

Preface

Call me tired. I started this voyage on my Two Ships over eight years ago. This book outlining the history of American economic development (ED) starts with the first slap on the butt and moves on to more pages than anyone in their right mind ever wanted to read—or write. Worse, the history is not yet finished. Almost, but not quite. There is more to follow.

The volume is obviously a history of American sub-state economic and community development (CD). But that is not all it is. I have attempted other tasks as well. They include developing a policy model that serves as a prism and structures the immense detail that transpired over 200-plus years. For this history, economic and community development strategy/program is an output from a jurisdictional policy system. It is not an “expert-devised” strategy drawn from rational analysis imposed from above. The goals of ED/CD reflect the intentions of the actors within the policy system. That last statement, however, necessitates a third task embraced in this volume—to understand the values and cultural roots of our profession/policy area and the impact of culture on jurisdictional policy-making. Our Two Ships, traveling over two centuries of calm and troubled seas, strongly support our policy-making model and vividly demonstrate there is no single approach, path or strategy for all economic developers or jurisdictions.

This volume includes three disparate goals, which inevitably means no one will be well developed. Rather, this book is all about connecting the dots—not detailed explanations and sophisticated theoretical discussion. The intention was to provide sufficient detail to acquaint the unacquainted, to link up the various and varied ED/CD activities/academic disciplines and place them in a historical context. “Why was such and such left out” or “why this, not that” is inevitable in an endeavor like this initial history with multiple “moving parts.” I tried to make decisions on my judgment of the relative importance of the topic; its relevance to our framework; and the huge constraint of scale, size and simple readability of a book that is filed in a computer folder labeled “the never-ending story.” My original draft (only two-thirds completed) exceeded 1600 pages. Be thankful I left something out.

I must admit I am aware this volume might be construed as a “challenge” to the currently dominant “economics” paradigm that displaced earlier political sociology motifs in the 1970s or so—and has gathered steam ever since. By dwelling on policy systems, policy actors, political culture and intrusions of governmental levels, the usual data-driven tables and figures—not to mention the statistical correlations and, increasingly, algorithms—are not to be found. Statistics are used sparingly, and limited to percentages mostly in preference to a narrative. Our framework, of course, can be reduced to a systems approach, our three drivers as independent variables from the environment. To practitioners especially who are concerned with “what works” and “what doesn’t” this will be a frustrating book at best. A public policy systems approach

does not dwell on whether the damned output actually accomplished its intended purpose. That is one “phase” of policy-making, evaluation—and one that is not a major concern in the book. The real issue behind my unwillingness to evaluate strategies, tools and programs is that I have rejected outright the existence of a single goal on which one can measure success or failure.

The entire approach in this history stresses that policy outputs serve multiple goals, operate on several levels, and are defined and implemented in varying ways by different jurisdictions, and at different periods of time. Goals and strategies are how cities, counties and states countered the effects of the three drivers, nothing more than that. What mattered is whether the community, the powers that be, and its voters perceived it as working or not. For me ED and CD are more a “process,” an ongoing set of activities, than a strategy to achieve a goal like creating jobs or stabilizing a tax base. So, in the spirit of an economist who is willing to admit he/she cannot predict the future, I admit I don’t know what magic bullets exist in ED or CD.

IF YOU’RE INTO PERSONAL STORIES, HERE’S MINE

Why did I attempt such an arrogant work; so many moving parts? Why not focus on just one or two? How can one write for scholars, Policy Worlders and Practitioners at the same time? The truth, as far as I understand it, was I believed that some ideas and experiences that I had gleaned in the study and practice of economic/community development could be helpful in dealing with the mess we got ourselves into. The key was to look back and see how things actually evolved—to let history speak for itself as much as I could. It seemed in this polarized world, where only one side speaks the truth (whatever that is), that there were few who were even tempted to let history speak for itself. It had to be forced into their truth or database. I strongly believed that understanding American history offered a way out of our contemporary impasse. That history had to be done by someone, and, for the moment, that was me. Do the best I could; and, without any doubt, if it were read, others would correct the mistakes, build on it and take it where it ought to go. My role was more John the Baptist than you-know-who.

Split nearly equally, my career path included academic Policy World and Practitioner—and I lived and worked through Part III. I was no innocent bystander; I read the stuff when it first appeared and I consistently mixed it up on the streets, in program implementation and ED/CD-related politics. That experience and a lifetime of reading was my permission slip to give this arrogant work a go. However badly this turned out, it would be way better than playing golf. At minimum a chronology and framework, plus a set of challenging assumptions and propositions, could be taken up by others—and judged and sent off to their fate. There was never any sense this was to be the last word on the subject. Corrections could be made and new ideas integrated.

I must confess that a considerable prod to writing this book was a sincere belief that ED/CD—Policy and Practitioner Worlds—had gotten themselves into a cul-de-sac not all of their own making. The last couple of decades have produced little economic growth (or jobs), if indeed that is what we still want to accomplish. Nearly two decades into the twenty-first century it appears, if anything, we are worse off. A constant stream

of media and commentary flogs “strategies” programs, success stories, critiques, an endless supply of numbers and correlations, herds and fads—almost everything closely tied to an ideology; but nothing but digits and paper seem to be consumed as no real change or growth results. ED/CD had become more politicized and ideological than I ever remembered it. How do we get out of the paper and digit cul-de-sac, with ED/CD more consumed with talking, advocating, analyzing, bragging, posting and sharing—but to no or little effect where it counts, in our communities and states?

That is why I believe that recognizing and dealing with our Two Ships can explain how we got here—and maybe uncover a way to get us back on track again. Somewhere along the line American economic and community development had evolved from an era of growth to one in which decline was as least as likely as growth; and growth itself, for many, had been redefined so narrowly it was unlikely to restore community prosperity. At a loss for how to counter growth, the policy area became saturated with theoretical models, data-driven analysis and cost–benefit studies, reports and ceaseless assertions of the “correct” forms of ED/CD—away from the engines of growth: the firms and businesses housed in our jurisdictional economic bases.

My hope was that our four tasks, but especially our history, could explain how we got into this cul-de-sac; and that by understanding better the reality that ED and CD were complementary, as well as competing, we could integrate what are now divisive approaches into a coherent, jurisdictional set of strategies and programs. “As Two Ships Passing in the Night” tackles the first hope: that we can, through history and public policy, better understand how we drifted into this cul-de-sac—how our Two Ships evolved from competing into zero-sum approaches at war with each other.

But as a hint to where I am going, I offer in the last summary chapter my belief that Schumpeter’s creative destruction, the engine of capitalist growth, involves both creation (which one ship does better than the other) and coping with destruction (which the other ship does better). It is the job of an economic/community developer to help a community navigate through the Scylla and Charybdis of creative destruction. Essential to that function is the ability to use each of our Two Ships, their strategies, tools and programs, to best effect. Instead of competing or sailing silently past each other we might learn how they can sail together to compensate for what each does not do well, drawing upon each other’s strength. With all humility neither ship has the tools to get us safely into port—each sharing their strengths, however, does.

MORE THANK YOU THAN ACKNOWLEDGMENT

An old “joke” is “to steal from one person is plagiarism; to steal from many is research”. The core of this history is based on the findings of many well-thought of/unknown scholars and researchers. While I may have connected the dots, so to speak, the dots are usually a well-established consensual and conventional sense of what went on during the period or issue under discussion. With no blame intended (blame is mine), this history rests on many shoulders. These scholars deserve whatever merit this history possesses. I thank them all, sincerely, and hope they have been treated fairly and accurately. Still, this volume is not a “great books in economic development” affair; there are many great books that are not included in this history simply because

of constraints or because they did not deal with the topics dealt with in the history. Most of this volume reflects the periods before 1990. Much thanks to Peter Galie, Meredith Ramsay and Ed Feser, and the unknown reviewers who read and offered much appreciated comments, and a fair share of concern, about the viability of this enterprise.

It turns out the first lesson our history teaches is humility.

Looking at the size of this monster, the reader is probably thinking it will take 200 years to read it. That it got published is a small miracle rendered by friends Ken Poole and Sean McMahon, who provided advice, sent me a paycheck every so often and steered me to a gentleman, scholar and kind soul, Roger Stough. What possessed Roger to help me with encouragement, advice and contacts I have no idea to this day. Anyway, I handed him the better part of 1500 pages of what I thought would be a trilogy. It didn't work out that way.

Roger connected me to Alan, my publisher, who literally made this possible. That the book is so short, a mere 700 pages, is Alan's major contribution to the reader. My gratitude to him, Roger, Ken and Sean (and Erol) is sincere and profound. Thank you. If I had anything to offer I owe it to the team of professionals, the staff of ECIDA, DCEDC and ECDEP who taught me economic development in Buffalo, Erie and Dutchess Counties, and to C2ER—thanks. Thanks to Dennis who hired me and Rich and Bob (Chris too) who guided me. Peter and Mike—Charley Livermore and Dan Mulvey (both of whom have passed)—thanks for your help and for putting up with me. I owe you guys. Thanks to Brian in NYEDC and Jeff in CUED/IEDC. You learn a profession best on the streets doing it—you guys got me through it. To the bad guys who fired me—and my stubbornness that often caused it—an insincere thanks. They taught me the importance of hard-ball politics in economic development.

A final thanks—with my love as well. We have been married 44 years—that says a lot (although I'm not sure what). We have not been Two Ships Passing in the Night. We are Two Ships but we have learned to travel together. Deb, the other Ship, carried me through this. She even read large portions of this when it was mostly undecipherable. She helped me through my depressions and rolled her eyes when I got too conceited. She never once questioned my dream. If that's not love—what is? Thanks Deb. Now that it's over, I can bug you for the remote more often. Lucky you.

Readers, my apologies—the next one will be shorter. Reviewers do your thing, but remember I do have contacts with Organized Crime.