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# Perspectives on Regional Collaboration

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RUPRI Rural Futures Lab  
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*Rural Futures Lab Foundation Papers are intended to present current thinking on the economic drivers and opportunities that will shape the future of rural America. They provide the foundation upon which it will be possible to answer the question that drives the Lab's work – What has to happen today in order to achieve positive rural outcomes tomorrow?*

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## Introduction

Rural areas provide critical consumption goods for metropolitan residents and businesses, such as food, energy, lower cost land and labor, and unique natural and cultural experiences. In return, metropolitan areas constitute the end markets for rural production, provide specialized services, offer diverse job opportunities, and generate resources for public and private investment in rural America (Dabson, 2007a). Examining and enhancing these rich and complicated interactions between rural and metropolitan America, while recognizing their distinctiveness, provides both the context and the incentive for deeper and more sustainable regional collaboration.

There are strong arguments in favor of regional collaboration, particularly in a rural context, where governments, businesses and nonprofit organizations find common ground and cross real and imaginary boundaries to tackle complex problems or to take advantage of opportunities. There is a rich history of collaboration and a range of institutions in place that have a regional perspective on policies and programs. The economy and well-being of rural America is vulnerable to ever-tightening fiscal constraints, to weakening civic and institutional capacity, and to increasingly metropolitan-centric policy framing, all of which move thinking and acting regionally from the desirable to an absolute necessity. Moreover, there are incentives coming from federal agencies and foundations to work regionally and collaboratively in order to be eligible for funding.

All that said, there is no shortage of argument and experience to show that regional collaboration can be hard, expensive (both financially and institutionally), over-dependent on the commitment of individuals, sometimes unpopular, and occasionally unsuccessful. It is important to note, however, that regional collaboration can come in a variety of sizes, strengths, and flavors. It can be formal or informal, temporary or permanent, limited or broad in scope, involve a few or many partners, and can be essentially local in scale or extend across state or even national boundaries. The important point is that there are many circumstances where working regionally and collaboratively is simply the most effective way of proceeding.

Predicting what the next 20 years will mean for regional collaboration is hazardous. Past experience indicates that regionalism finds favor in hard economic times, and falls by the wayside when times are good. That being said, the deep structural problems that challenge effective governance in rural America demand long-term solutions, without which the potential for widespread rural prosperity is unlikely to be realized. So the question is: “What needs to be done today in order to achieve better governance in ten or twenty years?”

## The Benefits and Challenges of Regional Collaboration

There is a long history of attempts to cross jurisdictional and sectoral boundaries to achieve some broad public purpose (Dabson, 2007b). The motivations have differed over time – to better manage and conserve natural resources, to achieve efficiencies in service provision, to provide a counterweight to over-reaching central government control, to right social and economic inequities, and to ensure competitiveness in the global economy. Each attempt at regional collaboration has left evidence of itself in the complex landscape of governance in the United States – a web of formal and informal, governmental and non-governmental organizations and associations.

This history – which dates back to the Philadelphia of the late 18<sup>th</sup> century – suggests that there is a continuing imperative to find ways of achieving effective collaboration in regional governance in order to solve problems that cannot be achieved by the established formal government arrangements alone. The Tennessee Valley Authority, the Appalachian Regional Commission, and the national network of regional planning and development organizations are all examples that have survived because they have continued to attract political support at Federal, state, and local levels.

Yet there has also been long-standing resistance to regional governance in any form on constitutional, philosophic and economic grounds, which has effectively pushed back each wave of regional enthusiasm. This resistance has been strong enough to force the abandonment of any idea of structural reorganization of government, such as the enforced consolidation of counties, the adjustment of state boundaries, or a reallocation of functions. Even the shift to exploring varieties of voluntary collaboration has been met with doubts as to their efficiency and effectiveness in achieving their stated purposes.

There has been a lively debate in academic circles for some time about the need and practicability of regional governance. There were initially two main camps: reform /consolidation, and market/public choice (Vissar, 2002). Supporters of the reform/consolidation model (Rusk, 1993; and Pierce, Johnson & Hall, 1993), argue that governmental fragmentation undermines local capacity for solving region-wide public problems, produces inefficiencies through duplication or mal-distribution in the delivery of public services, preserve inequities, and hinders economic development. They argue that the interdependent nature of regions requires area-wide comprehensive and coordinated planning and action to address problems that are regional in scope. Their solution is the creation of consolidated or two-tier government structures with the aim of generating unified action, more equitably distributing both

resources and capacities across the region, bringing democratic benefits of citizen control, and improving the caliber of elected and appointed officials and leaders. Despite these potential benefits, this model has not been widely adopted, and there are fewer than 40 examples of city-county consolidation in the U.S.

The market/public choice model, based on the work of public choice theorists (Ostrom, Bish, & Ostrom, 1988; Tiebout, 1956; Ostrom, Tiebout & Warren, 1961), suggests that strong, autonomous local governments are the building blocks of healthy regions. They regard these local governments as a natural and varied market of public goods and services from which residents and businesses may choose the optimal package of services and costs to suit their lifestyles and needs. Supporters argue that local governments compete by providing residents with the packages they demand, which in turn encourages innovation, local control, and efficiency.

Both of these models can be regarded as deterministic (Vassar, 2002) in that they argue for structural arrangements to achieve desired economic and social outcomes. Consolidation does not eliminate parochialism and markets do not necessarily lead to real choice or efficiency. There is however a third model, often described as “new regionalism” (Friskin & Norris, 2001), which attempts to:

- Establish mainly voluntary methods of promoting local government cooperation in metropolitan regions, so that these regions can be more competitive in the changing global economy;
- Address the negative externalities resulting from fragmented governmental structures; and
- Provide fiscal and other forms of relief to impoverished central cities so that they can contribute more effectively in the economies of their regions.

This model shares with the reform/consolidation approach concerns about equity and efficiency but differs in two important ways (Norris, 2001): the emphasis is on regional economic competitiveness, and is based not on structural change but on voluntary cooperation. Back in 1996, Bill Dodge, a former executive director of the National Association of Regional Councils identified five trends that are driving the need for regional governance or new regionalism (Dodge, 1996):

- Cross-jurisdictional challenges of increasing frequency and intensity – crime, pollution, sprawl, fiscal disparities, ethnic segregation, and economic competitiveness – are overwhelming community leaders and citizens.
- Citizens are withdrawing from civic and political life as communities become increasingly suspicious of each other and are reluctant to cooperate just as trust and collaboration are most needed.
- Municipal, county, state and national governments are organized to respond to challenges at those levels, whereas the major needs are emerging at neighborhood, regional, and international levels.
- Fiscal, economic and racial gaps are widening in communities nationwide.

- Cities and their regions are forced to work together and to focus on performance in addressing regional challenges such as transportation, air and water quality, education and workforce preparedness, in the face of global competition.

In spite of these trends that suggest the inevitability of some form of regional collaboration, there remains considerable skepticism about whether regionalism can actually work. Some argue that regional governance under voluntary cooperation will nearly always become the victim of the lowest common denominator phenomenon, in that any single entity within a regional collaboration can scuttle decisions made and undermine policies adopted for the good of the overall region. “Economic imperatives will not overcome the political impediments to regionalism and regions will continue as governmentally fragmented entities resistant to nearly all efforts to achieve regional governance” (Norris, 2001, p. 569).

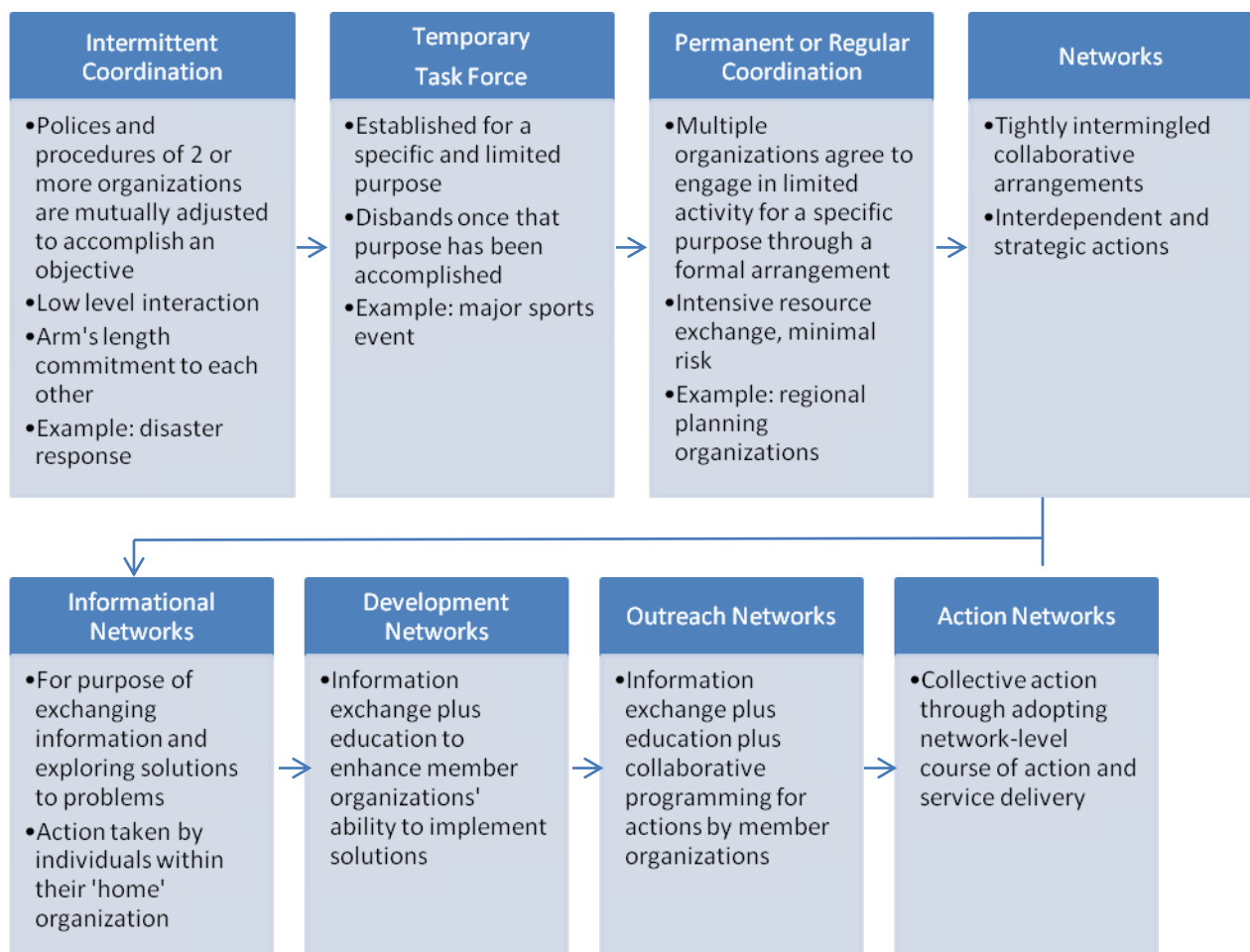
Even strong supporters of the need for regional governance acknowledge there are some significant challenges that need to be addressed. Foster (2005) suggests five:

- **Regional identity** – Meaningful reforms in government and governance are impossible without a sense of common destiny or identity. Allegiances are easier to form closer to home in localities and neighborhoods rather than across more remote regional arrangements.
- **Political strategy** – There is no consensus on the best political strategy for seeking and achieving political change. Some favor incremental, consensus-based steps over the long-term, while others prefer aggressive timetables, mandates, and bold proposals.
- **Big tent** – Regional efforts tend to be more successful and stable when they mobilize a broad base of support across multiple interest groups. However, the broader the base, the more difficult it is to reach agreement on priorities and action.
- **Consensus** – Coalitions tend to seek consensus and avoid conflict in order to sustain themselves. Thus issues with broad support such as economic development are favored over more contentious issues such as equity and growth management.
- **State and Federal policy** – Inconsistent policies may both encourage and hinder collaboration, offering incentives in some programs and erecting barriers in others.

Nevertheless, across America, public administrators are recognizing that in order to get their business done in the face of ever-tightening fiscal constraints, the increasing scale and complexity of problems to be tackled, and the need to manage both public distrust of and increased expectations of government, they have to play new roles in managing external relationships and networks. This means reaching out to neighboring governments and to the private and nonprofit sectors to find common ground in achieving economic, social, and environmental goals. As McGuire (2006) observed, “[T]he three levels of government and nonprofit corporations cooperate – and have cooperated – both informally and formally, vertically and horizontally, in many different ways and through many different mechanisms for decades” (p. 34). He went on, “A public manager may be simultaneously involved in managing across governmental boundaries, across organizational and sectoral boundaries, and through formal

contractual obligations; it is difficult to distinguish where the boundary lies between these different environments” (p. 35).

Indeed, this flexibility is very much part of what has been called “New Public Management” (Kjaer, 2004) as approaches to collaboration, based on interdependence, resource-sharing, trust, and reciprocity, are being tested to find alternatives to, on the one hand, long-established formal, hierarchical and rules-based approaches, and on the other hand, private sector inspired efforts to encourage competition and markets in order to drive efficiencies. Public sector collaboration takes many forms. The chart shows four types of collaboration between government entities based on the work of Mandell and Steelman (2003), Agranoff (2003) and McGuire (2006):



## Regional Collaboration in Action

Many regional planning initiatives have begun with the active encouragement and support of the Federal government. In February 2006, the U.S. Department of Labor's Employment and Training Administration launched WIRED – Workforce Investment in Regional Economic Development – with the aim of spurring innovation and competitiveness in regional economies across the United States. The first generation of WIRED awarded \$15 million over three years to each of 13 regions to build regional partnerships and invest in talent development strategies in accordance with a set of WIRED principles (see box). WIRED was extended twice in 2007 to a further 26 regions, each receiving approximately \$5 million over three years. An interim evaluation report (Berkeley Policy Associates & UC San Diego Extension, 2009) of the first generation of grantees concluded:

...the Generation I regions can boast a large number of new, productive, and often innovative partnerships. These collaborative relationships produced the expected advantages of pooling resources and talent to advance objectives and reach initiative milestones. While judging whether these partnerships are resulting in economic transformation is impossible at this time, many early indicators are promising (p. iv).

### WIRED Principles

1. Define the regional economy by identifying the surrounding communities that share common characteristics, looking beyond traditional political boundaries.
2. Create a leadership group that represents the major assets of a region and provides a forum for regional economic decision-making.
3. Conduct a regional assessment to fully map the area's assets and identify the strengths, weaknesses, opportunities and risks based on those assets.
4. Develop a strategy and corresponding implementation plan that identifies specific goals and tasks and provides a blueprint for how to achieve the region's economic vision.
5. Identify resources – both to support the region's plan and to invest in the region's economy – from a wide range of sources including foundations, angel and venture capital networks, and federal, state and local governments.

Source: [www.doleta.gov](http://www.doleta.gov)

In August 2009, the White House issued guidance to the heads of all executive departments and agencies on developing effective place-based policies for the FY 2011 budget. This guidance came in the form of policy principles meant to advance “the Administration's domestic and fiscal priorities and to increase the impact of government dollars by leveraging place-conscious planning and place-based programming” (White House, 2009, p. 1). One of these policy principles was the need for a regional approach.

The Nation is increasingly a conglomeration of regional economies and ecosystems that should be approached as such. Federal investments should promote planning and collaboration across jurisdictional boundaries. Given the forces reshaping smaller communities, it is particularly important that rural development programs be coordinated with broader regional initiatives. Programs in neighboring zones and within larger regions -- some of which connect rural communities to metropolitan regions -- should complement each other (Office of Management and Budget, 2009, p. 5-6).

These policy principles heralded a number of important Federal efforts. The Sustainable Communities Initiative was conceived to advance development patterns that achieve improved economic prosperity, environmental sustainability, and social equity in metropolitan regions and rural communities. The Administration charged three agencies whose programs impact the physical form of communities— the U.S. Department of Housing & Urban Development (HUD), the U.S. Department of Transportation (DOT), and the U.S. Environmental Protection Agency (EPA) —to lead the way in reshaping the role of the Federal government in helping communities obtain the capacity to embrace a more sustainable future. As a result, HUD, DOT, and EPA formed the Partnership for Sustainable Communities and have committed to coordinate their activities, integrate funding requirements and adopt a common set of performance metrics for use by grantees.

As part of the Initiative, the Administration for 2010 made available \$100 million for the Sustainable Community Planning Grant Program “to support multi-jurisdictional regional planning efforts that integrate housing, economic development, and transportation decision-making in a manner that empowers jurisdictions to consider the interdependent challenges of economic growth, social equity and environmental impact simultaneously” (Federal Register, 2010). The program is intended to provide funding for regional plan preparation, for supporting the execution of existing regional plans, and for the implementation of catalytic programs or projects.

In September 2010, the U.S. Department of Agriculture (USDA) announced funding to support regional planning activities to improve economic conditions in rural areas. Grants of up to \$250,000 each, under the Rural Business Opportunity Grant program, are being made to support “best practice” projects in regional and community economic development. Regions were defined as multi-jurisdictional areas within and across state lines and were intended to focus on USDA key strategies to support wealth creation in rural communities – local and regional food systems; renewable energy generation, energy conservation, and climate change adaptation; broadband deployment and use; access to capital; and innovative uses of natural resources. Out of 400 applications, 27 were awarded, including the California Association of Resource Conservation & Development Councils, Four Directions Development Corporation (Maine), and Ecotrust (Oregon).

There has been Congressional support for the Secretary of Agriculture’s proposal to allocate \$176 million in FY 2011 for a Rural Innovation Initiative to increase the economic viability of rural communities by promoting regional planning and the coordination of rural development programs at USDA. This will involve setting aside about five percent of funding from some 20 USDA programs for a

total of \$135 million and allocating these funds competitively among regional pilot projects tailored to local needs and opportunities. The proposal would also make available funding for staff to provide technical assistance and support for rural communities developing regional strategic plans. The US Economic Development Administration (EDA) has commissioned research to provide state-of-the-art methodologies and tools for participants in regional collaborative efforts. A report on information and analytics for linking regional competitiveness and investments by the Center for Regional Development, Purdue University, and others was published in 2009. This report, among other things, highlighted examples of regional collaboration (see box) and addressed issues around regional governance.

Effective regional partnerships do not arise from following formulas for engaging a static list of stakeholders. True region-wide partnerships emerge when regional leaders painstakingly build new habits of collaboration within the unique institutional landscape of a given region (Center for Regional Development et al., 2009, p.26).

## Regional Collaboration in Action

### **West Alabama-East Mississippi**

WIRED grant used to focus development initiatives around a new nonprofit organization working in concert with eight community colleges scattered throughout a 37-county region.

### **Southern Minnesota**

This is a partnership of two major regional philanthropies (Southwest and Southern Minnesota Initiative Foundations), a nonprofit, and a number of key private sector companies.

### **Riverlands (IA, IL, WI)**

This partnership began with a large public utility, but attracted strong participation from several other key regional stakeholders: a metropolitan development corporation, a large public university, and economic development districts.

### **West Michigan**

The Strategic Alliance was formed across an eight-county region with the mission “to serve as a catalyst for regional collaboration.” The Alliance has developed The Common Framework to guide region-wide investment opportunities.

### **North Central Indiana**

Educational institutions, including Purdue University, Indiana University and Ivy Tech are taking the lead in promoting new regional investment strategies.

### **Southeast Wisconsin**

In a seven-county region, public/private partnerships between the Regional Workforce Alliance, the Milwaukee 7 and the Center of Education Innovation & Regional Economic Development are guiding innovative investment strategies.

### **Northern Idaho**

Idaho Department of Labor is both promoting and supporting the emergence of new networks focused on redesigning the region’s technical education to support high-growth employers.

### **Southeast Michigan**

A network of foundations guides investment strategies through a New Economy Initiative.

*Source: Center for Regional Development et al., 2009, p.26-27*

## Pioneer Valley Planning Commission

The Pioneer Valley Planning Commission (PVPC) has been the designated regional planning organization for the Pioneer Valley region of Western Massachusetts since 1962. The region comprises 43 member cities and towns in two counties with a combined population of 600,000.

PVPC provides its members a range of economic development, transportation, environment and land use, information, GIS, and technical assistance services.

Timothy Brennan, PVPC's Executive Director was recently awarded the American Planning Association-Massachusetts Chapter's Professional Planner Award for Distinguished Leadership/Service. He and PVPC are credited with:

- creating one of the first regional clean energy plans;
- forming the Pioneer Valley Sustainable Network with UMass Amherst;
- being the only New England recipient of EPA funds to undertake a regional watershed management plan;
- leading efforts to improve passenger rail (Amtrak) and extend commuter rail services; and
- conducting one of the first regional Creative Economy studies in the state.

Source: [www.pvpc.org](http://www.pvpc.org);  
[www.nado.org](http://www.nado.org)

According to the National Association of Development Organizations (2010), there are 556 active regional development organizations across the United States. Regional development organizations (RDOs) are defined as multi-jurisdictional regional planning and development organizations. They are governed by regional policy boards with local elected officials having majority control, but also including representatives of business, nonprofit, education, and community leaders. RDOs are known by many different names – area development districts, regional councils of government, regional development commissions – and hold one or more federal program designations, including 380 EDA Economic Development Districts and 117 Local Development Districts for Federal-State Regional Commissions.

RDOs many of which have been operating since the 1960s have four main purposes:

- Serving as a forum to craft regional solutions for area-wide needs and opportunities
- Preparing plans and strategies for broad range of regional and local issues, including compliance with federal mandates and requirements
- Strengthening local governments through technical assistance, public administration and leadership capacity
- Advocating for regional and local interests at federal and state levels

As can be seen from the example of the Pioneer Valley Regional Commission (see box), RDOs are often in the forefront of forging innovative partnerships to meet emerging challenges and opportunities.

USDA Rural Development has recently launched a training and technical assistance initiative – Stronger Economies Together (SET) – to encourage communities and counties to work collaboratively to enhance their regional economies. This is being piloted in 22 multi-county regions in eight states<sup>1</sup>, where a variety of state and Federal agencies and

<sup>1</sup> Arizona, Kentucky, Louisiana, Missouri, New Mexico, Ohio, Pennsylvania, and West Virginia.

university extension programs will provide training, economic analysis, technical assistance and networking.

Two non-governmental examples of regional collaboration are the Kellogg Foundation's regional entrepreneurship initiative and the Ogallala Commons stakeholder group. In 2004 the W. K. Kellogg Foundation's Entrepreneurship Development Systems in Rural America initiative attracted over 180 proposals to be part of a \$12 million, three-year effort to promote regional transformation in rural America through the support of entrepreneurship. Awards were made to just six regional collaboratives. These were selected according to a set of criteria, among which were the requirements for collaboration across public, private, and nonprofit sectors, and to be both community-based and regionally-focused – rooted in rural communities but clearly connected to regional resources. The aim was to connect the dots of geographically dispersed public and private resources so as to improve the economic prospects for struggling rural regions.

No less ambitious, but with far fewer resources, the Ogallala Commons is attempting to forge a regional collaboration across parts of eight states on the High Plains to create long-term sustainable solutions to the depletion of the water levels in the huge High Plains-Ogallala Aquifer (*see Rural Futures Lab Case Study No. 1*).

## Regional Collaboration and Rural Futures

Given that collaboration is essentially voluntary and that there are a host of reasons for not pursuing regional collaboration, it is perhaps surprising that there are so many successful examples to be found across the United States, and that there is ever increasing interest in finding ways to encourage more efforts in that direction. The current support from the Federal government and foundations, if the past is any guide, may not continue through the next decade, but the challenges that have given rise to regional collaboration will still be very much in evidence and may well intensify.

Looking forward, regional collaboration as a policy theme may have less to do with pressures to make best use of ever more scarce resources and more about recognizing and building upon the high degree of connectedness and interdependence between rural and metropolitan America. As argued in a Brookings paper, "If metropolitan America is to drive national prosperity, metropolitan areas will need a healthy and sustainable rural economy and culture. Likewise if rural America is to flourish, it will surely depend upon vibrant, well-functioning cities and suburbs" (Dabson, 2007a, p. 3).

Over the coming months and years, the Rural Futures Lab will be examining innovative approaches to regional collaboration that can be sustainable over the long-term. The Lab will focus on the areas of food systems, alternative energy, health systems, ecosystem services, and adaptation to climate change. A preliminary list of possible models will probably include the Leopold Center's Value Chain Partnerships in Iowa; the Food Systems Economic Partnership in Michigan; the Appalachian Carbon Partnership in Ohio, Kentucky, Tennessee, West Virginia and Virginia; the Northern Forests Center in Maine, New

Hampshire, Vermont, and New York; and the Rural Voices for Conservation Coalition in the West... and many, many more. The intention will be to draw out the approaches that are working and to propose ways in which their impacts may be amplified to change the effectiveness of rural governance over the next 20 years.

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