

## Book Reviews

The process and practice of economic development has experienced extensive change in recent years. Some of these changes have happened gradually, some overnight. As part of the growing demand for knowledge in the field of economic development, the Economic Development Professional has a responsibility to understand what is the "state-of-the-art" in his or her field. The best way to gauge change and to understand the correct status of our profession is to evaluate its literature. Only a few years ago not much literature was available. However, recently the profession has matured and the literature has grown. Some of the published work will continue to appear in the O.I.D.C.I. Journal, the University of Waterloo and Industrial Developers Association of Canada economic development papers and various essays written by students attending the Economic Development Program at Waterloo University.

For those keen professionals who would like to read more, a bibliography from both the American and Canadian Professional Associations has been prepared for reference.

The following are a few book reviews which I feel are important to address in this Journal. There are many more books which need exposure. If you wish to read some of them, contact the editor.

### **Shaping The Local Economy - Current Perspectives on Economic Development**

Edited by C.A. Farr,  
International City Management Association  
(Practical Management Series) 1984, (183  
pg.).

Planning and implementing economic development strategies is complex and time-consuming work for local governments. It requires nurturing a solid working relationship with key private-sector actors, capitalizing on available resources, and anticipating local, national, and international economic trends so that the community can benefit from them. Economic development demands a long-term perspective - investing staff and other resources today so that the community's future economic health will be stronger than it would be if left to the private sector.

Inherent in the public-private dichotomy is the fact that what's good for the whole isn't necessarily profitable for the individual. As a result, the public sector must take an active role in shaping the local economy, because decisions made by individual profit-oriented actors will often make use of local resources in ways that can negatively affect the community in the long run. The profit seeker can move on to more fertile territory when the resources are depleted; the public sector cannot.

How can local officials create effective economic development strategies? This book is designed to stimulate thinking; it is far too brief to be a definitive text. The book provides an overview of issues that are central to developing an economic development strategy and offers practical advice on im-

plementing some common strategies (such as encouraging high-technology development, retaining existing businesses, and revitalizing commercial districts). Case studies are provided to show some of these concepts in practice.

Part 1, focusing on changes in the local economy and the local government role, includes two articles that highlight national issues of particular interest to localities planning economic development programs. An excerpt from John Naisbitt's *Megatrends* describes a national shift from an industrial to an information society and what it means. Next, Albert Shapero discusses the key characteristics of entrepreneurs and suggests ways in which communities can nurture entrepreneurial activity - a useful strategy, since roughly 40% of all new jobs nationally are created by small businesses with less than 20 employees. Then Harold Wolman and Larry Ledebur review the most common forms of interaction between public - and private-sector institutions and focus on approaches that are designed to influence business decisions and behavior in noncoercive ways.

Part 2 introduces issues that local governments need to consider when organizing for an economic development function. Richard Starr recommends careful assessment of past and current economic development strategies and their successes as a starting point in organizing future efforts. Ruth Knack, James J. Bellus, and Patricia Adell provide perspectives on one central organizational issue: whether the economic development function should be located within city government or outside (as a separate corporation). They draw on the decisions made in St. Paul and Philadelphia to clarify the benefits of each alternative. Finally, Edward deLuca focuses on the need to have a game plan - an overall strategy - for local economic development efforts

and the importance of incorporating overall activities directed toward that strategy into the organizational plan.

Part 3 reviews some of the major tools and program orientations used in local economic development programs. First, Kenneth P. Fain discusses the concept of leveraging private investment and financing with public capital so that the private investment, in turn, will help create employment opportunities, tax base expansion, and economic vitality. Next, Stephen B. Friedman offers advice on how communities can assess the usefulness of the tax breaks and other incentives requested by private development projects. He recommends evaluating the project's contribution to achieving the city's established development objectives, analyzing the market support for the project and its financial feasibility given market conditions, and reviewing the incentive options available to determine what will help the project most at the least cost to the local government.

Robert M. Ady then reviews the cost and non-cost factors that are considered in a facility location evaluation and their relative importance. Glen Weisbrod reviews some common public-private approaches to supporting downtown areas and their effectiveness in expanding the downtown retail market. Excerpts from the Urban Land Institute's publication, *Revitalizing Downtown Retailing*, discuss the basic steps involved in creating a retail development strategy and the public sector's role in encouraging public-private participation in such efforts.

The Real Estate Research Corporation's executive summary of its report on urban infill provides an overview of how the infill market functions and recommends tools and techniques for encouraging infill development. Last, an excerpt from "Encouraging High-Technology Development", a background paper by the Office of Technology Assessment of the U.S. Congress, discusses local strategies used to support high-technology development and factors affecting the success of these local programs.

Part 4 presents examples of successful local economic development efforts and offers practical tips based on the experiences of communities that have accomplished some typical economic development objectives. "No Lost Causes" *Salvaging Neighborhood Shopping Districts* discusses an incentive program geared to leveraging private investment by merchants and property owners in New Haven, Connecticut; the use of market studies as a tool for planning neighborhood strategies in Pittsburgh, Pennsylvania; and the success of physical improvements in revitalizing a neighborhood commercial center in North Birmingham, Alabama.

Next, Bruce McClendon discusses experiences with integrating regulatory reform and local economic development objective in Beaumont, Texas. The city worked to ensure that economical and innovative development practices were encouraged so that development costs could be reduced without sacrificing the quality of development. Two case studies developed by ICMA highlight effective strategies for business retention program, drawing on the experiences of Bloomfield, Connecticut. "Negotiating Business Development" *The Manager As Broker* reviews the efforts of Mercer Island, Washington, to retain a major employer and the creative techniques local officials used to achieve broader economic development objectives in the process. The final article shows how active interest by private-sector actors in funding local business ventures stimulated economic growth in Chippewa Falls, Wisconsin.

A well-planned and well-executed economic development strategy can lead to a stronger local economy. Familiarity with program and organization options is an important first step for local officials in designing an economic development program. Also necessary are an understanding of local resources, constraints, and opportunities and the commitment of resources, if the community wants to choose its path rather than be directed solely by the decisions of individuals seeking to maximize their personal financial return on investment.

This is a "must" book to read by every Economic Development Professional. Although its contents are American, the concepts and process to ultimately achieve a diversified economic base with a well-executed economic development approach is universal.

## **Guide to Marketing for Economic Development**

by J.K. Ryaus, Jr. & W.L. Shanklin  
Publishing Horizons Inc., 1986 (361 pg.).

The first section of the book discusses such topics as what the Second War Between the States has meant in terms of economic development trends, what the states and cities are doing to promote themselves and to attract and encourage industry, how industrial realtors and incubator operators see economic development from their vantage points, and how the war has extended beyond U.S. boundaries to become an international "high stakes" game for industry.

The second section of the book looks at the particulars of such matters as fostering high-tech in-

dustry and what companies say they want in their headquarters communities and in locales and sites for plant and subsidiary facilities. The concluding section, Chapter 10, is devoted mostly to recommendations for how states and other political entities might do a better job of economic development.

Vignettes throughout the book serve as edifying examples of both success and failure in economic development efforts. For instance, how has Mentor, Ohio successfully overcome the "Rust Bowl" image so associated with the Midwest? How is Irvine, California fostering biotechnology? Or, what do industrial incubator operators say about their experiences? In addition, the Authors screened thousands of advertisements by all types of economic development groups; the ones that best illustrate particular points and represent noteworthy examples of creativity and strategy are presented throughout this book.

This book is not a sure-fire recipe for success in the marketing of economic development. In all competitive endeavors, Civil War II in this instance, there will inevitably be winners and losers.

Nonetheless, this book can definitely assist many EDP in gaining a better appreciation of the essential ingredients underlying effectiveness in economic development and, thus, to become better at marketing it.

### **Marketing Geography**

by R.L. Davies

Methven & Co. Ltd., London 1976 (288 pg.).

The emphasis in this book is on the spatial characteristics of retailing activities rather than the full spectrum of the distributive trades, not only because retailing is the dominant land use, but also because there has been much less geographical research into wholesaling and related service activities.

The first two chapters provide contrasting accounts of the theoretical bases to marketing geography and the factual setting of the distributive trades. These are then wedged together in succeeding chapters which deal with more specific topics and problems essentially linked around two complementary themes. The first deals mainly with the organizational structure of business supply. The relationship between the theoretical and empirical approaches to marketing geography is strongest in those studies with a traditional concern for describing the sizes and locations of business centres. This work is examined both in the context of national and regional systems of centres and of those at

the urban scale. Special attention is given to the main centre of central area of the city where most business activities continue to be concentrated. These broadly descriptive chapters are then followed by a discussion of changes in the urban business pattern and the ways in which planners and business firms have dealt with the problems of renovating the old parts of the city and providing new types of facilities in the suburbs. The second theme is predominantly concerned with the spacial expression of consumer demand. Broad patterns of trade areas are initially examined and in the context of those theories which help to explain them. The major features of shopping behaviour are identified, as are emerging trends in consumer tastes and preferences. These have clear implications for the future organization of shopping provision which is then discussed in relation to forecasting techniques that can be used in planning. More detailed aspects of individual consumer behaviour are treated separately and in relation to the problems involved in store location research. The final chapter of the book focuses on those major developments which are likely to occur in the future, both in terms of consumer demand and in terms of business supply.

### **Economic Policies in Canada**

by I. Bryan

Butterworths, Toronto, 1982 (294 pg.).

Economic policy has to be set in a framework of the ultimate goals of society. These aims or goals are determined by the political process. Most countries, including Canada, aim to achieve full employment, no inflation, a high economic growth rate, an equitable income distribution, and a viable balance of payments. Canada has not realized these goals; nor have most other industrialized countries, although some have done better than others. Clearly, Canada's performance can be much improved. The aim of this book is to offer suggestions as to how this can be done.

Part I surveys the allocation of resources in the Canadian economy. If the allocation of resources could be made more efficient - if our resources of land, labour and capital could be better utilized - the GNP and employment would increase, bringing the economy closer towards the goals of full employment and economic growth. A more efficient allocation of resources could also have a beneficial effect on price stability and the Balance of Payments. Greater price stability would be achieved if critical bottlenecks and capacity and constraints were removed.

The Balance of Payments would be favourably affected if an efficient allocation of resources meant greater efficiency (productivity) in the export sector.

Part II of the book deals directly with the goal of an equitable income distribution, and Part III with full employment, price stability and the Balance of Payments from a macroeconomic viewpoint.

## **Economic Development of a Small Planet**

by B. Higgins & J.D. Higgins  
W.W. Norton & Co. Inc., 1979 (284 pg.).

At the end of World War II, economic development was seen as an instrument of peaceful revolution. The less-developed countries would be guided on the road to prosperity and independence with infusions of money and technology from wealthy industrialized nations. Three decades later, however, it is apparent that that goal, once seemingly well within the capabilities of a beneficent West, has not been achieved. Instead, economic development has become more complex, ambiguous, and uncertain than was apparent at the dawn of the post-war era.

We do, in fact, occupy a small planet, one with very limited natural resources. Thus some Third World nations are no longer "poor" because they own the oil and other natural resources on which advanced countries depend. Yet they continue to be dependent on industrial nations for technology, investment, and increasingly, for food. In truth, advanced and Third World nations are now in a state of "mutual vulnerability" and both now question heretofore orthodox development philosophy and practices.

With this background, the authors of "Economic Development of a Small Planet" discuss, in nontechnical language, development planning from the choices of formulas and strategies to policy formulation and the application of programming techniques. Based on current economic theory, their analysis also draws on studies in other social sciences, using case studies to show that there can no longer be just one way to achieve economic development.

## **Industrial Real Estate**

by William N. Kinnard Jr.  
S.I.R. Educational Fund, 1967 (600 pg.).

This is the first book covering all phases of the industrial real estate field - site selection, development, marketing, leasing, financing, appraising, in-

dustrial parks, rehabilitation, investment, management, zoning, tax factors . . .

The most comprehensive, authoritative source of information on industrial real estate principles and practices, this book is a unique reference for real estate brokers, developers, public utilities engaged in industrial development, industrial executives, chambers of commerce, public and private industrial development groups, investors, appraisers, consultants . . .

Several years in preparation, the book was written by Dr. William N. Kinnard, Jr., MAI, SRA, director of the Centre for Real Estate and Urban Economic Studies at the University of Connecticut, with the co-operation and assistance of many members of the Society of Industrial Realtors - a professional affiliate of the National Association of Real Estate Boards. S.I.R. members specialize in marketing industrial properties and meeting the real estate needs of industry.

The manuscript was commissioned by the S.I.R. Educational Fund, which carries out educational activities through contributions from members of the Society.

Aimed at the broadest possible audience, the book is written so it can be easily adapted for use as a textbook for courses in industrial real estate.

The reader will get a deep insight into the various aspects of industrial real estate and allied fields. Never before has such information been available in one volume.

Because of its reference book characteristics, the author has repeated major points in all sections where they are applicable, in order to cover a subject as thoroughly as possible in each in each section.

**Note:** Since the book was written, the S.I.R. has added the office sector to their mandate, making the organization responsible for representing the industrial and office realtors of North America, S.I.O.R.

## **Canada's Economic Strategy**

by J. Laxer  
McClelland & Stewart Ltd., 1981 (189 pg.).

### **What's Really Gone Wrong With Our Economy ... And who's Responsible?**

"In 1978, if an imaginary line had been drawn across Canada from north to south, dividing the country according to where the east-west

economic centre of gravity was, that line would have run through Owen Sound, Ontario ... That line was pushing westward at a rate of about 15 km per year."

James Laxer, well-known Canadian political economist, television personality, and author, has written a forthright book depicting the breakdown of Canada's traditional economic strategy.

Laxer demonstrates how jobs and wealth have shifted to the oil- and resource-rich western provinces, and how Ontario and Quebec have undergone de-industrialization. He shows how these economic changes have had ramifications on the policies of the federal political parties. The Conservatives, traditional nationalists, representing the newly prosperous western electorate, now advocate unfettered free enterprise. The Liberals, traditional continentalists, speaking for a declining central Canada, now advocate economic nationalism.

Finally, Laxer analyses the efforts of political leaders and businessmen to define a new economic strategy. A must read for Canadians concerned about their economy.