

**Canadian Regional
Development**
A Critical Review of Theory,
Practice, and Potentials



**Développement régional
canadien**
Un examen critique des théories,
des pratiques et des potentiels

Primer on Place-Based Development

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Working Definition

Place-based development, in contrast to conventional sectoral, programmatic or issue-defined perspectives, is a holistic and targeted intervention that seeks to reveal, utilize and enhance the unique natural, physical, and/or human capacity endowments present within a particular location for the development of the in-situ community and/or its biophysical environment.

Intellectual Roots

The ascendancy of place within the context of rural development reflects Massey's (1984) work, which recognizes that combinations of assets, populations, histories, and circumstances mean that general processes are always modified by the matrix of place. This contextual turn is found in a variety of ongoing rural research themes, including post-productivism, conceptualizations of the role of competitiveness within the new economy, and the adoption of a territorial, rather than sector-based, orientation to rural policy development. Each of these themes provides insight into the role and meaning of place within the rural development process.

First, **post-productivism** refers to the transformation, in values and economic activity, associated with a de-emphasis on primary resource production in favour of more diversified economic activities (Reed and Gill, 1997). Places function differently than they did a decade or more ago. Mather et al. (2006) indicate that in rural debates, the tendency is to present post-productivism in terms of dimensions, rather than definitions. These dimensions include the nature and type of production (from commodity to non-commodity outputs), the multidimensionality of objectives associated with landscape and resources (including environmental, amenity, and ecosystem service values), and the importance of governance and representation (involving a greater diversity of actors and institutions) in land-use and other decision-making.

Wilson (2004) reminds us, however, that despite the proliferation of the post-productivist concept, in place and function, the extent of the transformation from productivism to post-productivism remains controversial (see also Troughton, 2005). The debate surrounding the relevance of the concept is further complicated by its fuzziness and expanding scope. Despite the lack of consensus, indicators of post-productivism are informative regarding the increasing relevance of place within rural development. In each of the characteristics listed above, place exerts itself as a more dynamic factor in processes of social and economic development. Niche products that are more dependent on location and local capacity compete for attention with generic and 'placeless' commodity products (Filion, 1998; Dawe, 2004). Natural resources in general are increasingly viewed as one set of many local assets that may be used as vehicles for economic diversification.

Second, conceptualizations of **competitiveness** within the 'new' economy represent a significant stream of place-based research. This work includes, but extends beyond, the resource orientation of post-productivism. However, much like the definitional challenges surrounding post-productivism, Turok (2004) identifies how the concept of competitiveness remains a poorly understood and deployed term. Despite this, debates around economic restructuring and the transition from Fordism to post-Fordist production have paid considerable attention to the shift away from the importance of comparative advantage in favour of considerations of competitive

advantage (Kitson *et al.*, 2004). Comparative advantage is determined more narrowly by the fixed existence and quality of resources (Gunton, 2003). By comparison, competitive advantage is more complex. It is dependent on the inherent assets *and actions* (to capitalize on those assets) of a particular place to attract and retain capital and workers that have become much more mobile (Kitson *et al.*, 2004). As a result, constructing competitive advantage demands that places consider a wider variety of both quantitative (i.e. physical infrastructure, production, location, etc.) and qualitative (i.e. social capital, innovation, institutions) variables in economic development planning (MacLeod, 2001).

Third, the rural development literature, in response to the dynamics outlined by forces such as post-productivism and the new economy, has been increasingly advocating in favour of a **territorial** rather than sectoral approach to policy and planning. A territorial planning model allows for the integration of economic, environmental, social, cultural and political dynamics in planning at a manageable scale. Second, a territorial approach recognizes the importance of contextual specificity to the process of development (Barnes *et al.*, 2000; Markey, 2008). Rural development itself has struggled through, and for the most part, learned from the failures associated with top-down, uniform, non-participatory models of development (Halseth and Booth, 2003). Attention to territoriality is necessary to attain local buy-in and to benefit from local/regional knowledge, leadership, and other development assets. Finally, despite the seeming contradiction of scale inefficiency, territorial planning models can reduce duplication and lead to more lasting policy interventions (Pezzini, 2001; Bradford, 2005).

Place-based Development Themes

Collectively, these literatures provide a set of broader themes that help to inform and consolidate our understanding of the role of place in development and how development works in places. First, while an economic focus remains, there is now greater consideration of culture, the environment, and community, as these are now sought after assets in the new economy. The ascendancy of place brings a greater diversity of values (and understanding of value) to economic development. Through place, we gain an appreciation for a more comprehensive or **'whole' economy** than is externalized and ignored in the narrow space-based interpretation of resource exploitation in peripheral hinterlands. In addition, within the place economy, an appreciation for diversity means that difference matters. The question now is: if capital can locate anywhere, why would it locate here? This re-thinking of 'place' rather than 'space' challenges homogenous interpretations of 'rural' in particular, uncovering the latent diversity noted in other rural research (Randall and Ironside, 1996).

Second, a place-based economy demands much more of **local capacity**. From a value added perspective, local actors and institutions are called upon to be the source of contextual knowledge that identifies community and regional assets. Local capacity must also accommodate and forge new relationships and partnerships that represent critical sources of innovation in social and economic development within the context of a more globalized economy. Perhaps the greatest challenge to this increased role for local capacity concerns compensating for state withdrawal from the functions of, and responsibility for, service provision (and the technical capacity/loss that it entails). Importantly, this transition also burdens senior governments, as they strive to find the correct policy and programmatic balance between top-down management and support with bottom-up direction and control (Douglas, 2006; Bradford, 2005). Regardless, both

positive and negative dimensions of local capacity introduce a greater likelihood of social and economic variability across the rural landscape.

The importance of place is not, however, well recognized when it comes to individual and social behaviour. Policy often tends to adopt the neo-liberal perspective of human beings as relatively autonomous units – able to make choices independent from those around them and free to move so long as the transportation and housing costs are adequately managed. This view of human action has been challenged by researchers investigating the significance of social networks, cohesion, and social capital in supporting functional and resilient communities, industries, and economies. Rather than autonomous units, their model of human beings is one of a centre of action well integrated into a network of ties and guided by norms and constraints that significantly guide the options and opportunities of each person. Mobility, therefore, is not just a matter of overcoming the narrowly defined costs of physical relocation, but it entails considerable challenges in the reorganization of the social ties that are integral to our welfare and identity.

From this point of view, place takes on an even more important role. For most people, the networks that influence our earliest socialization and identity are geographically close. As we age, these expand, but for the most part they remain most intense within our neighbourhood, city, or region (Wellman, 1999). From the point of an individual, therefore, their social network takes on the characteristics of places. Just as with a river, mountain, or mineral deposit, it is difficult to take this social network with you when you move. Considering the role of the individual within a conceptualization of community capacity is, therefore, an important dynamic within the place-based development process.

Third, **governance** regimes are prominent within the place economy. While potentially stressing local capacity, there are two place oriented byproducts associated with this transition. First, governance implies a re-drawing of the lines of accountability and control, away from centralized state (and, to a lesser extent, other conventional centres) power, to be dispersed amongst a greater diversity of local and extra-local actors and institutions. As part of this re-mapping process, governance mechanisms may initiate regional dialogue and cooperation, altering the directionality of traditional heartland-hinterland flows of communication and resources. Second, the participation inherent in governance fosters a sense of ownership, over decisions and ultimately resources that may not have existed under previous top-down regimes. Third, governance involves the assemblage of values that are locally generated and expressed, and their projection or representation in arenas physically and otherwise beyond the community itself. The autonomous locally-based valorization of “rural”, “local” and otherwise depicted communities is represented, separate from conventional categories (e.g. agricultural, northern) emanating from more traditional power bases. Thus, place not only reveals a greater variety of assets, it may also instill a sense that those assets are local and may be used for local purposes.

Finally, a place-based economy demands investment to construct and maintain place competitiveness. The dynamic nature of an economy driven by competitive advantage requires renewal. Platforms of new infrastructure may have enduring value, but the ‘draw-down’ approach inherent within a comparative economic structure will not foster the adaptive capacity necessary to thrive within a place-based economy. Rather than viewing infrastructure within a space-economy context as expenses against a short term bottom-line, they must be viewed within a place-economy as investments that support long term local/regional adaptive capacity.

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The *Canadian Regional Development: A Critical Review of Theory, Practice and Potentials* project is a multi-year research initiative funded by the Social Sciences and Humanities Research Council of Canada. The project is investigating how Canadian regional development has evolved over the past two decades and the degree to which Canadian regional development systems have incorporated New Regionalism into their policy and practice.

The project is conducting an empirical assessment of Canadian regional development using a multi-level network, mixed methods case study approach in four provinces: British Columbia, Newfoundland and Labrador, Ontario, and Québec. The assessment of regional development across the case studies is based on the five key themes of New Regionalism: i) collaborative, multi-level governance; ii) integrated versus sectoral and single objective approaches; iii) fostering knowledge flow, learning and innovation; iv) place-based development; and v) rural-urban interaction and interdependence.

The project is lead by Kelly Vodden of the Department of Geography at Memorial University. The research team includes David Douglas (School of Environment Design and Rural Development, University of Guelph), Sean Markey (Geography, Simon Fraser University), and Bill Reimer (Sociology and Anthropology, Concordia University). In addition, graduate students at all four universities are engaged on the project.

Further information on the project can be obtained either at <http://cdnregdev.wordpress.com>. The project has been financially supported in part by the Social Sciences and Humanities Research Council of Canada and the Leslie Harris Centre for Regional Policy and Development.



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