
INTRODUCTION: BORDER CROSSINGS: LOCAL AND REGIONAL ECONOMIC DEVELOPMENT ON THE US/CANADIAN BORDER

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Abstract

Even in the absence of formal plans or political union, governance strategies that extend beyond individual communities and, in some cases, across borders are emerging in North America. Recognizing the significance of these multi-level governance strategies will be the cornerstone to understanding local economic development issues in the next decade (Clarke, this volume).

This symposium is based on the premise that local economic development is increasingly a regional phenomena and that regional ties are just as likely to cross national as local borders. Here, the focus is on US/Canadian cross-border patterns and relationships although one paper extends this analysis to Europe. Susan Clarke highlights the importance of cross-border relationships, to local economic development in an age of fiber optic communication, mobile capital, and an increasingly internationalized market place. Thus, given that local economies are increasingly interconnected, to each other and to international systems and forces, that localities now interact with global actors directly, and that international agreements are designed to facilitate multi-nation regional economies, a broader investigation of impacts on local economies is necessary.

While much academic attention has been focused on the “regionalization” effects of the European Union, far less focus has been placed on cross-border regionalism in North America. The four papers in this symposium are designed to rectify this lack of attention by addressing several specific questions:

- To what extent do regional cross-border relations exist among localities in the US and Canada?
- How do these relationships compare to those within the European Union?
- Are there regional patterns in the use of local economic development policies?
- Is there local economic development policy transmission across the US/Canadian border?
- To what extent do cities in the same region cooperate in economic development?
- Which “borders” are most important in the context of local economic development: regional, state/provincial, or national?
- What types of trans-national cooperative efforts are taking place in local development or growth management?

Susan Clarke’s paper provides the theoretical framework for the discussion. Using the Cascadia region as her focus, she identifies five “necessary conditions” for the development of regional governance regimes. These conditions lead to the “causal stories and policy paradigms,” the common language and vision necessary to support enduring cross-border arrangements. In short, she argues that several conditions appear to be supporting the emergence of regional governance structures for transportation policy in Cascadia: workable ideas—problems that can be solved and feasible solutions; well-defined issues with divisible benefits; an existing bi-national policy community; issues salient to existing electoral agendas; and, institutional channels. This is a process still very much in progress. Clarke notes that the necessary conditions have led to “conventions and discourse” regarding transportation policy among localities in the region. But, a stable regional regime has not yet “emerged.” Clearly, the pieces of a cross-border transportation system linking Canadian and US cities are in place in Cascadia.

Emmanuel Brunet-Jailly describes what happens when Clarke’s conditions for cross-border governance are *not* in place. He presents another argument for the importance of politically acceptable policies with divisible benefits and a policy “community” in the creation of cross-border

links for local economic development. Using the case of the US/Canadian border at Detroit/Windsor, Brunet-Jailly finds that, although the history of cross-border local economic relations was built on “functional interdependencies,” current market competition among cities on both sides of the US/Canadian border has precluded the development of meaningful regional economic relationships. In short, “competition [for economic development] locally limits cooperation between all local governments in the cross-border metropolitan area of Detroit.” Absent the identification of a particular economic development problem or policy that can further the political interests of local, regional, or state/provincial actors or that provides concrete and/or particularized local benefits, cross-border relationships among local governments in this region are likely to remain more competitive than cooperative. While Brunet-Jailly notes that there is some recent regional cooperation related to the environment of the shared Great Lakes, even here, regional governance is limited. The developing head-to-head competition between Detroit and Windsor casinos has more to say about the state of cross-border local economic development than any attempts at regionalism.

Joachim Blatter extends this analysis to a comparison of the viability and success of cross-border regionalism in the Lake Constance region in Central Europe and Cascadia in North America. While the ties and accomplishments of the European case have been more extensive, he ultimately concludes that such regional connections can be problematic. Cross-border integration leads to cooperative policy ventures and “innovative platforms” for future cooperation, but it can also create institutional forces that inhibit long run attempts at integration. Cross-border institution-building can have both positive and negative effects when judged by the standard of sustainability for the region.

Reese and Rosenfeld shift the level of analysis from case studies to aggregate data and focus attention on patterns of economic development policy among cities on both sides of the US/Canadian border. The paper addresses three primary questions: 1) Are there visible spatial patterns in the use of particular local economic development policies? 2) Does there appear to be policy transmission across the US/Canadian border for local economic development? 3) Are patterns in policy use more likely to be state/provincial, cross-border regional, or national?

The authors conclude that while some economic development policies are very border sensitive—e.g., cities across the border appear to share marketing policy profiles for example—other policies reflect little spatial pattern, and still others are more nation-specific (e.g., financial incentives). The absence of consistent spatial patterns suggests the continuing importance of uniquely *local* conditions; structure, economy, history, and civic culture.

The four essays here reflect different methodologies; the first three are based on case studies of a single region or a comparison of two regions while the fourth uses aggregate analysis of survey data. Together the papers overcome the inherent limitations of their methods. The case studies present historical and in-depth information on three regions. The conditions for and barriers to the development of regional cross-border governing arrangements are developed and illustrated in the particular cases at hand. This provides both a richly contextual though somewhat limited “picture” of local cross-border economic development. The Reese and Rosenfeld paper examines regional and national patterns more broadly, covering several regions and state/provincial contexts. However, the survey analysis provides only a “surface” sense of regional systems, devoid of the particular histories that Clarke, Brunet-Jailly, and Blatter find to be so important. As a group, however, the papers demonstrate multiple levels of analyses and suggest the strength of analysis that combines case study and aggregate data.

In summary, the symposium highlights the potential for and barriers to development of cross-border local economic development cooperation or governance structures, primarily in the US and Canada. Further examination of the prerequisites for and successful development of such governance arrangements is clearly in order. The variety of questions that could be fruitfully addressed in future research on cross-border local economic development patterns and arrangements include:

- Are the “pre-conditions” identified by Clarke operative in other regions or is there something unique about the “west” of both Canada and the US as the Reese and Rosenfeld paper would suggest?

- Are market forces and inter-local competition destined to be a barrier to meaningful cross-border cooperation in economic development?
- Is there local economic development policy transmission across the US/Canadian border? If so, how does it take place? Are some policies more successfully transferred than others? Is such policy transmission a “good thing?”
- In more theoretical terms, can cross-border governing arrangements really be thought of in terms of “regime” as Clarke suggests? Is regime theory flexible enough to be used in this sense? Is it still meaningful?
- Why have cross-border regional arrangements for local economic development been slower to develop in the North American context? What has been the role of NAFTA?
- To what extent are local conditions so idiosyncratic or historically embedded that the identification of regional or cross-border patterns in policy and governance becomes impossible?

In short, it seems clear that the possibilities for and realities of cross-border economic development arrangements in North America are ripe for further research. The analyses presented here, revealing inter-local competition for economic development and the apparent importance of local political and historical conditions, raise questions about whether the new global age is really bringing *local* governments closer together.