



TARGETING REGIONAL ECONOMIC DEVELOPMENT

A JOINT INITIATIVE OF THE REGIONAL RURAL DEVELOPMENT CENTERS

<http://nercrd/psu.edu/TRED/index.html>

January 2010



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Why Now?

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Why now:

- Wealth of data/too much information
- Devolution of federal responsibility/need for local capacity
- Response to economic recession/Stimulus funds

We believe the TRED program outlined here is particularly timely for a number of reasons. First, for the past few decades public responsibilities have devolved slowly but steadily to the lowest levels of government. In the area of economic growth and development communities have come to appreciate the vital role that they play in affecting economic change. As local leaders and concerned citizens become more comfortable with this role in economic growth and development they are asking increasingly complex questions. Many communities have moved away from the “shoot anything that flies and claim anything that lands” mentality of more traditional industrial targeting. Community leaders have found that blind industrial recruitment does not work in the long-term. By asking more complex questions about the local economy a “teachable moment” is created where community economic development practitioners can move the community forward by both expanding and focusing the thinking of local officials and concerned citizens.

The depth of the most recent economic recession has caught many community leaders and economic development practitioners by surprise. The bursting of the housing bubble and the near collapse of the financial markets has renewed interest in economic growth and development efforts at the local level. With the advent of the significant amount of federal stimulus monies coupled with a new philosophy of federal government involvement there is a keen interest in how communities can better position themselves for economic growth and development. While the federal stimulus funds may be viewed as a short-term reaction to a deep economic recession the new philosophies of the federal government’s role are likely to have longer-term implications. We do not foresee a reversal of the devolution movement but rather a change in local-state-federal relationships. Much of the devolution movement over the past several decades has taken

the form of higher levels of government simply stepping away and leaving a void to be filled by lower levels of government. We foresee an extended period of time during which the federal government will step up as a critical partner in assisting local governments in their economic development efforts. This may be through financial resources (such as the stimulus monies) and/or technical support. Given the depth of the recession and the response of the federal government tremendous opportunities exist for communities to take several steps forward and the approaches to TRED outlined here provide viable alternative options.

The advent of the internet has been both a blessing and a curse for economic development practitioners. The rapid flow of information has been revolutionary in how people communicate and gather data. At the same time the flow of information can be overwhelming. The amount of economic data that can be easily accessed through the internet has exploded in recent years and will continue to expand into the foreseeable future. The days of going to the library and hand copying economic and social data are nearly over. With the point and click of a mouse the practitioner can have vast volumes of data at his or her finger-tips. The challenge we face now is information overload: what does the practitioner do with all of this data? Here the process is as important as the content of TRED. Without a systematic process to think about, process and reflect upon the data analysis (i.e., content) the TRED effort will become unsustainable because of data overload. In many community settings the process of conducting the analysis can be just as powerful as the end product. Teachable moments are created and community leaders and concerned citizens can engage in thoughtful discussions about the strengths and weaknesses of their regional economy and future possibilities.

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The Northeast Center receives annual base funding through the Cooperative State Research, Education and Extension Services, U.S. Department of Agriculture and the Northeastern Regional Association of State Agricultural Experiment Station Directors. Any opinions, findings, conclusions or recommendations expressed in this publication are those of the authors and do not necessarily reflect the view of the U.S. Department of Agriculture, or of other funders.



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