



Planning for Economic Development: Lessons Learned & New Directions

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Outline



- **Defining Development**
- **Geography Matters**
- **Integrated Approach to Development**
- **Community Capacity**
- **Governance for Development**
- **Conclusions & New Directions**

Economic Development: Definitions

- ***Sectoral Development*** (agriculture, fishery, forestry, etc.)
- ***Diversification (1) building on primary sectors:*** capturing linkages (upstream and downstream)
- ***Diversification (2) into new sectors*** (tourism, non-resource based manufacturing, “new-economy”)
- ***Capacity building*** (human resources, organizational capabilities)



Development as Linkages

- **Direct Linkages**

- **Forward Linkages: "down stream" further processing / value added**
- **Backward Linkages: "upstream" infrastructure, capital goods and producer services**

- **Indirect Linkages**

- **Final Demand Linkages: local consumption and fiscal gains supports traditional services**
- **Fiscal gains allow re-investment in human resources and infrastructure**



Development as Linkages: Growth vs. Development



- **Continued Dependence / Vulnerability unless Linkages from Resource Exploitation are Captured by Rural Areas**
- **Diversification away from Resources Vulnerable unless linkages between Sectors and Firms are Captured**

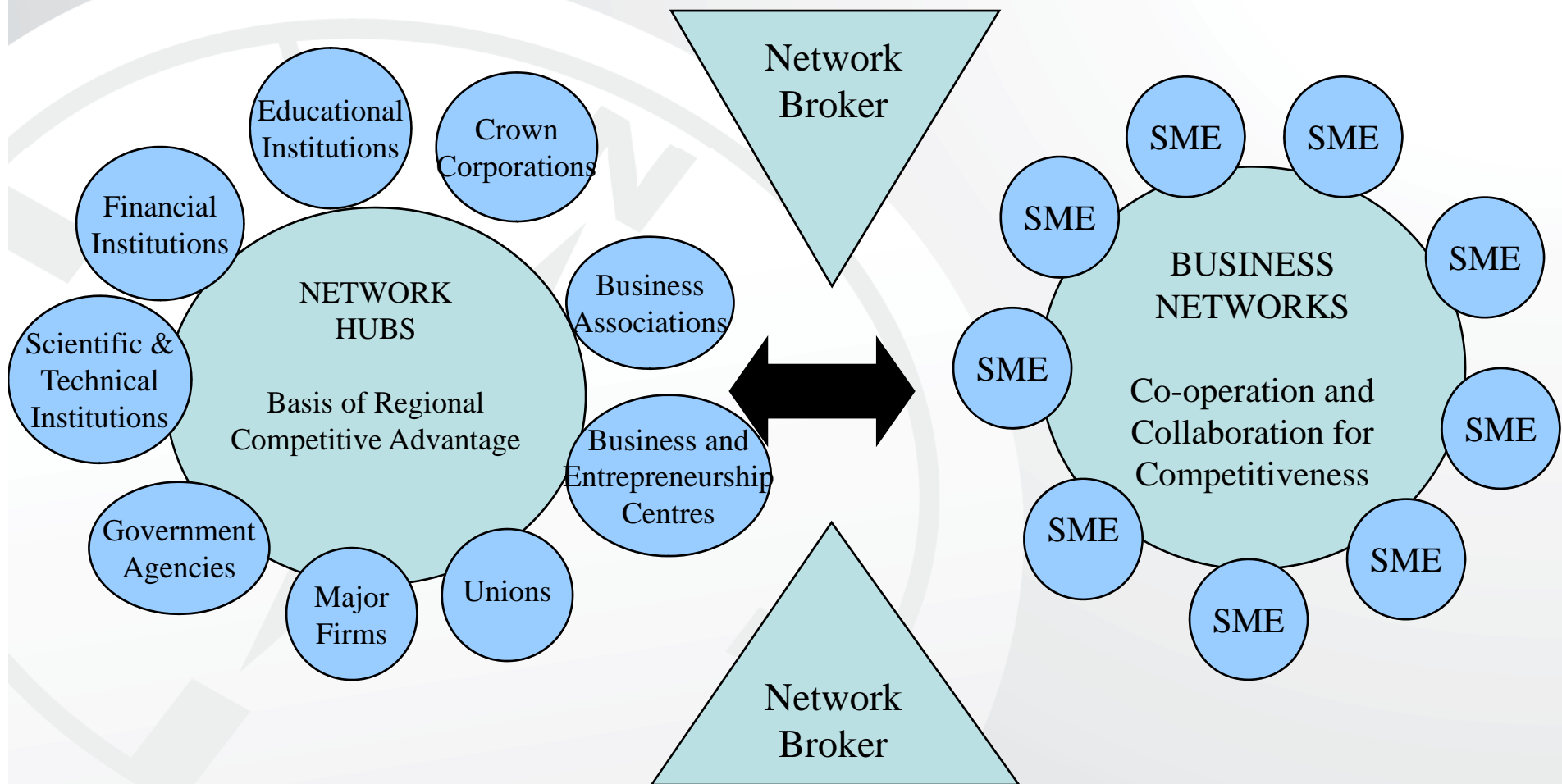


Development as Linkages: Geography Matters

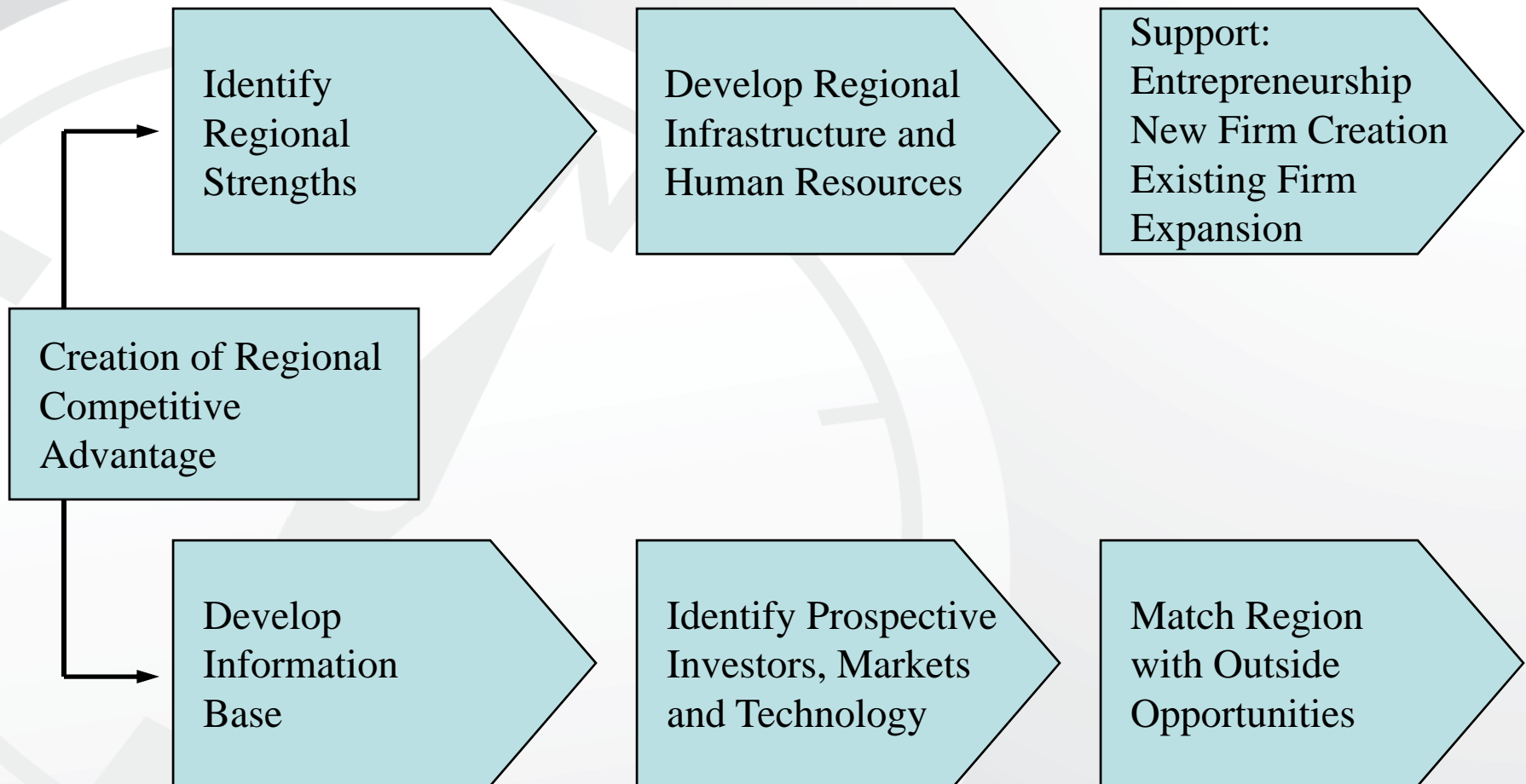
Linkages occur within a region and to outside:

- **Between buyers and suppliers**
- **Where entrepreneurs can meet and share ideas**
- **Where employees develop skills that add value**
- **Where specialized infrastructure can meet the needs of the industry:**
 - **Required transportation infrastructure**
 - **Information Technology supports**
 - **Education & Training linkages**
 - **Research & Development outreach**
- **Establish linkages from the region to outside firms, markets, partners**

Clusters: Network Hubs and Business Networks



Linking Regional Strategies with External Opportunities



Local Development Strategies

Outside Investment

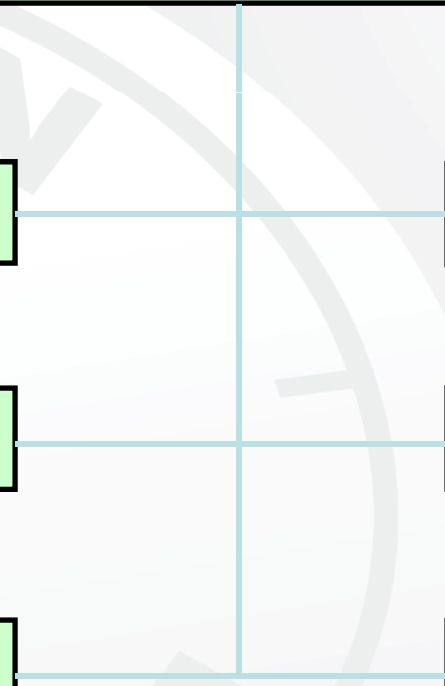
New Firms

Public Sector

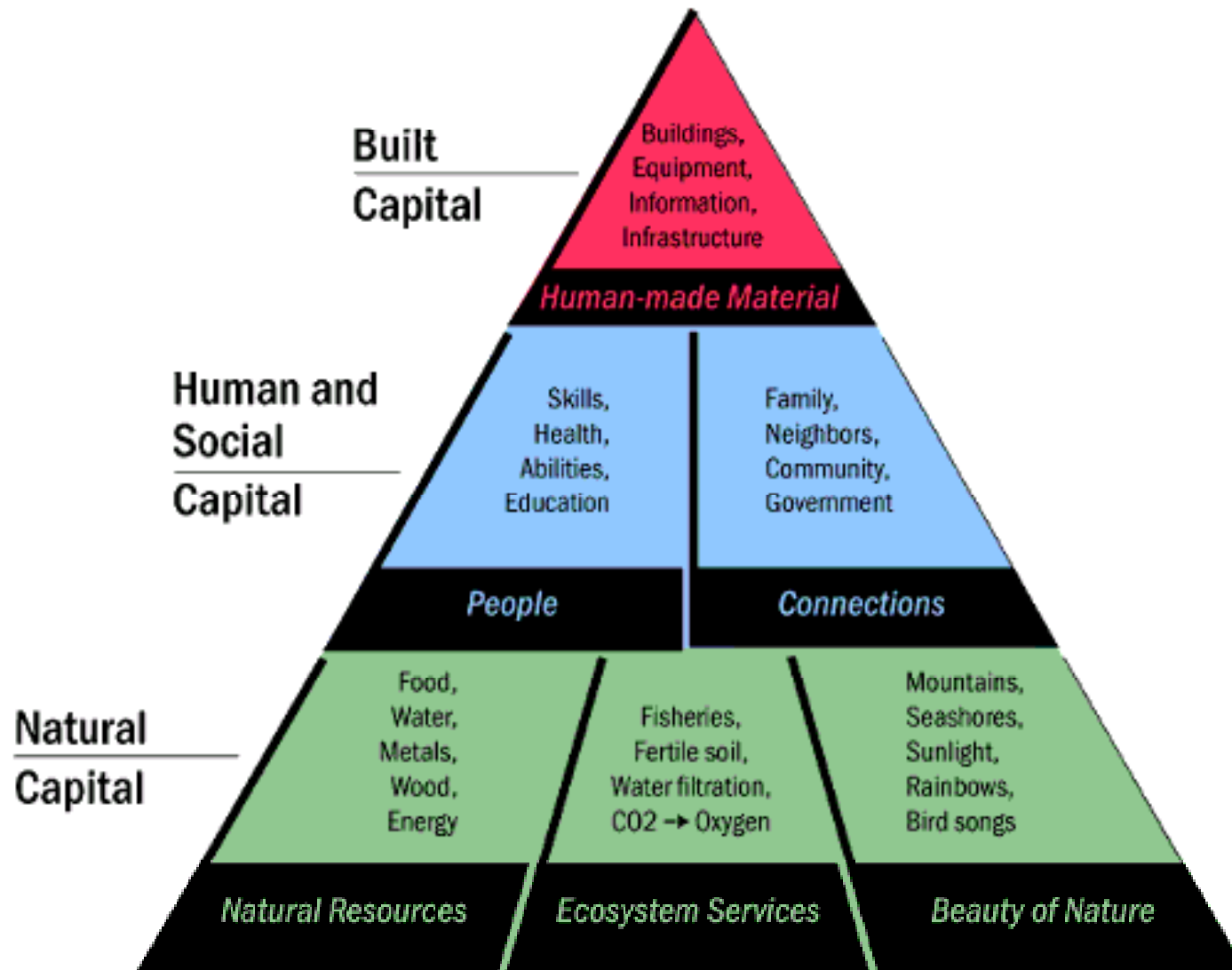
Expand Existing Firms

Community Control

Sectoral Development



Community Capital





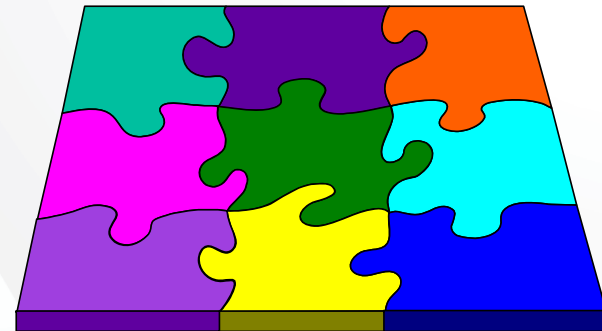
An Integrated Approach: Linkages between Economic, Social and Environmental



- **Many types of Community Capital – assets to build on**
 - **Natural Capital:** resources, ecological supports, quality of life benefits
 - **Built Capital:** buildings, equipment, infrastructure, information
 - **Human Capital:** skills, education, health
 - **Social Capital:** family, neighbours, community, governance
- **Development in the “New Economy” requires an Integrated Approach, understanding and developing all forms of capital**
- **Community Capacity is the ability to use your assets: do you have the governance tools?**

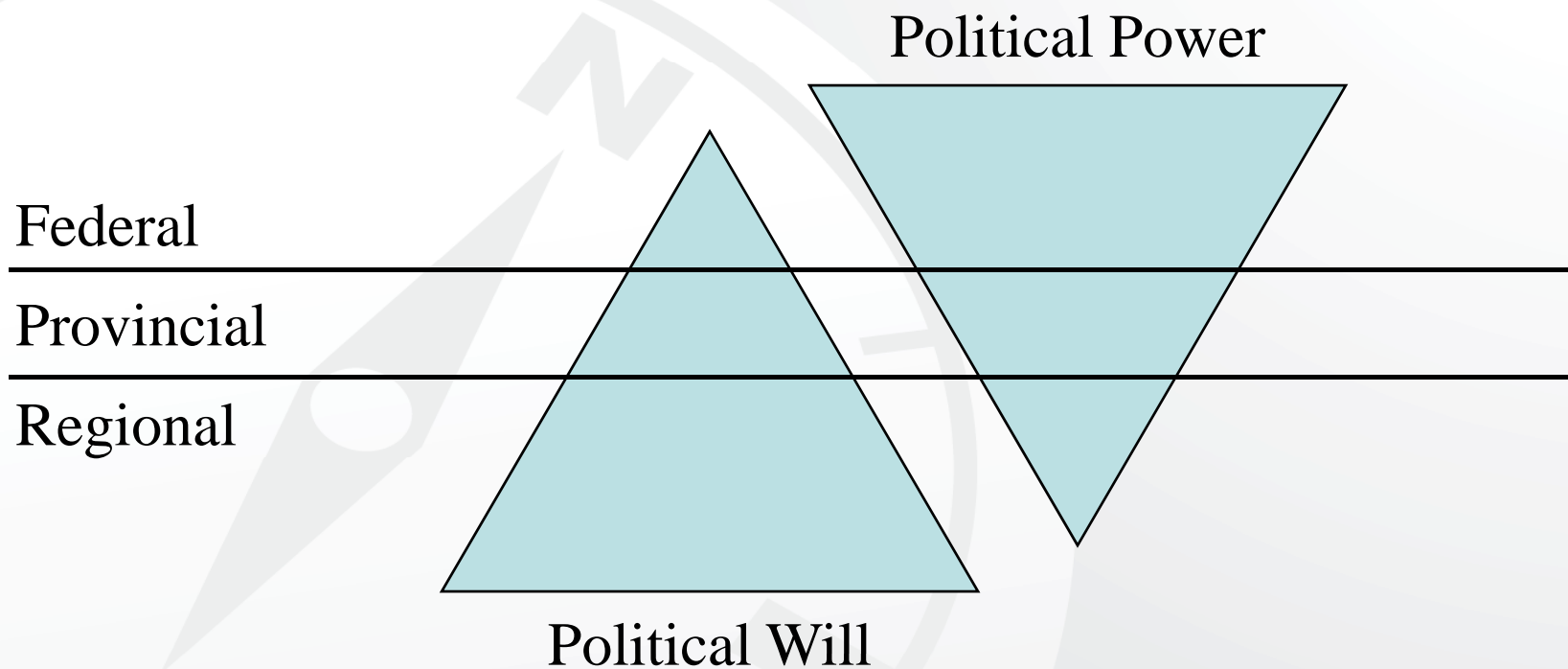
Organizational Structures for Local Development

- **Fiscal Resources**
- **Human Resources**
 - Leadership
 - Skilled Staff
 - Community Participation
- **Legal Authority**
- **Local Democratic Accountability/Legitimacy**
- **Geographic Area**
- **Time**





Political Power vs. Political Will



Denzil Doyle



Local & Regional Organizations Need to Collaborate



- **Pool Organizational Capacities within Regions**
 - Improve Regional Governance Tools
- **Clarify Roles and Relationships**
- **Establish Common Vision**
- **Evidence-based Strategic Planning**
- **Build Trust**
- **Run with Champions**
- **Tap into outside resources: government, university, industry associations (*on tap, not on top!*)**
- **Ruthless Execution! Sense of Urgency! Dare!**



Thank You!

Comments? Questions?