

Dr. Ray Brown Kicks Off Economic Development Study for League

by Sharon Hurst

Dr. Ray Brown, Adjunct Professor at Rogers State University – Claremore, led an informative discussion on Economic Development at the Bartlesville League’s meeting on September 23. The discussion elicited numerous comments and questions from the crowd, lending an informal and lively element to the meeting. Dr. Brown’s presentation kicked off the 2008-2009 Study on Economic Development. To set the stage, Dr. Brown started with the following definitions for Economic Development:

- Economic development is defined as sustainable increases in living standards.
- Economic development is a qualitative measure of progress in the community. (This then begs the question, “What is progress?”)
- And from the World Bank - The purpose of economic development is to build up the capacity for economic well-being. Collaboration between individuals, private business, governments, and not-for-profit organizations is desirable.

From an historical perspective, economic development is typically linked to industrialization and modernization, Dr. Brown explained. However, industrialization is only a process – economic development is much broader than that.

How do we define economic development in terms of criteria? Dr. Brown worked through a list of standards, or criteria, in which to judge the level and quality of economic development. These standards include:

- Job creation.
- Standard of living.
 - o Per capita income
 - o Median or mean family income
 - o Accumulation of wealth
 - o Distribution of wealth (median and/or mean)
 - o Level of poverty
 - o Health care, as measured by infant mortality, among others
 - o Education, as measured by literacy and number of years of education completed among others
 - o Housing, as measured by size and quality, home ownership, etc.
 - o Ownership of consumer goods
- Energy consumption.
- Self determination, or the development of individual rights and empowerment (for example, the ability to choose one’s activities) and an increase in leisure time.
- Communications, especially its speed and reliability, among other factors.
- Transportation, mode and speed, as well as existence of mass transit.
- Environmental quality.
- Moving from the theoretical to the more practical, Dr. Brown then addressed the role of government in economic development. He named four roles in which the government has a place in economic development:
 - Investment in infrastructure.
 - Stable financial environment.

- Development of policies that will encourage and create jobs, expand and retain existing businesses, attract new businesses and increase investment.
- Investment in human capital, such as education and health care.

At a local level, what can government do? Dr. Brown named the three avenues of influence: taxation, incentives, and regulations. Local government must always be mindful of the cost versus the benefits of economic programs, Dr. Brown warned, and look at the opportunity costs as well as social costs. The bottom line, he said, is to ask if economic development policies at the local level create a win-win situation for the entire community.

He stressed that with world-encompassing communications and transportation systems, every community must take into account that we're in a globally-competitive economy. Bartlesville is within the top tier of communities in Oklahoma for economic development, Dr. Brown stated. Aside from Oklahoma City and Tulsa, which are in a class by themselves, Bartlesville is always named as one of the top three cities, along with Ponca City and Ardmore.

Knowing that the League will be studying economic development over the next six months, Dr. Brown offered some important areas that the group should investigate. First, what are the pros and cons of recruiting new businesses? Second, what types of incentives should be offered, if any? Third, is there a difference between attracting new businesses versus expanding existing companies? He warned that national and international companies are more likely to move, while locally-grown businesses often have roots in the community and will stay. And finally, what impact will new businesses have on employment, income, medical care, education, etc.?

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