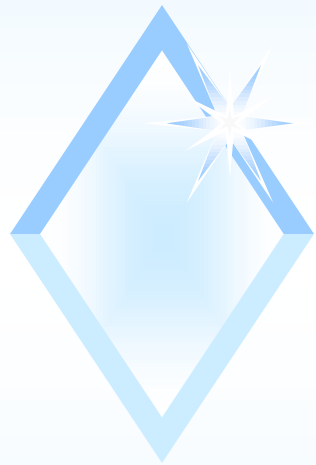


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# *Overview of the Economic Development Process*



## 2011 New England Economic Development Course (NEEDC)

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# *The New Economic Development Environment*

We have a global economy; general economic slowdowns; budget deficits at all levels; diminished funds to improve infrastructures including economic development; no-growth attitudes; and powerful environmental forces opposed to any change



# *The New Economic Development Environment*

What this means is that we must change our work priorities to reflect the new work environment, even with a reduced budget, which many are laboring under.



# *The New Economic Development Environment*

This week we will identify the changes that need to be addressed in our work environment in order to provide the leadership expected of us.



# *Economic Development Encompasses Three Major Areas*

- ◆ Policies that governments undertake to meet broad economic objectives – price stability, high employment, sustainable growth
- ◆ Policies and programs to provide infrastructure and services – highways, parks, public services
- ◆ Policies and programs to improve the business climate – finance, marketing, business development, retention, expansion



# *The Evolution of the Work Place*

- ◆ The Early Years
  - ◆ Thomas Jefferson
  - ◆ The railroads
- ◆ The 1960's – Incentives
  - ◆ The South and IRB's
  - ◆ Dr. David Birch
- ◆ The 1980's – Business retention
- ◆ The 1990's – More incentives
- ◆ The New Millennium



# *Economic Development Efforts Typically Focus On:*

- ◆ Job creation
- ◆ Job retention
- ◆ Tax base enhancement
- ◆ Quality of life

Fact: There is no simple strategy, policy or program for achieving success



## *Five New E.D. Realities in the 21<sup>st</sup> Century*

1. The global economy has blurred boundaries between countries
2. The pace of change will continue to accelerate – information technology
3. The components of competitiveness can no longer be pursued separately
4. Public-private partnerships become more critical every day
5. The ability to innovate is the only sustainable competitive advantage



## *The New Paradigms*

- ◆ Workforce development – Business retention - Entrepreneurship
  - ◆ Quality of jobs
  - ◆ Technical qualifications of workforce
  - ◆ High school graduation rates
    - ◆ Transcripts
    - ◆ GED's



# *The New Economic Development Environment*

Conventional economic development doesn't hold the answer any more.

In today's economic environment, trying to grow by convincing firms from away to move to your community isn't realistic.



## *Creating New Jobs*

If we want new jobs we must start within our communities.

And, we must create from the ground, which takes patience, step-by-step efforts, and it must be started within the school systems.



# *Creativity*

- ◆ The economy powered by human creativity
- ◆ Creativity is now the decisive source of competitive advantage
- ◆ The long-term winners are those firms who can create and keep creating
- ◆ Access to talented and creative people is to modern business what access to coal and iron ore was to steel making



# *The New Forces for Economic Growth – The 3 T's*

- ◆ Technology
- ◆ Talent
- ◆ Tolerance



## *Summary*

- ◆ Economic Development is a special enterprise whose product is like nothing else – few understand what we are and what we do
- ◆ Economic development is by no means a precise science – it is an art that molds a complex set of participants and needs into consensus and action



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