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REGIONAL ECONOMIC DEVELOPMENT

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Abstract : Let us first understand what do you mean by Regional economic development.Regional economic development means a creation of new business and expansion of existing businesses, it should be such a way that it expands the total number of jobs and results in a rising average wage. Regional economic development aims at creating more employment and also rise in a standard of living in the region.

Their can be an rise in average wage only when their is an high-quality jobs, it is only possible when the business is expanded in the high-value-added and end of the spectrum. In other words their should be an skill or knowledge- intensive industries. New jobs in low- productivity manufacturing or service businesses will not increase the average wage. Let us know the economic changes with different regions.

INTRODUCTION

The Regional Economic Strategy lays out a comprehensive game plan to grow jobs and economic activity throughout the central Puget Sound region by strengthening the economic foundations shared by all industries as well as developing the region's key industry clusters.

In 2011, the new York government has created 10 regional councils of public- private partnership for the local government and for the non government organisation. Over the last few years due to this process the job creation and community development had taken place.

America 2050 is a national initiative to develop a frame- work for America's future growth and development in face of rapid population growth, demographic change and infra-structure needs in the 21st century.

A major focus of America 2050 is the emergence of mega regions – large networks of metropolitan areas, where most of the projected population growth by mid-century will take place – and how to organize governance, infrastructure investments and land use planning at this new urban scale.

Economic Policy Development:

Countries need competitive dynamic regions to achieve their economic, social and environmental objectives. Regional development policies complement national macroeconomic and structural policies.

a) Statistics and indicators:

The OECD has developed statistical databases to answer the increasing demand for statistical information at the regional level.

b) Urban development:

Cities are important generators of wealth, employment and productivity growth and play a leading role in national economies.

c) Rural development:

Rural regions account for 75% of land and almost 25% of the population inOECD countries and require a wide range of economic policies for growth

d) Multi-level governance and public finance:

Striking a balance between the interests, capacities and objectives of national and sub-national levels is essential for effective public policy.

e) Regional innovation:

Innovation is an increasing source of growth in the OECD and regions play a key role in uncapping this potential for national growth

f) Water Governance:

Managing water is not only a question of resources, availability and money, but equally a matter of good governance.

Government measures to promote economic development :

In the peculiar circumstances in which politically, socially and economically the underdeveloped countries are placed, there is not only a great urgency about economic development but also an infinitely much greater effort is required to generate the forces of economic growth.

The following are the measures, which are necessary for the government of an underdevelop country to take in order to accelerate the process of economic growth.

Measures:

1- provision of economic and social overheads:

If economic growth is to be accelerated, it is necessary for the government to provide in adequate measure economic and social overhead facilities also called the overhead capital and services. Economic infrastructure includes transport facilities, eg : railway, roads, harbour, etc. Means of communications, eg: postal, telegraph and telephone facilities,etc

2-Institutional changes:

Our model institutions and legal and social structure too stand in the way of economic development countries. Reforms and reorganisation is essential to initiate and accelerate the process of growth. This institutional changes include land reforms like the abolition of the feudal system,tenancy reforms to give security to the tenants. In the sphere of trade and industry, government encourages small industries and regulates and controls the big corporations to prevent the creation of monopolies.

3- Direct participation:

The government in underdeveloped countries directly participate in economic enterprises to assist private enterprise or to set for them a model to follow. Government of India has set up huge public undertaking in diverse fields like the steel plants, heavy electrical, heavy engineering machine tools, fertilizers, oil refineries, etc.

Regional Economic Development Strategy (2013-2033):

The Sunshine Coast Economic Futures Board provides expert advice to in relation to the regional economic development .The board helps ensure the region achieves the strong economic goals that have been set in the strategy.

The strategy provides a 20-year vision and blueprint for sustainable economic growth. It will help to ensure the region actively participates in the global economy and deliver the lifestyle and opportunities for local residents and businesses alike.

How does regional economic development work?

Countries, states, regions, and cities are interested in stimulating economic development in their jurisdictions. Various possible strategies are mentioned below:

- ❖encourage entrepreneurship
- ❖improve the talent base enhance the attractiveness of the region to outsiders with creative talents
- ❖create a legal, fiscal, and regulatory environment that encourages new businesses

- create larger pools of venture capital
- attract out-of-region businesses through regional business- attraction centers
- encourage research and development in local universities facilitate the movement of inventions from the lab to the business plan

How would we decide which policies to invest in?

If we can demonstrate a theoretical basis in economics or organizational theory, for example, for concluding that factors X, Y, and Z are favorable for producing the outcomes we want, even if they are not decisive, then it is logical that we should try to identify the most influential of these factors; design a coherent package of policies that enhance these factors (i.e. avoid combinations that are self-defeating), and make the effort possible to implement this package of policies. That is, there may be a basis in social science theory for judging that policy X should have a positive effect on the probability of desired outcome Y. The reasoning may be economic (businesses will have an incentive to locate in regions where they can have a high confidence of recruiting a qualified workforce) or perhaps logistical (businesses will choose locations where transport is convenient) or fiscal (firms will take careful account of the total cost of doing business in Michigan versus California or North Carolina). But if we can demonstrate on theoretical grounds that X should positively influence Y, then we have reason to implement X even if we don't have direct empirical evidence of X's effectiveness.

Growth and development :

Poor countries have sometimes experienced economic growth with little or no economic development initiatives; for instance, in cases where they have functioned mainly as resource-providers to wealthy industrialized countries. however, that growth causes development because some of the increase in income gets spent on human development such as education and health. According to Ranis et al., economic growth and development is a two-way relationship. According to them, the first chain consists of economic growth benefiting human development, since economic growth is likely to lead families and individuals to use their heightened incomes to increase expenditures, which in turn furthers human development. At the same time, with the increased consumption and spending, health, education, and infrastructure systems grow and contribute to economic growth.

Regional policy :

policies of economic development encompass three major areas:
1.Governments undertaking to meet broad economic objectives such as price stability, high employment , and sustainable growth. Such efforts include monetary and fiscal policies, regulation of financial institutions , trade , and tax policies.
2.Programs that provide infrastructure and services such as highways , parks, affordable housing , crime prevention , and K–12 education .
3.Job creation and retention through specific efforts in business finance, marketing , neighborhood development , workforce development , small business development, business retention and expansion, technology transfer , and real estate development. This third category is a primary focus of economic development professionals.

List of Regional Economic Communities recognized by the African Union :

Currently, there are eight RECs recognised by the AU, each established under a separate regional treaty. They are:
i.Arab Maghreb Union (UMA)
ii.Common Market for Eastern and Southern Africa (COMESA)
iii.Community of Sahel-Saharan States (CEN- SAD)
iv.East African Community (EAC)
v.Economic Community of Central African States (ECCAS)
vi.Economic Community of West African States (ECOWAS)
vii.Intergovernmental Authority on Development (IGAD)
viii.Southern African Development Community (SADC)

CONCLUSION :

In this paper we have explored the main concepts and ideas arising from the literature on regional economic development. We have discuss about the policies and government measures,known about the strategies made by OECD for regional development and list of regional economic community.

Development economics is a distinct yet very important extension of both traditional economics and political economy. Development economics focuses primarily on the economic, social, and institutional mechanisms needed to bring about rapid and large scale improvements in levels of living for the masses of poor people in developing nation.

Additionally, the use of community profiling tools and database templates to measure community assets versus other communities is also an important aspect of economic development. Job creation, economic output, and increase in taxable basis are the most common measurement tools. When considering measurement, too much emphasis has been placed on economic developers for "not creating jobs." However, the reality is that economic developers do not typically create jobs, but facilitate the process for existing businesses and start-ups to do so. Therefore, the economic developer must make sure that there are sufficient economic and community development programs in place to assist the businesses achieve their goals. Those types of programs are usually policy-created and can be local, regional, statewide and national in nature.

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