
**A New Vision of the Heartland:
THE GREAT PLAINS
IN TRANSITION**

The Economic Development Strategies of the Great Plains States

*Prepared by the
Center for the New West
Denver, Colorado*

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OF THE GREAT PLAINS STATES**

**by Louis D. Higgs and Claudia Giannetti
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PREFACE

Center for the New West

The Center for the New West is an independent, nonprofit and nonpartisan institution for policy research, education and economic development headquartered in Denver, Colorado. The work of the Center, which is supported primarily by foundation and business memberships, focuses on the changes that increasingly characterize US society and the US economy. Often referred to as the New Economy, these changes include dramatic demographic shifts, increased global competition, rapid technological change, changing consumer tastes, the growing impact of new and small businesses on job creation and the impact of innovation and entrepreneurship on business formation. The results of the Center's work are distributed in various ways, including reports, conferences, councils, speeches, briefings, public testimony and through the media in op-ed articles and commentaries.

The Great Plains Project

The Great Plains region stretches from Canada to Mexico -- roughly between I-25 along the Front Range of the Rockies, to I-35 from Minneapolis to San Antonio. Encompassing 12 states and 675 counties covering 741 thousand square miles, it is an area larger than every country in western Europe. In fact, if the region were treated as a nation, it would be the *fourth largest in the world economically*, with a gross domestic product of \$668.9 billion and *number 29 in population*, about the size of Argentina. Even without the state of Texas, Plains states together would rank *among the world's top 10 economies*.

The Great Plains has world class industries and generates some of the nation's most important exports. It is also a region experiencing turbulent change: Its population is shifting; agriculture and extractive industries are restructuring; and advanced technologies are driving new economic activities and reshaping traditional ones. Some areas have fewer jobs and more outmigration; and, as in most urban areas, many people lack adequate health care and other basic services.

To some observers, the intensive and turbulent change the Great Plains is undergoing is a sign that the region is in irreversible decline. Some have advanced proposals to empty and convert large portions of the Plains to game preserves and national parks to be managed by the federal government. Others have urged a policy of triage, where government would identify and target assistance to survivors while helping others die gracefully.

It is our view that these observers are *misreading change for decline*. Their negative interpretation overlooks demographic, social, economic and technological shifts that have dramatically increased since midcentury. It also disregards more recent changes that characterize the New Economy, especially how advances in transportation, telecommunications and other technologies -- coupled with changes in the global economic structure -- affect the prospects for successful economic and social transition in the Great Plains. In short, decline is an incomplete and sterile interpretation of what is occurring in this dynamic and wealthy region.

A NEW VISION OF THE HEARTLAND: THE GREAT PLAINS IN TRANSITION is a multiyear comprehensive examination of the economic, social, political and cultural dynamics of the region. We began the project to demonstrate that new dynamics in the relationship of rural and urban areas and other important new forces provide hope for the region's future. Phase 1 of the study, funded in part by the Aspen Institute/Ford Foundation and the Economic Development Administration Denver Region/US Department of Commerce, focused on the economy of the region in the context of the New Economy.

Economic Development Strategies of the Great Plains States

Between January and October 1991, we telephoned governors' offices, state development agencies and legislative offices in 13 states in the region (including Missouri) to request copies of economic plans, strategies or similar documents. Twelve (12) states responded. We then read and analyzed these documents to determine the *goal of the plan* ("Focus"), *steps to achieve the goal* ("Strategies") and *existing programs intended to carry out the strategies*.

Our purpose was to begin to understand how state government in Plains states see their role in economic development. We wanted to get a sense of how states undertake and encourage economic development, i.e., through what plans and programs? We wanted to know if Plains states were positioning themselves to meet the challenges of the New Economy. We wanted to grasp the perception, spirit and attitude in which state economic development plans and programs were developed. Of particular interest were elements that characterize the New Economy: new business start-ups, business retention and expansion, community self-investment, use of technology and technology transfer, workforce, education, market and trade development, and tourism.

INTRODUCTION

Development is everybody's business. This is one lesson that rings true in state after state throughout the Great Plains. The changing role of government — which we have characterized elsewhere as "Grassroots and Bootstraps"¹ and others have characterized as "The New Localism"² — is a central theme resulting from Center's Great Plains Project. But are states paying attention to what the grassroots told us: that both responsibility and action should be on the local community? that development is everybody's business, not just or even primarily government's? or that the state and federal government have to empower and enable, not dictate or primarily provide services?

In looking at the economic development efforts of state governments in the Great Plains, we asked two questions: (1) Do they understand and are they consciously trying to respond to the dynamic economic changes? (2) Are they trying to change their roles and approaches to development? Our purpose was to try to understand how the states perceived the challenges facing their economies; how they were positioning themselves to meet those perceived challenges; and what kinds of strategies and programs they perceived would lead them into the 21st century.

We limited ourselves to the perceptions of the states as illustrated by their formal planning and promotional documents — which we then compared to Stella *et al's* comparative analysis of state economic development budgets that included six Great Plains states.³ We made no attempt to verify if, how well or with what impacts the strategies and programs of the states were being implemented.

The source material for our survey was somewhat irregular. States like Kansas, Wyoming, Colorado, Iowa, New Mexico and Oklahoma had formal, comprehensive economic development plans which linked objectives, strategies and programs. The other states had some combination of very specific program descriptions and broad statements of objectives and strategic approaches. We used an analytical framework consisting of three categories, *Focus* (major objectives), *Strategies* and *Programs*; and we organized programs into the following illustrative categories:

- business/industrial recruitment
- business development, retention, expansion
- tourism development and promotion
- agriculture
- market and trade development promotion
- community development
- workforce and education
- science and technology⁴

FINDINGS

Our Great Plains Project identified four transformational themes:

- adapting to the New Economy
- a changing role for government
- the growing interdependence of community and economic development
- the changing relationship between community and place.⁵

These themes are helpful in understanding the economic transition going on in the region, and they provide some guidance for steps that can be taken to capitalize on the transition and improve the economic vitality of the region and the everyday life of its inhabitants. These themes are also the filters we used to assess the perceptions and attitudes reflected in the formal economic development documents of the Great Plains states.

In general, major emphasis on economic development activities in the Great Plains states began in the mid 1980s, driven by the collapse of commodity prices coupled with the recession of the early 1980s. Although the recession affected the nation as a whole, the economic downturns were greater and longer in duration in the Great Plains because of the region's undiversified economy and heavy reliance on weakened industries such as mining, petroleum, agriculture and traditional manufacturing. Initially, the dominant focus of these early economic development activities was on business and industrial recruitment. But in the late 1980s and early 1990s, the focus began to change significantly.

Our basic findings are that states today have a strong awareness of the dynamics encompassed in each of the four themes and that there is a growing consensus on policies and strategic approaches needed to maintain a vital economy in this dynamic environment. However, it is also clear that states are challenged to find ways to implement those policies and strategies that will empower and assist communities to develop their own futures.

The New Economy

The New Economy is characterized by:

- global competition and global markets;
- the fragmentation of mass markets into niche markets;
- information and technology intensiveness;
- entrepreneurship and innovation;
- rapid turnover in products and markets; and
- the growing economic importance of leisure and tourism activities.

In adaptive communities, new businesses are starting up; and existing businesses are modernizing by using new techniques and technologies, developing new products and services, or serving new markets and market niches. Adaptive communities seek a balance between

maintaining strong economic bases and reducing overdependence on those bases through diversification.

There are a number of indications that state governments in the Great Plains states are well aware of the New Economy and its demands for economic change. While the traditional *indicators* of economic development — jobs and income — dominate state focus statements, terms like “new and existing businesses,” “market expansion,” “research and technology” also appear. Similarly, but to a lesser degree, traditional *strategies* like infrastructure investments (six states), job training (six states) and marketing the state (five states) appear often. So too do strategies such as promoting entrepreneurship or an entrepreneurial environment (six states) and fostering technology and innovation (five states).

States’ recognition of the New Economy and its demands is most evident in their programs and goals. Traditional industrial recruitment or “smokestack chasing” is one of many programs, rather than the sole or dominant activity.

- Every state had programs focusing on **entrepreneurism and innovation**, including those aimed at new business start-ups, business expansions and business retentions: technical and business assistance, business and job training, and capital accessibility.
- Ten of the twelve states had programs focusing on **information and technology**, including technology transfer; incubators, research and development funds, capital availability for technology commercialization; information services and the stimulation of information networks. (It is unclear whether or not the other two states had similar programs.)
- Finally, there were strong indications that states recognize the importance of identifying and responding to **market opportunities**, both by identifying market niches and by competing in the international market: Ten of the twelve states had market assistance programs, and nine of the ten had international trade promotion programs.

The study of expenditures by Stella *et al* reinforced findings from our review of state policy and program documents. That study — which included Colorado, Iowa, Kansas, Minnesota, Nebraska and Oklahoma — found that the top two expenditure priorities for those states were *technology and innovation* and *business environment*. 1990 spending for these categories had increased over 1989 spending. In addition, the primary focus of business environment expenditures was on *existing business* in five of those states. *Recruitment* was the primary focus in Minnesota and an equal focus with existing business in Colorado.⁶

Interdependence of Economic and Community Development

Successful communities take a holistic approach to development, not limiting themselves to any narrow set of activities or problems. Development for them tends to include everything. This holistic approach to development is a major theme in the current economic development literature,⁷ along with another major theme that development in these communities is everybody's business — that is, the trend is toward inclusion and accommodation.⁸

The holistic approach is strongly reflected in the state economic development documents we reviewed. In eight states, either quality of life improvement is an explicit focus or strategy, or quality of life variables (such as environment and community pride) are included within a focus or strategy.

States’ recognition of this interdependence of economic and community development is also clear in their programs and goals. Although most state programs focus on business development and infrastructure, nevertheless:

- Every state but Texas included community development programs in their economic development portfolio.
- Community development programs included: Main Street and downtown redevelopment programs, community planning and technical assistance programs, financial assistance programs, and even community pride programs.
- Eight of the twelve states had programs to create, encourage or assist public/private sector cooperation and community involvement in the development process.

Again, our impressions were largely confirmed by the Stella analysis. One major finding of that study was that most states rely on partnerships between state and local government and the public and private sectors.⁹ Minnesota and Colorado had community development as their first or second funding priority. Quality of life and community development combined were the number one funding priority in Iowa, the number three funding priority in Kansas, the number two funding priority in Oklahoma, and the number five funding priority in Nebraska.¹⁰

However, even though the states seemed to recognize and foster the integration of community and economic development at the local level, they did not appear to foster integration at the state level. Whereas most of the states' economic development plans included education and training and infrastructure programs, they rarely included other quality of life components as part of the focus or strategies. Only five plans had environmental considerations; only three, local government capacity; and only one, health. Only Oklahoma had what one might call an overall state development strategy rather than a more narrow economic development strategy.

Given the functional specialization in state government, it is not surprising that, even when education was a major goal or strategy, there were few programs to strengthen general education as opposed to job training. Nor is it surprising that there were no specific environmental or health programs and only one government capacity building programs. State economic development policy, strategy and program plans are the products of economic development departments, commissions or private organizations which have a specific state economic development mandate. Health, education, government capacity building and environmental improvement programs are likely the responsibility of other state government agencies.

What is surprising, however, is that we found no indication that states saw the need to integrate development strategies at the state level. Nor was there evidence that states had created either the mechanisms or processes to integrate state development strategies or coordinate state development programs directed at specific communities.

The Changing Role of Government

The label "grassroots and bootstraps" is a very good encapsulation of what is happening in the Great Plains area. It implies that communities are taking primary responsibility for their own futures; and that it is the whole community doing so, not just, or even primarily, local government. It also implies startling and very different new roles and approaches for federal and state governments in economic and community development. We identified four significant changes in the role of government in economic and community development:¹¹

- As the role of government diminishes, the role and influence of civic leadership increases, especially, though not exclusively, at the local level.
- Government is changing to a responsive rather than directive role and to that of mobilizer, catalyst and enabler rather than doer or direct service provider.

- The New Economy requires bringing the marketplace to government, so that government is only one of many resources available to a community. Government allows and encourages a job to be done by whatever agencies, companies or organizations can do it most effectively.
- A major supportive role for government is to be a cheerleader, provide hope and encourage community self-help programs.

As pointed out earlier, there was strong evidence that states recognized civic leadership in their economic development programs: At least four of the states explicitly called for broad civic involvement as a key element of their strategies. And they recognized the need for civic leadership at both the community and the state level. We previously highlighted that state plans prioritized *community* capacity building and programs to strengthen *community* planning and *community* self-help. Six of the states had formal mechanisms for private sector and community involvement in the planning and oversight functions — either for the overall economic development effort or for specific programs such as research and technology.

This recognition of the need for broad involvement was also evident in state spending programs. As Stella *et al* note:

Because of the mix of programs, numerous organizations in both the private and public sectors were involved in program and administration. While each state's Department of Economic Development or Commerce was heavily involved, that department was not the only player: other state agencies, public-private organizations and private sector groups and organizations were involved as well.¹²

States also seemed to recognize the need for communities to be responsible for their own futures and the concomitant need for states to move into a responsive role and to use market mechanisms:

- The inclusion of community capacity building strategies and programs reflects recognition of the need for "grassroots and bootstraps" approaches. The wide range and diversity of programs illustrate recognition of the need for state programs to be responsive to the needs of particular communities.
- Programs that involve institutions of higher education in assisting businesses and communities, incentive type grant and loan programs and public/private development finance institutions — all of which seek to encourage more private investment in both local businesses and local communities — are examples of states' stimulating broad participation and using market mechanisms.
- There were even indications of some beginning recognition of the cheerleading role, the need to build confidence and hope for the future. Several states included building community pride as part of their strategies, and five states had programs aimed specifically at creating or building community pride and confidence.

The Changing Relationship Between Community and Place

A major change taking place in nonmetropolitan areas is the development of a grassroots regionalism. This regionalism is not necessarily formally institutionalized, and often it has nothing to do with jurisdictional boundaries. Rather, it may be simply clusters of communities or leadership clusters from a number of communities exploring what they have in common and searching out areas for cooperation. Sometimes, but not often, there is structural consolidation. More often,

there is functional consolidation through joint power agreements if governments are involved, or cooperative agreements if only private institutions or voluntary associations are involved. Sometimes, formal substate regional organizations are used, but most often not. Many feel that this grassroots regionalism offers great development opportunities.¹³

Substate economic development districts and regional councils of governments have played a lesser role in Great Plains states than in other parts of the country. Only in Texas and Oklahoma have state governments supported and used these regional organizations in recent years. It is important to note, however, that these types of organizations are not grassroots, but top-down creations that have varying degrees of local roots and local inputs. But they do play an economic development role in Texas.

The planning documents of Oklahoma and four other states — Iowa, North Dakota, Nebraska and Kansas — recognize and, to varying degrees, include programs to encourage and strengthen grassroots regional approaches. While there is little evidence in the formal documents we reviewed, our knowledge of programs in Colorado, North Dakota, Washington and Minnesota suggests that these states are beginning to pay serious attention to the potential for multicommunity cooperation and area approaches (even across international borders). Still, of our four themes, the least recognized and exploited was grassroots regionalism.

IMPLICATIONS

Like communities in the regions, state economic development programs are also in a major transition.

The Good News

States seemed to recognize the need for change and to be making serious efforts to change. For example:

- A major new role for state government is providing business assistance to private companies, either directly or through subsidies to third parties. For example, most states fund universities and community colleges to provide business assistance and also fund job training programs for new and expanding businesses. Colorado, Montana, North Dakota, Iowa, Kansas and Wyoming have business and agricultural business loan programs. This new role entails legal and political issues, revolving around the propriety of government subsidy of business and fairness and objectivity in the allocation of subsidies or services. But the states seem to be coping with those issues.
- Fostering and participating in cooperative arrangements with the private sector in terms of co-funding or sharing functions is also a new role. Several states (e.g., New Mexico and North Dakota) have established Business Development Corporations which use private and state funds for equity investments or loans to private businesses. State funds are also used as matching funds for private sector investments, especially for R&D or technology development projects. This role, too, entails legal and political problems revolving around fiscal accountability, decisionmaking responsibility and the propriety of government subsidy of private entities. But the states seem to be coping well with these issues also, although with more difficulty.
- The states seem to be doing very well in fostering the "grassroots and bootstraps" strategies and in broadening the notion of economic development to encompass quality of life and community leadership. Strengthening local capacity was a priority for almost all the states, as illustrated by the number of community planning, technical assistance and leadership training programs. Here also there are functional and political problems related to the allocations of subsidies or services and the integration of service delivery to specific areas or communities. But again, at the operational level, the states seem to be adapting. Based on the evidence in those states where grassroots regionalism is developing, it is likely that the states won't have a major problem in responding.

The Bad News

There are substantial obstacles to states' making the two most crucial changes: To share control and, in some cases, give it up; to be an enabler rather than a provider. These changes go against ingrained attitudes and mandated practices. Old habits are hard to break, and these obstacles are serious enough that we question the ability of states to overcome them.

The task of changing roles has been easier for federal agencies such as the Economic Development Administration (EDA), Housing and Urban Development (HUD) and Farmers' Home Administration (FmHA) because their roles have been substantially reduced. They have less and less money, and their mandates have been severely restricted. But it is not so easy for state agencies. They are no longer just pass-throughs for federal monies; they have their own money. Moreover, states now see economic development as a major state responsibility. Governors run on economic development platforms, and rhetoric abounds as to how the state is going to create jobs and raise income — even though everyone knows that the only jobs government creates are government jobs or private sector jobs that provide goods and services to government agencies.

Unfortunately, as responsibility for economic development has devolved from the federal government to state governments, so too have some of the federal attitudes and practices. We identified three areas in which this trend seems to be prevalent:

1. **Policy and Program Design:** Just as federal agencies encouraged and funded state planning and coordination, so too states are now encouraging community planning and broad based community involvement in such planning. So far, so good. But federal legislation and federal agency policy development and program planning and budgeting processes rarely reviewed these state plans and even more rarely used them as building blocks in the formation of such legislation, policy, program design or budgets. Similarly, we found little evidence that community plans and strategies are systematically reviewed by or have an impact on the formation of legislation, policy, program design or budgets at the state level.
2. **Program Delivery Mechanisms:** Moreover, as federal agencies tried to move into enabler roles, the tools they used were often self defeating. Federal agencies relied on funding mechanisms (categorical grants and service contracts) which, in effect:
 - *dictated the action priorities for the state and local agencies.* General and special revenue sharing were never popular and mostly short lived, and the survivors like the Community Development Block Grant Programs (CDBG) have been severely cut back.
 - *determined the rules under which states could deal with communities or third-party providers.* For example, some federal grant programs were and are restricted to high unemployment counties. Some specify bidding requirements that grantees must use for third-party services. Some even specify application procedures and forms that grantees must use to obtain those services. Many use fairly restrictive expenditure controls as the primary management tool. For example, most require separate accounting for federal funds and matching funds, require prior approval of some expenditures and restrict overexpenditure of specific budget categories.

There are public management reasons for many of these practices, but the total effect is to prevent local control, reduce the effectiveness of local programs and projects and make funded activities very overhead intensive. The problem is that states are using many of the same tools — with some of the same results.

3. **Policy and Program Integration or Coordination:** Finally, the structure of state government in most cases mirrors both the degree and kind of functional specialization found in federal agencies. In the late 1960s and the 1970s, there was a proliferation of programs in planning, technical assistance, infrastructure, housing, health, social services etc., coming from a variety of agencies, all with their own definitions of eligible target groups, eligible expenditure categories and administrative rules governing the expenditure of funds, and all with different time frames.

There were a number of attempts to achieve policy and program coordination at the federal level, including decentralization. (Remember the Federal Regional Councils?) But few of them helped from the point of view of states and local agencies that were trying to make rational and incremental improvements in their planning and development activities and use the funds and assistance in practical ways. The system became so complicated that most technical assistance coming from federal agencies was not technical assistance at all, but grantsmanship assistance that helped state and local agencies get federal funds, live within the constraints of federal funds, or, in some rare and unusually effective situations, get around the constraints of federal funding.

We found little evidence of better coordination at the state level, especially at the program level. States are still relying on categorical funding programs. Moreover, we found less evidence of integration of programs or the use of integrated funding mechanisms such as formalized revenue sharing programs. There still is a strong tendency to make communities respond to state programs rather than make state programs respond to community plans and priorities.

The obstacles to states' giving up or sharing control and being primarily an enabler rather than a doer entail legitimate concerns. Tailored programs are much more costly to administer than standardized programs. The public and the legislature should be concerned that funds not be squandered or spent for illegal purposes, and that programs and expenditures in fact implement the policies set by the legislature and the administration. And there are arenas, such as highways, higher education, research and development, state lands and state parks, where the state is and should be the primary development agent.

But bureaucracies also tend to standardize in order to avoid having to make discretionary decisions which involve risk, or at least to avoid being held accountable for discretionary decisions. Legislatures love the fairness rhetoric of standardized decisions, but in fact want the ability to intervene in specific decisions in order to "bring home the bacon." In a similar manner, legislatures have a much easier time holding a state agency accountable than either a third-party provider or a community; therefore, there are few incentives for the agency to give up or even share control.

The core of the obstacles is not within the bureaucracy but within the political institutions, the legislatures and the governors' offices. As long as these entities define development as a primary mission of state government and translate that mission into a set of programmatic objectives — create jobs, increase incomes, improve health care delivery, provide better schools — state agencies will not give up or share control; they will not serve mainly as a broker and doer of last resort. Until state policy recognizes the primary role of the private sector and communities in development and recognizes that its own role, though crucial, is secondary — that it is to create a climate for other primary actors to be effective and to create processes where conflicts can be resolved — there is little hope that we can avoid the mistakes of the 60s and 70s. The growth of state government in the 80s has been similar to the growth of the federal government in the 60s and 70s.

There are few incentives in our political system for enabling others to be successful. Doers, not enablers, get the credit. There are even fewer incentives to devolve or share power. Unless adapting to these requirements for a changing role of government becomes a primary policy and programmatic objective of state government, the impact of the other positive changes discussed earlier will be significantly constrained.

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- ³ M. Elizabeth Stella, Henry Schwaller, Anthony L. Redwood and Charles E. Krider, "Economic Development, Expenditures of Ten States: A Comparison," *Kansas Business Review*, Vol. 14, No. 1, Fall 1990.
- ⁴ Appendix 1 contains comparative tables on the *Focus, Strategies and Program* activities of the states. Appendix 2 contains a state summary overview of the *Focus, Strategies and Illustrative program categories* of each of the 12 states.
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- ⁶ Elizabeth M. Stella, *et al.*, *op. cit.*
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- ⁹ Elizabeth M. Stella *et al.*, *op. cit.*, p. 1.
- ¹⁰ *Ibid.* See Table 5, p. 5.
- ¹¹ John C. Shepard, Colleen Boggs Murphy, Louis D. Higgs and Philip M. Burgess, *op. cit.*, pp.23-25.
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- ¹³ Ronald J. Swager, *op. cit.*, p. 9.

APPENDIX 1:

FOCUS OF STATE E.D. ACTIVITIES

STATE E.D. STRATEGIES

TYPES OF STATE E.D. PROGRAMS

State Economic Development Attitudes

CHART 1-1
FOCUS OF STATE E.D. ACTIVITIES

E.D. FOCUS	STATE											
	CO	IA	KS	MN	MT	NE	NM	ND	OK	SD	TX	WY
WEALTH												
Income	X		X				X	X	X	X		
Economic Base		X	X			X		X	X			
Economic Opportunity			X									
Living Standard		X										
Fiscal Base			X						X			
Economic Stability						X						
Economic Growth						X						
Public Wealth						X						
JOBS												
Employment (Jobs)	X	X	X				X	X	X	X		
Unemployment	X											
Workforce											X	
Education			X	X					X			
Adult Illiteracy									X			
COMPETITIVENESS												
Competitiveness			X									
Business Climate					X							X
Existing Business											X	
New Business									X		X	
Market Expansion				X					X			
International Investment									X			
OTHER												
Technology				X							X	
Research									X			
Govt Performance									X			
QoL						X	X		X			

State Economic Development Attitudes

CHART 1-2
STATE E.D. STRATEGIES

E.D. STRATEGIES	STATE											
	CO	IA	KS	MN	MT	NE	NM	ND	OK	SD	TX	WY
Revitalize/diversify economic base		X				X	X					
Create quality business climate	X					X						
Create entrepreneurial environment			X									
Fill capital gaps		X						X	X			
Develop capital markets			X									
Provide personnel assistance/employee training								X		X		
Promote/support entrepreneurship					X		X		X		X	
Promote/support business innovation					X						X	
Target growth industries									X			
Assist new businesses									X			
Business development/competitive climate		X										
Improve assist. to new & expanding businesses and communities										X		X
Assist international trade									X			
Support commercial and tech. innovations		X	X					X				X
Encourage technology transfer									X			
Increase research funding									X			
Build image		X										X
Market state aggressively									X	X	X	
Invest in public infrastructure	X	X	X		X		X		X			
Dev. compet. & balanced fiscal, legal policies											X	
Improve regulatory climate									X		X	X
Reform tax structure									X			
Strengthen st & local govt fiscal capacity					X							
Strengthen capacity of rural communities	X	X										
Assist rural economic growth									X			
Strengthen inst. capacity & responsiveness			X									
Improve govt and education performance									X			
Improve coord. among multiple e.d. interests												X
Encourage statewide cooperation						X			X			
Develop regional growth strategies									X			
Provide information for linkages									X			
Review strategies continually									X			
Invest in workforce and/or human capital		X	X		X		X	X			X	
Build quality education system	X								X			
Improve adult skills									X			
Assist minority economic growth									X			
Develop health/rehab programs									X			
Strengthen the arts									X			
Protect the environment	X											
Promote natural environment and/or energy		X							X			
Maintain/build on existing assets						X						
Maintain/build QoL			X					X				

NOTE: Information not available for State of Minnesota

State Economic Development Attitudes

CHART 1-3
TYPES OF STATE E.D. PROGRAMS

PROGRAM CATEGORIES	STATE											
	CO	IA	KS	MN	MT	NE	NM	ND	OK	SD	TX	WY
Business/Industrial Recruitment	X	X	X	X	X		X	X	X	X		X
Business Development, Retention, Expansion	X	X	X	X	X		X	X	X	X		X
Tourism Development and Promotion	X		X	X	X		X		X			
Agriculture	X	X	X	X	X	X		X	X	X		
Market and Trade Development/Promotion	X	X	X	X	X		X		X	X		X
Community Development	X	X	X	X	X	X	X	X	X	X		X
Workforce and Education	X	X	X	X	X			X	X	X		
Science and Technology	X	X	X	X	X		X	X	X	X		X

NOTE: Information from the State of Texas was not available.

APPENDIX 2:

FOCUS, STRATEGIES, PROGRAMS

STATE ECONOMIC DEVELOPMENT ATTITUDES

CHART 2-1
FOCUS, STRATEGIES, PROGRAMS

KEY TO ILLUSTRATIVE PROGRAM CATEGORIES	
1 Business/Industrial Recruitment	5 Market and Trade Development Promotion
2 Business Development, Retention, Expansion	6 Community Development
3 Tourism Development and Promotion	7 Workforce and Education
4 Agriculture	8 Science and Technology
X indicates state has program in category	

STATE	FOCUS	STRATEGIES	ILLUSTRATIVE PROGRAM CATEGORIES							
			1	2	3	4	5	6	7	8
NEW MEXICO			X	X	X		X	X		X
	Increase PCI Create quality employment Improve QoL	Revitalize/diversify economic base Promote entrepreneurship Invest in workforce Invest in public infrastructure								
MONTANA			X	X	X	X	X	X	X	X
	Create balanced, conducive business climate	Invest in workforce Encourage/support entrepreneurship and business innovation Build and maintain physical infrastructure Strengthen local govt fiscal capacity Strengthen state fiscal capacity								
NORTH DAKOTA			X	X		X		X	X	X
	Diversify economic base Create new job opportunities Increase PCI	Human capital Financial capital Entrepreneurship QoL Technology								
COLORADO			X	X	X	X	X	X	X	X
	Create new job opportunities Increase PCI Reduce unemployment	Build world class education system Create quality business climate to expand job opportunities Strengthen capacity of rural communities to become more competitive Protect the environment Build necessary infrastructure to facilitate commerce								
KANSAS			X	X	X	X	X	X	X	X
	Increase income and economic opportunity Maintain sound fiscal base Create new job opportunities Enhance education system Diversify economic base Develop more efficient and competitive economy	Human capital Infrastructure Entrepreneurial Environment Capital Markets Technology QoL Institutional Capacity/Responsiveness								
TEXAS						n/a				
	Enhance competitiveness and expansion of existing business Encourage new business development Emphasize investment in and application of technology Competitive workforce	Develop competitive and balanced fiscal, legal, regulatory policies Provide skilled, flexible, internationally competitive workforce Encourage innovation and entrepreneurship Market Texas aggressively								
IOWA			X	X		X	X	X	X	X
	Encourage job creation Diversify economy Improve standard of living	Human capital Technology Diversification Business Development/Competitive Climate Financial Capital Infrastructure Community Development Image Natural environment and energy								

KEY TO ILLUSTRATIVE PROGRAM CATEGORIES			
1 Business/Industrial Recruitment	2 Business Development, Retention, Expansion	3 Tourism Development and Promotion	4 Agriculture
5 Market and Trade Development/Promotion	6 Community Development	7 Workforce and Education	8 Science and Technology
X indicates state has programs in category			

STATE	FOCUS	STRATEGIES	ILLUSTRATIVE PROGRAM CATEGORIES							
			1	2	3	4	5	6	7	8
NEBRASKA	Expand and diversify economy to increase public wealth creation opportunities throughout the state and foster economic stability and growth w/o sacrificing desired QoL	Encourage statewide cooperation/support for development of stronger economy Develop/maintain positive business climate Diversify economy so citizens can fully participate in dynamic economic growth, enjoy a wider array of choices and experience greater economic stability Maintain/build on current economic base, institutional strengths and natural and human resources				X		X		
WYOMING	Improve/maintain environment to retain, expand, develop business	Improve regulatory climate Improve quality/delivery of technical and financial assistance to new, expanding businesses and communities Improve marketability of favorable business climate Support commercial and technological innovations Improve coordination among multiple economic development interests	X	X				X	X	X
MINNESOTA	Invest in education Invest in applied technology research Expand markets	n/a	X	X	X	X	X	X	X	X
SOUTH DAKOTA	Create jobs Increase PCI	Financial assistance Personnel assistance/employee training Service/Marketing/Promotion	X	X		X	X	X	X	X
OKLAHOMA	Nationally competitive education for all Increase PCI Increase employment Diversify economic base Increase research funding/personnel Increase new business formations Reduce adult functional illiteracy Narrow gaps between rural-urban, minority-majority income/employment levels Improve govt performance Increase exports of manufactured good and ag products Create viable financial system Improve QoL Increase international investment	Promote cooperation for economic growth Target growth industries Assist entrepreneurs and new businesses Encourage technology transfer Provide info. for linkages Fill capital gaps Assist international trade Improve govt and education performance Increase funding for education, research, the arts Reform tax structure Improve infrastructure Revise regulations Improve adult skills Assist minority economic growth Assist rural economic growth Develop regional growth strategies Strengthen environment and the arts Develop health/rehabilitation programs Market Oklahoma Review strategies continually	X	X	X	X	X	X	X	X



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Great Plains Special Studies and Papers

The following reports and working papers are available upon request from the Center for the New West:

#	<u>Title or Topic</u>
91-701	Murphy, Colleen. <i>Survey of Successful Communities</i> . Denver: Center for the New West. January 1991.
91-702	Quantic, Cathy. <i>The Great Plains, Canada and Mexico: Policy Issues in Rural Development and the Free Trade Agreement</i> . Denver: Center for the New West. August 1991.
91-703	Shepard, John C. <i>Leadership Through Partnerships: The National Trust's Main Street Program as a Community Economic Development Tool</i> . Denver: Center for the New West. November 1991; and in <i>Urban Design and Preservation Quarterly</i> , Spring 1992.
91-704	Heartland Center for Leadership Development. <i>A Case Study of Superior, Nebraska</i> . Denver: Center for the New West. November 1991.
91-705	Giannetti, Claudia. <i>The New Role of Librarians and Libraries in Economic Development</i> . Denver: Center for the New West. December 1991; <i>The Burlington Record</i> , January 30, 1992; and <i>The Fort Morgan Times</i> , January 27, 1992.
91-706 & 92-707	Murphy, Colleen, Louis D. Higgs and John C. Shepard. <i>Survey of the Future of the Plains</i> . Denver: Center for the New West. January 1992.
92-708	Murphy, Colleen, John C. Shepard and Louis D. Higgs. <i>A Case Study of Brush, Colorado</i> . Denver: Center for the New West. May 1992.
92-709	Drabenstott, Mark and Tim R. Smith. <i>The Changing Great Plains Economy: New Directions for Economic Policy</i> . Federal Reserve Bank of Kansas City. March 20, 1992.
92-710	Shepard, John C., Colleen Boggs Murphy, Louis D. Higgs and Philip M. Burgess. <i>A New Vision of the Heartland: The Great Plains in Transition</i> , A report to The Ford Foundation and the Aspen Institute, Denver: Center for the New West, March 1992.
92-711	Higgs, Louis D. and Claudia Giannetti. <i>The Economic Development Strategies of the Great Plains States</i> . Denver: Center for the New West. June 1992.
92-712	Shepard, John C. <i>Redefining "Place": Community and Vitality in the New Economy</i> . Denver: Center for the New West. Forthcoming Summer 1992. (Master's Thesis, University of Colorado at Denver).
92-713	Shepard, John C., Matthew Muehlbauer, Louis D. Higgs and Colleen Murphy. <i>Measuring Distress: Economic Indicators and the Great Plains</i> . A report to the Economic Development Administration of the U.S. Department of Commerce, Denver: Center for the New West, Forthcoming Summer 1992.