

# Collaborative Rural Development and Regional Economic Connectivity

**BRIAN DABSON**

Rural Policy Analyst and Researcher

**CHRISTIANA K. MCFARLAND**

Research Director

National League of Cities

---

The views expressed in this article are those of the individual author/authors and do not represent the views of or an endorsement by the Federal Reserve Bank of St. Louis, the Federal Reserve Board of Governors, or the Federal Reserve System.

## **Introduction**

This chapter focuses on the importance and practice of collaborative rural development. It has three main parts. The first describes the evolution of regional collaboration, drawing from recent research on regional collaboration as a means of addressing rural and urban challenges and on how rural economic development is evolving. It provides a rationale for thinking about rural development in a regional context. The second part draws from recent research on regional economic connectivity as a means of bridging the urban-rural divide, specifically focusing on industry clusters that connect economies along the urban-rural continuum. An example shows how regional approaches to economic development can benefit rural economies based on collaboration across jurisdictions and sectors. Lastly, we present findings and general principles for effective regional collaboration, with particular reference to economic development in a rural context.

## **Evolution of Regional Collaboration**

There is a long history in the United States of efforts to cross jurisdictional and functional boundaries to solve problems that are beyond the scope and capacity of any single government, agency or organization. John Wesley Powell, best known for his exploration of the Colorado River, presented his vision in 1890 for the frontier West in which resources, communities and institutions would be organized into hydrographic districts or commonwealths.<sup>1</sup> He argued that administrative units should be based on watersheds, recognizing the interdependence of settlements and the management and use of land and water. Unfortunately, his ideas fell on deaf ears, and the opportunity was lost to create meaningful regional collaborative arrangements to tackle what has become over a century later an almost intractable challenge of water management across many Western states.

However, collaboration, particularly from a governmental perspective, is now a fact of life, even if not universally embraced. As Michael McGuire

argues, there is nothing new in collaborative public management, noting that federal, state and local governments, together with nonprofit corporations, have cooperated “informally and officially, vertically and horizontally, in many different ways and through many different mechanisms for decades.”<sup>2</sup> In many areas, counties, cities and municipalities have found ways to collaborate to provide basic services, such as waste management, water, public safety and social services. However, these arrangements tend to be ad hoc and sporadic, and far from adequate to tackle the growing range and complexity of challenges that face communities and regions across the country. The damage and chaos wrought by Hurricane Katrina in 2005 exposed what happens when public agencies and services are not coordinated at the neighborhood, regional and national levels, and led to calls for greater and deeper collaboration among all levels of government and with the private and nonprofit sectors.

Collaboration, or “collaborative management,” refers to purposive relationships that go beyond cooperation and are aimed at creating or discovering solutions to solve problems that take no account of administrative and political boundaries.<sup>3</sup> Regional collaboration, often termed regionalism, has attracted waves of enthusiastic support and strong opposition over the years, leaving behind a complex web of institutions and organizations of varying importance and effectiveness.<sup>4</sup> Examples include the Tennessee Valley Authority from the 1930s, multicounty regional commissions from the 1950s, and the Appalachian Regional Commission and multicounty economic development districts from the 1960s. In the 1990s, the impetus for collaboration came from the theories of “new regionalism”<sup>5</sup> and from the growing interest in economic development circles in regional competitiveness.<sup>6</sup> These coalesced in efforts to create voluntary ways of promoting public-private sector cooperation in metropolitan regions to improve their competitiveness in the global economy, and to address the negative consequences of fragmented governmental structures.

Today, growing concern about the impact of rural-urban divide and dissonance has led to renewed interest in regional collaboration as a potentially powerful and intentional way of addressing rural-urban disparities. The complex and dynamic nature of rural-urban interactions raises questions about the capacity of existing governance structures, especially those

that serve rural communities and economies, to address pressing regional challenges.<sup>7</sup> At the same time, it is important to note that regional collaboration can be an effective strategy for pooling resources across multiple rural jurisdictions beyond the direct influence of large urban economies.

## **Bridging the Urban-Rural Divide**

Despite many obstacles—such as high transaction costs often associated with collaboration, and the imbalances of resources, priorities and power among cities, suburbs and rural areas—there are several encouraging examples of regional collaborative efforts that are designed to uplift rural interests.<sup>8</sup> In Sacramento, for example, economic development leaders, industry and university partners, and policy officials recently committed to creating a cohesive regional ecosystem to support the life sciences and agricultural biotechnology (ag-tech) industry clusters.<sup>9</sup> Although significant assets exist in both urban and rural parts of the region, the lack of alignment among assets and strategies, poor integration of local communities, poor broadband access in rural parts of the region, and the lack of commercialization assets were holding back the true potential for growth.

A new, collaborative five-year strategy for inclusive economic development aims to bolster and align assets across urban and rural parts of the region to grow the clusters. Aggie Square, a research park project, led by the University of California–Davis, in an urban neighborhood of Sacramento will allow for services and innovative partnerships to connect companies and communities across the region. Aggie Square will also develop a talent pipeline by providing workforce development opportunities to residents in adjacent urban neighborhoods. In rural parts of the Sacramento region, the Woodland Research and Technology Park will serve as a hub for agricultural innovation and an incubator for ag-tech entrepreneurs. The park complements existing rural assets including a strong agriculture and biological sciences research institution, a growing sector of startups and agricultural community, and research and development facilities for global agriculture companies.

The regional plan also prioritizes expanded broadband infrastructure to ensure digital equity across the region, connectivity within the cluster and deployment of agriculture technologies in rural parts of the region. “Dig

Once' and joint use transportation and broadband infrastructure projects, especially in designated Strategic Corridors, will improve efficiency in infrastructure investments while reaching underserved communities.”<sup>10</sup> Although only in its initial stages, the strategy in Sacramento demonstrates the value of collaborative development to rural and urban communities alike. Robust linkages within regions, often between urban and rural communities, provide the fuel that drives business innovation, competitiveness and growth. Indeed, an analysis of county employment growth from 2010 to 2016 reveals that communities with industries that were integrated across urban and rural areas within economic regions grew more quickly than those with industries that were not integrated.<sup>11</sup> These findings are particularly pronounced for rural communities, indicating that coordinated regional economic development approaches across jurisdictions and sectors are critical for rural development.

It is encouraging to see that the practice of rural economic development is evolving from attracting businesses from outside the community to retaining and supporting existing businesses and economic generators, and on creating the conditions for entrepreneurship.<sup>12</sup> With this come efforts to pursue cross-jurisdictional, cross-sectoral collaboration on a regional scale. These include preparing comprehensive economic development strategies, forging links with universities for technology transfer and special expertise, creating partnerships with community colleges for workforce development programs, and engaging with utility companies and others to pursue infrastructure and service improvements.

### **Effective Regional Collaboration**

The Sacramento example, as well as other regional initiatives around the country, offers some important insights, the first of which is the need for effective and inclusive regional leadership. Although the engagement of state and local governments will be critical, regional leadership may best come from outside government to draw in a broader representation across geography, race, and economic and social conditions. To be effective, such leadership must have an established and trusted presence in the region, with a track record of real engagement across every sector and community. It must have access to and value sound analysis of the pressing social, economic

and environmental issues facing its region, and an ability to communicate and listen to diverse and often conflicting interests. Each region will have an organization or institution that can fulfill or assemble most of these requirements. It could be an anchor institution such as a hospital, university or community college, or a regional foundation, a community development agency, a public-private partnership, a community development financial institution, or a regional economic development organization. If these requirements are not in place, there is a danger that regional efforts will be technocratic and bureaucratic in nature, responding mainly to federal or foundation expectations to access funding for priority projects. These are rarely inclusive and are likely to downplay rural interests.

A second insight is that adopting a regional perspective emphasizes the interdependency of challenges, such as affordable housing; education and child care; health care; economic, community and workforce development; transportation; air quality; and broadband access. All of these are essential to creating and sustaining healthy economies and communities, whether urban or rural. However, each tends to be locked into its own system and network of policy advocates, service delivery agencies, funding sources, research specialists and political constituencies. Effective collaboration provides a way to connect these systems and networks into regional ecosystems to achieve better outcomes for rural and urban populations.

Third, regional collaboration provides the means for highlighting the contributions that rural economies and communities make to the regional economy. Often these are “hidden in plain sight,” and must be uplifted to show to metropolitan populations and to the nation more generally the true value of the work of stewarding natural resources, mitigating climate change, providing ecosystem services, and conserving and managing large-scale landscapes.

Finally, concerns about equity in a rural context highlight the intersection of geography (principally the impacts of isolation, disinvestment, and lack of local capacity and agency) with race and ethnicity, gender, income and class. Addressing inequities requires a high level of intentionality, and regional collaboration provides a vehicle for improving social and economic opportunity and health for all people and all places in a region, by ensuring rural interests and perspectives are at the table to set priorities and drive change.

## Conclusion

Regional collaboration is not only a vehicle for pursuing growth in rural communities, but a precondition for achieving the goal of equitable rural development. The governments, institutions and organizations that serve rural communities simply do not have the resources and technical capacity to achieve this goal on their own. This does not mean that they must forfeit their independence and local control, nor does it mean that they must submit to additional levels of bureaucracy. But it does mean that they find ways to work with and find common ground with their rural and urban neighbors, and to plan and work collaboratively with new partners in the public, private and nonprofit sectors.

Despite the hurdles to achieving collaborative governance, examples of effective regional collaboration abound. Lessons from these experiences—including leveraging inclusive leadership, recognizing the interdependency of regional challenges, valuing the contributions of rural economies and communities, and intentionally addressing inequities through the lens of geography as it pertains to race and ethnicity, gender, income and class—will continue to nurture the path for rural development.

## References

- Agranoff, Robert. *Collaborating to Manage: A Primer for the Public Sector*. Georgetown University Press, 2012.
- Dabson, Brian. “Regional Solutions for Rural and Urban Challenges.” *State and Local Government Review*, 2019, Vol. 51, No. 4, pp. 283-91. See [journals.sagepub.com/doi/full/10.1177/0160323X20925132](https://journals.sagepub.com/doi/full/10.1177/0160323X20925132).
- Dabson, Brian; and Kumar, Chitra. *Rural Development: A Scan of Field Practice and Trends*. Aspen Institute, Community Strategies Group, August 2021. See [aspeninstitute.org/publications/rural-development-a-scan-of-field-practice-and-trends](https://aspeninstitute.org/publications/rural-development-a-scan-of-field-practice-and-trends).
- Dabson, Brian; Markley, Deb; Green, Travis; Okagaki, Alan; Williams, Dana; Danis, Christina; Ferguson, Katharine; and Lampkin, Tim. “Regional Solutions for Rural and Urban Challenges.” LOCUS Impact Investing, 2020. See [locusimpactinvesting.org/what-we-do/rural-work/introduction](https://locusimpactinvesting.org/what-we-do/rural-work/introduction).
- Friskin, Frances; and Norris, Donald F. “Regionalism Reconsidered.” *Journal of Urban Affairs*, 2001, Vol. 23, No. 5, pp. 467-78. See [onlinelibrary.wiley.com/doi/10.1111/0735-2166.00101](https://onlinelibrary.wiley.com/doi/10.1111/0735-2166.00101).
- McFarland, Christiana. “Strengthening Intra-Regional Connectivity: Implications for Bridging the Urban-Rural Divide.” *State and Local Government Review*, 2019, Vol. 51, No. 4, pp. 259-66. See [journals.sagepub.com/doi/abs/10.1177/0160323X20922297](https://journals.sagepub.com/doi/abs/10.1177/0160323X20922297).



- McFarland, Christiana. "Local Employment Impacts of Connectivity to Regional Economies: The Role of Industry Clusters in Bridging the Urban-Rural Divide." Manuscript submitted for publication, 2020.
- McGuire, Michael. "Collaborative Public Management: Assessing What We Know and How We Know It." *Public Administration Review*, Special Issue, 2006, Vol. 66, pp. 33-43. See [jstor.org/stable/4096568](https://www.jstor.org/stable/4096568).
- Porter, Michael E. "The Competitive Advantage of Nations." *Harvard Business Review*, 1990. See [hbr.org/1990/03/the-competitive-advantage-of-nations](https://hbr.org/1990/03/the-competitive-advantage-of-nations).
- Powell, John Wesley. "Institutions for the Arid Lands." *The Century Illustrated Monthly Magazine*, 1890, Vol. XL, pp. 111-116.
- The Prosperity Strategy: The Greater Sacramento Region's Comprehensive Economic Development Strategy (CEDS) 2020-2025*. May 2020. See [theprosperitstrategy.org/wp-content/uploads/2020/05/Greater-Sacramento-CEDS-May-2020-1.pdf](https://theprosperitstrategy.org/wp-content/uploads/2020/05/Greater-Sacramento-CEDS-May-2020-1.pdf).
- Wannop, Uraln A. *The Regional Imperative: Regional Planning and Governance in Britain, Europe and the United States* (1st ed.). Routledge, 1995.

## Endnotes

- <sup>1</sup> See Powell.
- <sup>2</sup> See McGuire, p. 34.
- <sup>3</sup> See Agranoff.
- <sup>4</sup> See Wannop.
- <sup>5</sup> See Frisken and Norris.
- <sup>6</sup> See Porter.
- <sup>7</sup> See Dabson.
- <sup>8</sup> See Dabson et al.
- <sup>9</sup> See McFarland, 2019.
- <sup>10</sup> See *The Prosperity Strategy*, p. 12.
- <sup>11</sup> See McFarland, 2020.
- <sup>12</sup> See Dabson and Kumar.

