REGIONAL DEVELOPMENT POLICY: SOME INTRODUCTORY COMMENTS

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Introduction

Regional science is a field of study distinguished by both its complexity and its diversity. Commonly identified concerns include the methods and problems of regional delineation; the measurement and explanation of regional imbalance; the nature of interregional interaction; the why and the how of regional growth and decline; mechanisms by which the social, economic and spatial characteristics of regions can be induced to change; and the development, implementation and evaluation of regional development policies. Such an enumeration not only provides a limited idea of the breadth of this field; it also masks the detailed analysis of each element of a region's development that must be undertaken before its present structure and status can be properly understood and explained, before the range of potential options for future development can be delimited and assessed, and before the impact of government regional development programs can be adequately evaluated.

The focus of this edition of The Canadian Journal of Regional Science is regional development policy perspectives. Given the diversity of regional science, it comes as no surprise that this collection of seven papers addresses a variety of topics or that there is a significant difference in approach between the authors. Several are concerned with an evaluation of specific regional development programs, while others are concerned with the general evolution of regional development policy within individual countries. Some of the difference in the papers derives from the different social and economic circumstances that provide the background to regional development policy in Canada, the United States, Australia, and Italy; some, from the different political frameworks within which national regional policies have evolved. In this respect, it is particularly interesting to note the impact of the different federal systems in Australia, the United States and Canada on the evolution of regional policy, and to contrast regional development policy in these countries with that in a unitary state such as Italy.

This new journal provides a vehicle for the analysis of regional problems and regional development policies, especially with respect to Canada. It is appropriate, therefore, that the first four articles of this edition should focus on Canadian regional development policy. The paper by F.T. Walton traces the evolution of federal regional economic policy for the Atlantic Provinces and attempts to show why it has changed. J.M. Munro's paper is primarily concerned with the evaluation of the economic development policies of the federal Department of Regional Economic Expansion (DREE) in the post-1969 period. C.B. Burke is also to some extent concerned with an assessment of DREE policy insofar as it affects the Atlantic Provinces. His primary concern, however, is in trying to isolate the factors that have modified his own approach to development policy for the Atlantic region, and he suggests that the future regional development objectives and strategy for the region must be reassessed in the light of changing world conditions. The final contribution on Canada is an evaluation by J.B.
Cannon of the long-term impact of the Area Development Agency's Industrial Incentives program on the economic development of the Southern Georgian Bay area. His paper details just how difficult it is to assess precisely the impact of a location of industry program in the absence of an adequate regional data base. Such assessments are required, however, if more effective regional development programs are to be developed.

The three remaining papers provide valuable international perspectives on regional development policy in Italy, Australia, and the United States. Benjamin Chinitz documents the ways in which United States' regional development policy has evolved under the federal government's Title V program since its establishment in 1965. He outlines the possible future options for restructuring the program to meet changing national and regional priorities. Robert Carter's examination of the Australian situation provides a case study of regional development policy in a federal state where the restrictions on the federal government's regional policy initiatives are significantly different from those of either Canada or the United States. Gustav Schachter's review of changing Italian regional development policy for the Mezzogiorno provides insights that are directly comparable with Walton's analysis of the evolution of Canadian regional development policy towards the Atlantic Provinces and with Munro's assessment of changing regional economic policies in Canada.

Area case studies on regional development policy of the kind included in this edition fulfill several functions. Obviously, they contribute to an understanding and an assessment of regional development initiatives and impacts in the area under study. In this respect, the seven articles included in this issue will be of value to researchers interested in regional development policy in Canada, the United States, Australia, or Italy. To read these case studies with the sole intention of improving ongoing regional policy in a particular country or of a particular regional development program, however, would be to overlook several important themes underlying these specific instances. These themes not only reflect the current state of the art (and science) of regional development policy but also the general lessons to be derived from regional development experience in specific countries in the 1950s, 1960s and 1970s; they also delineate the program areas where there is a need for more research. Perhaps it would be useful to make explicit some of these underlying themes.

Regional Program Changes

The scale and speed of regional development program changes has been a notable feature of national regional policies in the more developed countries of the world since the 1950s. Walton details the scope and direction of program changes in Canada from the origins of federal regional policy for the Atlantic Provinces through to the present day. Cannon's article reveals the speed of the changes with regard to one specific industrial location program. The federal government introduced the Area Development Agency (ADA) program in 1963. A major restructuring of the Incentives program occurred in 1965, and in that year, as Cannon notes, the Southern Georgian Bay area was designated to receive Industrial Incentives. Two years later it was de-designated. In 1968 the program was replaced by the Regional Development Incentives Act. Similarly, swift changes have occurred in Italian regional development policy; Schachter identifies six major policy bodies in the post-1950 era. Carter illustrates the rapid changes in federal regional development policy in Australia since the late 1960s, and Chinitz notes that within only four years of the introduction of an explicit U.S. federal regional development policy in 1961, major revisions had been made. Furthermore, although Chinitz regards the period since the introduction of Title V in 1965 until the present as belonging entirely to the first major thrust in the Title V program, he indicates that the primary concerns of the Title V program have changed significantly since the mid-1960s, from the original emphasis on rural and lagging regions to a concern with more general regional problems.

Some might be tempted to argue that the rapidity of these changes reflects government's inability to comprehend the scope and causes of regional development problems and that the frequency of changes reflects the fickleness of government policy in general. It is perhaps more accurate to view most of the changes in the various national regional development policies since the 1950s as an evolutionary process, in which each national government has shown an increasing understanding and awareness of the complexity of the regional problem and, in so doing, has attempted to restructure its regional development policy in the light of its more sophisticated understanding of the problem.

The development of a specific field of "regional science" is itself a recent phenomenon. Although regional studies were at the heart of geography at the beginning of the twentieth century, it is only since the late 1950s that other social scientists have begun to focus their attention on the problems of regional analysis and regional development. Moreover, as a review of the pertinent journals will reveal, the scope and extent of regional science literature (including that on regional development policy) has changed rapidly in this period. A number of reasons have led to this situation. First, there have been increased awareness and an acute need for an increasing body of knowledge on regional science matters. The nature and speed of the regional development policy changes in each of the countries under review probably reflect the changes that have occurred in the regional science field itself.

The papers included in the present issue support this hypothesis. A common pattern in the evolution of regional development policy is evident in Canada, the United States, Australia, and Italy, where the initial phase of the regional development policy was characterised by a concern with rural problems in lagging regions. The early federal regional policy for the Atlantic Provinces was, as Walton notes, geared toward rural problems. This was true not only for the Agricultural Rehabilitation and Development program but also with respect to the ADA industrial incentives program. The latter excluded most of the major urban centres of the Atlantic Provinces and, as Cannon points out, after 1965 "there was a dramatic increase in the coverage of rural areas especially in western Canada." In his treatment of policy south of the border, Chinitz reveals that the Title V program was initially oriented towards rural and lagging regions, which were major federal regional concerns in the early 1960s. In Italy, the major regional program, under the Cassa per il Mezzogiorno, focused its attention in the 1950s on the solution of rural problems (particularly through agricultural reform) in southern Italy.
Comprehensive Regional Policy

This initial attempt to solve the problems of rural areas with programs designed to restructure the rural economy was subsequently replaced by a policy of industrialization. More attention was paid to the question of regional disparity, and how these relate to the economic dimension. And there is much room for improvement in the rigour with which we analyze regional economic imbalance. A normal feature of regional economic disparity analyses is the use of various income measures (e.g., personal income, earned income, average family income) without any reference to cost of living data and regional differences in income equivalency. The implicit assumption is that while the geography of income shows regional differences within a country the cost of living does not. There is no theoretical or empirical justification for this. Indeed, regional scientists and government policy makers continue to employ it. How many other implicit, and questionable, assumptions are made in the choice of variables to measure regional imbalance? If regional development policy is to succeed, it is first necessary to diagnose the regional development policy as accurately as possible. More attention should be paid to the selection and quality of the variables used to measure the problem.

Regional Policy for the Future

In the light of what has been said, how can regional development policy be expected to evolve in the future? And how can it evolve if it is to be more effective than in the past? Chinitz’s conclusions provide a starting point. He suggests that the restructured Title V program should provide for a national system of general purpose regional commissions, with focus on the regional development priorities. The essential point for application in all countries is that, to be effective, regional development policy must involve a regional policy covering all parts of a country. Each part of a country, whether it be a federal or unitary state, must be included in one region or another (but not in more than one). In most economic planning strategies we have been thinking in terms of a one-point economy. A geographer needs no reminder, of course, that such a world does not exist. A country consists of a complete set of regions that interrelate with one another. The development of each region within the set is more or less dependent on the development of the other members of the set. Moreover, each region has its own development problems: in some cases they are related to a relatively low level of economic development; in others they are related to a comparatively high level of economic development. In most countries, regional development policy has recognized the existence of less developed regions but has failed to recognize explicitly either that the underdevelopment of these regions may be directly related to the high level of development in some other regions or that the ad hoc measures designed to solve problems in the more developed regions may be draining resources much needed for the solution of problems in the less developed regions.

The third reason concerns the bias and lack of precision involved in diagnosing regional development problems. Although considerable advances have been made in the 1960s and 1970s in the methods of analyzing regional disparity, it is necessary to recognize some of the variables used to measure regional problems. Most regional development policy is formulated on the basis of economic disparities between rural and urban areas. More attention needs to be paid to the variables used to measure regional disparity and how these relate to the economic dimension. And there is much room for improvement in the rigour with which we analyze regional economic imbalance. A normal feature of regional economic disparity is the use of various income measures (e.g., personal income, earned income, average family income) without any reference to cost of living data and regional differences in income equivalency. The implicit assumption is that while the geography of income shows regional differences within a country the cost of living does not. There is no theoretical or empirical justification for this. Indeed, regional scientists and government policy makers continue to employ it. How many other implicit, and questionable, assumptions are made in the choice of variables to measure regional imbalance? If regional development policy is to succeed, it is first necessary to diagnose the regional development policy as accurately as possible. More attention should be paid to the selection and quality of the variables used to measure the problem.
developed regions and an undifferentiated developed region ("the rest"). To attempt to solve the problems of less developed regions such as the Mezzogiorno, the Atlantic Provinces or Appalachia without reference to the more developed regions is reminiscent of the early phase of regional development in these countries, when it was believed that the problems of rural areas could be solved without reference to either nearby urban centres or external regions. The set of less developed regions in a country does not form a closed system and should not be treated as such.

Although it is necessary to develop a comprehensive regional development policy for all regions within a country, the objectives of regional policy for each region should be different. Not only are the characteristics and the problems of the regions different; an overall national regional policy objective designed to reduce interregional economic and social imbalance will necessitate different objectives and strategies for each region.

Regional development objectives and plans for each section of a country and the integration of these objectives and plans at the national level is not sufficient to guarantee success for a country's regional development policy. A necessary precondition for the achievement of regional development objectives is the integration of these objectives and plans with all aspects of national policy. National governments must recognize explicitly that most decisions that are made will have a differential regional impact within their country. For a regional development policy to succeed, it must not be treated as an appendage to government policy, as has been the case in most countries, including Canada and the United States. Policy makers must recognize that international agreements, tariff policy, monetary and fiscal policy, as well as policies and programs related to manpower, immigration, social assistance, technological and scientific research, energy, resource development, communications, transportation, cultural affairs, and so on will all have regional implications which must receive an appropriate weighting in relation to other criteria involved in the decision-making process.

At the regional level, a clear and consistent set of objectives must be explicitly stated, together with an internally consistent strategy for achieving these objectives. In this respect, it is important that any development plan for a region be truly comprehensive. Too often these plans are developed solely, or primarily, in economic terms. Social and spatial aspects often receive only fleeting attention, as is the case, for example, with the Prince Edward Island Comprehensive Development Plan. Although it is convenient for national governments to regard regions as points, to do so is unrealistic and inconsistent with the regional science approach. Comprehensive regional plans are of limited utility if areal planning is not embodied in them to the same extent as sectoral planning. The same kind of observation could be made concerning the social aspects of development.

It is to be hoped, therefore, that future regional development policies and programs throughout the world will bring an increasing integration of economic, social and spatial objectives and strategies. If future regional development policy evolves along these lines, there will be a need to make an even larger body of regional development literature available to guide policy makers and decision makers. Studies outlining the improvements needed in the scope and content of the regional data base and assessing the impact of national policies on regional development will be required; predictive models to forecast the regional and subregional consequences of potential national policy deci-