

ECONOMIC VIEWPOINT

Quebec and Its Regions: Evolution, Comparisons and Experiences Abroad (Part 3)

From Regional to Territorial Development

[Part 1](#) of this *Economic Viewpoint* looked at federal and provincial government actions in Quebec from the late 1950s to the present day. In [Part 2](#), several indicators were selected to illustrate how the regions evolved during this time period and the changes that took place. The third and final section of the analysis answers this question: how is the issue of regional development now being framed? The answers will be found through the lens of subject-matter specialists and the actions taken by governments here and abroad.

Note that, in general, the regional development policies now in force around the world aim to develop the potential of all of the territories, and enhance the viability of rural communities. At the end of the last century, the objectives were more focused on closing economic and social gaps, as shown in parts 1 and 2 of this *Economic Viewpoint*. Comparing the methods used by various governments shows that the approaches had great similarities. The main means relied on so far are financial instruments and industrial development strategies. A look to the future shows that the changes are far from over, as digital technology, climate change and demographic decline are all new reasons to tackle regional development; they will require actions that are different from those used until quite recently.

Evolution of the Situation since the 1960s

Since the early 1960s, the economies of industrialized countries have increasingly given way to the service, knowledge and creative businesses.¹ The entire manufacturing sector has lost ground, as have primary industries (exploitation and development of natural resources [forestry, mining, hunting, fishing, agriculture, etc.]). These development and processing opportunities have disappeared from the regions. However, the introduction of digital technology changes the situation; it holds promise, regardless of where the businesses are located.

Meanwhile, urbanization has expanded, and does not seem poised to stop doing so. The phenomenon has been seen in Quebec and the rest of Canada. In the United States, over 70% of the jobs to be created between 2010 and 2050 are expected to come in 11 large metropolitan areas.² In other words, this will

not help rural communities. According to Marc Urbain Proulx,³ in a [work](#) published in 2019, the same phenomenon will occur in Quebec. The idea is as follows: several urban centres also have the potential to spark regional development.

Should this come as a surprise? Not really. It's a normal phenomenon. The service, knowledge and creative industries benefit from the synergies generated by the concentration and interactions in a single crucible: the city. There is abundant evidence of the agglomeration effect in the United States: 1% of counties⁴ (31 of over 3,000) account for one third (32.3%) of GDP.⁵ Note that these counties are located at the heart of

¹ For more information on the creative industries, see [Creative Industries: A New Post-containment Economic Engine?](#), Desjardins, Economic Studies, *Perspective*, May 7, 2020, 6 p.

² America 2050 Research Seminar, [New Strategies for Regional Economic Development](#), Discussion Papers and Summary, March 29 to 31, 2009, p. 24.

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⁴ In the United States, a county is a form of local government. It is a territorial division within a state or territory that is smaller than a state but larger than a city or municipality. Source: Wikipedia.

⁵ Andre TARTAR and Reade PICKERT, [A Third of America's Economy is Concentrated in Just 31 Counties](#), Bloomberg, December 16, 2019.

or close to major urban agglomerations. In some respects, urbanization thwarts the authorities' drive to occupy the territory. However, it is important to recognize that this is a market force adaptation mechanism: people go where the jobs are. Over the decades, various initiatives of administrative authorities have raised hopes, borne fruit, and undergone reverses, as the next section explains.

► Progress and disappointment

- As mentioned in parts 1 and 2 of the *Economic Viewpoint*, published last spring, government actions since the 1960s have managed to smooth the disparities between Quebec's regions. However, the inequalities have not all disappeared. The same phenomenon can be observed elsewhere in Canada, where the work to reduce regional differences has helped put populations' well-being on a more even footing. However, some regions remain more on the margins in terms of the general prosperity (Cape Breton, Northern Ontario and northeastern New Brunswick, for example). In a way, we can assume that the limits of the approaches used have been reached.
- Japan also engaged in regional development actions and saw disparities decline over time. Their methods were guided by a focus on infrastructure and human capital nationwide.⁶ In its *Regional Outlook 2019*, the Organisation for Economic Co-operation and Development (OECD) notes that the fight to substantially reduce inequalities between regions in some of the organization's member nations has not really been won. This is why the OECD is still arguing for maintaining policies that can invigorate disadvantaged regions. In the United States, some zones seem to be lagging behind others. They are concentrated in the centre of the country, far from the coastal areas and megalopolises.⁷ In terms of cities with populations over 50,000, the underperformance is seen in the northeast, around the Great Lakes and in the Appalachians. However, except for Philadelphia and Detroit, the major cities have done better, as their manufacturing jobs were replaced by jobs in services.
- The passage of time yields some observations and makes it possible to get some perspective on the actions taken. Although some actions were effective, this is not the case with all of them. Moreover, the changing economic situation and tightening of public finances raised some criticisms and a number of questions.

⁶ World Bank Group, *Case Study on Territorial Development in Japan*, 2017, 32 p.

⁷ America 2050 Research Seminar, *Op. Cit.*, 36 p.

► Reassessments

- As a decade, the 1960s generated a lot of enthusiasm and raised great hopes for regional development. As time went on, the limits of the measures used cooled the initial enthusiasm. Some disenchantment developed with the programs adopted during that era. For its part, the OECD noted that, even though colossal amounts were invested in infrastructures, this did not solve all the problems.
- In Quebec, there is no unanimity regarding program effectiveness. For example, here are four ways to look at the assistance public administrations gave to the regions. Note that the issue of regional development can go off in all directions. A [work](#) published under the direction of Marie-Claude Prémont and Marc-Urbain Proulx in 2019 notes that, despite much effort, three major problems have still not been resolved: the inclusion of transportation in development matters; rampant urbanization in agricultural areas, and turf wars between urban and rural territories. A second group, researchers Joannis, Martin and St-Cerny⁸ frame the issue of assistance to the regions as a dilemma: should we aim for developing places or individuals? Other observers and organizations are more affirmative, believing that the efforts must focus on decreasing the disparities between rural territories and cities, rather than between regions.⁹
- Lastly, a fourth group raises many questions about the impact of certain policies; it has a stance on the advantages given to the regions, believing they have a dissuasive impact on regional efforts, skew market efficiency, and are not enough to trigger change. These critiques were formulated in the wake of state disengagement in the 1980s (due to the major economic crisis of 1981-1982, precarious public finances, and a painful period of stagflation, in particular). Nonetheless, there is a certain consensus among Quebec authors; they argue that, around 1980, there was a shift from exogenous regional development propelled by Ottawa and Quebec City to endogenous territorial development that stemmed from the ground.¹⁰ For its part, the [OECD](#) thinks we need to shift from an approach based on subsidies and transfers to designated regions to an approach that focuses primarily on improving growth and development potential for all regions.

⁸ Marcelin JOANIS, Fernand MARTIN and Suzie ST-CERNY, *Quel avenir pour les politiques de développement régional au Québec?*, project report, Montreal, 2004, 2004RP-05, 105 p. (revised edition).

⁹ In Canada, the need to be concerned about the fate of rural communities was, among other things, argued in a 2008 report of the Standing Senate Committee on Agriculture and Forestry, *Beyond Freefall: Halting Rural Poverty*, 448 p.

¹⁰ Marie-Claude PRÉMONT and Marc-Urbain PROULX, *La politique territoriale au Québec – 50 ans d'audace, d'hésitations et d'impuissance*, Presses de l'Université du Québec, 2019, p. 385. (available in French only)

TABLE 1
Some examples of medium- and long-term visions for regional development

ENTITY, STATE OR PROVINCE	SOME EXAMPLES
European Union	<i>Regional policy (over 10 years).</i>
Japan	<i>National Spatial Strategy (National Plan) (over 10 years).</i>
Australia (federal government)	<i>Regions 2030 (over 10 years).</i>
Canada (federal government)	<i>Community Development Program (since 1986).</i>
Ontario	<i>Regional Development program.</i>
Quebec	<i>Stratégie gouvernementale pour assurer l'occupation et la vitalité des territoires (2018-2022).</i>

Sources: see Annex on page 9 and Desjardins, Economic Studies

In short, we could say that there is no unanimity about the programs and policies of the 1960s and 1970s. Although certain regional disparities persist, yesterday's methods are no longer appropriate today. The outcomes did not always live up to expectations, and the state's role in regional development has changed. Moreover, the growing weight of the service, knowledge and creative industries requires new tools. Insofar as these sectors are concentrated in the cities, the focus must also be on gaps between urban and rural settings.

Regional Development Today

► Developing a vision

- The concern with regional development can be enshrined in the constitution. This is the case in France (state-region subsidiarity), Canada's federal governments (federal government equalization), and Germany (reduction in regional disparities). Some also opt to proceed through legislation, enacting laws to give their programs some durability. The Canadian and British Columbia governments also did this, passing legislation to create agencies or funds dedicated to regional development. Some states develop policies and strategies that span several years. Table 1 provides a few examples.
- Frequently, the starting point for a strategy for the regions is a long-term vision of development. However, this is not systematically true. The United Kingdom, United States, Alberta, British Columbia, Massachusetts and New York State did not develop such a vision, but are still concerned with the fate of the regions.

► Involving all stakeholders

- Over the years, in almost all OECD nations, a "transfer of authority" occurred from national and provincial bodies to local authorities. The fate of the regions is now more dependent on local forces. Action has been decentralized. In some cases, local financial participation is required (in Ontario, Alberta and the United States, for example).

In others, local and regional committees make the selection of projects (e.g. Canadian and Australian federal governments). A consultation of myriad studies and documents indicates that responsibilities are not shared in the same way everywhere. Table 2 on page 4 shows that the transfer of responsibility from the national level to local bodies seems widespread, although France and Japan seem to be retaining a more centralized approach.

- Moreover, this division of responsibilities in no way keeps large corporations from arriving with support from provincial or national administrations.

► Developing all territories

- The gradual transfer of power (responsibilities) from the national to local levels has made the concept of region more elastic. Development of the regions also includes industrial areas and city centres that are looking for new energy. Even the wording has changed: we now speak more about territories than regions. In many places around the world (China, South Korea, Ireland, Scotland, Catalonia, etc.), governments have worked to restore decrepit industrial or commercial areas through projects that focus on greening, the quality of urban life, technology and higher education.¹¹
- The [*Stratégie québécoise pour assurer l'occupation et la vitalité des territoires*](#) is imbued with this spirit of a change in approaches and wording: it does not target any specific region but, on the contrary, aims to support the development of all of Quebec's territories. In Canada, at the federal level, the idea of covering all of the territories under its jurisdiction is also present, through six regional development agencies. In Quebec and elsewhere in the world, we can identify two categories of actions for

¹¹ America 2050 Research Seminar, *Op. Cit.*, p.14-19.

TABLE 2
Distribution of regional development responsibilities among national, regional and local entities

ENTITY, STATE OR PROVINCE	DISTRIBUTION OF RESPONSIBILITIES
Quebec Canada (federal government)	1960s and 1970s: action driven by the federal and provincial governments. Since the start of the 1980s: regional development actions were decentralized. Regional development perceived as having to first come from the communities themselves.
European Union	In its planning for 2021-2027, the European Union expects to give more autonomy to local powers.
United States (federal government) Australia (federal government) United Kingdom Ontario Alberta British Columbia New York State State of Massachusetts State of Texas	The central government does not engage in much direct intervention. It provides financial and technical support to local handling, primarily by forming committees that include stakeholder representatives.
France Japan	Distribution of responsibilities between the centre and regions leans toward the centre. There are still accountability mechanisms for local and regional participants.

Sources: see Annex on page 9 and Desjardins, Economic Studies

grouping regional development policies and programs, depending on whether they target urban or rural settings.

A quick review of each type of action is set out in the following paragraphs.

- Focus on cities

✓ According to some researchers, urban agglomerations act as engines for development. From this perspective, it is important to strengthen cities, encourage mobility and, in doing so, accept certain regional disparities. This approach, the growth hub approach, is not new. It seems to have won the favour of experts and government authorities in recent decades. For example, the European Union (EU) strengthened the urban dimension of its regional policy for 2021 to 2027.

✓ Table 3 on page 5 situates the actions that focus on cities in some OECD nations. Australia, for example, focuses explicitly on cities as development hubs. Ontario, the United States and France developed financial assistance programs for downtown revitalization projects. The idea is to improve the population's well-being and consolidate the city's role as a driving force in territorial development. Programs of this type have been seen in Quebec in the past. In the United Kingdom, greater powers have been devolved to some cities and their surrounding regions. Here again, in 2017, Quebec passed three laws to redefine the relations between the Quebec government and the [municipalities](#) and the statutes of Montreal and Quebec City. For its part, the OECD recognizes the

strategic role cities play in development, but warns against the substantial income inequalities that can result from the cohabitation of knowledge and creative workers with low- or unskilled workers in other areas of activity. Strains could emerge in the most prosperous urban areas as the result of a rapid increase in the cost of living, particularly shelter costs.

✓ Aware of the problems resulting from the overconcentration of activity and population in Tokyo, Japan is implementing a strategy that targets the complementarity and hierarchization of cities, and deconcentration of some functions and services. The United Kingdom is also striving to foster complementarity among its major urban centres, instead of letting London monopolize much of the development.

- Sustaining rurality

✓ The word rural covers a lot of territory. According to the OECD, it represents 75% of the territory that contains 25% of the population. The mechanization of labour has decreased employment (agricultural, mining, forestry, etc.) and required economic activities to diversify in communities that are often located around major centres. Table 4 on page 6 provides a quick overview of actions aimed at supporting rurality and disadvantaged communities. In the EU, the common agricultural policy is a powerful means for supporting rural areas. Japan adopted a formal policy to support rural life. In France, between 2016 and 2018, 485 rural development contracts were signed to revitalize certain zones.

TABLE 3
City-focused actions

ENTITY, STATE OR PROVINCE	PREFERRED TYPE OF ACTION
European Union	In its 2021-2027 plan: the proportion of the European Regional Development Fund (ERDF) earmarked for urban development was increased.
Australia (federal government)	Explicitly focuses on cities as development hubs.
Ontario United States (federal government) France	Financial assistance programs for downtown revitalization projects were awarded to improve population well-being and consolidate the city's role as a driving force in territorial development.
United Kingdom	Greater powers were devolved to some cities and their surrounding regions.
Organisation for Economic Co-operation and Development (OECD)	The organization recognizes the urban agglomeration's strategic role in economic development, but issues warnings: - watch for income inequalities between knowledge workers and less qualified workers and the pressure of high wages on shelter, in particular.
Japan United Kingdom	Aware of the danger of overly great concentration of activity and population in their respective capitals: - Japan is striving to foster complementarity and hierarchization of cities, and the deconcentration of some functions and services; - the United Kingdom is also aiming for complementarity among its major urban centres, rather than allowing London to monopolize the bulk of development.

Sources: see Annex on page 9 and Desjardins, Economic Studies

✓ In Canada, as early as 1985, the federal government instituted the Community Futures Program (CFP). In Ontario, the Rural Economic Development program ([RED program](#)) offers cost-share funding in order to create strong rural communities. In 2001, Quebec adopted the Politique nationale de la ruralité, which was renewed in 2007. The idea was to encourage local communities to take charge of development. This was then replaced by the Stratégie gouvernementale pour assurer l'occupation et la vitalité des territoires (2018-2022).

► Tackling current challenges

- The onset of COVID-19 and measures to combat its spread have prompted many observers to reassess the idea of globalization. They found that national, regional and local forces had perhaps been underestimated in recent years. The experience of an almost universal lockdown, with proliferating foreign supply problems, suggested that we could look more to local businesses. However, the pandemic should not make us overlook other sizable challenges. Among them, the OECD points to the technological revolution, climate change, and demographic changes brought on by population movements.¹²
- Growing automation, application of digital technology and artificial intelligence will change the nature of work and

the functions handled by humans. According to the [OECD](#), from 4.0% to 39.0% of jobs are deemed to be "at risk," depending on the region. Just as the mechanization of agricultural, mining and forestry operations has altered rural and urban communities, we can expect the technology revolution to reshape them in turn. In light of today's assessment, we can sense that the effects will be especially perceptible in zones outside the major urban agglomerations, particularly where there is a concentration of manufacturing activity. Initially, we tend to think in negative terms, essentially picturing layoffs, whereas these changes could prove to create jobs.

- In terms of demographics and population movements, the outlooks are food for thought. It is estimated that 57% of OECD nations will see their populations decline, which will eventually create a tax base problem, especially in the major centres.
- Could the solution lie in effective migration policies that would mitigate the impacts of population ageing? For instance, the Ontario government's RED Program provides an example of adapting regional development programs to demographic challenges. Financial assistance is given to communities that have projects to attract and retain immigrant workers and youth. For its part, the EU will factor in immigrant reception and integration in its assessment of the funding applications it receives in the coming years.

¹² OECD, [Regional Outlook 2019](#), Leveraging Megatrends for Cities and Rural Areas. Summary, 2019, 4 p.

TABLE 4
Actions to sustain rurality

ENTITY, STATE OR PROVINCE	PREFERRED TYPE OF ACTION
European Union	The common agricultural policy is a powerful means for supporting rural life.
Japan	The country adopted a formal policy to support rurality (in particular, tackling the demographic challenge, ensuring a prosperous, sustainable rural economy, and preserving heritage).
France	Between 2016 and 2018, 485 rural development contracts were signed to revitalize some rural areas (emphasis on digital technology and the energy transition).
Canada	In 1985, the federal government introduced the Community Development Program (CDP) (development and adaptation of rural and remote areas grappling with serious economic problems).
Ontario	The Rural Economic Development program (RED program) offers cost-share funding in order to create strong rural communities.
Quebec	2001: Quebec adopted the Politique nationale de la ruralité, which was renewed in 2007. The idea was to encourage local communities to take charge of development. It was later replaced by the <i>Stratégie gouvernementale pour assurer l'occupation et la vitalité des territoires (2018-2022)</i> .

Sources: see Annex on page 9 and Desjardins, Economic Studies

- In terms of climate change, regional and local administrations are already engaged in the fight. However, these efforts are insufficient, and help from central governments will be needed. For its part, the EU is already focused on energy transition objectives. Japan has a national spatial policy that goes a long way toward considering the consequences of climate events and disasters. The country stands out for its focus on properly preparing for coming challenges rather than remediating current problems.

In short, governments remain concerned with regional development, but the aims and methods have changed over time. These days, the focus is more on enhancing development potential rather than reducing inequality. The notion of region has involved and become less limiting. Increasingly, development is the purview of the regions and communities, although the central governments remain present. Moreover, development no longer solely concerns disadvantaged regions. Lastly, the new challenges of the technological revolution, demographics and climate change are now on the agenda.

The Principal Means Used

A review of the main means states use to develop regions allows them to be categorized. Four categories were selected in this analysis. Aside from assistance that primarily targets the regions, in the developed nations, there is a diverse array of instruments that work on regional development, and it is not possible to list them all. Many actions can influence the organization, occupancy and development of territories and the well-being of populations. In this case, the emphasis will be on actions that are specifically intended to stimulate regional development or reduce regional disparities.

- ▶ Equalization is one of these categories. Broadly, this can be seen as a way to redistribute budget resources. Canada (federal government) is not alone in this: the EU, Finland and Switzerland have similar distribution mechanisms. However, Canada has additional transfers for health care. In some European states, there is a second level of equalization: states that redistribute to their regions, as in Germany and its 16 Länders.
- ▶ Tax incentives constitute a second group of actions. Most such measures provide deductions or tax abatements to businesses in order to stimulate investment in designated zones. Table 5 on page 7 shows the diversity in approaches between the United States, Europe, Australia and Quebec.
- ▶ In Canada (federal government), the tax incentives for regional development are less abundant than previously. They persist in Quebec in the form of refundable tax credits. Although some of these credits are explicitly earmarked for Gaspésie, some coastal zones and the resource sectors, they are also offered to the manufacturing sector in all central regions and resource regions. The restructuring of tax assistance undertaken in the mid-2010s attests to a new orientation in Quebec, favouring an approach that is more focused on productivity and innovation than on supporting certain specific regions or territories. In fact, the tax assistance for innovation (R&D, new economy, digital economy, cultural industries) is much larger than the assistance for regional development.
- ▶ Financial assistance constitutes a third category of tools. Making regional development funds available is a measure all governments use (table 6) on page 7. For its part, the EU has five Structural Funds; these are one of its main instruments for cohesion among member nations. The United Kingdom and

TABLE 5
Tax incentives

ENTITY, STATE OR PROVINCE	SOME EXAMPLES
United States and European nations (federal government)	They use a wide array of fiscal measures.
United Kingdom	The country offers tax incentives and regulatory abatements for businesses operating in certain target territories.
Australia (federal government)	Tax relief is given to people living the back country.
Quebec	Refundable tax credits exist. A portion is explicitly earmarked for Gaspésie, some coastal zones and resource sectors. Some credits are also offered to the manufacturing sector in all central and resource regions. Since the mid-2010s, the restructuring of tax assistance focuses more on increasing productivity and innovation (Research and Development, new economy, digital economy, cultural industries) than on supporting specific regions or territories.

Sources: see Annex on page 9 and Desjardins, Economic Studies

Australia also have them, but they are much less generous than the EU's. Sub-nationally, in both the United States and Canada, there is a lot of variability among the states and provinces. The amounts can add up to hundreds of millions of U.S. dollars in New York State, but are much smaller in Texas and Massachusetts. The same disparity exists between Canadian provinces: the Quebec government's regional development financing funds are more substantial than those of Ontario, Alberta and British Columbia.

- Note that, in both Canada and the United States, federal government assistance seems to be more focused on the local entities' planning, coordination and promotion

activities. In a way, this is financial assistance that backs regional or territorial will.

- Industrial development assistance makes up the fourth group of measures dedicated to the territories. As noted, government intervention has been less direct since the 1980s, but it persists. There are two different approaches in terms of the assistance provided. There is an ecosystem formula, and a sector-based formula.
 - The ecosystem approach features fewer incentives for individual businesses. The aim is primarily to create an "ecosystem." One successful incarnation was the creation of industrial clusters in the early 1990s. They

TABLE 6
Financial assistance: sub-national funds

ENTITY, STATE OR PROVINCE	SOME EXAMPLES
European Union	The European Union has five structural funds which constitute one of its main instruments for integrating member nations and the cohesion of regional populations.
United States (federal government)	<i>Planning Assistance Program, Coal Communities Initiatives, Tennessee Valley Authority, etc.</i>
United States (states)	The amounts dedicated vary substantially: <ul style="list-style-type: none"> - New York: several hundred million per year; - Texas: smaller amounts (East Texas Regional Development Company – distributes the funds some of which come from private financial institutions); - Massachusetts: more limited (<i>Regional Economic Development Organization Grant Program</i>).
United Kingdom	<i>Local Growth Fund</i> (investment program).
Australia	<i>Regional Jobs and Investment Packages, City Deals.</i>
Canada (provinces)	The amounts dedicated vary substantially: <ul style="list-style-type: none"> - in Quebec, regional development financing funds are much more substantial than they are in Ontario, Alberta and British Columbia.

Sources: see Annex on page 9 and Desjardins, Economic Studies

TABLE 7
Sector-based approach to industrial development

ENTITY, STATE OR PROVINCE	SOME EXAMPLES
European Union	<i>European Agricultural Fund for Rural Development.</i> <i>European Maritime and Fisheries Fund.</i>
United States (federal government)	In the coal sector: <i>Coal Communities Initiatives.</i>
Quebec	In the regional development strategy released in 2017 - strategies focused on the resource sector: - Plan Nord; - Maritime, aluminium and forest strategies.

Sources: see Annex on page 9 and Desjardins, Economic Studies

remain active and offer many benefits (e.g. automotive cluster in South Carolina, ten structured clusters in the Greater Montreal area). Over time, such clusters are progressively migrating toward “innovation ecosystems” that can adapt to market changes.

- The objectives of the sector-based approach include helping preserve or grow industry sectors that are important to a given territory, and consolidating the comparative advantages a region already has. Table 7 provides some examples for the EU, United States and Quebec. In the province, we might think of the major components of the regional development strategy released in 2017 which focus on the resource sector, such as the Plan Nord and the maritime, aluminium and forest strategies. Note that, in some cases, the boundaries between the systemic and sector-based approaches are permeable.

Even though regional development approaches and objectives have changed substantially in the last fifty years, government authorities are still using essentially the same principal instruments to carry out their policies in this area. There are two broad categories of instruments that are explicitly dedicated to regional development: financial assistance, through transfers and tax benefits, and industrial development strategies. These two types of strategy are used throughout industrialized countries, but to different extents.

Three Successive Phases

Between the post-war period and today, the vision of regional development can be seen as having gone through three successive phases. In the 1960s and 1970s, government recognized its responsibility for stimulating the development of regions which had strong disparities with the national average. This was the era of exogenous regional development.

In the early 1980s, governments became aware of the limits of a top-down planned approach. They preferred to support initiatives put forward by regional and local communities.

Another shift took place more recently. Government assistance is now offered to all local projects which offer potential for economic prosperity, and for the population’s well-being. Development now focuses on territories whose of varying geometries, regardless of where they are, rather than just some disadvantaged and well-defined regions.

Moreover, a renewed awareness of the driving force of the city has emerged, and the issue of regional development now puts more emphasis on the difficulties in rural settings rather than on disparities in income or well-being between regions.

Among the means used to achieve the desired results, financial measures are omnipresent, but their form and intensity vary from place to place. Most governments also implement ecosystemic or sector-based industrial development strategies.

Annexe

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