Evaluating Regional Economic Development Initiatives

The EREDI Project

OMAF Rural Research Day
Guelph
29 April 2014

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# Students

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- Tamara Bangura (Waterloo)
- Ryan Deska (Guelph)
- Ryan Lipscei (Waterloo)
- Brittany Bruce (Waterloo)
- Amina Yasin (Guelph)
- Karen Sander (Guelph)
- Danielle Collins (Waterloo)
EREDI research purpose

- To examine **emerging best practices** in the organization, governance and structure of regional economic development initiatives
- To identify RED **success factors**
- To identify RED **barriers, issues, and challenges** to participation by rural communities.

**Themes**
- Innovation
- Green economic development
- Sustainability
- Value-added agriculture and food
The New Regionalism

- Regional networks facilitate the **generation and diffusion knowledge and information** and increase the prospect of innovation and business creation.

- **Formal and informal networks** are important.

- Networks are a form of **social capital**.

- Networking helps create other forms of social capital:
  - attitudes of trust,
  - reciprocity,
  - associations and organizations,
  - economic enterprises.

- Networking is an important first step in generating regional initiatives.
But...networking is only a first step

The continuum of complexity and commitment.

Networking

Co-ordination

Co-operation

Collaboration

Exchanging information,
Altering activities,
Sharing resources,
Enhancing the capacity of others

Himmelman 1996

Increasing levels of joint action

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Collaboration

- Collaboration is the act or process of “shared creation” or discovery. [It] involves the creation of new value by doing something new or different.

- [It] is transforming in the sense that you don’t leave the same way you came in. There’s some sort of change. You give up part of yourself. Something new has to be created. Something happens differently because of the process.

  Thomson and Perry 2006
Collaboration

- Collaboration is a process in which autonomous or semi-autonomous actors interact through formal and informal negotiation, jointly creating rules and structures governing their relationships and ways to act or decide on the issues that brought them together; it is a process involving shared norms and mutually beneficial interactions.

  Thomson, Perry, & Miller (2009).
Types of collaboration

- Among firms / clusters
- Among public agencies
- Among voluntary groups
- Among administrative jurisdictions
- Among combinations of these
The research focus: phase one

- Seeking examples of regional **collaboration**
  - Okanagan Valley, BC (Ryan Deska)
  - Upstate California, USA (Ryan Deska)
  - North Carolina Research Triangle Park (Tamara Bangura)
  - Ohio-Pennsylvania-West Virginia TechBelt Regions (Tamara Bangura)
  - Vancouver Island, BC (Ryan Lipscei)
  - Cape Breton Island, NS (Ryan Lipscei)
  - Emilia-Romagna, Italy (Amina Yasin)
  - Skane, Sweden (Amina Yasin)
Results

- Evidence of networking is easy to find.
- Evidence of successful locally generated rural regional collaboration is much harder to find.
- Highly collaborative innovative regions are heavily subsidized

- Why is networking easy and collaboration difficult?
Competing theories of collaboration

Mancur Olson
The logic of collective action
Self-interested actors

Will not cooperate
Free riding
Contract
Expect individual benefits
Act as competitors
Individual identity separates

Robert Putnam
Social capital
Citizens in communities

Do and will cooperate
Share risks, trust
Reciprocate
Accept social obligation
Act as communities
Share binding identity

The Olson – Putnam Gap
The challenge

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Hypothesis

- Regional actors are self-interested actors
- Social capital approaches are “aspirational”
- The new regionalism asks rural regions to bridge the Olson-Putnam Gap….but…. 
- Rural regional collaboration and innovation requires
  - Support for the transaction costs of collaboration
  - Underwriting the risks collaboration
  - To give time for
    - regional social capital to build
    - regional identities to solidify
Regional Development Policy

- Needs to support not only regional networking
- But also small collaborations that can build
  - Regional identity
  - Trust
  - A willingness to share risk
Where to now?

- Current Project (Brittany Bruce)
  - Four County Region: Grey, Bruce, Huron and Perth
    - Southwest Economic Alliance
    - Western Ontario Warden’s Caucus
    - Four County Labour Market Planning Board
    - Regional Tourism Organization

- North Country, New York State (7 counties)
  - North Country Regional Economic Development Council

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Where to now?

- Studies of larger regional initiatives
  - SWEA – Southwest Economic Alliance
  - SCORE - South Central Ontario Region
  - SOMA - Southwestern Ontario Marketing Alliance
  - Greater Peterborough Economic Development
  - Western Ontario Wardens' Caucus
  - Eastern Ontario Wardens’ Caucus
Where to now?

- Identification of smaller successful collaborations
- We are open to hearing about regional collaborations that you think are worth documenting.
Thank You!