

**BRITISH COLUMBIA AT THE CROSSROADS:
NEW REGIONAL DEVELOPMENT PATHWAYS FOR THE 21ST CENTURY**

*A Review of the Literature on Regional Development Processes,
Issues, and Policy Implications for BC*

Report Prepared for:

Project 250: Regional Economies Expert Panel

**Thomas A. Hutton, D.Phil.
Centre for Human Settlements
School of Community & Regional Planning
University of British Columbia**

July 2002

(This page left blank intentionally.)

**BRITISH COLUMBIA AT THE CROSSROADS: NEW REGIONAL DEVELOPMENT
PATHWAYS FOR THE 21ST CENTURY**

TABLE OF CONTENTS

EXECUTIVE SUMMARY i

I. INTRODUCTION: STUDY PURPOSE, OBJECTIVES AND OVERVIEW1

Structure of the Report.....2

**II. REGIONAL DEVELOPMENT IN THE 21ST CENTURY: A NEW MIX OF FACTORS, INFLUENCES,
AND INTERDEPENDENCIES**3

Introduction: The New Drivers of Regional Development in the 21st Century.....3

Reassessing Resources as a Basis for Regional Development4

Recasting the Mix of Regional Development Influences.....5

Development Factors for the 'New Regional Economy': Applications for BC.....7

III. RECONCEPTUALISING THE 'REGION' AND REGIONAL DEVELOPMENT11

Introduction: New Ways of Thinking about Regions11

New and Emerging Regional Formations in the 21st Century: Trends and Processes12

A Selective Typology of New and Emerging Regional Formations.....13

IV. NEW DIRECTIONS FOR REGIONAL DEVELOPMENT IN BRITISH COLUMBIA16

Introduction: New Strategies for Regional Transition and Transformation.....16

Regional Development Options and Opportunities: Key Policy Priorities and Clusters.....18

V. SUMMARY AND CONCLUSION: NEW PATHWAYS FOR REGIONS IN THE 21ST CENTURY23

Restating the Purpose of the Report23

A New Mix of Regional Development Influences or 'Drivers'23

New Ideas about 'Regions' and Regional Development24

New Strategies for Regional Transition in British Columbia.....25

*APPENDIX A: TABLE 1. THE NEW MIX OF REGIONAL DEVELOPMENTAL FACTORS FOR THE 'NEW
ECONOMY'*28

*APPENDIX B: TABLE 2. EVOLVING ROLE OF INTERMEDIATE SERVICES IN ADVANCED PRODUCTION
SYSTEMS 1950-2000*.....29

APPENDIX C: REPRESENTATIVE DIVISIONS OF THE INTERMEDIATE SERVICES SUBSECTOR.....30

REFERENCES AND BIBLIOGRAPHY31

(This page left blank intentionally.)

BRITISH COLUMBIA AT THE CROSSROADS: NEW REGIONAL DEVELOPMENT PATHWAYS FOR THE 21ST CENTURY

EXECUTIVE SUMMARY

1. Introduction: Study Purpose, Objectives and Overview. The principal purpose of this report is to stimulate discussion on 'opening up' new possibilities of regional development in British Columbia. A combination of exogenous processes (accelerated globalisation, industrial restructuring, and technological innovation) and domestic trends (depletion of the natural resource base, inter-regional divergence in BC broadly favouring the metropolitan south-west, and new political, cultural and social conditions) has produced a reconfigured economic landscape for the province, suggesting that British Columbia is at a developmental (and policy) crossroads. While there are numerous 'success stories' within the so-called Region 250 outside Vancouver and the Lower Mainland, there are concerns that continuing divergence in the fortunes of the province's (increasingly diverse) regions will likely produce sharply polarised development patterns, socioeconomic disparities, and political and social alienation. A review and analysis of the burgeoning new literatures on regional development discloses innovative and potentially constructive regional development directions for British Columbia, with respect to (1) the 'new mix' of regional development influences and dynamics, (2) ways to reconceptualise 'regions' and regional development, and (3) new directions for regional development in British Columbia.

2. Regional Development in the 21st Century: a New Mix of Factors. Regional development in British Columbia has been largely driven by the extraction and export of natural resources, characteristic of what Harold Innis has described as the classic 'staples economy model.' Resource industries will (with appropriate management, stewardship and reinvestment) remain central to the development of many regions within BC, but to the 'intrinsic' problems of staple economies (notably 'boom and bust' cycles) we must now add severe depletion and overall environmental degradation, the introduction of new wilderness protected areas and more stringent resource harvesting protocols, changes in levels of demand among established external markets, increased competition both from low-cost and advanced resource producers, and uncertainties of tenure and harvesting rights associated with unresolved Aboriginal land claims. Many (if not most) regions in BC will have to adjust to lower levels of allowable resource extraction than in the past, and significant new investments and regulatory adjustments will be required to sustain even these somewhat diminished yields.

Positive regional development in British Columbia over the 1st decade of the 21st century and beyond will require more effective deployment of the full range of regional resources and attributes, including human, social, cultural, and infrastructural capital as well as natural and physical resources, implying new approaches to public policy, as well as new development models for British Columbia's diverse regions. More specifically, supporting roles for government and public agencies will include active stewardship of regional resources, a commitment to 'benchmarking' at regional and well as provincial levels, and partnerships with regional administrations, communities, business interests, and other stakeholders in support of regional and community diversification, transition, and transformation. There is also a need to transcend traditional notions of *comparative advantage* (i.e., exploiting 'what's there'), to a more proactive strategy of enhancing regional *competitive advantage* (which to some extent can be induced or enhanced by carefully targeted policies).

3. Reconceptualising the 'region' and regional development. Over the past two decades or so experiences of globalisation, privatisation, deregulation and industrial restructuring have combined to signifi-

cantly increase the importance of regions (relative to nation states). Our ideas about the function and status of regions as essentially subordinate administrative units have given way to far more strategic conceptions of regions as territorial platforms of advanced production (including advanced-technology industries), specialised service industries, skilled labour markets, and international trade. These roles are often underpinned, in turn, by important universities and R & D functions, key transportation and communications infrastructure, and distinctive local and regional cultural asset, norms and values. A concise overview of the contemporary regional development literature discloses a typology of innovative regional functions and roles, some of which describe new regional 'vocations' or trajectories; while others can be seen as regional goals or aspirations, embodying new visions and policy directions. This 'menu' of innovative regional types may help inform forward-looking regional development visions in BC, and includes: (1) *'propulsive' regions*, which play lead developmental roles at national and even international levels; (2) *'regional technopoles'*, which comprise major agglomerations of advanced-technology industries; (3) *'network regions'*, within which innovative industries are supported by high levels of collaboration and co-operation between firms, labour, public bodies and institutions; (4) *'transitional' or 'transformational' regions*, territories undergoing (often policy-induced or accelerated restructuring); (5) *'knowledge' and 'learning' regions*, which deploy investments in education, training and human capital as a means of maintaining a leading-edge position in processes of change; and (6) *'sustainable regions'*, which assign primacy to values of ecological integrity, and may also promote more resilient and 'sustainable' social, economic, and cultural systems.

4. New Directions for Regional Development in British Columbia. Since the seminal era of 'opening up' British Columbia's interior and northern regions in the 1950s and 1960s, provincial government policy has been characterised by the lack of a compelling vision, programmatic commitment, or local and regional engagement. This weak regional development policy stance may not have mattered so much in an era of (perceived) unbounded resource stocks, strong export markets, and relatively few competitors, but in this very different context of the early 21st century there is now a pressing need to develop more imaginative approaches to the future of British Columbia's regions and constituent communities. As a means of opening up discussion of policy choices, we might start with the following framework of priorities:

- (1) *Regional development as a strategic policy priority.* There is a need for Government to articulate a commitment to supporting regional development in British Columbia, including appropriate institutional arrangements, and expansion of benchmarking, among other actions.
- (2) *Securing the future of regional resource industries and employment.* Resource industries will be important for many regions into the new century, underscoring a need to replenish and sustain the resource base, reform land tenure in the forestry sector, emphasise critical skills and professions (engineering, design, and marketing), and experiment with community resource management programmes.
- (3) *Education, human capital, and regional development.* Critical goals in this key domain include improving the quality of K-12 education, enhancing high school completion rates, upgrading adult education opportunities, cultivating entrepreneurship in the '250 regions', and improving access of regions and peripheral communities to postsecondary education.
- (4) *Infrastructure development and land use for the 'new regional economy'.* The emerging new regional economies of BC will require carefully targetted investments in transportation, telecommunications, and education, as well as forward-looking land use policy complements.
- (5) *Governance and process issues.* There is a clear need for a stronger regional 'voice' and role in development within the '250' areas of British Columbia. Innovations here could include adjustments to regional district powers, and building local/regional policy capacity.

BRITISH COLUMBIA AT THE CROSSROADS: NEW REGIONAL DEVELOPMENT PATHWAYS FOR THE 21ST CENTURY

I. INTRODUCTION: STUDY PURPOSE, OBJECTIVES AND OVERVIEW

The principal purpose of this report is to stimulate discussion on 'opening up' new possibilities of regional development in British Columbia, with special reference to areas outside the metropolitan southwest of the province (i.e. Greater Vancouver and the Capital Regional District). The basic assumption is that for these non-metropolitan regions (and indeed for the province as a whole), resource extraction and related industries will continue to be important, and, in fact, that very promising opportunities for new resource-based development exist.

But the report also acknowledges that pressures on the resource base and staple sector (including depletion, designation of protected areas, more stringent extraction guidelines, costs pressures, external competition, changes in the pattern of external demand) will inevitably limit the capacity of staple extraction to *lead* regional development in many parts of the province. ['Lead' in this sense means the dominant role not only in attracting new investment, but also in generating productivity growth and Gross Regional Product (GRP), employment, incomes, revenues, and multiplier effects (positive spillover effect on other regional industries).] Thus we can suggest that British Columbia is at a developmental crossroads, requiring new thinking about the future of regional economies in the province, a process which entails generating new concepts of the 'region' in a globalising world economy and society, emerging regional development trajectories, changing ideas about a 'new mix' of regional development factors, the implications of the 'new economy' for British Columbia's regions, and a reconceptualisation of the role of government and public agencies in regional development.

A second assumption concerns the need to develop more nuanced perspectives on the development potentials of individual regions in British Columbia outside the metropolitan southwest. A decade or so ago two UBC faculty members advanced the idea of 'the two economies of BC' (Davis and Hutton, 1989), to differentiate the scale, industrial structure and market orientation of the metropolitan Vancouver economy from that of the 'ROP' (rest of the province). This perspective is now obsolete, as there is very substantial (and clearly increasing) variegation between and among regions within the BC interior and Vancouver Island beyond the CRD. Much of the province is experiencing the stress of downsizing and retrenchment in the forest sector and in other resource industries, but there is also significant evidence of economic growth and industrial diversification in many regions and communities. The provincial government in the first year of its mandate has focussed its policy agenda on 'macro-level' fiscal, regulatory and labour market reforms that are intended to promote growth in the province as a whole, but policies will need to be tailored to the specificity of conditions and circumstances at the regional and community level in BC. We should therefore avoid the fallacy that there is a regional policy 'template' that will facilitate the development of every region in the province, and instead engage in a dialogue with regional interests and stakeholders to disclose new visions, trajectories, and development pathways.

Thirdly, we can learn about the possibilities of new regional development models from the contemporary literature on the experience of other jurisdictions, as well as that of British Columbia. The last decade has seen a remarkable burgeoning of innovation in the way we think about regions and regional economies, influenced in part by the imperatives of globalisation and restructuring; by the insistent advance of technology in regional production regimes; by the growing recognition of 'regional culture' as an important mediator of development; by the intersections between human, social and physical capital; by the enhanced role of amenity in the nurturing of skilled regional labour markets; and by the reformulation of government roles in regional growth and change, among other factors. As articulated recently by a prominent commentator on British Columbia's development experience, there is an urgent need to 'free up' our imaginations about the possibilities of new development pathways for the province and its constituent regions and communities (Goldberg, n.d.). The purpose of this discussion paper is to contribute to this process by exploring some important aspects of regional development innovation, including a selective review of three related literatures: (1) recent reports on British Columbia's regional development, (2) lessons from 'leading edge' regional development experiments and experiences, and (3) observations from similar regional jurisdictions, including the Pacific North-West and Australia.

Structure of the Report

Following this introduction, section 2. offers a discussion of the factors underpinning regional growth and change; i.e., the 'new drivers' (or mix of influences) on regional development trajectories in the early 21st century. Here, the continuing importance of the natural resource base to British Columbia's regional economies will be acknowledged, but the much broader range of other potential development factors and attributes will be identified and discussed. It will be essential to more fully 'mobilise' these diverse resources and factors to achieve regional diversification and development.

Section 3. provides a perspective on new concepts concerning 'regions' and regional development, with special emphasis on the constellation of processes and trends which enable more imaginative roles for regions and regional economies in a context of accelerating globalisation and industrial restructuring. A selective survey of regional development experiences in Canada and in international settings discloses a rich menu of possibilities for recasting regions in developmental roles, and for rethinking regional economic trajectories in British Columbia.

The contours of a new approach to regional transition and transformation in this province are outlined in section 4., 'new directions for regional development in British Columbia'. Some proposed policy parameters are framed within which to situate this new approach, and a set of policy directions (or clusters) addressing needed changes in strategic policy, governance, institutions, and processes is presented, together with some exemplary policy options for the new industries that will increasingly comprise the 'new economy' of regions in BC. A concise summary (section 5.) concludes the report.

II. REGIONAL DEVELOPMENT IN THE 21ST CENTURY: A NEW MIX OF FACTORS, INFLUENCES, AND INTERDEPENDENCIES

Introduction: The New Drivers of Regional Development in the 21st Century

Over the 20th century British Columbia emerged as a major resource economy at the national and even international scales. The centrepiece of this provincial resource economy was a large and expanding staple extraction sector (notably forestry and mining), situated within the regions in situ, but in time important ancillary manufacturing and service industries were established. The resource sector in turn performed crucial roles in the overall development trajectory of British Columbia's economy and society, as observed in the influence of resource extraction in the growth and development of the provincial economic base, employment structure, settlement patterns, and social composition, not only 'in the regions', but also in the metropolitan centres of Vancouver and Victoria. The foundation for this vast, export-oriented resource economy was an extraordinarily rich base of natural assets, including forests, minerals, fisheries and other fauna, water, and soils, defining elements of what was seen as an 'unbounded' resource frontier. As is well known, however, the massive expansion of resource development over the last four decades of the 20th century served to significantly deplete critical stocks of the province's natural resources, necessitating a reconsideration of the full range of resources (natural, physical, human, social, and cultural) which could be deployed to sustain regional economies in BC.

Fundamental to an understanding of prospects for regional development in the 21st century, then, is an appreciation of the factors impelling or 'driving' development at the regional level, especially in regions outside major metropolitan centres. The discussion will be organised around three sets of issues which are seen to be central to a forward-looking view of regional development in British Columbia's regions, as follows:

1. A reconsideration of the role of natural resources in regional development, informed by new assumptions of resource scarcity, value, and utility;
2. A review of what we might characterise as a 'new mix' of regional development factors for British Columbia in the new century; and
3. Articulation of the clear need to move from a passive notion of '*comparative* advantage' in natural resources as the foundation of development, to a more strategic, assertive, and forward-looking approach based on '*competitive* advantage', embodying a more robust and dynamic appreciation of the full range of regional resources (natural, human, social, cultural and infrastructural capital).

This discussion also serves to inform new ideas on regional development in a context of globalisation and industrial restructuring, presented in section 3.

Reassessing Resources as a Basis for Regional Development

In the broader Canadian context the most influential theory on regional development over the past 60 years or so has been the 'staple' model developed by Harold Innis. An interpretation of the Innisian model of development would postulate that Canada has a limited number of advanced, highly-industrialised regions (notably the Greater Toronto and St. Lawrence Region), representing the developmental 'core', while the resource-rich regions of the (so-called) hinterland act as the developmental 'periphery' (Innis, 1933). These peripheral regions (which would include most of the regions in BC outside the metropolitan south-west area of the province) specialise in the production of resources or 'staples', for export to the industrial 'core' regions, in Canada and in international or global markets. Thus the natural endowments of resources (timber, minerals, and so on) can be seen as the 'comparative advantage' of peripheral regions in a developmental context.

A comparative advantage in resources can be a viable base for employment and wealth-creation for regions, although (as Innis noted) this mode of development has its limitations, as seen in over-dependence on resource extraction, and failure to achieve industrial diversification, as well as periodic 'boom and bust' cycles which for Innis represented defining elements of what he termed the 'staple trap' of retarded regional development in Canada. To these problems we can add experiences of resource-depletion (with respect to non-renewable and/or 'scarce' resources) and environmental degradation that may compromise the viability of resource industries over the longer-term, as well as the well-documented secular decline in terms of trade (the margin between the price of resource exports relative to the cost of imported industrial goods) for many resource commodities over the past quarter century. Moreover, the increasingly capital-intensive nature of resource development in advanced economies such as British Columbia must serve to condition our expectations about the direct employment-generating potential of staple industries in most areas of the province. Therefore, although recent analysis suggests that with appropriate measures (including reinvestment, stewardship, and regulatory adjustments) British Columbia's resource endowment can continue to serve as a crucial element of the provincial economy (see for example Horne, 1999; Pearse, 2001), it seems equally clear that there will be considerable (and likely increasing) constraints on its capacity to 'lead' regional economic development and employment formation.

This distinctly more constrained assessment of the future role of resources in British Columbia's regional development may be seen as problematic in many respects, but there may also be significant advantages to this perspective. First, it underscores the (perhaps obvious) reality that the pressures on the resource base, and the increasing competition for access to resources among stakeholder or user groups, requires a higher valuation on these resources, which may in turn (over the medium- to longer-term) encourage higher value-added industries. (This quest for value-added resource development has long been a desideratum of public policy in BC, but the trends of the last decade or so have given an added element of exigency to this course.) Perceptions of (relative) resource scarcity also promote greater appreciation of the 'existence value' of

resources for tourism, recreation and aesthetic enjoyment, health, medical and genetic applications, and spiritual purposes (Roessler and McDaniels, 1994).

Secondly, the clear need to assume higher levels of stewardship of British Columbia's natural resources should serve to stimulate growth in those key occupations which are concerned with resource management as well as with extracting more value from the resource harvest; these include highly-educated and well-paid cohorts such as scientists, design professionals, industrial production specialists, and marketing personnel. These are all essential features of efficient resource development among advanced or '1st world' economies and societies.

Thirdly, this 'adjusted' view of the role of resources per se in the province's future development should encourage a broader consideration of other factors of regional growth and change, informed by the experiences of other jurisdictions. (In this regard, we can acknowledge the reality that even during the 'hegemony' of resource development over the 20th century, other factors were critical to the operation of this expansionist staple economy in BC, notably human and financial capital, and industrial and transportation infrastructure.)

Recasting the Mix of Regional Development Influences

Over the past decade or so the regional development and policy literatures have underscored the importance of expanding our understanding the spectrum of factors involved in growth and change both in 'advanced' and 'transitional' societies. Some of the key observations and findings can be summarised as follows:

- The influence of *globalisation* (or, more correctly, global processes). One of the features of globalisation (economic, social, and cultural) has been to emphasise the role of regions as 'geo-spatial' units of international systems of production and trade, relative to nation states (Scott et al, 1999). [We note here that many of BC's regions and communities are already to a large extent 'globalised', as they are largely dependent on staple exports within international commodity markets; but there are other facets of globalisation which will influence patterns of development among British Columbia's regions and smaller communities, including international immigration and the inter-regional and global transmission of culture, knowledge, and ideas.]
- Processes of *industrial restructuring*, which take the form of shifts out of low-value standardised production into higher value-added goods, services and knowledge production among advanced regional economic systems, accelerated by pressures of globalisation and market competition; and which now include the emergence of 'new economy' industries, production technologies, and occupations (Slater, 2001) Industrial restructuring processes tend to place increasing competitive pressures on regional (as well as national) economies, resulting in considerable dislocation and destabilisation of industries, labour markets, and their associated communities, placing therefore a high premium on innovation.

- The importance of *regional culture*, both as a mediating influence on patterns of regional and community development, and as a basis for the production of what Scott calls 'cultural goods and services' (Scott, 1997)
- The increasingly insistent role of *technology* in regional production regimes and labour markets; we acknowledge also the convergence of 'technology, culture, and place' as a platform for distinctive modes of regional development, as disclosed in Saxenian's analysis of Silicon Valley and the 'Route 128' region around Boston (Saxenian, 1991)
- The emergence of '*cluster-driven*' regional development as a leading spatial component of growth and change, as described by Harvard economist Michael Porter and others: this process involves the location of firms exhibiting intricate input-output relations and collaborative inter-firm relations within particular districts or territories; we note here also the contours of the current debate about 'induced' versus 'spontaneous' regional clusters (i.e., whether government and public agencies can effectively promote clusters in localised or regional development settings via a suite of policies and/or regulatory interventions)
- Acknowledgement of *amenity* (environmental, cultural, social) as a key influence on regional and community development, as in the attraction and nurturing of skilled workers (Douglass, 1995)
- Recognition of *social and human capital* as important factors of regional development, complementing physical and environmental capital in advanced regional economies, including the role of a well-functioning and cohesive 'civil society' in progressive economic development (Robert Putnam's ground-breaking work on the interdependency of civil society, 'healthy' politics and economic welfare within the regions of Italy should be acknowledged here; Putnam, 1993)
- The critical significance of *transportation and telecommunications* infrastructure and systems, especially for enhancing 'connectivity', and in facilitating the flow of commodities, services, capital, information and knowledge, within and between regions, and also linking regions to international and global markets and societies
- The changing role of *government*, public agencies and public policy in shaping regional development trajectories, including adjustments to regulatory regimes as well as the deployment of 'direct' and indirect regional policy levers.

This list of development processes and factors is necessarily selective, but serves to underscore the range of influences on contemporary regional development trajectories in British Columbia and elsewhere.

Development Factors for the 'New Regional Economy': Applications for BC

As observed earlier, regional development in British Columbia, even during the high point of staple extraction, required the combining of various inputs (environmental, financial capital, and human resources) for the operation of the province's resource economy. We can however further our understanding of the 'new mix' of regional development factors by comparing attributes of the 'old' and 'new regional' economies.

Table 1 compares the role and importance of twelve key factors and attributes of regional development in the 'old economy' (i.e. characterised by the production of relatively low value-added resource and industrial commodities) and 'new economy' (typified by a shift to specialised, knowledge-based and increasingly technology-intensive goods and services production). What Table 1 shows is that these 12 selected development factors have been important both for the operation of the old and new economies, but their relative importance (and specific applications) have undergone major shifts as part of this experience of industrial and regional restructuring.

To illustrate, *location* is still very important in economic development – in some ways, perhaps, more important than ever – but the advantages of proximity to resource endowments and large consumer markets which characterised the 'industrial region' have now given way in large part to the positioning of regions and communities in relation to 'growth corridors' and global networks. The advance of telecommunications technologies and air travel have done much to reduce the friction of distance for some activities, but 'place' is still important for many specialised activities. Public policy directed toward regional development must acknowledge this aspect of place-based differentiation to be effective. *Financial capital* is also crucial for development, but can be sourced from external (as opposed to local or domestic) institutions, if prospective rates of return are attractive enough. (At the same time, however, the globalisation of capital markets also increases competition for financial capital, as we have seen in the changing fortunes of the resource sector over the past decade or so.) The 'new regional economy' also embodies the importance of *labour* as a key input to development, but here the emphasis is increasingly on skilled, entrepreneurial, and knowledge workers. Again, the experience of regional resource economies in British Columbia amply underscores the trend toward skill- and capital-intensive development (and a concomitant shedding of less skilled labour). Achieving sustained increases in human capital is essential to the positive transformation of regional economies in British Columbia.

The changing significance of *infrastructure* offers another perspective on regional industrial transformation. Here, the (public and private) investment in transportation infrastructure (rails, road, and seaports) was a critical precondition for the mid-20th century vision of 'opening up' British Columbia's interior and northern resource regions. The 'next phase' of regional development in British Columbia outside the metropolitan southwest will also require major new investments in infrastructure, but a new emphasis will be on airport, telecommunications systems, and educational infrastructure. In this connection, the 'fiscal environment' for the provincial government is relatively more constrained than was the case for the major investments of the 1950s

through the 1970s, requiring a more rigorously-targetted public investment approach to infrastructure, as well as aggressive exploration of public-private partnerships where mutual benefits may accrue from joint or shared investments.

An examination of the changing roles of *technology* and *service industries* (Table 1) offers another perspective on the new mix of development factors unpinning regional economic change. The competitive pressure to continually reinvest in new production technologies is often perceived as central to the viability of manufacturing, but in fact cuts across all sectors and most industry groups, as evidenced in the relentless insertion of new technologies in British Columbia's resource economy. The future of regional resource economies in BC will be very much dependent on their ability to attract new capital for upgrading and efficiency enhancements, as well as new industrial production technologies to enable the manufacture of high-quality, higher value-added resource products. But service industries are also becoming more capital- and technology-intensive, as seen in recent trends in (for example) the financial, business service, and tourism industries, in BC and elsewhere. In this regard, the service sectors of many regions and communities in the province are for the most part in the 'consumer' market sector (i.e. for final demand), for example in government, public and retail services. These may continue to be significant sources of employment in regional labour forces, and for sustaining regional economies. But it is important to note here (a) that 'producer' services (i.e. services which cater largely or wholly to other businesses and to industry, or the 'intermediate' market sector) are now seen as strategic elements of advanced regional economic systems, increasingly performing 'propulsive' roles in highly-developed production systems: see Table 2. in this regard; and (b) that regions and communities in British Columbia outside the Lower Mainland and the Capital Regional District tend to be deficient in these specialised producer services, although there are significant concentrations of these in centres such as Kelowna, Prince George, and Nanaimo (Hutton and Davis, 1992). These intermediate services are especially important for the efficient operation of financial markets; for generating knowledge, information and expertise; for facilitating the transfer and exchange of this specialised knowledge; for the efficient functioning of regional and international trade; for high-level employment generation; and for earning high revenues and incomes for companies, individuals and households, and public authorities. Successful regional and community transition in BC in the 21st century will require the development of strong, specialised service industries, such as financial, business, technological, knowledge-based and 'creative' (or design-based) services, for which the essential precondition is the presence of agglomeration economies. [For a more comprehensive listing of producer or intermediate service industries see Appendix C.]

Recent regional development research has highlighted the critical significance of *culture*, in its diverse manifestations and meanings, in the reshaping of regional economic vocations and trajectories. As observed in the earlier reference to 'cultural products' industries defined by UCLA geographer Allen Scott, this can take the form of industries and production derived from local and regional cultural values, traditions and skills. In the BC case, we can instance the examples of industries, which take their design and creative references from the cultures of the province's Aborigines, as well as from the cultural significance of forestry and fishing industries. But 'culture' can also be construed as sets of localised and regional norms, practices and behaviours, which in-

fluence regional development. According to Mike Douglass, a regional development specialist at the University of Hawaii, the distinctive nature of regional culture can partially explain contrasts in economic development experiences and growth levels. Douglass identifies the following aspects of regional culture that may influence patterns of development:

- *As a set of national, regional or ethnic characteristics* that influence the path of development, as seen, for example, in the role of 'neo-Confucian' qualities of East Asian society that have been conducive to high growth rates in Hong Kong, Taiwan, Singapore, and China (see also Brook and Luong, 1997);
- *As a shaper of labour relations*: here an example might be the relatively stable company-employee relationships, characterised by mutual loyalty and benefit, observed in a number of German and Japanese corporations, and in other societies imbued with an 'advanced industrial production culture'; and
- *As defined by the coherence of civil institutions and regional societies* that organise themselves for mutual benefit: this 'culture of collaboration' has been documented in regions as diverse as Silicon Valley, California, and the Emilia-Romagna region of northern Italy.

[Adapted from Hutton, 1998]

It may be observed in this latter connection that to many observers British Columbia, rather than constituting a 'culture of collaboration', presents a profile of deep social and political polarisation, and it is difficult to avoid the perception that this more divisive state retards the progress of the provincial economy. But there may be more (actual and potential?) cohesion and sense of shared identity and values at the regional level in BC, so it may be possible to foster what Cooke and Morgan have called 'associational economies' of co-operative and innovative firms, industries, communities and public bodies at the regional level in the province (Cooke and Morgan, 1998).

A final reference to the 'new mix' of factors driving regional development acknowledges the changing role of *government and public agencies* in the reshaping of regional economic trajectories. At the broadest level there is a clear redirection of government policy focus in many jurisdictions to actively support and enable regional development, as a means of effectively addressing the challenges of accelerating globalisation, industrial restructuring, and competition. This task may involve inter alia fiscal reform, adjustments to key regulatory regimes, and strategic investments in education, transportation and telecommunications infrastructure, but really implies an even more fundamental change in the role and priorities of governments and governance. Kevin O'Connor, Robert Stimson and Maurice Daly offer a timely articulation of this new role for government in supporting the development of Australian states and regions (which represents perhaps the closest parallel with British Columbia), as follows:

For the states and for the metropolitan and non-metropolitan regional areas that comprise the nation, policy will need to look beyond the old notions of local land use planning, regulation, and control. What will be needed is up-to-date information on trends in employment, business investment, and the performance of major infrastructure facilities like

the road network, the seaports, and the airports. In addition, a good understanding of the character and needs of the key industrial and service sectors will enable government to facilitate in-bound investment. In education and training, a significant role for state and local government institutions will be to strengthen the links between the local educational and training system with the core firms of each regional or city economy.

This new agenda and set of actions call for a new way of going about decision-making. The main emphasis needs to be on the provision of information so that decisions by government agencies and by small and large firms are consistent with the long-term growth of the local city or region. Monitoring rates of change, benchmarking performance against other locations and activities, and reviewing a range of options may be the most critical actions for governments in this new era.

This is a far cry from 'master planning', and recognises the multi-dimensional nature of many of the key policy areas, along with the fact that circumstances can change quickly.

(O'Connor, Stimson and Daly, 2001: p. 207)

It may be worth observing in this context that most Australian states are confronting a very similar set of development issues to that of British Columbia: depletion of natural resources, increasing competition from 'low cost' staple regions internationally, and declining terms of trade; patterns of increasing inter-regional divergence and developmental 'asymmetries' between metropolitan and rural or resource regions, with the larger cities faring better than the peripheral regions in attracting investment and generating employment, incomes and revenues; unresolved aboriginal/1st nations treaty claims and associated costs of uncertainty; and growing pressures on public sector budgets and resources. It may also be the case that the Australian governments and public bodies have been more aggressive in pursuing new (national and regional) economic development futures, lacking Canada's advantage of proximity to the world's largest and richest market, although it is acknowledged that this relationship has its problematic features.

To conclude this section, we have tried to make the case for expanding perspectives on the spectrum of factors that will drive regional development in British Columbia over the first decades of the 21st century, informed by an examination of trends in BC and in other jurisdictions. It seems clear that natural resources, which are seen as the drivers of regional development in the province over much of the 20th century, will continue to be important for regional economies. Measures to secure and where feasible replenish this natural resource base are clearly critical to regional development in British Columbia. But it seems equally clear that most regions will have to adjust to lower levels of allowable resource extraction than in the past, and significant new investments and regulatory adjustments will be required to sustain even these somewhat diminished resource commodity yields. At the same time, there are excellent prospects for further developing higher value-added resource industries, and for achieving new development, employment and revenues

from what Roessler and McDaniels have termed the 'existence' uses of British Columbia's natural resource assets.

It is also the case that many other of the resources and factors identified in this review have much greater potential for contributing to the development of BC's non-metropolitan regions. We conclude by acknowledging that fulfilling the development potential of the full range of regional resources – environmental, human, social, cultural, and physical – will require more urgent attention and stewardship. This implies in turn a fundamental shift in public policy focus from a historical reliance on comparative advantage (exploiting 'what's there' – in the earth, in the forests, and in the sea), to a more assertive and forward-looking posture of fostering *competitive advantage*. This in turn will require new ways of thinking about regions and development in British Columbia, which is the subject of the following section of this report.

III. RECONCEPTUALISING THE 'REGION' AND REGIONAL DEVELOPMENT

Introduction: New Ways of Thinking about Regions

As the purpose of the preceding section was to broaden perceptions of (current and future) regional development factors and attributes, the chief aim of this present section is to build on this narrative to enable new visions of British Columbia's regions, and to describe some of the innovative reference points, which would facilitate this exercise. Here we restate the guiding assumptions, (a) that pressures on the resource base will limit the capacity of staple extraction to lead development in many regions; (b) that although we can discern some common regional development issues and problems over the province as a whole, there is in fact significant (and likely increasing) variation in regional development conditions and trajectories; and (c) that a review of the contemporary regional development research and policy can enrich our idea of the future possibilities for new regional vocations in BC over the 21st century.

Our starting point is an acknowledgement that the 'region' has been a critical organising concept for how we think about 'developmental space', and as a means of differentiating regions in biophysical, functional, economic and administrative terms. In the British Columbia case, we can recognise biophysical regions as defining spatial elements of the provincial territory (for example in the case of river basins and systems, ecological stewardship and resource management regions, and so on), as well as regions deployed for the purposes of public administration (e.g. in the domains of health and education). There is also a more limited experience with economic planning regions, as in the experiment in regional development planning in the 1980s, although in general the provincial regional development policy approach since the 1970s has been characterised by the lack of a compelling vision, programmatic commitment, or local/regional engagement. This weak regional development policy experience may not have mattered so much in an era of unbounded resource stocks, strong export markets, and relatively weak international competition, but in this very different context there is now a pressing need to develop more imaginative and innovative approaches to the future of British Columbia's regions and constituent communities.

Following this introduction section 3. will offer a concise outline of some of the processes underpinning the more significant roles performed by regions (especially as opposed to nation-states) in an era of increasing globalisation and rapid industrial restructuring. A representative typology of some of the new concepts and ways of thinking about regions follows, and a short concluding statement will set the stage for the illustrative reference cases for regional strategies in section 4.

New and Emerging Regional Formations in the 21st Century: Trends and Processes

Until comparatively recently our ideas about regions generally were conditioned by perceptions of (a) the (greatly) subordinate role and status of regions, relative to nation-states; (b) regions as entities subsumed within national economies, societies and polities, with relatively weak connections to external markets and societies; and (c) high levels of regional 'self-containment' in terms of production, employment, and exchange. In this latter regard, some influential regional economic models of the 1960s and 1970s posited the essentially 'closed' regional economy, more or less impermeable (in theory at least) to external development influences. [This latter idea is also related to the autarkic programmes of certain command or authoritarian states, such as North Korea and Burma, which aspire to internal self-sufficiency in material needs, and to almost absolute proscriptions upon external economic, cultural or political influences.]

Over the last decade and a half or so these quite constrained ideas about the role of regions in production, labour formation, external trade and 'connectivity' have been challenged (and in many ways supplanted) by a series of processes, trends and events, some of which may be summarised as follows:

- The experiences of privatisation, deregulation and the liberalisation of capital markets over the 1980s and afterwards, which have tended to weaken the authority of nation-states, relative both to supra-national blocs and regional entities. Pressures on federal (or central) government financial resources have also been identified as generally diminishing the power of nation-states, relative to provincial, state, and regional authorities.
- The acceleration of globalisation over the past two decades, which again has been seen as subverting the 'established' autonomy of nation states, and enabling stronger regions to more assertively position themselves within international trading systems and markets. International immigration, another defining feature of globalisation (or 'transnationalism') has also featured a strong regional dimension, as both 'donor' societies (e.g. the Punjab, southern China, eastern Africa and the Caribbean), and 'receptor areas' (Los Angeles and Orange County, the metropolitan Toronto region, London and the South East Region, and Vancouver and the Lower Mainland), are highly regional in character.
- The experiences of industrial restructuring have tended to occur unevenly throughout national jurisdictions, and instead have a strongly regional dimension, both in terms of concentrations of declining or 'sunset' industries, as well as the new clusters of 'sunrise' or fast-growing industries.

- The emergence of specific regional clusters (or corridors), which include distinctive industrial agglomerations and related industries and labour (e.g. auto production in southern Ontario, Bavaria, and the Nagoya-Chukyo Region of Japan; aerospace industries in southern California, Puget Sound, and the Toulouse region in France; and so on).
- The examples of 'extended regions' of industrial activity which are seen to be linked to regional cultural and social foundations which support the intense interaction and collaboration required for many kinds of advanced production; these include the so-called 'Third Italy' region between Rome and Turin, the Pearl Delta Region in southern China, and the Paris-Ile-de-France Region.
- The rapid growth in international trade in goods, services, and information, and the rise of international tourism, has enabled the emergence of regional specialisations in transportation and communications, and related specialised services provision: here we can cite the organisation of regional transportation and communications corridors in the south-east of England, the northeastern seaboard of the U.S., and several emerging clusters in the Aia-Pacific (Hutton, 2001). In this regard the region is a 'platform' for inter-regional, international and global trade and exchange.
- Concern about the extent and implications of resource depletion and environmental degradation have also in some important respects fostered 'ecological regionalism' or regional consciousness. At the international or global scale we can think of the importance of the Amazon rainforest as a defining arena of regional consciousness, while the Clayoquot Sound region also conveys a powerful environmental resonance. Some have also advanced the idea of 'Cascadia' as a kind of bioregion which incorporates special environmental assets (and values) as well as large cities and other settlements. It is also the case that many other regions in British Columbia have in some part at least an 'ecological' or biophysical identity, such as the Kootenays, the Cariboo, and the Peace River region.

The rapidly-expanding significance of *global city-regions*, large urban centres (and their 'extended' territories) with major concentrations of specialised services (head offices, banking and finance, and business or 'producer services') and technology-intensive production, constitutes a special feature of the contemporary experience of regional development and 'regionalism'. Vancouver, British Columbia's largest city, might be seen in this regard as a 3rd or 4th (or 'niche') level global city, and serves to connect British Columbia in some important ways to international and global markets and societies.

A Selective Typology of New and Emerging Regional Formations

The literature on contemporary regional development incorporates an increasingly variegated nomenclature of regional formations or 'types', responding to the processes and transformations implied in the preceding discussion. Some of these concepts seek to describe new regional trajectories or vocations, or specialised new functions that (some) regions have assumed over the last

decade or so; others describe new patterns of activity, labour formation or interconnectivity; while still others can be seen as regional goals or aspirations, embodying new visions and policy directions. A sample of these new and emerging regional formations follows.

1. 'Propulsive' Regions. This term is used to describe the status of powerful, high-growth regions that are seen to play 'propulsive' developmental roles at the national and international levels. These are typically 'lead regions' in terms of primacy in advanced service and production industries and firms, 'command and control' functions, skilled labour forces, and state-of-the-art transportation and communications infrastructure. 'Propulsive' regions are so termed because they may play important roles in national economies with respect to the 'spread' effects of key industries and firms; for example in creating opportunities for sub-contracting and supply (i.e., stimulating growth by means of 'backward linkages' in an input-output [I-O] relationship). If however their dominance within inter-regional and national economic contexts is too great, these propulsive regions may instead produce 'backwash effects' on national economies, as they attract new investment and skilled labour away from secondary or lagging regions.

2. 'Regional Technopoles'. Regional technopoles (as described by Peter Hall and Manuel Castells, among others) can be seen as a highly specialised variety of 'propulsive' region, in that they comprise major agglomerations of advanced technology activity, typically including both applied R & D activity and technology-based production. In this setting the region provides the 'spatial platform' for the location and interaction of related sets of knowledge-based, innovative industries, firms, and entrepreneurs, which (collectively and individually) exhibit national and international leadership in key sectors. Well-known examples of 'regional technopoles' at the global scale include Silicon Valley and Orange County in California, the Route 128 region in Massachusetts, the 'Technology Triangle' in North Carolina, and Central Puget Sound in Washington State. In Canada, the most important regional technopoles include the Montreal region, the Toronto region (GTA), and Ottawa-Kanata. The growth and development of these regional technopoles is in many cases market-driven and highly entrepreneurial in behaviour. Governments and public agencies can play key supporting roles, but participation tends to be costly and in many ways 'high-risk'.

3. 'Network Regions'. This concept is based largely on the work of Manuel Castells and others who have studied the importance of cohesive, interactive networks – inter-firm, social, cultural, and institutional – that have 'enabled' the operation of high-value, entrepreneurial and innovative regional economies, in places like northern Italy, southern Germany, and the American technology-based regions. (See for example Castells, 1995.) The basis of the concept is acknowledgement of the 'creative tension' between individual enterprise and innovation, and the advantages of co-operation, shared knowledge, and collaboration between the various 'actors' (firms, workers, public bodies and others) within a regional economy. This requires in turn a strong sense of shared identity and purpose, and a high degree of mutual trust and reciprocal action and benefit. It is typically a feature of 'mature' regional societies, such as in several of the leading European examples, but there are also important exemplars of 'networked regional economies' in some of the technology-based regions, as noted above.

4. 'Transitional' (or 'transformational') Regions. These terms have been deployed to describe regions undergoing accelerated processes of industrial/economic change, often as part of modernisation (or internationalisation) strategies. There is normally a very aggressive policy thrust (radical regulatory adjustments, aggressive investment programmes, comprehensive education and training supports) behind the transitional processes of these regional economies, as governments and civic authorities aspire to emulate the experience of propulsive' or lead regions elsewhere in the country or internationally, often in response to perceptions of lagging or retarded development, to changes in the regional economic base (e.g. depletion of resources), or to perceived opportunities. The classic examples of these transitional or transformational regions would include a number of the Chinese coastal regions identified as receptor areas for foreign investment and market-driven development in the 1978 national economic policy initiatives and later reforms. The trade-off is often much higher rates of growth and an accelerated shift to more advanced forms of industrial production and services, with attendant (often very high) social and environmental costs. (Note here also that 'transformational region' status can apply to related social, cultural, and economic trends and processes: the high levels of international immigration over the last 20 years in [for example] Toronto, Los Angeles, Vancouver, and Sydney have clearly generated quite major and far-reaching aspects of 'transformation' for those regions, not just in terms of socio-ethnic composition, but also in local and regional cultures, production systems and entrepreneurial activity, international connectivity, and labour markets.)

5. 'Knowledge' and 'Learning' Regions. Underlying this concept is the notion that advanced regional economic development places an increasingly higher premium on the generation and dissemination of specialised knowledge of all kinds – scientific, market, economic, and cultural – and that this capacity needs to be assertively supported by society and by public agencies. There is also the underpinning notion that a 'knowledge-rich' region, with high levels of intellectual, human and social capital, will likely be far more adaptable to rapid changes in economic circumstances than those regions relatively deficient in such qualities. Here we can reference the case of Singapore, which established a new economic strategy in the late 1990s to emphasise knowledge and learning as the most critical element of *competitive advantage* at the regional and global scales. Implicitly this strategy for a new regional trajectory or 'vocation' requires a deep social and public sector commitment to investments in education at all levels, including 'continuing' and adult education and training, as well as K-12 and tertiary education. By its nature it is also a policy choice that requires considerable patience and maturity within the political system and public realm, as significant initial and continuing investments are required, but benefits accrue principally over the medium- to longer-term.

6. 'Sustainable' Regions. Growing public concerns about the state of the physical environment, and the complex (and in many ways problematic) interaction between humans and the environment, have stimulated interest in the idea of 'sustainable regions'. Here we can recognise different (and potentially conflictual) interpretations of sustainability in the regional context. A 'deep sustainability' perspective would insist on the primacy of ecological preservation and enhancement, and the radical reform of regulations, policies and programmes in support of these values. (We can note here that this set of values has been influential in policy changes for British Columbia's resource regions over the past decade.) A somewhat different approach might be to work toward

progressively higher levels of environmental enhancement, while at the same time endeavouring to promote the sustainability of local and regional social, economic and cultural systems and stocks – settlements, employment, households, and communities. The tension between the 'deep ecology' model and others which place relatively higher value on social welfare (as defined by a willingness to accept attrition in ecological assets in favour of maintaining employment, income, and revenues) represents one of the most contentious public policy domains in British Columbia. There is scope for new approaches to resource development, environmental protection, and community viability, but the realisation of these possibilities have proven difficult to date. Part of the conflict relates to contrasts in vision between the old model of regional resource development that underpinned the growth of the province over the second half of the 20th century, and the recognition of new economic realities, constraints, and opportunities.

To conclude: the preceding descriptors represent some (but by no means all) of the new concepts of regional development observed in a range of different settings and political jurisdictions. The aim has been not to identify a 'template' for British Columbia's regions – which are in any case highly variegated and will require individualised approaches – but rather to 'open up' some new ideas concerning the burgeoning range of regional development trajectories, vocations and models. Creative thinking needs to be applied to issues of regional development in British Columbia, building on, but at the same time diversifying from, the traditional staple extraction industries.

IV. NEW DIRECTIONS FOR REGIONAL DEVELOPMENT IN BRITISH COLUMBIA

Introduction: New Strategies for Regional Transition and Transformation

Our overview of the increasing diversity of regional development orientations (and the changing mix of factors underpinning these new directions) offers not so much a potential policy template for regional development policy, but, rather, a rich set of experiences and possibilities that can help inform creative thinking about approaches that might be effective in this province. British Columbia's regional development conditions are distinctive (and in some respects even unique), but there are excellent opportunities for applying some of the innovations observed and documented across a diverse set of regional jurisdictions and settings. We can readily identify areas that are, after all, experiencing some of the defining issues of regional transition observed in many of BC's regions (resource depletion and pressures on remaining stocks, relatively weak industrial production and intermediate service sectors, and so on). These include, to a greater or lesser extent, Alberta, Oregon, Queensland, South Australia, and Western Australia, among others. There are opportunities to learn from some of these experiences, as well from as the examples of regional innovation in 'advanced' regions of Western Europe, and elsewhere.

This penultimate section will present a set of promising new directions for regional development in British Columbia for the 21st century, derived in part from the preceding review, and informed also by an appreciation of development conditions, constraints, and opportunities in this province. A basic assumption is that a new, more committed and forward-looking regional development effort is required to more fully realize the potential of all BC's regions. There are to be sure

some exemplary regional development 'success stories' or case studies in British Columbia beyond the metropolitan southwest quadrant; the south and central Okanagan Valley, and parts of the Kootenays and Vancouver Island north of the CRD come to mind. But the overall trend is one of inter-regional divergence, lagging 'peripheral' areas, and intra-provincial development asymmetries favouring the metropolitan regions, with attendant loss of development and employment opportunities (and evidently increasing social and political alienation) in much of British Columbia. If allowed to continue, this spatially 'lopsided' development trajectory in the province will be socially divisive, and increasingly problematic from the perspective of community cohesion, unity, and sense of shared purpose in BC as a whole. In the worst case scenario, future policy will be heavily oriented (or 'skewed') toward worsening problems of growth management and 'livability' in the metropolitan regions (and other examples cited), while endlessly engaged in episodes of 'crisis management' among many of the narrowly resource-dependent communities of the interior and periphery.

This report endeavours to make a strong case for a renewed, reinvigorated regional development effort, but some caveats and limitations should be acknowledged at the outset. New visions and development possibilities should guide regional development in an increasingly 'post-staples' period, but these must be informed by the distinctive nature of specific areas in BC, rather than purporting to be 'generic' in intent and application. There should be strong, positive roles for government and for public agencies in regional development, but not as creators of 'masters plans', nor as sources of subsidies for industries and firms; nor (for the most part) as direct generators of employment. Institutional reform and innovation is required, but without the creation of new or enlarged bureaucracies. Strategic public investments (notably in education and infrastructure) are essential to enabling development and positive transformations in regions of the province, but the constraints on public budgets at all levels requires a sharply-focussed approach, incorporating rigorous analysis, and involving private sector sources and partners where feasible in market terms and demonstrably in the broader public interest. Then there is the reality that even in a generally more encouraging development setting for the province as a whole, significant variation in growth levels among British Columbia's regions are likely in the future, although the 'sharper edges' of regional divergence and disparity can (and indeed should) be addressed.

The following might represent contours of a more progressive, forward-looking regional development approach in (and for) British Columbia:

- a stronger regional development policy posture, involving appropriate and effective institutional, policy and programme commitments, for example in key infrastructural elements for supporting regional transition, diversification, and growth;
- a process of engagement with regional/community interests, stakeholders, and agencies, leading to partnerships for regional transition and development, promoting the ideal of the 'collaborative' or 'networked' region that can collectively pursue common (as well as individual) interests;

- the delegation of new regional development roles and responsibilities within the regions themselves, including support for indigenous development policy capacity within key regional and local agencies;
- a forward-looking programme of reform of the regulatory framework for forestry and other key resource sectors in British Columbia, to secure a viable resource base for restructured, new and emerging, higher value-added resource industries;
- a commitment to working with regional interests to develop new strategies for regional transition and development, deploying more fully the broader spectrum of development factors and forces described in section 2. of this report;
- a recognition that British Columbia's regions must become both more 'sustainable' (implying commitments to resource stewardship and ecological enhancement, as well as more *resilient* regional economies, production sectors, labour markets, and communities), and more 'competitive', reflecting the pressures associated with the increasing globalisation of production, trade, and skilled labour, requiring a more sophisticated development culture.

Given the scale and complexity of the task, the comprehensive reorienting of regional development in British Columbia can only be achieved over the medium- to longer-term, but the both the exigency of the issues, and the nature of perceived opportunities, suggest the need to proceed with some urgency. The specificities of a new regional development approach in British Columbia for the 21st century are beyond the limited scope of this report, but some exemplary or indicative options are discussed below in a number of key policy fields or clusters, with a view to contributing to a more targeted exploration of options.

Regional Development Options and Opportunities: Key Policy Priorities and Clusters

1. Regional transition and development as a strategic Government policy priority.

As observed earlier, the provincial government in the first year of its mandate has focussed on province-wide reform of fiscal, regulatory and labour market regimes. These initiatives are designed to improve conditions for a more competitive business environment at the 'macro level' in British Columbia, but will not likely be enough in themselves to support critical development needs and opportunities in each region. Indeed there is already discernible 'grumbling' from regional interests concerning the relative lack of explicit policy attention to the issues within specific regions and peripheral communities. There is a need for a strong articulation of government commitment to supporting development in the so-called '250 regions' and their constituent communities, many of which are badly lagging not only the metropolitan areas, but also some of the '2nd-tier' urban/regional agglomerations such as Kelowna and Prince George. The pressing policy need is to improve conditions for development and transition in resource-dependent regions and communities, building on the existing base of natural and human capital, as well as the broader range of regional development factors described in section 2. There may also be scope for some form of formal institutional acknowledgement of the importance and exigency of regional prob-

lems, opportunities, and issues for the province, as in (for example) the designation of a secretariat within Government expressly designed to oversee regional development. There is also a need to improve 'benchmarking' of economic development at the regional level in British Columbia, identified earlier in this report as a key policy tool as well as a critical element of information and communications services to business and to local and regional agencies. This benchmarking function should ideally include socioeconomic variables (such as measures of welfare, educational levels, access to health care, and so on), as well as economic and fiscal data, in order to generate more comprehensive and comparative) statements of regional development conditions and trends within British Columbia.

2. Securing the future of regional resource industries and employment.

Although (as noted) there is significant evidence of industrial diversification in some of the larger communities within the interior and Vancouver Island especially, resource industries (including staple extraction as well as ancillary industries) will continue to be critical elements of regional economies in British Columbia over the first half of the 21st century and likely beyond. Moreover, some of the promising 'new industries' or growth sectors (such as wine-making and value-added furniture design and manufacture) are dependent on high-quality resource and material inputs. Therefore, taking vigorous action to secure the future of resource industries and the stocks of ecological assets they rely upon is both a priority in its own right, as well as a policy complement to regional industrial diversification strategies. Over the next decade or so, steps must be taken to move the model of resource development in British Columbia closer to that of other 'advanced' resource industry regions, for example in northern and western Europe, as opposed to trying to compete principally on price with 'developing' resource regions in the 3rd world and lagging 1st-world regions. The details of a new regional resource industry strategy are beyond the scope of this paper, but essential features would include the following:

- Investing in the stewardship and replenishment of the province's stock of natural capital, including forests, fisheries, and soil quality;
- Reforming land tenure and forest resource access practices to encourage competition and the move toward market-based supply and demand models, to make more effective use of resources, 'rationalise' inefficient resource harvesting and industrial production, and remove a long-standing bilateral trade irritant (as evidenced by the ongoing Canada-U.S. softwood lumber crisis);
- Placing a higher premium on resource industry engineering, design and marketing functions and professions, to improve the competitive position of British Columbia's resource industries in key export markets, enhance the value of the province's resource base, and restructure the divisions of labour within regional resource economies; and
- Experimenting with more localised and 'regional' resource industry development models, building on the success of community-based forestry management in (for example) Rev-

elstoke and Mission, and also in 1st nations territories where the scope for community-based resource development should expand over the next decade and beyond.

3. Education, human capital, and regional development in British Columbia.

Enhancing education at all levels is perhaps the most critical policy field for regional development in British Columbia for the 21st century. The most obvious need is for a highly educated and skilled workforce – or 'human capital' – for economic development, and more specifically for the 'new economy' industries and occupations that will be increasingly central to regional economies in BC as a whole. High levels of human capital will be essential in attracting new investment and business start-ups to regions and to communities of all size throughout the province, and to facilitating productivity improvements for industries in increasingly competitive markets. A more educated regional workforce will be required for facilitating the growth of key 'upper-tier' service sector industries and jobs, as Professor William Beyers of the University of Washington discovered in his research on service firms and professionals ('high flyers and lone eagles') in rural areas of the U.S. (Beyers, 1998).

But there are other important linkages between education, human capital and regional development in British Columbia. A well-educated regional labour force and population is also a defining feature of the 'knowledge-based' or 'learning region', described above in section 3. of this report. A well-educated workforce will (other things being equal) be more adaptable to the kinds of rapid changes we have come to expect in regional economies, production systems, labour markets and trading regimes, thus enhancing the resilience of the region in the face of inevitable 'stresses and shocks'. Education and knowledge are also key to awareness of opportunity in business and industry, to cultivating higher levels of entrepreneurship, and to building the 'connectivity' of regions and communities to external markets and societies. And high levels of education and skills are critical to the engagement of regions in the 'information economy' of the early 21st century.

In light of these observations, a new approach to regional development in British Columbia must have at its core goals and programmes for upgrading education, skills, and knowledge over the next decade, which would logically include:

- Improving the overall quality of K-12 education in BC's regions and communities, including special needs and ESL programmes;
- Enhancing high school completion rates as a critical foundation for developing more advanced skills and entry to more specialised programmes;
- Upgrading adult education programmes to enable workers to negotiate entry to new industries, occupations, and jobs;
- Cultivating higher levels of entrepreneurship within peripheral regions and communities;

- Improving access to higher education for residents of rural or peripheral regions of British Columbia, by means of strengthening distance education as well as direct participation of individuals in postsecondary programmes within the province's universities and colleges. [Note here U.S. studies that have demonstrated that controlling for other variables, young people who live relatively close to universities and colleges are significantly more likely to enroll in postsecondary educational programmes than those who reside in more distant communities.]

4. Infrastructure development and land use for the 'new regional economy'.

As is well known, major infrastructure investments were essential elements of the vision of 'opening up' British Columbia's interior and northern regions for resource development during the 1950s, 1960s and 1970s. This infrastructure included both large-scale public expenditures (e.g. in roads, rail systems, settlements and schools) and corporate investment in resource extraction and processing installations, among others. These strategic investments yielded in the aggregate very substantial public benefits (regional development, employment, and government revenues) as well as corporate income and profits.

Infrastructure investments will also be required to facilitate the development of 'new regional economies' within British Columbia, but the form, location and funding arrangements for this infrastructure will in many cases be quite different from the pattern of previous decades. Funding will be required to facilitate infrastructure for new resource development, for example the new oil and gas production in northeastern British Columbia, but there will be a new emphasis on investments, which facilitate the intra- and inter-regional movement and exchange of goods, services, and knowledge. The demands of the information economy and advanced services production and trade include state-of-the art telecommunications systems, both in the existing metropolitan areas and 2nd-tier agglomerations (e.g. Kelowna, Kamloops, Prince George, and Nanaimo), as well as in more peripheral regions. Advanced telecommunications systems can reduce the 'friction of distance' for more isolated communities in the province, and can enable firms, entrepreneurs and individuals in these communities to participate in the new knowledge economy. In many cases these investments may be supported by private sector actions, while in others, private-public partnerships ('P3' investment arrangements) can play a larger role, where reciprocal benefits can be identified.

The planning of these (and other) infrastructure investments can be undertaken in coordination with progressive land use policies both in large and smaller communities. While telecommunications investments can assist in accessing markets and suppliers, it has been amply demonstrated that agglomeration economies (benefits of proximate location of firms within relatively dense sites or locations) are still crucial for many kinds of businesses and industries, both in terms of access to customers and clients (i.e. the 'forward linkage' element of input-output relationships in advanced economies) and also for maintaining close contact with suppliers of needed goods and services ('backward linkages'). This means planning amenity provision (environmental, recreational, and retail amenities, among others), as well as site planning and zoning, in support of the growth of agglomerations of business and industry, which includes technology- and design-based services industries, as well as office functions and industries. The encouragement of new ag-

glomerations or 'clusters' should be seen as centre-piece elements of community plans, and as essential complements to investments in infrastructure such as roads, transit, and telecommunications.

5. New regional development trajectories: governance and process.

Regional development in British Columbia over the last half of the twentieth century was essentially a 'top-down' process, with decisions and actions on regional development largely directed by private corporations and senior governments. There will of course still be important roles for these major 'actors' in the development of British Columbia, but in the new phase of regional growth, change and transformation there is a pressing need for a stronger 'voice' from the regions and their constituent communities. The general circumstances for regional development are in many ways more complex (and problematic) than was the case in the last century, as described in earlier sections of this report, requiring new approaches and processes for regional development planning. Secondly, there is greater variegation of conditions among (and within) British Columbia's regions, requiring a more nuanced and 'regionally-grounded' policy perspective. Finally, there is a clear need (as discussed earlier) to more fully 'mobilise' all the resources – physical, ecological, human, social and cultural – in the new era of regional development, necessitating more institutional capacity within the regions themselves to identify, inventory and exploit these resources.

This is not an argument for 'regional autonomy' in a formal governmental sense, but rather for more scope and responsibility for local and regional actors. There is a need for more indigenous policy capacity within the regions (as opposed to having all decisions affecting regional development made in Victoria or Vancouver). This might be achieved by changes in institutional mandates and other innovations in governance, rather than in the creation of new bureaucracies, and might (for example) include the following:

- Introducing changes to regional district (RD) functions to explicitly include development planning roles, with a view to facilitating strategies for regional industrial diversification and economic transition (the provincial government's *Growth Strategies Act* promulgated in the early 1990s provided a framework for growth management in places like the Lower Mainland and the south Okanagan, but was not directed to the quite different needs of resource-dependent communities in transition);
- Examining other models of regional and local planning and administration to explore further opportunities to improve the capacity of these authorities to facilitate development while preserving (and where possible enhancing) social welfare and ecological capital (Oregon has been cited as an example of a more progressive and effective blending of local regulatory and developmental functions, as disclosed in a recent meeting with local government specialists at UBC's Centre for Human Settlements);
- Working with relevant units of British Columbia's universities and colleges to build advanced policy-making capacity within the regions and their constituent communities (e.g. UNBC, the

UBC School of Community & Regional Planning, SFU's community economic development unit, and so on); and

- Experimenting with new public consultation processes to disclose new possibilities of regional development vocations and trajectories in the 21st century.

Ensuring a stronger voice for residents of British Columbia's diverse regions, via a range of adjustments and innovation in governance, institutions, policy and planning systems, is central to disclosing new developmental pathways, and to more fully mobilising the full range of resources within these regions.

V. SUMMARY AND CONCLUSION: NEW PATHWAYS FOR REGIONS IN THE 21ST CENTURY

Restating the Purpose of the Report

The overriding purpose of this paper has been to stimulate discussion (and more particularly public policy debate) on the future of British Columbia's regions, with an emphasis on those regions outside the metropolitan areas of the south-western quadrant of the province. This task has assumed greater force and exigency, in light not only of the problematic state of key provincial resource sectors (and dependent communities and settlements), and the strong evidence of greater complexity and variegation of regional circumstances within and between regions in BC, but also a sense of new opportunity for innovation in regional development in light of recent political, social, and cultural changes within the province. **Together, these trends can provide the momentum for change in the way we think about regions and regional development in British Columbia in the 21st century.**

A New Mix of Regional Development Influences or 'Drivers'

From both conceptual and policy perspectives, it is clearly time to move beyond the simplistic 'two economies' model of British Columbia's spatial development, in which all areas of the province beyond Vancouver and the Lower Mainland and the Victoria-Capital Regional District were crudely aggregated within a vast resource hinterland, with (assumed) similar development trajectories and prospects. [As outlined in the Introduction of the paper: see section 1., above.] There is considerable developmental divergence (in terms of industrial structure, employment generation, occupational structure, incomes, and other measures) between and among BC's regions, not just between the metropolitan areas and 'the rest of the province'. At the same time, there are important new industries (for example higher education, high value-added agriculture and food products industries, specialised services and advanced-technology manufacturing) in many of the province's regions, so there is both scope and opportunity to rethink regional development in British Columbia over the first decades of the new century. As observed in the Introduction, the provincial government has elected to emphasise 'macro-level' policies, fiscal reform, and regulatory adjustments in the first year or so of its mandate. These policy changes are important and may yield broadly positive benefits for the province as a whole, but will not be in enough in

themselves to release the potential of each region in BC. In other words, these macro-level policy shifts may be viewed as 'necessary but not sufficient' measures for regional development, in light of the increasingly differentiated spatial realities of British Columbia.

New policies and strategies will need to be directed toward the distinctive development conditions and opportunities of specific regions and communities within the province. This regional policy innovation process can be usefully informed by a more comprehensive appreciation of the full range of resources and development influences for each region, including amenity attributes, 'culture' in its various forms and applications for regional development, and human and social capital, as well as high quality natural resource stocks that comprise part of the essential comparative advantage of many regions within BC. **But these developmental resources cannot in many cases be fully 'activated' without a conscious and pro-active stewardship process, suggesting a new role for government and for public agencies in fostering regional *competitive advantage*, in partnership with local stakeholders and public agencies, and the private sector.** [These themes were more fully addressed in section 2. of the report, 'Regional Development in the 21st Century: a New Mix of Factors, Influences, and Interdependencies']

New Ideas about 'Regions' and Regional Development

The basic approach of the report has been to review the contemporary regional development literature as a means of identifying new opportunities for British Columbia, informed by an appreciation of trends and development conditions within the province's regions. The search and analysis focussed on jurisdictions with relatively greater relevance for this province and its constituent regions, notably other large regional territories with important resource-based industries undergoing processes of rapid change. But the discussion also encompassed a broader spectrum of regional transitional and transformation experiences, to 'open up' new possibilities and to help stretch our imaginations of how British Columbia's diverse regions may evolve over the next decade and beyond. Broadly, processes of globalisation and industrial restructuring, and the reformulation of competitive advantage have tended to enhance the importance of regions (relative to nation states) as spatial units of development, production and trade over the past two decades, stimulating new conceptualisations of regions and regional development models. As observed in section 3. of this report, the 'new vocabulary' of regional development includes 'propulsive regions', 'regional technopoles', 'network regions', 'transitional/transformational regions', 'knowledge' or 'learning' regions, and 'sustainable regions'. Some of these concepts describe new regional trajectories, or specialised new functions that some regions have assumed over the last decade; other terms describe new patterns of activity or interconnectivity; while still others have the status of regional goals or aspirations. Given the differentiated development conditions among regions within the province, and the specific nature of political and social values that obtain, it may be that these new regional concepts are not directly applicable as policy models in British Columbia. **The real value of this survey, then, is to enrich our understanding of future possibilities for new regional 'vocations' and development trajectories in British Columbia in the 21st century.** [See in this connection section 3., 'Reconceptualising the 'Region' and Regional Development']

New Strategies for Regional Transition in British Columbia

The chief purpose of this paper was to disclose implications of regional development innovation for British Columbia, rather than to outline a detailed policy blueprint, which in any case will need to be tailored to the needs, conditions and opportunities of the province's increasingly diverse regions and communities. But the implications of the literature search and documentary review include some clear priorities for action to support the positive transformation of regions in BC over the next decade and beyond, as outlined in section 4, 'New Directions for Regional Development in British Columbia'. These priorities can be organized within five major policy domains, as follows:

1. Regional development as a strategic Government policy priority

There is a strong need for Government to establish an explicit commitment to support development at the regional level in British Columbia, especially in the so-called '250 regions' outside Vancouver and the Lower Mainland. There is a particularly pressing policy need to improve conditions for development (including transition and diversification) in resource-dependent regions and communities, building on the base of natural capital, as well as the more extensive set of development attributes described in section 2. This strong policy articulation should include, among other things:

- Appropriate institutional designation within Government, perhaps including a new secretariat for regional development;
- Expansion of the 'benchmarking' processes for British Columbia as a whole to include similar indicators for regions within the province; and
- A commitment to work closely with regional bodies and constituent communities and stakeholders to pursue important regional development goals and objectives.

2. Securing the future of regional resource industries and employment

Although there are (as outlined in the report) significant constraints upon the natural resource base to 'lead' development (in terms of investment, employment, and incomes) in many regions, resource industries will continue to represent major sectors for many communities among the '250' regions especially. But maintaining this resource base and associated industries will be require new approaches and investments over the next decade and beyond, including:

- Investing in the replenishment of British Columbia's stock of natural capital;
- Reforming land tenure and forest resource access practices to encourage competition and to move toward market-based supply and demand models;

- Placing more emphasis on resource industry engineering, design and marketing functions and professions, to improve the competitive position of British Columbia's resource industries in key export markets, enhance the value of the province's resource base, and progressively re-structure divisions of labour within regional resource economies; and
- Experimenting with more localised or 'regional' resource industry models, such as community-based forest management models.

3. Education, human capital, and regional development in British Columbia

Enhancing human capital is perhaps the most salient condition for positive development among British Columbia's regions over the medium- to longer-term. High levels of human capital (the knowledge, skills, and expertise of the workforce) are essential to attracting new investment, to achieving productivity growth, to facilitate growth of good quality jobs (in specialised services as well as in manufacturing and resources industries) within regional labour forces, and to imparting greater *resilience* to regional economies in the face of inevitable 'shocks' and 'stresses'. Critical policy goals in this sphere include:

- Improving the overall quality of K-12 education;
- Enhancing high school completion rates;
- Upgrading adult education opportunities;
- Cultivating higher levels of entrepreneurship within peripheral regions and communities; and
- Improving access of '250 region' residents to postsecondary education opportunities.

4. Infrastructure development and land use for the 'new regional economy'

As is well known, major (public and private) infrastructure investments were essential preconditions for the expansion of British Columbia's resource economy over the last four decades of the 20th century. Infrastructure investments will also be required to facilitate the development of 'new regional economies' within BC, but the form, location and funding arrangements will likely be quite different. There will be a new emphasis on investments which facilitate the intra- and inter-regional movement of goods, services and specialised information within BC. Advanced telecommunications can help to reduce the 'friction of distance' for more distant or isolated communities in the province, and can enable firms, entrepreneurs and individuals in these communities to participate in the 'new economy'. At the same time, agglomeration economies and firm 'clustering' continue to be important local factors of development, so infrastructure planning for regions needs to be effectively coordinated with land use planning at regional and local levels. The encouragement of new industry 'clusters' should be seen as 'centre-pieces' of official community

plans, and as essential complements to investments in infrastructure such as roads, transit, and telecommunications.

5. New regional development trajectories: governance and process

As observed earlier it is critical that the provincial government articulate a strong policy position in support of regional development in British Columbia. But there is also a pressing need for a stronger 'voice' and set of responsibilities for regional and local authorities in the province in support of development and transition. The increasing complexity and diversity of regional economic structures requires a more 'regionally-grounded' policy perspective in such a large territory as the province of British Columbia. Greater institutional capacity within the province's constituent regions are required to fully 'mobilise' all the resources required for positive transformation experiences in BC Innovation in this key domain will require full consultation with affected parties, but might include the following:

- Introducing changes to regional district functions to explicitly support regional transition and transformation (an area not fully addressed in the last set of changes to the local systems of planning and administration in the early 1990s);
- Working with relevant institutions and agencies to build regional and local planning capacity within British Columbia; and
- Experimenting with new public consultation models and processes to 'uncover' new possibilities of regional and community development within the province's '250 regions'.

To conclude, we can observe that in general the provincial government regional policy approach since the 1970s has (with some exceptions) been characterised by the lack of a compelling vision, programmatic commitment, or regional and local engagement. **This relatively weak regional development policy experience may not have mattered so much in an era of (perceived) unbounded resource stocks, expectations of strong export markets, and relatively weak international competitors, but in this very different context of the early 21st century there is now a pressing need to develop more imaginative and innovative approaches to the future of British Columbia's region and communities.** This cannot be achieved by the Government alone – it will, rather, require the active commitment and partnership of local and regional governments, institutions, communities ('civil society'), business interests, and other stakeholders, notably 1st Nations groups. But the province, with its special powers, mandate, resources and outlook, can play a unique and indispensable leadership role in the process (or processes) of regional development, transition, and transformation over the next decade and beyond in British Columbia.

(This page left blank intentionally.)

APPENDIX A: TABLE 1. THE NEW MIX OF REGIONAL DEVELOPMENTAL FACTORS FOR THE 'NEW ECONOMY'

Attributes	Old Economy' Roles	New Economy' Roles
1. Location	Proximity to resource endowments and consumer markets	Positioning relative to regional growth corridors and global networks
2. Capital	Local and domestic capital inputs	Domestic capital, FDI and joint ventures
3. Labour	Semi-skilled labour and operatives; small cadres of managers	Skilled, entrepreneurial and knowledge workers
4. Infrastructure	Seaports, railways, highways	Airports, teleports, communications networks and container ports
5. Technology	Fordist or mass-production technology	Flexible specialization and information technologies
6. Services	Facilitating or supporting factors	Advanced services as propulsive and strategic factors in flexible production systems
7. Gender	Women as clerical labour and operatives	Importance of women in small business, credentialled professions and management
8. Policy	Emphasis on regulatory instruments (markets, land use)	Emergence of "blended suite" of regulatory, developmental and distinctive policies and programmes
9. Immigration	Source of general labour and mercantile activity	Stimulus to entrepreneurship and formation of mobilized diasporas
10. Amenity	Passive and implicit attribute	Key factor in attracting human capital and investment
11. Culture	Elite consumption preference and reflection of hierarchical society	Major shaper/ mediator of economic development
12. Community	Expression of industrial class and occupational cohorts	Importance of community and civic institutions in urban resilience and formation of production and information networks

Source: adapted from Hutton, 1998

APPENDIX B: TABLE 2. EVOLVING ROLE OF INTERMEDIATE SERVICES IN ADVANCED PRODUCTION SYSTEMS 1950-2000

I. Administrative functions: “Lubricating” effects	II. Facilitating functions: “Productivity” effects	III. Strategic functions: “Propulsive” effects
<ul style="list-style-type: none"> Accounting Inventory control Public Relations Stock Exchanges 	<ul style="list-style-type: none"> Management consulting Marketing consulting Consulting engineering Commercial & merchant banking Industrial/ commercial real estate (ICI) 	<ul style="list-style-type: none"> Informatics and IT Innovation and design Technology JV specialists Global financial intermediaries International mega-project consortia
1950s	1970s	1990s

A. Shifts in intermediate services with respect to (1) dominant industrial production regime, (2) sourcing arrangements, and (3) employment formation

(1) Expanding business services within Fordist industrial production modes	(1) Producer services as key to flexible specialization production regimes (Coffee)	(1) Emergence of integrated service-technology-production systems
(2) Internalized service production	(2) Externalized service production	(2) Globalized service production
(3) Professionalization of service occupations	(3) Accelerating divisions of labour; growth of professional, managerial, technical occupations	(3) Emerging international division of production labour; rise of “knowledge worker” and “informational society” (Castells)

B. Context for shifts in intermediate service production

(1) Sustained periods of high growth and corporate expansion	(1) OPEC shocks – OECD recession; recovery in mid/late 1970s	(1) Collapse of COMECON system; de-regulation of financial and other service industries; GATT and NAFTA regimes
(2) US – European economic hegemony	(2) New production spaces within OECD and NICs	(2) Competition for service investment and trade within global markets and urban networks (Daniels)
(3) CBD “office boom” in primate cities and large business centres (New York, Chicago, London)	(3) Growth of “world cities” (London, New York, Tokyo) (Friedman); metropolitan service industry deconcentration strategies	(3) Emerging service poles (Shanghai, Singapore, Fukuoka, Hong Kong, Toulouse, Seattle, Barcelona, Singapore, Vancouver)

APPENDIX C: REPRESENTATIVE DIVISIONS OF THE INTERMEDIATE SERVICES SUBSECTOR.

I. Market-based and Private Sector Services

Banking, Financial, and Real Estate Services	Corporate Support Services	Transportation and Communication Services	R & D and Informatics	Applied Design and Creative Services
<ul style="list-style-type: none"> Commercial and merchant banks Security brokerages Stock exchanges and venture capital agencies International banks and global financial intermediaries Non-depository financial institutions Commercial insurance and reinsurance Industrial/ commercial real estate agencies 	<ul style="list-style-type: none"> Legal services Accounting services Management consultants Marketing Consulting engineers Advertising and public relations Personnel recruiting and training Human resource consultants 	<ul style="list-style-type: none"> Freight forwarders shipping brokers and cargo lines Air cargo services Telecommunications and fax services Couriers Business travel agencies Internet providers Communications consultants 	<ul style="list-style-type: none"> Computer software IT systems consultants Applied R & D operations Industrial laboratories Technology joint venture specialists 	<ul style="list-style-type: none"> Industrial design Architects Graphic artists Custom printing CAD/ CAM and GIS services Fashion and apparel design Video and post-production services

II. Government and Public Sector Services

Government Business and Trade Services	Educational Services	Local Government
<ul style="list-style-type: none"> Trade promotion services Industrial and economic development Regional policy programs Retraining and human resource development Consular trade services Census bureau services 	<ul style="list-style-type: none"> Consultancy services Executive MBA programs Industry liaison offices Applied R & D services Cultural and translation services Professional development and training programs 	<ul style="list-style-type: none"> Industrial/ economic development agencies Development corporations Statistical and information services Commodity economic development Business park management services

REFERENCES AND BIBLIOGRAPHY

- Barnes, T., and R. Hayter (1990) 'Innis' Staple Theory, Exports and Recession: BC, 1981-1986', Economic Geography, vol. 66: 156-173.
- BC Business Summit (2000) 'What We Heard', Report of the Panel on Securing BC's Future: March.
- Beyers, W. B. (forthcoming) 'Culture, Services, and Regional Development', Service Industries Journal.
- Beyers, W.B. (1998) 'Lone Eagles and High Fliers in Rural Producer Services', Rural Development Perspectives, vol. 11 (3): 2-10.
- Brook, T., and H. V. Luong (1997) Culture and Economy: the Shaping of Capitalism In Eastern Asia. Ann Arbor, MI: Michigan University Press.
- Castells, M. (1995) Toward the Network Society. Oxford: Blackwells.
- Chadwick, N. (2002) Regional Planning in British Columbia: 50 Years of Vision, Process, and Practice. Vancouver: Masters Thesis, School of Community and Regional Planning, UBC.
- Cooke, P. and K. Morgan (1998) The Associational Economy: Firms, Regions and Innovation. Oxford: at the University Press.
- Davis, H. C., and T. A. Hutton, (1989) 'The Two Economies of British Columbia', BC Studies, no. 82: 3-16.
- Dionne, F. (2001) Planning the Innovative Milieu in the Inner City: A Case Study of Montreal's Cite Multimedia. Vancouver, Masters Final Project, School of Community and Regional Planning, UBC.
- Douglass, M. (1995) 'Bringing Culture in: Locality and Global Capitalism in East Asia', Third World Planning Review, vol. 17(3): iii-ix.
- Goldberg, M. A. (n.d.) The BC Economy into the Millennium: Perspectives and Possibilities. Discussion paper prepared for the Business Council of British Columbia.
- Goldberg, M. A., and T. A. Hutton (2000) The Future of Canadian City-Regions: Intersections of Sustainability and Competitive Advantage. Paper prepared for the National Round Table on the Environment and the Economy: Ottawa.

- Horne, G. (1999) 'British Columbia Local Area Economic Dependencies and Impact Ratios - 1996'. BC Stats (Ministry of Finance and Corporate Relations), May.
- Hutton, T. A. (1994) Visions of a 'Post-Staples' Economy: Structural Change and Adjustment Issues in British Columbia. Vancouver: UBC Centre for Human Settlements, Policy Issues and Planning Responses Series, PI#3: January.
- Hutton, T. A. (1995) Economic Implications of Environmental Enhancement : a Review and Interpretation of the Contemporary Literature. Report prepared for the Ministry of the Environment, Lands and Parks, Government of British Columbia.
- Hutton, T. A. (1997) 'The Innisian Core-Periphery Revisited: Vancouver's Changing Relationships with British Columbia's Staple Economy', BC Studies, no. 113: 69-100.
- Hutton, T. A. (1998) The Transformation of Canada's Pacific Metropolis: a Study of Vancouver. Montreal: Institute for Research on Public Policy.
- Hutton, T. A., and H. C. Davis (1992) Toward a Service Sector Strategy for British Columbia: Policy Context, Objectives, Models and Programme. Vancouver: Report prepared for the Core Economy Group, British Columbia Round Table on the Environment and the Economy (Centre for Human Settlements and School of Community & Regional Planning, UBC).
- Innis, H. (1933) Problems of Staple Production in Canada. Toronto: Ryerson.
- Marshall, N., and P. Wood (1995) Services and Space: Key Aspects of Urban and Regional Development. Essex, England: Longman Scientific and Technical Press.
- Ministry of Finance and Corporate Relations (1999) 'What Drives the Economies of BC's Rural Communities?' BC Stats: July 28.
- Moulaert, F. (2000) Globalization and Integrated Area Development in European Cities. Oxford: at the University Press.
- O'Connor, K., R. Stimson and M. Daly (2001) Australia's Changing Economic Geography: a Society Dividing. Melbourne: Oxford University Press.
- Porter, M. (1990) The Competitive Advantage of Nations. London: Macmillan.
- Pratt, A. C. (1997) 'The Cultural Industries Production System: a Case Study of Employment Change in Britain, 1984-91', Environment and Planning A, vol. 29: 1953-1974.

Putnam, R. (1992) Making Democracy Work. Princeton, NJ: Princeton University Press.

Rodriguez-Pose, A. (1998) Dynamics of Regional Growth in Europe: Social and Political Factors. Oxford: at the University Press.

Roessler, C., and T. McDaniels (1994) A Taxonomy and Elaboration of Wilderness Preservation Values. Vancouver: UBC Centre for Human Settlements Policy Issues and Planning responses Series, PI#6: November.

Sabel, C., G. Herrigel, R. Deeg, and R. Kazis (1989) 'Regional Prosperities Compared: Massachusetts and Baden-Wurttemberg in the 1980s', Economy and Society, vol. 18: 374-403.

Saxenian, A. (1991) Regional Advantage: Culture and Competition in Silicon Valley and Route 128. Cambridge, MA: Harvard University Press.

Scott, A. J. (1993) Technopolis. Berkeley and Los Angeles: University of California Press.

Scott, A. J. (1997) 'The Cultural Economy of Cities', International Journal of Urban and Regional Research, vol. 21: 323-333.

Scott, A. J. (2001) 'Geographic Foundations of Creativity and Innovation in the Cultural Economy'. Paper prepared for the ESRC CITIES Competitiveness and Cohesion Programme International Research Workshop on "Innovation and Competitive Cities in the Global Economy. Oxford: Worcester College, 28-30 March.

Scott, A. J., J. Agnew, E. W. Soja, and M. Storper (1999) 'Global City-Regions', Keynote Paper Prepared for the Conference on Global City-Regions. Los Angeles, CA: UCLA.

Shapira, P., I. Masser, and D. W. Edgington. (1994) Planning for Cities and Regions in Japan. Liverpool: Liverpool University Press.

Slater, D. (2001) 'Markets, Materiality and the New Economy'. Paper presented to the 'Geographies of New economies' seminar, Birmingham, UK: 17 October.

Storper, M., and R. Salais (1997) Worlds of Production: the Action Frameworks of the Economy. Cambridge, MA: Harvard University Press.

(This page left blank intentionally.)

© BC Progress Board

July 2002

