LSI8, LSI9, LSI10, LSI11, LST3, LGI4, LGI5, LGI6	Growth is seen as a communal endeavour which people engage in to improve their community. Thriving local businesses contribute to sense of belonging.
Bottom-up growth? LSI1, LSI7, LSI11, LGT3	Growth is seen as something that has to happen in a place on its own terms and based on values which are already present. This calls into question who gets to tell the story about a place.
Growth as maintenance / survival LSI4, LSI6, LSI8	Growth is seen as being able to continue with business, maintain current operations and continuously make a living from rural business.
Foundational growth LSI7, LSI8, LSI10, LSI12, LSI13, LSI14, LGI4	Growth is enabled through adequate public services and infrastructure and growth is created through investment in this.

¹⁰⁰ e.g. LSI1 = Llanidloes Interview 1

Growth through opportunity	Growth is created through opportunities for young people to stay or move to rural areas and have opportunities for appropriate jobs and training.
LSI2, LSI3, LSI9, LSI10, LSI11, LSI12, LSI13, LSI14	
Sustainable growth	Growth has to have a long-term outlook, both in terms of environmental sustainability and social and funding security.
LSI14, LSI12, LSI13	
Traditional growth	Growth is seen as a matter of productivity, GVA and inward investment.
LSI12, LSI3, LSI14	

Table 4: The left column shows each form of growth identified in the study, described in the right column. Each growth approach has a list of participants below, which are those who spoke the most about these themes. Other participants may also have discussed the same themes, though not as much and most participants covered multiple themes and approaches.

Our discourse analysis of the interview data revealed a pervasive underlying metaphor of forward movement, contrasting with the metaphorical upward ascent typically linked to economic development.¹⁰¹

Although people generally agreed that growth is desirable for a business and for their local area, the way they talked about growth reflected the fact that growth was not primarily seen as expansion in profit or scope, but rather a need for constant improvement to avoid going ‘backwards’ (LSI9, a business owner).

Rather than hoping for profit, participants expressed aiming to support local values and assets and to keep going, even in a small way, improving practices where needed but primarily in order to stay active in the town or business. The underlying metaphorical concept is more like a forward movement against a current (opposing forces) of decline, rather than an upward ascent towards wealth. LGT1 (a business owner) concisely expressed these ideas as follows:

Q: *How has your business changed in the past 10 years or since it started?*

A: *my business has gone from strength to strength*

(...)

Q: *Do you intend to grow your business?*

A: *I'm happy as it is*

Q: *What are the main challenges in relation to ‘growth’ for your business, as you perceive it?*

¹⁰¹ DRAGOI, D. 2020. Economic growth versus economic development, *Atlantic Review of Economics (ARoEc)*, 4, 1-11.

A: keeping the customers walking through the door

Here, going ‘from strength to strength’ clearly does not mean growing in profit, that is implicitly rejected by saying “I’m happy as it is”. Instead, it is associated with ‘keeping the customers walking through the door’.

The metaphor illustrates a dynamic interplay between two contrasting forces. One force drives forwards whilst the other pushes back, creating resistance. The former is often associated with carrying on, resisting the need to compromise on standards, as articulated by LST2 (a business owner):

‘Locals still finding us even after 5 years. Continue with high standards of quality and service. So more ‘maintain’.

Business owner attitudes are strongly linked to the prevailing economic conditions, and as such the desire to grow is likely to be tempered during what is perceived to be a challenging time.¹⁰² Coupled with non-business or lifestyle priorities, stability can be prioritised over business growth, particularly by small businesses.¹⁰³

In contrast, the opposing force of decline is often associated with change; changes to shopping patterns or regulatory changes, for example, which push back against the forward movement. The idea of change is also alluded to in reference to how things ‘used to be’ (LGI3). Change in this context is often associated with loss, be that loss of services (‘we’ve lost the shops’, LGI2), youth (‘losing our youngsters’, LGI1) or language (‘the language leaves’, LGI4). This tension between maintenance and change creates a complex dynamic where the desire to continue is constantly challenged.

Furthermore, opposing terms associated with these contrasting forces are also present within the data. For example, businesses and young people were discussed in terms of ‘staying’ versus ‘leaving’, shops and businesses in relation to being ‘open’ or ‘closed’, and high street buildings as either ‘full’ or ‘empty’. These dichotomies further reinforce the imagery of opposing forces, the constant need to fight against the danger of seeing the opposite of one’s aims.

This underlying metaphor of a forward movement is apparent to a greater or lesser extent across the 7 themes identified through thematic analysis. The following sections will develop and evaluate each approach in relation to the themes identified through thematic analysis, and examples of the underlying metaphor of forward movement against opposing forces will be highlighted where relevant.

¹⁰² Gray, C. (2002) ‘Entrepreneurship, resistance to change and growth in small firms’, *Journal of Small Business and Enterprise Development*, 9(1), pp. 61–72. Available at: <https://doi.org/10.1108/14626000210419491>.

¹⁰³ Schumpeter, 1934, quoted by Gray: Ibid.

3.1 Growth as community-building

Number of interviewees talking about the theme	Polymakers	Business	Community members
23/25	6/6	7/8	10/12
92%	100%	87.5%	83.3%

Table 5: Details of how many participants from each category talked about growth as a form of community-building.

The most prominent theme, discussed by almost all participants, was that of the local economy. From this perspective, growth is a communal endeavour that results in community-building.

The metaphor of forward motion in this context conveys a sense of collective effort, expressed through phrases such as *‘there’s a lot of people who are trying to regenerate’* (LG12), *‘the main thing is to keep working together’* (LG14), *‘we are trying to put that fight’* (LI18). This suggests that achieving a forward motion requires conscious effort and is better achieved in collaboration. Creating businesses, shops and public spaces builds hubs for community to be established, develop and grow. Growth as community-building is achieved through collaboration between community actors, choosing to shop local and marketing the towns to tourists and potential in-migrants.

It has connections to community-led development and bottom-up growth approaches. However, while the latter can have a range of goals, community-oriented growth has community gains as its purpose.

Working together as a community made people feel that progress was happening. For example, community member Llani T3 wrote the following about where they saw growth or development in the community:

“Joint activity and cooperation in the community – eg Llani Live”

Growth was seen to be achieved through community working together. A Llanidloes community group were hoping to build opportunities for people to try out small business ideas. LSI11 said:

“it’s nice to be able to bring them together, and perhaps I think by having a market or something where farmers can sell direct, they get more to meet, the customers and things, the people that are buying them.”

Building a locally rooted economy was seen to have potential in bringing different people from the town together, creating and strengthening community cohesion and sense of belonging. While the aim was partly to provide more learning opportunities and ways for people to build businesses in the area, meetings between different community groups and the community-building potential of this was highlighted.

In Llangefni, there was a prominent business network which seemed focused on influencing policies in relation to legislation and regulations. Llangefni business LG11 said:

“I've joined up with a local business group in which we have a meeting once a month to try to improve things for all businesses, not necessarily retail, onto leisure, onto people out in the building trade, issues that we have with local authority regarding rates, planning issues, planning obstacles. And so, we've joined this and even recently, we had our local MP, we called him to the meeting and our person representing us in the Senedd in Cardiff.”

This network provided an opportunity to work together towards creating a more vibrant local economy, and build community through collaboration.

Community spirit was encouraged through the creation of community hubs and volunteering. Businesses such as a Llanidloes newsagent, and services such as the Llangefni library provided physical meeting points for community members to build a caring community.

Bringing people together was seen to bring value and build belonging, but this seemed to be done most effectively around progress. For example, the Hanging Gardens project aimed to enhance community collaboration, build a resilient future for Llanidloes and revitalise the town. However, some community members were very critical of it, feeling that the grants-funded initiative undercut local trade and that it undermined the charter market. These community members and the Hanging Gardens project both reacted to a sense of decline and degrowth in the town but identified different causes and solutions.

Almost all participants throughout the sample discussed some aspect of the theme around creating a local economy. It was important both for community initiatives and members, businesses and local policymakers, with county-level policymakers discussing this to a lesser extent.

3.2 Bottom-up growth?

Number of interviewees talking about the theme	Policymakers	Business	Community members
16/25	5/6	3/8	9/12
64%	83%	37.5%	75%

Table 6: Details of how many participants from each category talked about growth as needing to be built from the bottom up.

Bottom-up growth was perceived as something that should come from the community and is tied up with the survival of the place, including its culture, people and traditions. The meaning of this is contested and political, with various perspectives on what the culture is and who growth should be for.

The theme was particularly prominent in Llanidloes but was also mentioned in Llangefni. It was one of the least discussed themes by policymakers and businesses, but quite important to certain community members.

Neo-endogenous growth perspectives highlight the importance of recognising local knowledge and resources.¹⁰⁴ For policymaker LSI12, Powys should use its characteristics to its advantage when attracting in-migrants and investment:

"We want to show and be able to develop in our own way... In, the type of environment that we're in. (...) we must make the best use of that offer. (...) and that's what I mean about learning to be different as well as learning to be the same."

Learning to be different is a way of pursuing growth based on local expectations and traditions and current conditions rather than something else. However, what this means is not necessarily straightforward.

Many Llanidloes participants identified issues with the current state of the town but attributed it to different causes. For example, community member T3 described challenges for Llanidloes as:

"Ageing population, lack of social care, failure to attract more visitors, looking back at idealised golden past by some long-term residents"

The nostalgic outlook then hindered changes that some residents thought would bring growth, representing a strong case of opposing forces that hinder the forward movement associated with growth. This poses the question of who growth is for and what it seeks to achieve. In contrast, Llanidloes community member LSI7 said:

"I think we're all a little bit.. eeh trepidatious, a little bit scared of change too much, because of, new people coming in and that's not necessarily bringing new life blood in, it's diluting what we have that's special. People come here because they love it, you know they visit and they say ohh it's fabulous, it's wonderful, they come here and then they want to change everything, and they don't realise that if they change everything, it won't be the way it was that they fell in love with. So we're all a little, you know, tenuous about that"

From this perspective, what is special about the town has its roots in the long-term population and their culture, traditions, practices and pace of life, which should then be the basis for moving forward, for growth. Working with all segments of the community became priorities for those who wanted to bring about change, but it was often difficult to engage those who were comfortable with the current situation.¹⁰⁵ Llanidloes community member LSI1 said:

"you have to get the local on side, and that's really hard because typically it's not the local that push this. When our chamber of trade, we hardly get enough people really to hold

¹⁰⁴ BOSWORTH, G., ANNIBAL, I., CARROLL, T., PRICE, L., SELICK, J. & SHEPHERD, J. 2016. Empowering Local Action through Neo-Endogenous Development; The Case of LEADER in England. *Sociologia Ruralis*, 56, 427-449.

¹⁰⁵ MOSELEY, M. J. 2003. *Rural Development: Principles and Practice*, London, Sage.

meetings, I don't think there's anybody maybe one person that comes regularly. Everybody else are incomers, yet a lot of the shops are locals, they want change but they don't want to make any change themselves."

For some, taking action within the community was important as there would be no other group or organisation to come to the rescue of the town. For example, Llangefni community group LGT3 said:

"The commercial future of Llangefni is dependent to some extent on the society's desire to bring new life to the town. The private sector cannot always come to the rescue and buy, manage and rent buildings for local traders and business people. We will need a long term vision where the Government, County Council, Town and the wider community are willing to work together. With close working together and a clear vision it is possible to create new life in the town"

Collaboration and developing clear visions and leadership for the town became priorities for those who wanted to make change happen also in Llanidloes. Llanidloes business LSI9 described the envisioned forward movement in vivid terms associated with lack of structure:

"it ends up being a situation of a headless chicken.. lots of different fractions, with in-fighting, without anyone spearheading a structured, organised businesslike.. focus on the direction in which the town needs to head"

Some saw the town council as potentially able to step into this role, though many were sceptical, considering the funds, ambition, responsibilities and structures that the town council deal with.

3.3 Growth as maintenance & survival

Number of interviewees talking about the theme	Policymakers	Business	Community members
18/25	5/6	6/8	7/12
72%	83%	75%	58.3%

Table 7: Details of how many participants from each category talked about growth as maintenance or survival.

This theme is about businesses and people who are explicitly not prioritising making more money. It is a diverse group, including those who put purpose rather than or

alongside profit at the centre of their business goals,¹⁰⁶ businesses that are struggling to make ends meet, and businesses that are run for lifestyle reasons.

The opposing forces of forward movement and current of decline may balance each other leading to impasse, implying that success might simply mean maintaining one's position, as expressed by LSI4:

“I don’t particularly need to go higher than that, that is kind of enough where I am in life at the moment, I suppose I want to afford all the bills that are increasing, so I’m quite happy to stay within the line going up on a graph if you like, not necessarily making more profit but as a percentage keeping it the same as it is now, and that’s a worry”.

3.3.1 Lifestyle business

Llanidloes and Llangefni were not seen as places where people make lots of money or get rich. Especially Llanidloes was seen to offer a particular way of life. Llanidloes community member LSI11 said:

“I think most people are here, not because they want to bring in a fortune, but because they want a certain way of life that’s a bit more peaceful. So I think people aren’t after masses of money, but everyone needs just enough to survive.”

From this perspective, living and working in the town, and being self-employed were viewed as ways to enable a lifestyle, akin to definitions of lifestyle business.¹⁰⁷ LSI11 was part of a community initiative looking to provide opportunities for people to live and work in the area. Growth was seen as being able to provide more opportunity to build livelihoods rather than as attracting or running larger or growing companies.

People in Llanidloes, including community members and policymakers were often very critical of small businesses with limited opening hours that were not seen to be sufficiently invested in attracting visitors and providing worthwhile services to the town. For example, community member LSI8 said:

“the lack of any kind of.. business ethos there. For example, a lot of small shops which are delightful, people, like to come and visit small shops, but their opening hours are so irregular. (...) It’s not just that it’s the whole attitude”

Businesses were expected to put customers first, take all opportunities to be open, increase sales and increase opening times during the tourist season. However, participants perceived some businesses to prioritise other aspects, such as work-life balance or even community interactions over being efficient, open or making more profits.

¹⁰⁶ THE BRITISH ACADEMY 2021. Policy & Practice for Purposeful Business: The final report of the Future of the Corporation programme. The British Academy.

¹⁰⁷ SKOKIC, V. & MORRISON, A. 2011. Conceptions of Tourism Lifestyle Entrepreneurship: Transition Economy Context. *Tourism Planning & Development*, 8, 157-169.

3.3.2 Survival strategies

Several businesses expressed how maintenance was a key form of growth for them, often to ensure survival. Maintenance would require growing profits to mitigate rising costs. Llanidloes business LSI9 said:

“I think now growth means something different to what it might have done, maybe even two years ago. Growth now is survival, I think. I think if you're not growing, you're ultimately going backwards.”

For some businesses, world changes altered growth aspirations and led to increased caution in relation to investments and expansions. However, staying small was often a strategy to keep overheads low and be resilient to economic ups and downs. Llanidloes business LSI6 said:

“Very confident because we're, yeah, because we've survived quite a few recessions and, we kept small. And that's the way to be. So let's keep it small and.. not going too big. (...) so we don't have to pay overheads”

Ideas of keeping small and maintaining the business at a certain point were widespread among businesses both in Llanidloes and Llangefni. This mirrors how small businesses in Ceredigion have been found to focus on stability, good liveable income, long-term survival and offering good service through extensive local knowledge.¹⁰⁸

3.3.3 Community purpose

Some businesses had other purposes alongside making a profit, this included community-oriented strategies relating both to service provision and community-building. For example, Llanidloes business LSI4 said:

“I also know that everyone who stays has had a good time, so I have a lot of regulars and to me, I'd rather have less money and everyone has had a good time and feels they have been treated fairly that's a bit part of my ethos, and I think it's part of our town too, that's why I live where I do, we have a lovely community spirit and there trust and value beyond money and I'd like to think I'm part of that with my business.”

3.4 Barriers & narratives

This section will cover a range of narratives on barriers to and strategies for growth used in relation to the themes covered above, before moving onto the second set of themes and growth approaches.

3.4.1 Uncontrolled degrowth & physical trade

Discussions around building local economic growth were often in relation to perceptions of current challenges and decline, partly driven by cost-of-living crisis, changing shopping patterns and regulatory pressures. This is clearly aligned with the current of decline associated with the forward-motion metaphor, often associated with ideas around loss

¹⁰⁸ JONES, L., HELEY, J. & WATKIN, S. 2015. Local Cultures of the Ceredigion Economy: Practices of Endogenous Development in Rural Mid Wales. In: MCDONAGH, J., NIENABER, B. & WOODS, M. (eds.) *Globalization and Europe's rural regions*. London: Routledge.

and abandonment, as articulated through words such as *losing, left, gone, stopped* and *disappeared*.

Issues such as increased online shopping were perceived to particularly affect market towns like Llanidloes and Llangefni. Llanidloes community member I7 said:

“the high street, the retail high street has changed, it doesn't matter about Llanidloes, you know, every town is going through the same thing, and I think it's changed because of the Internet. So sadly, I think we all have to adapt to change instead of wanting it back the way it was. I think it's the future that people buy things on the Internet”

The physical shops were understood to experience degrowth (or a backward movement). Importantly, the towns were frequently described as not being very wealthy with locals having limited spending power.

There is a negative cycle of degrowth where less wealth to begin with triggers less investment, fewer opportunities for viable business and business closures leading to fewer people visiting the towns, meaning less footfall for remaining businesses. Llanidloes business T2 described their biggest challenge as:

“footfall in Llanidloes, especially with other 'pull' businesses closing.”

Multiple Llanidloes participants mentioned how pub closures caused a lack of spaces for people to linger or sit down, making town visitors leave town and events quicker than what they used to. Some saw opportunities, Llanidloes community member LSI8 said:

“Usually, any businesses struggling is because of a lack of footfall. And they need to look at why. There could be more. (...) At certain times of year, there are plenty of people in Llanidloes, it's not a lost cause, by any means, but, it could do so much, if it was better thought out.”

For LSI8, with more planning around opening times, street layout and marketing the town to visitors, there was great potential to fill shops and attract more footfall.

When thinking about growth, participants often compared the current state of the town and what they would consider prosperous. This led to descriptions about full shops, an active market and a vibrant high street. For example, Llanidloes community member LSI11 described it as:

“At the moment we've got all the shops emptying and things, so we need a thriving market again. We've got a very rundown market, so, I'd like to see the market really active, all the shops full.”

It was usually seen as self-evident that full shops and vibrant markets would be desirable, but participants who explained often spoke about attracting visitors to spend their money in town, injecting more capital into the local economy.

3.1.3 Marketing, visions & collaboration

Particularly in Llanidloes, attracting visitors was seen as the key to growth by most local participants – county-wide policymakers did not tend to see this as a solution and there was variation in how whole-heartedly participants embraced tourism.

Attracting more tourists and growing the local tourism sector was to many participants dependent on properly marketing and communicating about Llanidloes to key catchment areas, such as the West Midlands as well as signposting within the town. Action was being taken in terms of setting up websites with digital information and getting new signs for the town. Llanidloes business LSI9 was frustrated about the plainness of the signs:

“They've just invested a load of money and having some lovely new signs done. They didn't have a sign that said Llanidloes for years, years.. in the [number of] years we've been here, there's never been a sign that actually said, this is the town you're passing on the bypass, I mean, who, who doesn't have a sign going into their town? That's just bizarre. (...) Does it say welcome? No, it does not. It says Llanidloes (...) Not welcome to Llanidloes, you're entering our town, anything. Just Llanidloes. That's it. (...) It's almost take it or leave it, come or go. Whatever, just get out (laugh). It's not, it's not welcoming.”

It is clear in this example that what is needed is a representation of Llanidloes as a welcoming town, highlighting the town's assets and making it a welcoming place rather than primarily gaining profit through tourism.

Community initiatives were trying to work together to create better potential for success within Llanidloes, primarily through putting on events to attract footfall and addressing irregular opening hours¹⁰⁹ which led tourism businesses not to recommend guests to visit the town. The Chamber of Trade was revitalised in the town in 2024 to try and regenerate the town but were struggling to get businesses to participate. Policymaker Llani I6 said:

“Local groups like Chamber of Trade is good, (...) but there's quite a few.. businesses which haven't.. they've been invited, but haven't joined, so I don't know what would be the.. situation to get more businesses to work together”

Local businesses had different priorities, where some do it part-time or for lifestyle reasons and do not want to extend or standardise opening hours.

3.4.2 Small business barriers

Business owners mentioned increasing overheads due to rising energy and electricity prices and increases in the Living Wage, exemplifying the opposing forces to forward motion. But some did not feel confident increasing prices. Llanidloes business LSI4 said:

“the way that I could grow (...) is to have more people stay for longer, but I don't know that fits the current economic climate for most people, I think most people do short breaks more often because they are more affordable than a big break.”

Their growth aspirations were thus tempered by the perception of the current economic climate. Recession and degrowth were understood to have multiple causes, including Brexit, war in Ukraine and the pandemic.

¹⁰⁹ See also: JONES, J. 2024. Llanidloes Community Research: Report to Town Council, County Council and Chamber of Trade.

For business participants, concerns about rising costs following regulation and budget changes during autumn 2024, for example the increase in the National Living Wage and business rate recalculation caused concern about future costs and viability.

In terms of profit margins, one participant had taken on a busy summer café with their family. They found that if they had all been paid minimum wage, there would have been no profit. Another business owner described there to be ‘a ceiling on profit’, which might be explained by how businesses in rural areas are more likely to saturate their market.¹¹⁰

3.5 Growth through opportunity

Number of interviewees talking about the theme	Policymakers	Business	Community members
22/25	6/6	6/8	10/12
88%	100%	75%	83.3%

Table 8: Details of how many participants from each category talked about growth as dependent on opportunities, skills and population development.

The theme has an overarching focus on population, being able to retain or attract young people in these towns. There are two sub-themes: job opportunities and education/training.

Youth outmigration and lack of youth in-migration were concerns in both case studies, but especially in Llangefni where it was also associated with the survival of the Welsh language. This was often attributed to job opportunities, especially in professional roles, lack of local access to education and training and to some extent high house prices, again exemplifying the opposing force of decline facing every attempt at forward movement or growth. Such aspects are common among reasons for youth out-migration,¹¹¹ but it is important to note that migration decisions are complex and should not be assumed to be purely economic.¹¹² However, youth out-migration has been identified as a reason that businesses in rural Wales struggle to recruit suitably qualified staff.¹¹³

¹¹⁰ FULLER-LOVE, N., MIDMORE, P., THOMAS, D. & HENLEY, A. 2006. Entrepreneurship and rural economic development: a scenario analysis approach. *International Journal of Entrepreneurial Behavior & Research*, 12, 289-305.

¹¹¹ WOODS, M., HELEY, J., HOWELLS, H. & GOODWIN-HAWKINS, B. 2021. A Rural Vision for Wales - Thriving Communities for the Future: Evidence Report. Aberystwyth: Aberystwyth University.

¹¹² LEWIS, H. & CUNNINGTON WYNN, L. 2024. ARFOR, out-migration and the Welsh language: Findings from recent research on out-migration to inform the work of the ARFOR II programme.: Aberystwyth University.

¹¹³ FULLER-LOVE, N., MIDMORE, P., THOMAS, D. & HENLEY, A. 2006. Entrepreneurship and rural economic development: a scenario analysis approach. *International Journal of Entrepreneurial Behavior & Research*, 12, 289-305.

3.5.1 Job opportunities

There were not always job opportunities matched with the aspirations of young people, or people available to fill vacancies. Llangefni business LG11 said:

“we're losing our youngsters who are the future, and this applies to a lot of the areas in rural Wales, we've got no work. There's no work here. There used to be work when I was sort of 50 years ago, there was plenty of work here. And my friends stayed here, and they've brought up homes and they brought up their children in the area, but sadly, this is changing.”

The temporal contrast built up in this statement (for example: there's no work – there used to be work) clearly demonstrates the opposing force of decline. Interestingly, the same person explained that their children did not want to take over the business and instead have gone into other careers. This suggests that there is mismatch between job seekers and job opportunities, common in rural areas.¹¹⁴ Llanidloes community member LSI7 said:

“I think a lack of work. There aren't, there are jobs, I know there are, the hotel business, the pubs that have B&B. I know they've been crying out for people to work, hospitality and they don't seem to be able to get the people to work, even though people need jobs. So I'm not, I don't quite know what the cause is there, whether it's not highly enough paid work, or whether the hours aren't suitable.”

The participant knew about businesses struggling to find staff and recognised the potential mismatch in skills, job aspirations, wages and hours. Llangefni business LG15 spoke of struggling to find young people wanting careers in hospitality and food.

Recruitment issues can be alleviated by developing clear visions of who the businesses is looking to recruit and identifying how those individuals would benefit from working in the company.¹¹⁵

Llanidloes business LSI3 found it challenging to get professionals to relocate there. Their solution was to take on trainees:

“we are looking at a new trainee [profession] coming in next year I don't think from Llanidloes itself, it may be from the surrounding areas and people can work from home now more, but the opportunity are just the type of jobs, that's the problem.”

This early career opportunity could enable young professionals to pursue their career goals in Llanidloes. Having job opportunities for young people builds a sense that the town will live on and grow through older generations being replaced by the new.

¹¹⁴ NYSTRÖM, K. 2021. Recruitment of scarce competences to rural regions: Policy perspectives. *Review of Regional Research*, 41, 211-227.

¹¹⁵

PRYS, C., BONNER, E. & HODGES, R. 2024. Bilingual Workforce Recruitment Pack. ARFOR Bangor University.

3.5.2 Education / Training

Appropriate skills are necessary for businesses to develop and progress, both with adequately trained staff and continuous learning for business owners and managers.

Youth in-migration and retainment require appropriate education and training facilities. Policymaker LSI12 explained that Powys has no university and that:

“our post 16 students often go over the border to be educated. (...) and in theory, that's good news because it costs us less money for the others to educate it. But of course, it depends upon 18 year olds or 19 year olds, then coming back to us, which isn't guaranteed.”

There is also a need to provide education and training opportunities that align with business needs in the county, enabling businesses to prosper and addressing the mismatch between demands for jobs and workers.

Training, rather than formal education is also required. A Llanidloes community initiative highlighted the prevalence of self-employment and higher barriers to entry into self-employment for young people. They envisaged being able to create a network where people would be able to exchange knowledge and trial small business ideas with mitigated risks. The growth generated from this would increase the livelihoods that could be supported within the community while building skills and community spirit.

Although many businesses knew about available support and advice, it was common that they, like LSI6, felt that the available support did not suit their business:

“there are some business support assistance-groups, we have researched it, but they don't cover like people who self-employed, like market store traders or local businesses (...) There's not really much support out there.”

Self-employed businesses may have less time to look for support. A Llangefni business also said that they had found support through word of mouth rather than official channels, highlighting potential communication issues.

3.6 Foundational growth

Number of interviewees talking about the theme	Policymakers	Business	Community members
19/25	6/6	6/8	8/12
76%	100%	75%	66.7%

Table 9: Details of how many participants from each category talked about growth as built on the foundational economy.

Growing and maintaining the foundational economy is important for people to feel pride, hope and belonging in relation to their places. This requires some degree of public spending, but also calls into question who owns the resources that are needed for

everyday life. Providing for foundational needs can be an important objective for community-focused forms of growth.

3.6.1 Local belonging and local services

The foundational economy and public services provide a baseline for attracting people to the towns, quality of life, building community on, being able to operate and have demand for businesses. A Llanidloes community member LSI11 described degrowth in public services:

“the post office is getting smaller and smaller. Everything seems to be diminishing. They're trying to diminish the hospital, to have fewer and fewer services, it's just that feeling that everything's being cut. The library's disappeared, it's now just a one room library and they're thinking of closing that. So, it's like all the things that you can be proud of in your town, they're all disappearing and dwindling (...) it's giving a bit of a feeling of depression I think”

Previous research has shown that residents in rural areas often worry about service decline and feel that service closures reflect a lack of care by the state for them and their places.¹¹⁶

The public sector is a key driver of the regional economy in employing a significant portion of the workforce¹¹⁷ and contracting businesses. Llanidloes policymaker LSI13 said:

“as drivers of economic growth, the local government and indeed other public agencies, like the health service are very, very important, because so many businesses supply local government. No, so if you restrict local government spending, you restrict the economy.. that provides for that local government. You know, we mend less roads, we employ less contractors to do it.”

Austerity and cuts to the foundational economy create degrowth and opposing forces making it hard to even maintain the status quo, and they also have social and cultural knock-on effects. Population changes and cuts affect the level of service provision which can influence the nature of place and opportunities. A Llangefni policymaker (LGI4) said:

“if our youngsters leave (...) then that has a negative effect on our Welsh language speakers and obviously then on our primary schools, because there are fewer children in them. That's another job loss that you could look at in the future; fewer teachers will be needed if fewer children are in the schools. And then, obviously, that has a knock on local universities and colleges like Coleg Menai.”

This highlights how service and population decline can make it more difficult to pursue bottom-up growth due to effects on culture and language. Indeed, a Llangefni resident listed public services such as the library and the leisure centre as its main attractions. However, few participants recognised ways to resolve the lack of funding. Llanidloes community member LSI8 said:

¹¹⁶ HJORT, E. 2023. Marginalisation through the eyes of the othered: Young adults choosing to live in rural Northern Sweden. *Journal of Rural Studies*, 97, 601-609.

¹¹⁷ EARLE, J., FROUD, J., JOHAL, S. & WILLIAMS, K. 2018. Foundational economy and foundational politics. *Welsh Economic Review*, 26, 38-45.

“we’re in regular contact with our councillors and we tell them what we think, and we invite them along to meetings and we write to them, but of course they’re heavily constrained by public spending cuts. (...) But you gotta invest, really”

Although there seemed to be a positive relationship between the community groups and councillors, public spending restrictions meant that councillors were often perceived to lack power. County policymakers tended to feel limited in the amount of spending available for them.

3.6.2 Public ownership

Although policymaker participants wanted to provide business support and help to achieve town visions of the local economy, relevant land and buildings are sometimes privately owned. For example, land owned by Powys County Council was rarely located in places accessible or logical for developments of housing or business premises. The high street in Llanidloes was largely privately owned, meaning the town council could do little to address high rents and empty shops. Llangefni policymaker LGI4 said:

“But because we’ve got so many individual small businesses, it’s challenging for the council to have an impact because the buildings are owned privately on their tenants or their leaseholders (...) so it’s tough for the council to intervene.”

Even publicly owned assets would not necessarily be managed the same way depending on if they were owned by the town or county council. Town level Llanidloes policymaker LSI10 said:

"we've got a free car park in Llanidloes, but we've also got another car park by the health Centre, which is owned by the County Council and which is a pay. £2.50. (...) Now if we had that, we'd probably make that free."

Housing is part of the foundational economy, and has shifted between being considered public and private sector.¹¹⁸ Powys level policymakers frequently spoke about how the house-building work of DBRW had enabled economic development. In Llangefni, the discussion tended to focus on house prices and the county council was buying back social housing to bring down the cost of housing, enabling young and Welsh-speaking people to stay in the area.

3.6 Sustainable growth

Number of interviewees talking about the theme	Policymakers	Business	Community members
17/25	6/6	7/8	4/12
68%	100%	87.5%	33.3%

Table 10: Details of how many participants from each category talked about growth as needing to be sustainable.

¹¹⁸ Ibid.

Sustainability provides a necessity and an opportunity for development in Mid Wales. Sustainable practices provided a USP for many businesses. Policymakers saw opportunities in relation to renewable energy production, nature-based investments and green industries, especially to create energy and food security and reduce dependence on grants-based funding for development.

From these perspectives, growth is long-term, maintained, sustainable and environmentally friendly. This is then not primarily 'upward' oriented, but future oriented, with the forward movement in line with the conceptual metaphor of time as forward motion.¹¹⁹ Grants were not seen as being able to offer the consistent funding required to create growth, Llanidloes policymaker LSI12 said:

"Timelines that are unrealistic and waiting for decisions.. and it's almost childish in a way, looking at it, that they got, the rules from.. Welsh Government are, that all this work needs to be done in 12 months. (...) when you're after six months and you are, you realise that, that's always gonna be unrealistic and it leads to bad schemes if we're not careful"

In this way, grant funding was often regarded as welcome, but temporary, uncertain and limiting. Llanidloes policymaker LSI14 said:

"what I see as my primary objective, is to attract private investors in, and move food production away from a culture of subsidies."

To achieve this, multiple participants suggested opportunities through sustainable practices and the development of a green economy. This included nature-based solutions,¹²⁰ for example raising private sector investment through insurance companies paying farmers to reduce flooding downstream through sustainable practices on their land. These priorities are in line with the Wales National Plan 2040.¹²¹ Land and resource use were central. Llanidloes policymaker LSI12 said:

"our industry will be linked in to power sources, renewables power sources, which we have plenty of opportunities, that's where the geography is a plus rather than a minus."

On the business side, sustainability was connected to growth potential through customer expectations and desires. For example, Llanidloes business LSI9 said:

"that's our ethos, it's our USP. It's what our customers expect. And the additional thing of actually we help to promote that.. further than just the people who visit us to help others just sort of, you know, just recognise that it's.. yeah, it's the way things need to go."

This business had sustainability as part of its purpose, adopting some practices of purposive business, but this was also desired by customers. Across the theme, sustainability was seen as the way forward.

¹¹⁹ MOORE, K. E. 2017. Elaborating time in space: the structure and function of space–motion metaphors of time. *Language and Cognition*, 9, 191-253.

¹²⁰ MAES, J. & JACOBS, S. 2017. Nature-Based Solutions for Europe's Sustainable Development. *Conservation Letters*, 10, 121-124.

¹²¹ WELSH GOVERNMENT 2021. Future Wales: The National Plan 2040. Cardiff: Welsh Government.

3.8 Traditional conceptions of growth

Number of interviewees talking about the theme	Policymakers	Business	Community members
14/25	6/6	5/8	3/12
56%	100%	62.5%	25%

Table 11: Details of how many participants from each category talked about growth as increase, GVA and productivity.

This theme focuses traditional conceptions of growth as increases in GDP, GVA, wages, jobs, manufacturing, building, sales, investment and turnover. Lexical terms associated with this theme included ‘more’, as in “more of an infrastructure”; ‘lots’ and ‘expand’, as in “lots of successful businesses who want to expand here” (policymaker LSI12), which reflects the conceptual metaphor or “more is better”.

These approaches were most common among policymakers and were usually coupled with Integrated Rural Development ideas, where rural development combines multiple sectors,¹²² and consideration of sustainability and social consequences of economic policy, as encouraged by the Wellbeing for Future Generations Act. For example, Llanidloes policymaker LSI13 said:

“It’s a very abstract term, isn’t it? (...) the standard measure of growth is.. GDP, or sometimes GVA gross value added. That’s always been the way we tended to measure.. growth, in economic terms, but of course there’s, growth comes in different forms as well, doesn’t it? Social growth. Community growth. The word growth implies improvement. (...) but for the purposes I think of what we’re talking about is we’re in a region of low.. per capita income, low productivity.. Immense.. economic and social challenges posed by rural sparsity, by the sparsity of population. That we do need to still see it in terms of money, we do need to improve the gross output of the region and individuals’ share of that. So I think it’s still appropriate for us to talk about that in these terms, in rural, because that’s the imperative at the moment, and, from that will follow, well all being well.. improvements in other ways, in terms of social and community opportunity.”

It is assumed that community opportunities will be created through growth in GVA compared to other regions and that increased GVA per capita would result in increased wealth across the board, despite the measure not taking within-region income inequalities or liveability into account.^{123, 124} However, despite the measurement, the purpose seems to be to reduce inequalities and increase standard of living.

¹²² BRISTOW, G. 2000. Structure, Strategy and Space: Issues of Progressing Integrated Rural Development in Wales. *European Urban and Regional Studies*, 7, 19-33.

¹²³ LANG, M. & MARSDEN, T. 2023. Territorializing sustainability: decoupling and the foundational economy in Wales. *Territory, Politics, Governance*, 11, 1635-1648.

¹²⁴ FROUD, J., HASLAM, C., JOHAL, S., TSITSIANIS, N. & WILLIAMS, K. 2018. Foundational Liveability: rethinking territorial inequalities. *Working Paper No.5*. Foundational Economy Collective.

This links to arguments about the need for inward investment. If there is too little money within the region, injections are needed from elsewhere. Different participants had different ideas about who and what should be doing this. Policymakers often discussed the economic mix and the need for manufacturing industry to increase wages and diversify employment away from tourism, public sector and agriculture. For example, Llangefni policymaker LGI4 said:

“We need good industry manufacturing roles so that we can spend time here and stay independent of just tourists.”

However, community members and businesses mostly did not comment on the specifics of the needs for inward investment or had doubts. In relation to industrial units, Llanidloes community member LSI7 said:

“I don't think building more of them is gonna be the answer because I don't think people are.. starting their own businesses. I'm not sure how you can attract business to the area, because you know the road system is not good, so, actually getting products in and out of Wales is more difficult.”

In cases where businesses conceptualized growth as expansion, as evidenced by their use of the term 'more' for example LSI3, there was recognition that such progression was not always feasible due to various constraints, such as staffing challenges.

Infrastructure and lack of manufacturing entrepreneurs were thus seen to make manufacturing growth unlikely, in addition to lack of available workforce.

While the growth deal was welcome to participating policymakers, it was often doubted whether it provided enough capacity to make a long-term change to the economy. Llanidloes policymaker LSI12 said:

“I think.. a lot of us who are involved in economic development now in the public sector as I am, are envious of, the powers and the structure that the Development Board had.”

DBRW was seen as having had significantly more power, funding, long-term thinking and capacity for risk-taking than what local governments are able to achieve through growth deals.

4. Key policy questions

4.1 How can government facilitate greater investment in the economy, particularly considering infrastructure, pensions and SMEs

Businesses throughout this study operated for the benefit of their community. Making sure that goods were available, that people had somewhere to go and that they were part of building a vibrant community were key objectives for entrepreneurs. For example:

“I support the local economy because it’s a small town with lots of small terrace houses where people can’t have family to stay because it’s a bit cramped. So I put up their people and they take them out for the day, so that definitely helps” - LSI4, business, Llanidloes

“I’m trying to promote our island. We’re trying our best to bring work to the island.” - LGI1, business, Llangejni

Furthermore, community spaces make a big difference to people’s sense of belonging and quality of life. These spaces are not limited to purpose-built community centres but include purposeful businesses¹²⁵ and the physical infrastructure of a town.

Greater investment and support for community-focused enterprises could have direct spillover effect in a location and help alleviate the constant challenges perceived as an opposing force hindering forward movement. Funding and enabling community initiatives help communities build skills, capacity and opportunity to start more companies and try out new business ideas. Creating spaces, businesses and services which pull people into town adds footfall to surrounding businesses.

GOOD PRACTICE: THE HANGING GARDENS CAFÉ IN LLANIDLOES

The Hanging Gardens cafe¹²⁶ runs several schemes contributing to local economic development. For example, giving work experience to local people far from the labour market in the cafe, which allowed them to move onto other jobs. They also set up opportunities to try out small business ideas and learn entrepreneurial skills from others.

Between 2015 and 2022 almost half of bank branches in Wales were closed or earmarked for closure.¹²⁷ Llanidloes currently has no bank, only one cash point and the post office is inside SPAR. People are concerned about services such as the hospital, library and leisure centre being at risk of closure, which causes insecurity in their everyday lives.¹²⁸

¹²⁵ THE BRITISH ACADEMY 2021. Policy & Practice for Purposeful Business: The final report of the Future of the Corporation programme. The British Academy.

¹²⁶ THE WILDERNESS TRUST. 2025. *The Hanging Gardens* [Online]. The Wilderness Trust. Available: <https://thehanginggardens.org> [Accessed 7 March 2025].

¹²⁷ HIGGS, G., PRICE, A. & LANGFORD, M. 2022. Investigating the impact of bank branch closures on access to financial services in the early stages of the COVID-19 pandemic. *Journal of Rural Studies*, 95, 1-14.

¹²⁸ HJORT, E. 2023. Marginalisation through the eyes of the othered: Young adults choosing to live in rural Northern Sweden. *Ibid.* 97, 601-609.

These infrastructures make it easier to conduct business, draw people into town and increase footfall and improves overall quality of life. Removing these services and making changes to legislation, for example relating to business rates and Living Wage, contributed to businesses feeling uncertain about their ability to continue their operations.

Growth rests on foundational infrastructure and services and the ownership of these needs to be considered. Community groups and local policymakers often do not own and therefore cannot control or manage these assets. **Transitions towards democratic community ownership of key public services and infrastructure should be promoted.**

GOOD PRACTICE: THE WHITE HART COMMUNITY INN IN ST DOGMAELS

The White Hart Community Inn was a historic pub and the last one operating in the village when it closed in 2019.¹²⁹ Community members then fundraised for two years, getting funding from stakeholders, community members, EU funding through Welsh Government, Pembrokeshire County Council and Wales Council for Voluntary Action.¹³⁰ The inn has been community-owned since 2021 and functions as a community hub and meeting place with locally sourced food, providing local year-round employment and using local suppliers.¹³¹ The initiative thus supports the local economy in multiple ways.

4.2 How can policy be designed in a way that better supports productivity and growth

This research has identified an overarching concept of growth as forward movement against opposing forces, alongside associated themes such as community-building, maintenance, survival, bottom-up, providing opportunities, foundational economy and sustainability, with only very few (usually policymaker) participants discussing ‘traditional’ conceptions of ‘upward’ growth and productivity such as GVA as something to be desired and promoted.

Current definitions of growth and productivity exclude the ambitions, perspectives and contributions of many businesses in this study. While some settled for survival considering growth unattainable, many businesses, such as lifestyle businesses prioritised community improvement, togetherness and personal growth. The meaning of growth and productivity should be interpreted more broadly than increased profits, employment or GVA.

There need to be **business support that specifically caters for businesses that centre purpose or lifestyle aspects**, but which could benefit from more skills to further their objectives and contribute to community growth.

Recognising alternative and sustainable interpretations of growth may prevent resentment among business owners who feel that their values do not match policy perspectives. Instead, it could create a positive relationship with growth as constant

¹²⁹ WHITE HART COMMUNITY INN. 2023. *The White Hart Community Inn St Dogmaels/Llandudoch* [Online]. Oracle-Web-Design - Lys Arundell. Available: <https://whitehartinn.cymru/about-us/> [Accessed 26 February 2025].

¹³⁰ Ibid.

¹³¹ Ibid.

improvement enabling communities and businesses to thrive in the face of opposing forces.

Importantly, policies designed to create growth in productivity might not result in employment growth,¹³² so **policies need to be clear about their specific aims and use appropriate measures to evaluate those.**

4.3 How should the government target resources to drive economic growth and build resilience within and between places, ensuring that benefits reach the communities who need them most?

The current structure of growth deal development did not necessarily cater for targeted investments in particular places, especially not when attempting to attract inward investment. For example policymaker LSI12 said:

“in Newtown (...) the biggest town in Powys.. has more of a infrastructure of.. business development, and there are lots of successful businesses who want to expand here, and we're not gonna.. tell them they've got to go somewhere else.”

These investments were interpreted as being out of control of the county council to some extent, and it was recognised that this could result in uneven development, as well as being vulnerable to recessions and branch plant closures. In addition, it might result in urban bias of development initiatives when investments happen in relatively well-connected places with available workforces.

Creating thriving physical local economies was important for these market towns. **Supporting initiatives that allow small businesses or local producers of craft and goods to try out their businesses could be a way to bring this about.**

Successful examples of initiatives that have provided such opportunities includes the retail project run by Antur Cymru in Aberystwyth where pop-up market stalls were able to sell their goods indoors in the old Post Office building.¹³³ Another example includes St Dogmaels Local Producers' Market¹³⁴ which is held every Tuesday morning, allowing local producers to sell fresh food and local goods.

4.4 What are the trade-offs between pursuing local economic growth and improving the resilience of local economies?

Putting local economic growth and local economic resilience in opposition to each other is potentially harmful and contradicts the forward-looking conceptualisation of growth

¹³² DOBBS, M. & HAMILTON, R. T. 2007. Small business growth: recent evidence and new directions. *International Journal of Entrepreneurial Behavior & Research*, 13, 296-322.

¹³³ ANTUR CYMRU. 2022. *A POP-UP retail project moved to bigger premises and is supporting more businesses than ever following a successful first year.* [Online]. Antur Teifi. Available: <https://anturcymru.org.uk/trading-space-in-aberystwyth-has-relocated/> [Accessed 3 March 2025].

¹³⁴ HANES LLANDOCH. 2025. *Local Producers Market every Tuesday throughout the year from 9am - 1pm* [Online]. Available: https://www.stdogmaelsabbey.org.uk/producers_market.php [Accessed 7 March 2025].

encountered in the communities. Growth needs to be built on resilient foundations and take future generations and sustainability into account.

In this study, traditional notions of growth were almost exclusively encouraged by policymakers. In contrast, businesses viewed growth as forward-moving development, driven by community and sustainability as a necessity. Even businesses who saw growth as increased sales or turnover did not necessarily aspire to grow in the sense of expanding or aiming 'higher'.

Especially lifestyle businesses in rural areas perceive government support and guidance not to work for their values and objectives. This may be explained by the different focus of local communities and businesses and county level policymakers.

Being able to build a resilient local economy with others in the town, providing services, attracting visitors and generating opportunities for more people to make a living within the town were seen common growth aspirations, especially in Llanidloes. Such actions simultaneously build resilience and capacity to generate more profits, employment opportunities and vibrancy in the towns.

Across the sample, interest in growth among community and businesses were rooted in local resilience. To encourage this, there should be **more support and investment in community initiatives and social enterprises**, as these build community capacity, community spirit, opportunities, bring people into town and may generate more employment opportunities.

5. Conclusion and recommendations

Seven perspectives on growth have been discussed in this report, six of which were compatible with an overarching metaphor that, contrary to the traditional notion of growth as an upward trajectory, evokes the image of forward movement against the force of a constant, widely felt, multifaceted threat of decline. Importantly, traditional conceptions of growth referring to increases and improvements were least common, and were almost exclusively used by policymakers rather than businesses or community members / initiatives.

For these communities, growth was about being better rather than bigger and it was an endeavour related to values such as community, sustainability, lifestyle, place and a good quality of life. Growing was a way to move forward, and moving forwards a necessity not to fall behind and face uncontrolled degrowth.

Community hubs created through business, social enterprise or community initiatives greatly contribute to sense of community and growth. Social and community businesses are part of movements looking to create economic models which share wealth in their community, and are less exploitative.¹³⁵ They tend to reinvest surplus to grow business, use profits for community, environmental or social purposes, create employment and specifically for people who were previously unemployed.¹³⁶

5.1 Examples of good practice

Supporting local initiatives and providing specific advice for community-oriented goals of community-owned purposive business or social initiatives can help boost local economy, provide long-term sustainability and fill gaps and needs in local markets.

A good example of successful community-owned purposive businesses is Blaenau Ffestiniog, where there are community-focused enterprises in most sectors, which create considerable employment and lead to resources being reinvested into the community.¹³⁷

RECRUITMENT GOOD PRACTICE

Recruitment issues can be a consequence of not having suitable marketing and communication around job roles. Arfor and Antur Cymru have highlighted how adjusting marketing to focus on the social values or unique selling points of specific job roles can bring recruitment success in rural Wales. Identifying the particular values of available roles, socially or in terms of career progression, opportunities or working practices and creating clear messages around this in communication is key. Businesses need to identify who they want to recruit and target their communications towards those audiences. This includes both job postings and other company communications, such as websites and social media.

¹³⁵ TEIFI, I., CLARK, M., ALLIES, O. & GALLAGHER, P. 2023. Social Business Wales: Mapping the Social Business Sector in Wales / Census 2022. Aberaeron: Wavehill.

¹³⁶ Ibid.

¹³⁷ BEVAN FOUNDATION 2023. From capitalism to community wealth: Building new economies in Wales. Bevan Foundation,.

Other approaches to creating community benefits through non-profits, grant applications or public sector support can be equally beneficial, but may struggle with long-term sustainability. An example of this is the Hanging Gardens project in Llanidloes which is currently grant-funded and revitalises various buildings, creating a community hub with a café, a community fridge, spaces for local groups, arts and creative practices and initiatives helping to hire local people, build skills in the community and increase community cohesion.

Antur Cymru ran a very successful pop-up retail project, starting in Aberystwyth with test spaces later opening in Newcastle Emlyn and Cardigan.¹³⁸ These spaces gave opportunities to develop ideas, try out products and build a customer base, but there was also a regional team of experienced mentors supporting with advice and guidance for independent traders, entrepreneurs and start-ups.¹³⁹ Although the test-trading spaces have finished as the project came to an end, business support for start-ups and small businesses is still available.¹⁴⁰

5.2 Recommendations for practitioners

As the overall conceptions of growth fundamentally differ between policymakers and communities, it will be important to recognise the importance of sustainable, community-driven forward movement, building resilience against multiple challenges faced by businesses and community groups. Tables 12 and 13 offer specific suggestions and elaborations for practitioners and for policymakers, respectively.

Type of growth & summary	Recommendations for practitioners
Growth as community-building Growth was often seen as a community issue rather than an individual aspiration, where having a strong local economy was understood to aid community cohesion.	Recognition of Community Growth Growth initiatives should be tailored to the specific locations they affect, recognizing how communities may see growth as a communal activity and what this means for growth strategies and aspirations.
	Community hubs Community hubs as spaces where community members can meet, interact, try out business ideas and build community should be encouraged. Such venues can pull individuals into town centres and create further opportunities.

¹³⁸ ANTUR CYMRU. 2024. *TRADERS are enjoying start-up success with the support of Antur Cymru Enterprise*. [Online]. Antur Teifi. Available: <https://anturcymru.org.uk/cardigan-trading-space-launches/> [Accessed 24 February 2025].

¹³⁹ ANTUR CYMRU. 2023. *A BUSINESS support service will expand across Mid and West Wales following an encouraging first year*. [Online]. Antur Teifi. Available: <https://anturcymru.org.uk/local-business-support-expands-newcastle-emlyn/> [Accessed 24 February 2025].

¹⁴⁰ ANTUR CYMRU. *Local Business Support* [Online]. Antur Teifi. Available: <https://anturcymru.org.uk/localbusinesssupport/> [Accessed 24 February 2025].

<p>Bottom-up growth</p> <p>Seeing growth as something which should come from the people and the place is complicated by the various positions and perspectives of individuals and groups within communities, highlighting the importance of working with equality and inclusion.</p>	<p>Equality & inclusion</p> <p>Place-based growth approaches need to recognise and address exclusions and power dynamics within places, to promote equality and inclusion.</p>
<p>Growth as maintenance / survival</p> <p>Local businesses often have small profit margins, but took pride in providing their town with a service and building a community. However, there were sometimes conflicts where alternative purposes of businesses were understood as inertia or lack of entrepreneurship.</p>	<p>Supporting community/lifestyle aspirations</p> <p>There should be tailored business support for micro-businesses with community or lifestyle-based aspirations, as well as for businesses that are self-employed, e-commerce, digital or without specific business premises.</p>
	<p>Collaborative networks</p> <p>Town offering should be enhanced through collaborative networks involving multiple stakeholders to increase footfall in market towns.</p>
<p>Foundational growth</p> <p>Liveable towns with good quality of life require public infrastructure and foundational sectors and services. Communities accessing services locally have more time to spend locally. Public and community ownership of this infrastructure can increase the power communities have over the liveability of their places.</p>	<p>Encouraging community ownership</p> <p>There should be support for communities who wish to take ownership over key infrastructure or services in their area.</p>
<p>Growth through opportunity</p> <p>Skills, training and education influence both business recruitment and youth migration. Access to education affects ability to retain and attract young people and supply of skills for the labour markets. Businesses may also have needs for</p>	<p>Targeted recruitment</p> <p>Businesses should advertise vacancies to their potential employees, identifying the specific values and social contributions of their job offer. The offering and business values should then be used consistently across the platforms used by the business.</p>

skills and training that they do not always recognise themselves.	
Sustainable growth Even policymakers did not see traditional approaches to growth as enough, but emphasised sustainable investments in the green economy and nature-based solutions to replace unsustainable dependency on grant funding for economic development.	Social enterprise support Advice for businesses that want to become more purposive, or initiatives who want to adopt more of a social enterprise approach to become independent of grant funding.
Traditional growth Growth measured as GVA per capita or increases was almost exclusive to policymakers and even they often had broader considerations.	Fit for purpose growth definitions Definitions of growth used when working in communities should be based on community definitions and the purpose of interventions.

Table 12: Listing recommendations specifically for practitioners in relation to each approach to growth identified in the study.

5.3 Recommendations for policymakers

Type of growth & summary	Recommendation for policymakers
Growth as community-building Growth was often seen as a community issue rather than an individual aspiration, where having a strong local economy was understood to aid community cohesion.	Recognition of Community Growth Growth initiatives should be tailored to the specific locations they affect, recognizing how communities may see growth as a communal activity and what this means for growth strategies and aspirations.
Bottom-up growth Seeing growth as something which should come from the people and the place is complicated by the various positions and perspectives of individuals and groups within communities, highlighting the importance of working with equality and inclusion.	Place-based indicators of growth Each policy should have specific indicators attached at the outset, specifically catered to the policy and the needs and objectives of the places where it will be applied.
	Equality & inclusion

	Place-based growth approaches need to recognise and address exclusions and power dynamics within places, to promote equality and inclusion.
Growth as maintenance / survival Local businesses often have small profit margins, but took pride in providing their town with a service and building a community. However, there were sometimes conflicts where alternative purposes of businesses were understood as inertia or lack of entrepreneurship.	Supporting community/lifestyle aspirations There should be tailored business support for micro-businesses with community or lifestyle-based aspirations, as well as for businesses that are self-employed, e-commerce, digital or without specific business premises.
	Recognising economic benefits of community-owned business Community-owned businesses with community purposes have significant effects on employment, service provision and quality of life and should therefore be supported and encouraged.
Foundational growth Liveable towns with good quality of life require public infrastructure and foundational sectors and services. Communities accessing services locally have more time to spend locally. Public and community ownership of this infrastructure can increase the power communities have over the liveability of their places.	Investing in the foundational economy & community ownership Make strategic investments into infrastructure, services, housing and the physical infrastructure of towns, allowing for public or community ownership of commonly used assets.
Growth through opportunity Skills, training and education influence both business recruitment and youth migration. Access to education affects ability to retain and attract young people and supply of skills for the labour markets. Businesses may also have needs for skills and training that they do not always recognise themselves.	Distributing education & training opportunities There should be access to opportunities for training and education as near to people as possible, as well as training courses accessible for people in employment needing to upskill. It thus needs to be delivered in flexible ways which can be accessible all across Wales.

<p>Sustainable growth</p> <p>Even policymakers did not see traditional approaches to growth as enough, but emphasised sustainable investments in the green economy and nature-based solutions to replace unsustainable dependency on grant funding for economic development.</p>	<p>Sustainable development</p> <p>Regional approaches to growth should take into account a broad range of indicators, including health, discrimination, exclusion and safety.</p>
	<p>Long-term approach</p> <p>Consider ways of making public sector strategies more long-term and independent of grant funding.</p>
	<p>Sustainable ways forward</p> <p>Continue working towards sustainability and green economies at the regional level.</p>
<p>Traditional growth</p> <p>Growth measured as GVA per capita or increases was almost exclusive to policymakers and even they often had broader considerations.</p>	<p>Evaluation methods to suit targets</p> <p>Economic policy delivery should be evaluated in relation to indicators that adequately measure desired outcomes. regional approaches to growth should take into account a broad range of indicators, including health, discrimination, exclusion and safety.</p>

Table 13: Listing recommendations specifically for policymakers in relation to each approach to growth identified in the study.

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