

6-1-2002

Planning for Regional Economic Development in Oregon: Finding a Place for Equity Issues in Regional Governance

John Provo
Portland State University

Let us know how access to this document benefits you.

Follow this and additional works at: <http://pdxscholar.library.pdx.edu/metropolitanstudies>



Part of the [Urban Studies and Planning Commons](#)

Citation Details

Provo, John. 2002. "Planning for Regional Economic Development in Oregon: Finding a Place for Equity Issues in Regional Governance." *Critical Planning* (Summer): 55-70.

This Article is brought to you for free and open access. It has been accepted for inclusion in Institute of Portland Metropolitan Studies Publications by an authorized administrator of PDXScholar. For more information, please contact pdxscholar@pdx.edu.

Planning for Regional Economic Development in Oregon: Finding a Place for Equity Issues in Regional Governance

John Provo

While the state of Oregon is cited in the new regionalism literature for exemplary land use and environmental planning, this paper focuses on the treatment of equity issues. Implementation of a revised statewide regional economic development program is discussed, contrasting efforts in the metropolitan Portland area with rural southeast Oregon. Despite following very different planning and grant-making processes, both introduced equity issues concerned with ensuring access to the economy. In Portland this meant aspiring to connect economically distressed communities with a successful regional economy while in southeast Oregon a distressed region hoped to connect with the state's growing economy.

Introduction

Regionalism has a diverse array of meanings. Pastor, Dreier, Grigsby and Lopez-Garza (2000) identify separate efficiency, environmental, and equity agendas associated with new regionalism. The efficiency agenda focuses on the overall functioning of the metropolitan economy, while the environmental agenda is concerned with stopping urban sprawl. The equity agenda, generally the most difficult to address, includes identifying and alleviating disparities of resource allocation within regions, and, in particular, deconcentrating poverty. Equity issues also include access to jobs and economic opportunities. While Oregon is known for regional cooperation on environmental issues relating to urban sprawl, equity issues have not earned similar recognition for the state, and addressing issues of equity within regions remains a challenge.

Local factors can promote or impede the inclusion of equity concerns on a regional agenda. This has implications for the interaction between economic and community development theory and practice in the new regionalism. To that end, this paper considers Oregon's history of regional planning for economic development. Two cases of local implementation, the Portland metropolitan area and rural Southeast Oregon, are contrasted to highlight how the local planning framework affects the inclusion of equity concerns within regional policy making.¹

With new opportunities for participation in community development, the state's revised "Regional Investments" program created the potential for a new collaborative regional agenda including equity concerns. At the same time, the decision whether to include such concerns remained within the purview of local govern-

ments, and was affected by local choices of county partners, board composition, and staffing resources. In the end, these issues were important determining factors in the implementation of equity-based regionalism.

The New Regionalism in Economic and Community Development


Academic research on regional economic competitiveness has exerted great influence on economic development practice over the last decade. At the same time, research on social and economic equity within regions has increasingly pointed community development practice towards recognizing the significance of the regional economy to individual communities. Although Pastor et al (2000: 7) describe community and economic development as “ships that passed in the night,” they go on to identify in each discipline “new regionalists and new community builders” (181) as making similar arguments about social capital and organizing around the regional economy that represents potential common ground.

Rosabeth Moss Kanter (1995) and Michael Porter (1990) popularized the notion of competitive advantage, repackaging concepts that had long been a part of the economics literature. Kanter’s neatly packaged case studies of “makers, thinkers, and traders” promote specialization as the path to achieving “world class” economic aspirations. Porter’s detailed studies of industry clusters dependent on mutual economic linkages and shared resource pools highlight the mechanics of economic specialization in the increasingly connected global economy.

Responding to local aspirations to build the next Silicon Valley, practitioners rushed to implement industry cluster strategies. These often organized and facilitated the provision of services through regional industry trade associations, broadening the definition of economic development policy to acknowledge the place of individual jurisdictions in regional economies and the place of those regions in the global economy (Waits 1998). The profusion of industry cluster studies that followed were criticized for their inconsistent terminology and unrefined methodologies (Held 1996). This generated opportunities for economists, geographers and planners to refine Porter’s work. In February 2000, *Economic Development Quarterly*, a leading scholarly journal in the field, devoted a complete issue to an exploration of methodologies for cluster analysis.

By the end of the decade, many practitioners had grown increasingly comfortable with some sort of narrative about regional economies, and with ideas about inter-regional competition, as embodied in Peirce’s (1993) “citistates” and the “regional economic commons” described by Barnes and Ledebur (1998). Both Peirce’s journalistic case studies and Barnes and Ledebur’s analysis argue that existing political boundaries are fundamentally disconnected from regionally-functioning economies.

Myron Orfield’s (1997) analysis of Minneapolis-St. Paul introduced an equity perspective into this new understanding of the importance of regions. Orfield presents evidence of economic and social disparities among jurisdictions within the region. This analysis



became part of the basis for forming a coalition of fiscally distressed center-city and inner-suburban jurisdictions in Minneapolis-St. Paul. Demonstrating that even progressive regions are not immune to sprawling suburban development and center city decline, the coalition won state legislative support for a regional revenue sharing program to address disparities.

Greenstein and Wiewel (2000) broaden Orfield's agenda by outlining three areas for further study: inter-metropolitan concerns with regional economic competitiveness in the global economy; intra-metropolitan concerns with economic links across jurisdictions; and concerns with effective intra-metropolitan governance, such as the existence of institutions or mechanisms that can efficiently deliver services regionally. They also note that the emergence of poly-centric metropolitan areas might alter the political calculus which was successful in Minnesota.

In the same edited volume, Gottlieb (2000) assesses the empirical research on how intra-regional disparities affect regional economic performance. While Gottlieb finds some correlation with reduced economic performance, the causal relationship remains less certain. Gottlieb suggests that more research should be done on how human or social capital deficits related to poverty might create a drag on regional productivity.

Dreier, Mollenkopf and Swanstrom (2001), like Orfield, advocate a political approach to addressing regional inequities, although on a national scale. They conducted a rich and descriptive empirical analysis of

intra-regional disparities and their impacts on quality of life. They recommend a long-term solution as a part of a federal metropolitan policy agenda: constructing an urban-suburban political coalition to curb sprawling development in the suburbs and revitalize central cities.

While noting the limits to the Clinton Administration's approach to these issues, Dreier, Mollenkopf and Swanstrom point to Clinton's success in uniting urban and suburban voters over the course of two presidential elections as evidence that such coalitions are possible. Advocates within the Clinton Administration did call for a more holistic approach to community problems and a regional perspective on many issues (Cisneros 1995; Stegman and Turner 1996). Typically, however, the federal role was limited to encouraging cooperation with an emphasis on public-private partnerships, market solutions and ad hoc forms of governance.

Encouraged in part by the Clinton-era approach, regionalism as an emphasis in community development emerged, recognizing not only spatial interdependence among communities within the larger regional economy, but also the interconnected nature of community problems (Harrison and Weiss 1997; Nowak 1997). Nowak also places the problem of inner-city poverty in a regional economic context, criticizing community development for focusing on real estate and service delivery and ignoring issues of income security and asset accumulation. Based on his experience managing a community development financial institution in inner-city Philadelphia, he ar-

gues that community developers need to better understand the regional economy in order to develop strategies linking regional employers with workers in local communities.

Academics have debated the prospects for racially and economically isolated communities, typically left out of regional economic growth. Porter (1995) suggests that efforts to assist such communities should depart from a social model focused on serving individuals' needs, and should instead promote private sector growth, identifying undervalued real estate and other local advantages such areas might offer. In response, Fainstein and Gray (1997) point to more than 50 years of government policies focusing on private sector investment, from urban renewal to empowerment zones, which have not made a substantial positive impact despite consistency with Porter's recommendations. Fainstein and Gray instead recommend supporting improved schools, housing, and services that will aid inner city residents in directly realizing the benefits of increased private sector activity.

Some advocate keeping economic and community development objectives distinct. Hill (1998) argues that blending the respective efficiency and equity goals of economic and community development misdirects resources—for example, when efforts to improve the quality of life and social fabric of individual communities are incorrectly justified as enhancements to the productivity of the regional economy. Fainstein and Markusen (1993) argue that democratic access and long-term economic vitality are

incorrectly omitted from the economists' idea of an equity-versus-efficiency tradeoff. Spatially and socially isolated urban and rural populations may not have access to the regional economy. Further, agglomeration economies, public infrastructure investments, and a "sense of place" accruing in specific communities are all potential contributors to the long-term economic health of a region.

While Orfield (1997) in his legislative approach advocates revenue sharing as a first step, Rusk (1999) rejects this approach as too unimaginative. In Rusk's account, social and environmental concerns such as affordable housing, growth management, and urban sprawl are stronger motivations for regional cooperation. He emphasizes the role of local entities such as churches, business coalitions, universities and grassroots citizen's groups working outside of the legislative system. Similarly, Pastor et al (2000) include examples of regional organizational efforts in Boston, Charlotte and San Jose. In an effort to substitute a quantitative method for the usual subjective selection of regional success stories, they choose case studies from among regions which have enjoyed rising per capita incomes and simultaneously decreasing central city poverty. This highlights the diverse sources of interest in working for growth with equity, although offering no evidence of causation between such efforts and equitable growth.

One common feature in the various efforts discussed by Rusk and Pastor et al is the extent to which they were initiated and sustained outside of government, relying largely on business and the non-profit sector.

Although some of the policies that resulted from these efforts may have addressed only facets of any one problem, they promoted an ongoing regional dialogue. However, given the ad hoc nature of these arrangements it is not clear whether the apparent success of these efforts can be reproduced elsewhere.

Earlier regional policy focused on organizing metropolitan governments through city-county consolidations or tiered service structures, which had direct implications for control of tax revenues. Currently, most regionally-based institutions have fewer direct impacts on local fiscal control (Stephens and Wikstrom 1999). Pastor, Dreier, Grigsby and Lopez-Garza (2000) describe such institutions as a “crazy quilt of governance bodies,” confusing not only to average citizens, but to seasoned observers as well. These quasi-public and public-private mechanisms span political boundaries but operate in specialized policy spheres often designed to serve a single purpose, one shaped by special funding sources. Bollens also attacks such single-purpose bodies as de-emphasizing social and redistributive questions. He states that while “the affiliation of regional planning with single purpose functions...has facilitated and legitimized regionalism... at the same time it has limited its scope and potential” (1997: 117).

Absent requirements for regional cooperation being imposed by higher levels of government, or support from outside of government, the ability of such regional institutions to address equity concerns is questionable. At the same time, the evolution of the new regionalism has placed intra-metropolitan eq-

uity, traditionally associated with community development issues, onto an agenda formed by those primarily concerned with regional economic competitiveness. Cumulatively, this has contributed to an eroding distinction in practice between economic and community development. However, the meaning of that change on a regional scale remains at issue.

Oregon Policy Background

Oregon’s role in funding regional planning for economic development was initially a response to competitiveness concerns raised during an economic restructuring crisis. The state’s position has evolved over time, moving away from a focus solely on regional economic competitiveness under state guidance to a much more decentralized program open to community development goals. This move staked out a new direction in keeping with the evolution described above.

During the first half of the 1980s, core state industries including wood products, fishing, and tourism all posted significant job losses. Recovery in employment was slow and highly uneven across the state. The populous Willamette Valley, which contains not only lush farmland but also the diverse manufacturing base of urban Portland, eventually made a strong recovery. But the state’s vast rural expanses found in the arid sections east of the Cascade Mountains—home to irrigated agriculture and ranching, and the timber, fishing, and tourism-dependent areas along the state’s rocky coast and southern border with California—continued to lag economically.

The distinction between these “two Oregons” has long been a feature of state politics. Former Portland Mayor Neil Goldschmidt’s successful 1986 race for Governor turned, in part, on reassuring suspicious voters in rural areas that he would focus on economic health for the whole state. In fulfillment of that promise, in 1987 he initiated the Regional Strategies Program, emphasizing regional economic competitiveness and supporting job creation strategies in targeted industries (Slavin 1991; Slavin and Adler 1996). The state program allocated funds to 15 regional boards to fund projects based on these criteria.

For several years, regional plans under the Regional Strategies Program were reviewed by the state in the context of economic development objectives. However, after 1995 they were reviewed by Regional Community Solutions Teams, locally-based interagency taskforces involving economic development, environmental, housing, land use and transportation agencies (Community Development Office 2001). New community development priorities were also introduced when responsibility for a designated rural development fund was added for each region (OECD 1998).

After the state experienced more than a decade of strong economic growth that failed to substantially affect poverty, particularly in rural parts of the state, the program was reauthorized in 1999 under the name “Regional Investments.” The Governor at the time, downstate physician John Kitzhaber, had begun his term by signing an executive order that mandated that state resources be used to further “quality

development objectives.” This holistic approach was intended to promote balanced communities and, it was hoped, channel some growth from urban to rural areas (Kinsey-Hill 1999). The trend culminated when the legislature removed both industry targeting and job creation requirements during the passage of the Regional Investments program. Regional boards were now required to prioritize economically distressed communities and individuals left out of the state’s growing economy. Although the regional boards were not required to use it, the state defined an index of distress based on various economic measures such as per capita income and industrial diversity (OECD 2000).

The basic implementation mechanisms have remained the same. County-appointed regional boards receive state lottery funds for projects in economic and community development, in response to a plan developed by the boards. These counties rarely have expertise to deal with this mandate and typically contract out staffing. In fact, numerous intermediaries have been engaged by counties in managing the program, including regional councils of government, rural economic development districts, a private consultant, a small business development center, and a university research institute (OECD 2001a). With local implementation undertaken by organizations with diverse capacities and characteristics which may influence process outcomes, and with critical internal evaluations citing a need for state economic development to focus on “solving problems, not running programs” (OECD 1998), concern with how to judge the program’s outcomes remains at issue. Cur-

rently the state has committed about \$20 million to the Regional Investments program, five percent of the Oregon Economic and Community Development Department's \$400 million budget for the 2001-2003 biennium (OECD 2001b).

The changes sought to please both urban areas focused on growth management that were now opposed to the original program's job creation requirement, and rural areas that were still struggling to reposition themselves in the changing economy. With a new focus on areas that were left out of past growth, the program maintained one foot in the realm of inter-regional economic competitiveness while shifting the other foot by creating the opportunity for regions to address intra-regional economic disparities. The result was that alongside traditional economic development, regional boards funded projects that in the past had been labeled as community development, creating the opportunity to address economic equity issues.

A Tale of Two Regions: Metro Portland and Southeast Oregon

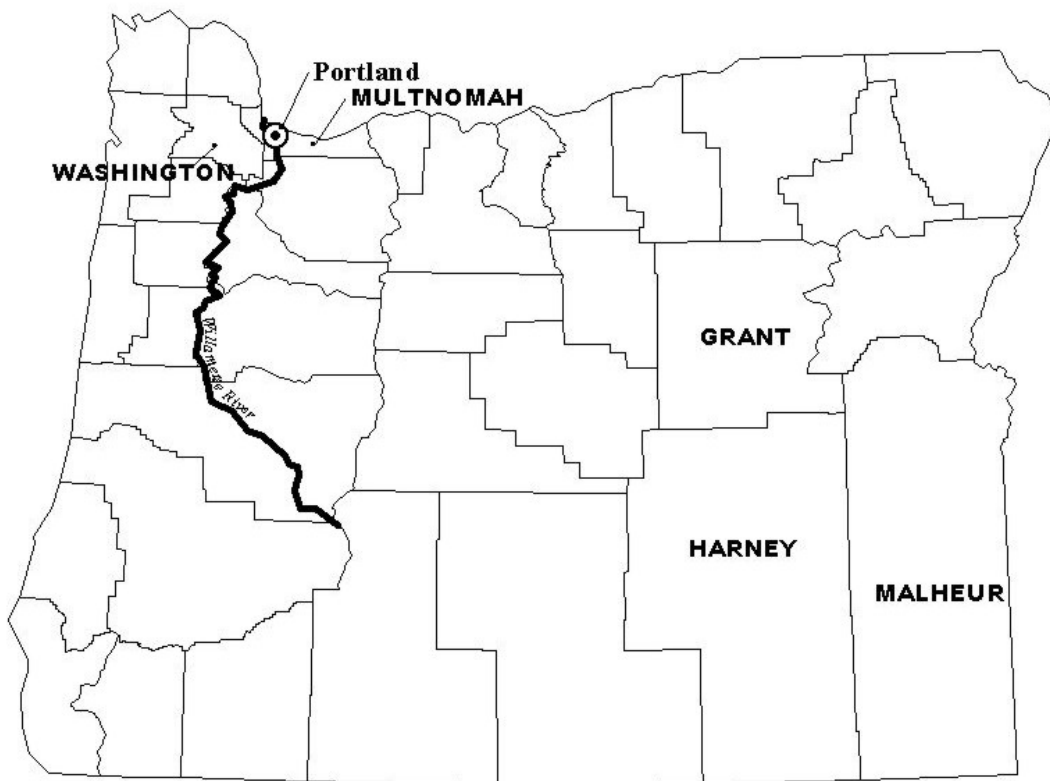
Multnomah and Washington Counties, at the northern end of the state's populous and fertile Willamette Valley, represent the core of the Metropolitan Portland Region. Together they make up just over half of the population of the six-county Metropolitan Statistical Area. Although they are among the state's smallest counties by geographic area, they are also the state's most densely populated, and their 1.1 million residents represent one-third of the state's total population (US Census

2001). At the other extreme, Grant, Harney and Malheur Counties are located along the state's mountainous and often arid southeastern edge. Together the three counties cover one quarter of the state's land mass, but with only 47,159 residents they have some of the lowest population densities in the state, 1.7 persons per square mile on average (SE Regional Alliance 2000a).

While these are considered regions for the purposes of the program, it is important to recognize that neither represents a functional regional economy. Multnomah and Washington Counties, described hereafter as Metro Portland, actually represent only part of the two-state Portland/Vancouver Census PMSA. The rural counties of Grant, Harney and Malheur (referred to in this paper as Southeast Oregon) are similarly problematic. Rural Grant and Harney Counties are considered independent labor markets by the Oregon Employment Department, and while not part of a metropolitan area, Malheur County is considered part of a three-county, two-state (Oregon/Idaho) labor market (OED 2000).

Not surprisingly, there are contrasts in the planning resources brought to bear by each regional board. Staffing entities with varying missions and boards with different memberships means that each region developed very distinct processes.

Figure 1
Oregon Regional Case Study Areas: Metro Portland (Washington and Multnomah Counties) and
Southeast Oregon (Grant, Harney and Malheur Counties)
Cartography by Meg Merrick, Portland State University, 2001



Metro Portland

Emerging from the recession of the 1980s, Portland's economy grew consistently over the next decade, with population, wages, and personal incomes rising steadily. The region diversified its industrial mix with growing strength in high technology, especially semiconductor manufacturing and creative services. The region has also retained some traditional strength in old economy industries, such as metalworking, wood products and nursery products (MW Regional Investment Board 2001a). Employment grew at more than 4.5 percent annually from 1994 to 1997, almost double the national rate. By 2000, however, growth had leveled off to just over two percent annually, on par with the national rate (Institute of Portland Metropolitan Studies 2001).

This economic expansion has relied on growth in the region's skilled workforce, driven largely by in-migrants, more than half of whom had college degrees. This group accounted for more than two-thirds of the population increase between 1990 and 1997, and appears to have enjoyed most of the benefits of the region's job growth. Meanwhile, a significant portion of the population continues to experience high poverty and school drop-out rates, particularly those living in north and northeast Portland (which contains most of the state's African-American population) and certain rural areas outside of the Metro Portland urban growth boundary, as well as a large portion of the growing, but more geographically dispersed, Hispanic population (MW Regional Investment Board 2001a). Furthermore, much of the region's employ-

ment remains in relatively low-wage occupations. A 1998 Oregon Employment Department Survey found that a majority of all jobs in the region were in occupations earning, on average, less than \$25,000 per year (OED 2000).

The size and complexity of the regional economy and its problems may have been one reason why the Metro Portland Regional Board was not a priority for the county governments. They did not act to appoint a Board for the new program until faced with a loss of funding near the end of the biennium. Only one elected official served on that body, and he was a member of the Metro Council, Portland's three-county regional government responsible primarily for land use and transportation planning. Other board members included the head of the regional agency that administers federal job training funding, two local economic development staffers, a banker, and several business people, including representatives of the African American and Hispanic chambers of commerce (MW Regional Investment Board 2001a).

Administration and staff support were contracted out to Portland State University's Institute of Portland Metropolitan Studies, which had experience serving as a neutral convener for the region's governments (Rusk 1999). The Institute had also completed a study analyzing industry clusters and their role in the regional economy. The Institute's director and two graduate students were assigned to the project, receiving assistance from the City of Portland's quasi-public economic development



agency, the Portland Development Commission, which served as the financial agent handling contracting with grantees.

Building on the earlier staff work on industrial cluster analysis, the Metro Portland Board asked project applicants to address the connection between “people, places and clusters.” The quick consensus that developed around these broad goals reflected the short timeline faced by the Board. While not abandoning the original program’s focus on target industries, the Board placed an emphasis on projects serving specific target populations and locations. Assistance to state-defined “distressed” communities was emphasized, along with the region’s geographically dispersed but growing Hispanic population (MW Regional Investment Board 2001a). The question of how funding should be distributed between projects in the two counties was also considered by staff, but remained in the background for much of the Board’s deliberations.

Most successful applications to the Metro Portland Board were put forward by non-profit organizations, particularly those involved in job training and educational projects, which received almost 60 percent of all the region’s nearly \$2 million in funds. This included \$104,000 for El Centro Cultural, a community-based organization targeting the region’s rural Hispanic population with basic job readiness skills and advanced technical training in partnership with the nursery products industry. Another \$110,000 was granted to an accelerated training program for entry-level semiconductor technicians provided by the Portland Community College-Capital Career Center,

a partnership between a local community college and the one-stop job training center serving Washington County (MW Regional Investment Board 2001b). Distressed communities received almost half of the funds allocated. The largest of these grants, \$200,000, went to the Black United Fund, a non-profit organization in north Portland developing a small business incubator.

Metro Portland Board staff described the targeting of particular industry sectors, or “clusters,” as perhaps the weakest criterion in the funding process. While many of the “people and place” project proposals went to great lengths to describe their relevance to industrial clusters, not all were successful at creating substantive connections to industry. Meanwhile, several industry cluster project applications showed a limited understanding of the changing dynamics of the program by failing to identify connections to places or people. These changes meant that the Board was no longer likely to favor the biotech labs and engineering conferences that had been typical projects funded under Regional Strategies. While not simply shifting from economic to community development, the new partnerships they funded, for example, targeted workforce development, expanded the economic development dialogue to include actors from both disciplines and from across the region.

Southeast Oregon

Conditions in Grant, Harney and Malheur Counties were considerably different during the 1990s. All three counties are included in their entirety on the state list of distressed communities. All three counties have also experienced population growth rates below the state average and unemployment at more than twice the state rate throughout the decade (OED 2000). The region has been challenged economically by stagnant prices for agricultural commodities, particularly alfalfa and sugar beets, and also by dramatic losses in the timber industry in Grant County.

As has long been the case, government represents a major employer in the area, with the US Forest Service and the Bureau of Land Management overseeing more than nine million acres in the region. State Corrections and other state, local and federal employment supplied almost one-third of the region's employment in 1998. This was followed by farming and manufacturing mostly in food products, and lumber and wood products (OED 2000). While economic diversification is a topic of discussion, many people still place great faith in traditional industries, believing "how great things will be [in Grant County] when the Forest Service lets us cut again" (Lino 2001).

With the advent of the new Regional Investments program, a new Southeast Oregon regional grouping was constructed from these three counties that had previously been in different groups. Reflecting the significance of government employment in the area, some two-thirds of Southeast Oregon Board mem-

bership came from the public sector. This included not only county judges, who are the chief local elected officials from each county, but also representatives from the Federal Bureau of Land Management and city government staff. The Board also included a banker, two ranchers, and staff from local non-profit organizations (SE Regional Alliance 2000a).

The Greater Eastern Oregon Development Corporation (GEODC), a non-profit agency that provides counties in the eastern part of the state with a range of economic development services, administers the Regional Investments program for the three counties. The GEODC provides two staff members, one full time manager and one part time loan officer (OECDD 2001a). Only one of the three counties had previously worked with the GEODC.

The Board members from each county considered projects proposed by their own areas, often financially strapped local governments, and made recommendations back to the full Board. The Board attempted to focus on a long term plan for developing a locally sustainable economy. However, tempered by the immediacy of their rather dire economic situation, the plan avoided formal industry targeting, remaining open to so-called immediate opportunities (Lino 2001; SE Regional Alliance 2000a).

Government projects received the majority of funds allocated by the Southeast Oregon Board. These included very basic forms of infrastructure such as wastewater treatment plants in two small cities, land acquisition and planning for industrial parks, and several recreational facilities. The Board also funded

economic development staff positions for Grant and Harney Counties, as well as multiple Geographic Information System (GIS) projects that involved some overlap between regional and local projects. While public sector projects received a majority of the Southeast Oregon Board's roughly \$1.5 million in funds, almost a quarter of the funding was directly or indirectly allocated to the private sector. The largest single allotment of \$200,000 went to a revolving small business loan fund managed by GEODC. Smaller sums also went directly to private businesses (SE Regional Alliance 2000b).

Unlike Metro Portland, where a short timeline and existing relationships among staff facilitated a rapid consensus around goals, Southeast Oregon was among the first Boards appointed in the state, and involved a new regional alignment. That meant forging new relationships among counties and between Board members and staff, with the time to conduct a decentralized process that exhibited great deference to the counties.


Southeast Oregon staff described the changes in the program, particularly the removal of the target industry requirements, as a shift from economic to community development. While they suggested that the Southeast Oregon Board caused only a minor shift in their thinking from the old program, their new support for general infrastructure and local business capital differed markedly from their predecessors' grants for industry-specific infrastructure. For example, under the Regional Strategies program, Harney County funded a project to refurbish a rail

line that rapidly became unprofitable, and was later embroiled in legal action when the company that had benefited from the public assistance wanted to dismantle the line and sell it for scrap (Brandon Roberts + Associates and Mt. Auburn Associates 1992).

Conclusions

The Southeast Oregon Board invested heavily in places, local infrastructure and capacity building, in addition to providing significant capital resources to locally owned business. The Metro Portland Board focused more clearly on people-based projects. They provided the lion's share of their resources to non-profit organizations engaged in job training and related programs, with less money going to local government and nothing directly to private businesses. Broadly considered, the Southeast Oregon Board's "place focus" parallels the fact that the primary fiscal responsibility of county governments in Southeast Oregon is providing infrastructure, while Metro Portland's "people focus" parallels the urban counties' responsibilities for social services, neither of which were reflected under the old program.

While a dire economic situation and concerns with economic diversification may have encouraged a high tolerance for risk in the private sector investments by the Southeast Oregon Board, its funding decisions shifted from industry-specific infrastructure under Regional Strategies to more general place-based infrastructure during the Regional Investments program. In contrast, the Metro Portland Board, while attempting to retain the industry cluster focus that had been central to their mission under the Regional



Strategies program, had to make significant adjustments in project selection, rejecting some industry projects in favor of those that incorporated the new focus on distressed communities added under Regional Investments.

Both regions took advantage of changes in the state program requirements to broaden their traditional perspectives on economic development and include equity concerns. While not a dramatic and redistributive shift, their activities did use a regional approach to provide access—in Metro Portland, by connecting distressed communities to a successful regional economy (for example, in targeted workforce projects), and in Southeast Oregon, by building local capacity to help distressed rural communities to participate in the state economy (for example, through the provision of capital to local businesses).

While some of the differences in implementation between these two approaches were inevitable given the different challenges the two regions faced, the state's choice to address regional economic development planning through this uniform approach was clearly in tune the placement of the state's stark urban-rural disparities at the top of the state's agenda and ahead of intra-regional issues. At the same time, implementation through county-affiliated, quasi-governmental bodies with limited scope may have limited the prospects for the sort of dramatic change that took place under Orfield's program in Minneapolis-St. Paul.

While highlighting a weak spot in Oregon's history of regional planning, positive lessons from this pro-

cess may become clearer as the second biennium of the new program unfolds. While options may be constricted by the power which counties hold over the structure of implementation, adjustments in approach to the new program and parallels emerging within county government may serve to institutionalize this new direction. Having moved beyond traditional economic development responsibilities to engage a broader spectrum of potential participants from community development, these regional boards may now choose to build on this experience, to actively engage with other state and local planning processes.

Endnotes

¹The paper is based on interviews and conversations with current and past staff of Oregon state government and some of the thirteen Regional Investment Boards. Particular help came from Ethan Seltzer and Heike Mayer of Portland State University's Institute of Portland Metropolitan Studies, Sondra Lino, project manager of the Greater Eastern Oregon Development Corporation, Larry Andrew of the Coos Curry Douglas Business Development Corporation, Laila Cully and Joan Rutledge of the Oregon Economic and Community Development Department, and Joe Cortright, a private consultant and former chief economist for the Oregon state legislature. Additional data is drawn from public documents, including published regional plans and project information elaborating on the activities of the regional boards.

References

Barnes, William and Larry Ledebur. 1998. *The New Regional Economies: The U.S. Common Market and the Global Economy*. Thousand Oaks CA: Sage.

Bollens, Scott. 1997. Fragments of Regionalism: The Limits of Southern California Governance. *Journal of Urban Affairs* 19: 105-123.

Brandon Roberts + Associates and Mt. Auburn Associates. 1992. *Oregon Regional Strategies Program Evaluation*. Lansing MI: Brandon Roberts Associates.

Cisneros, Henry. 1995. *Regionalism: The New Geography of Opportunity*. Washington DC: Department of Housing and Urban Development.

Community Development Office. 2001. What is Community Solutions. communitiesolutions.state.or.us. Accessed January 3.

Dreier, Peter, John Mollenkopf and Todd Swanstrom. 2001. *Place Matters: Metropolitcs for the Twenty-First Century*. Lawrence KS: University of Kansas Press.

Fainstein, Susan and Mia Gray. 1997. *Economic Development Strategies for the Inner City: The Need for Governmental Intervention*. In *The Inner City: Urban Poverty and Economic Development in the Next Century*, edited by Thomas Boston and Catherine Ross. New Brunswick NJ: Transaction Publishers.

Fainstein, Susan and Ann Markusen. 1993. The Urban Policy Challenge: Integrating Across Social and Economic Policy. *North Carolina Law Review* 7: 1463-1484.

Gottlieb, Paul. 2000. *The Effects of Poverty on Metropolitan Area Economic Performance: A Policy Oriented Research Review*. In *Urban-Suburban Interdependencies*, edited by Rosalind Greenstein and Wim Wiewel. Cambridge MA: Lincoln Institute.

Greenstein, Rosalind, and Wim Wiewel. 2000. *Introduction to Urban-Suburban Interdependencies*. In *Urban-Suburban Interdependencies*, edited by Rosalind Greenstein and Wim Wiewel. Cambridge MA: Lincoln Institute.

Harrison, Bennett and Marcus Weiss. 1997. *Rethinking National Economic Development Policy*. Washington DC: Economic Development Assistance Consortium.

- Held, James. 1996. Clusters as an Economic Development Tool: Beyond the Pitfalls. *Economic Development Quarterly* 10: 249-262.
- Hill, Edward. 1998. Principles for Rethinking the Federal Role in Economic Development. *Economic Development Quarterly* 12: 299-312.
- Institute of Portland Metropolitan Studies. 2001. *New Economy Observatory: Year One Reports*. Portland OR: Institute of Portland Metropolitan Studies.
- Kanter, Rosabeth Moss. 1995. Thriving Locally in the Global Economy. *Harvard Business Review* September-October: 151-160.
- Kinsey-Hill, Gail. 1999. A Growing Gap: Oregon's Rural Counties Aren't Keeping Pace. *The Oregonian*. October 31: PE1.
- Lino, Sondra. 2001. Telephone interview by author, 8 March.
- MW (Multnomah-Washington) Regional Investment Board. 2001a. Multnomah-Washington Regional Investment Plan. Portland OR: Institute of Portland Metropolitan Studies.
- . 2001b. Approved Projects. www.upa.pdx/IMS/. Accessed October 31.
- Nowak, Jeremy. 1997. Neighborhood Initiative and the New Economy. *Economic Development Quarterly* 11: 3-10.
- OECD (Oregon Economic and Community Development Commission). 1998. Final Report of the Interim Work Group on Economic and Community Development. Salem OR: Oregon Economic and Community Development Commission.
- OECD (Oregon Economic and Community Development Department). 2001a. Regional Investment Program. www.econ.state.or.us/multiproj. Accessed March 31.
- . 2001b. 2001-03 Legislatively Adopted Budget. www.econ.state.or.us/legnews.htm. Accessed October 31.
- . 2000. Elements of Regional Investment Plans. Salem OR: Oregon Economic and Community Development Department.
- OED (Oregon Employment Department). 2000. Regional Economic Profiles. www.olmis.org. Accessed February 20.
- Orfield, Myron. 1997. *Metropolitics*. Washington DC: Brookings Institute Press.
- Pastor, Manuel, Peter Dreier, J Eugene Grigsby III and Marta Lopez-Garza. 2000. *Regions That Work: How Cities and Suburbs Grow Together*. Minneapolis MN: University of Minnesota Press.
- Peirce, Neal. 1993. *Citistates*. Washington DC: Seven Locks Press.
- Porter, Michael. 1995. The Competitive Advantage of the Inner City. *Harvard Business Review* May-June: 55-71.
- . 1990. *The Competitive Advantage of Nations*. New York: Free Press.
- Rusk, David. 1999. *Inside Game Outside Game: Winning Strategies for Saving Urban America*. Washington DC: Brookings Institute Press.

- Slavin, Matthew. 1991. *State Industrial Policy and the Autonomy of State Leaders: Evidence from the Oregon Experience*. Ph.D. diss., Portland State University.
- Slavin, Matthew and Sy Adler. 1996. Legislative Constraints on Gubernatorial Capacity for State Industrial Policy: Evidence from Oregon's Regional Strategies Program. *Economic Development Quarterly* 10: 224-238.
- SE (Southeastern) Regional Alliance. 2000a. *Southeastern Regional Alliance Regional Investment Plan and Rural Action Plan*. Canyon City OR: Southeastern Regional Alliance.
- . 2000b. *Project Summary*. Canyon City OR: Southeastern Regional Alliance.
- Stegman, Michael and Margery Austin Turner. 1996. The Future of Urban America in the Global Economy. *Journal of the American Planning Association* 62: 157-164.
- Stephens, G. Ross and Nelson Wikstrom. 1999. *Metropolitan Government and Governance: Theoretical Perspectives, Empirical Analysis, and the Future*. Oxford: Oxford University Press.
- US Census. 2001. 2000 US Census. www.census.gov. Accessed May 30.
- Waits, Mary Jo. 1998. Economic Development Strategies in the American States. In *Handbook of Economic Development*, edited by Kuotsai Tom Liou. New York: Marcel Dekker, Inc.

JOHN PROVO (provoj@pdx.edu), a doctoral student in Portland State University's School of Urban Studies and Planning, is a research assistant at the Institute of Portland Metropolitan Studies. He also serves as staff to the Multnomah-Washington Regional Investment Board.