BRINGING RURAL COMMUNITIES INTO REGIONAL ECONOMIC DEVELOPMENT? Lessons from the Research Triangle & TechBelt Regions

Dr. Tara Vinodrai
Director, Local Economic Development Program
School of Environment, Enterprise & Development
University of Waterloo

Tamara Bangura
School of Environment, Enterprise and Development
University of Waterloo

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• Research context
• Overview of case study regions
  – Regional characteristics
  – Focus organizations
• Findings and key themes
  – Urban-rural dynamics
  – Leadership and relationships
  – Governance structure
• Conclusions
• Lessons for policymakers
• Strong policy imperatives for fostering innovation as part of the regional economic development agenda

• Long academic tradition of studying innovation systems through a regional lens
  – Builds on ‘new regionalist’ ideas that the region is the locus for organizing innovation, fostering cluster development and supporting entrepreneurship
  – Yet, empirical research often overlooks the role of rural communities in tech-oriented regional economic development

• What role is there for rural communities within existing and emerging regional economic development efforts?
WHY THESE REGIONS / ORGANIZATIONS?

- U.S. regions with strong innovation/technology focus and eroding/evolving traditional employment base
  - TechBelt: Traditional to advanced manufacturing
  - Research Triangle: Agriculture, textiles to biotechnology and life sciences, RTP (and to a lesser extent the broader region) widely studied

- Agencies have taken different approaches to regional economic development
  - TechBelt Initiative: Bottom-up, community driven
  - Research Triangle Regional Partnership: Top-down, state directed
• Research Triangle
  – 1 urban centre: Raleigh-Durham
  – Research Triangle Park (RTP) – est. 1956, largest research park worldwide (2800 ha, 200+ global companies), high-tech
  – hierarchical, centralized governance landscape

• Focus organization: Research Triangle Regional Partnership
  – Founded in 1990
  – One of 7 state-created economic development partnerships

<table>
<thead>
<tr>
<th>Research Triangle</th>
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<tbody>
<tr>
<td>Population (2011)</td>
<td>2,222,155</td>
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<tr>
<td>Income (CAN$ 2011)</td>
<td>56,895</td>
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<td>Density (pop/km²)</td>
<td>20.6</td>
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| Top Three Industries (2011) | 1) Health care and social assistance  
2) Retail trade  
3) Manufacturing |
• Tri-state techbelt (OH-PA-VI)
  – 3 major urban centres: Cleveland, Youngstown, Pittsburgh
  – industrial ‘rust belt’ history
  – complex, decentralized governance landscape

• Focus organization: TechBelt Initiative
  – Established in 2007
  – Dialogue amongst regional stakeholders
  – Focused on energy, advanced manufacturing, biotechnology and life sciences
  – Primary objective: raise funds

### Tri-State TechBelt

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<td></td>
<td>7,150,549</td>
<td>49,438</td>
<td>14.7</td>
<td>1) Health care and social assistance</td>
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<td>2) Manufacturing</td>
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<td>3) Retail Trade</td>
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<td>Type of Organization</td>
<td>Research Triangle</td>
<td>Tri-state TechBelt</td>
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<td>Government Institutions and Agencies</td>
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<td>County EcDev Organizations</td>
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<td>Regional EcDev Commissions</td>
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<tr>
<td>Incubators and Support Organizations</td>
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<td>Universities</td>
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<td>Chambers of Commerce</td>
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<td>Foundations</td>
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<td><strong>TOTAL</strong></td>
<td><strong>10</strong></td>
<td><strong>16</strong></td>
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SUCCESS FACTORS AND CHALLENGES

SUCCESS FACTORS
- Advocating for a regional approach
- Supportive Business Community
- Self-Defined Region
- Key Resources
- Increases integration through voluntary buy-in
- Early stage foundation funding solidified vision
- Primary resources to facilitate shift to advanced manufacturing

CHALLENGES
- Geography
- Insufficient Physical and Human Resources
- High Concentration of Urban Stakeholders
- Outlook Toward Development
- Rural communities may want to maintain rural lifestyles
- Hard to sustain innovative companies within rural communities
- Lack of technically skilled workers to support innovative companies
- Innovation dispersal across regions
URBAN-RURAL DYNAMICS

• Research Triangle
  – Urban interests often overshadow the interests of rural communities
  – Concentration of innovative companies in the urban core, fewer locate in rural communities

• TechBelt
  – Active buy-in from urban communities for taking an inclusive, regional approach
  – Focus on organic conversations to identify opportunities for collaboration between urban and rural constituents
  – Rural communities are involved on issues that affect them
LEADERSHIP & RELATIONSHIPS

• Research Triangle Regional Partnership
  – Creation and strategic direction led by government and policymakers
  – Input from specific stakeholders (3 universities, RTP, Department of Commerce, 13 counties)

• TechBelt Initiative
  – Creation and strategic direction led by business leaders and politicians, and supported by government
  – Input from broad range of stakeholders (academia, business, government)
GOVERNANCE: RURAL INCLUSION

- Different approaches to how rural communities are included in regional economic development initiatives
  - Research Triangle Regional Partnership: mandated; all jurisdictions required to be at the table (legislation); originally included only urban counties
  - TechBelt Initiative: voluntary, member-based; founding organizations located in Cleveland / Pittsburgh, but open to all regional actors from the outset

- Inclusion does not always lead to desired development outcomes and/or leads to unexpected outcomes
  - Rural communities within the RTRP seek partnership/collaboration with each other and with other adjacent rural communities
GOVERNANCE: RURAL INTEGRATION

• Differences in how rural communities are integrated into regional economic development efforts (i.e., extent to which information, activities, and resources are shared)
  – Research Triangle Regional Partnership: All rural communities are involved, but urban/RTP-dominated agenda leads to lack of willingness/motivation to commit and engage to region-wide initiatives
  – TechBelt Initiative: Fewer rural communities involved, voluntary approach leads members to engage, as they are accountable to their communities; there is intrinsic motivation to succeed
CONCLUSIONS

• Level of engagement with rural communities reflective of different models of regional development
  – Mandated inclusion via legislation does not always lead to regional integration and collaboration
  – Volunteer based model needs initial buy-in from community to be successful

• Results suggest that networking and collaborative processes are key ingredients for the integration of rural communities into broader regional development initiatives
• Policy and government directives can influence the regional development process
  – develop a culture of collaboration in and between urban and rural communities.
  – involve key business, political and other economic actors
  – include and integrate stakeholders
  – recognize that local/regional economies are not always bounded by traditional borders
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QUESTIONS?

• Contact:
  – Dr. Tara Vinodrai, tara.vinodrai@uwaterloo.ca

• Website: https://uwaterloo.ca/seed/EREDI

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