

ISOLATING THE CONSEQUENCES OF GOVERNMENT POLICY ON REGIONAL DEVELOPMENT: COMPARATIVE ANALYSIS OF THE STATE BORDER REGIONS OF AUSTRALIA

Dennis Howard

School of Economics, Southern Cross University, PO Box 157, Lismore, NSW 2480, Australia.

ABSTRACT Regional policy from the national government level in Australia has been intermittent since federation with the consequence that most regional policy has emerged at State Government level. This provides an opportunity for comparative analysis of the effectiveness of regional policy on an interstate basis. In order to conduct comparative analysis, this paper identifies a number of special regions in Australia that were potentially homogenous, but this homogeneity has been disturbed by the arbitrary location of States' borders in the nineteenth century. Further research into the economic performance of the State border regions is recommended because it would add to the understanding of regional policy design and evaluation of policy effects.

1. INTRODUCTION

Although the precise role of government in economic development remains a major debate in economics, there is usually common agreement as to the broad objectives of economic policy. At the macroeconomic level, the role is to promote stability in the business cycle - sustainable GDP growth that simultaneously lowers unemployment while keeping inflation rates low.

At the microeconomic level, the government's agreed focus is dealing with the different types of market failure. There is for example, the need to produce public goods, control the power of monopolies, limit economic inequalities and foster (inhibit) good (bad) externalities. The debate is of course, about the detail ... how these economic objectives are to be realised and the priorities and trade-offs to be made.

Where regional economic policy fits in the microeconomic-macroeconomic paradigm is an interesting question because, *a priori* it seems to fit between the two. *Regions* are less than the national economy but something more than households and firms, the province of microeconomics.

This may explain the slightly schizophrenic nature to national policy on regional development in Australia. At times, in 1974 and again in 1994, major national government programs were launched, but each was quickly abandoned with a change from Labor to Coalition government, and not necessarily because of their economic success or failure. Indeed, given the limited life of these programs, useful evaluation has been problematic (Murphy and Walker, 1995).

This paper is an attempt to progress the research in the area of comparative analysis of government policy consequences in regions in non-metropolitan Australia. It recommends analysis of regional economic performance indicators

of some special regions; special because they are regions which have been historically divided into separate economic entities by State borders (and therefore with different policy environments) despite their potential homogeneity. Significant differences in economic performance would therefore infer policy consequences.

2. DEFINING REGIONAL AUSTRALIA

A variety of terms have been employed to describe the coherent economic entities that exist at the sub-national level, including *region*, *locality*, and *community*. Czamanski (1973) defined *region* as a precise term that describes a comprehensive and functional structure existing as an independent area within a national economy¹.

In contrast, the Bureau of Industry Economics (BIE) (1994) said, “The term region does not have a precise meaning. In practice, the actual meaning given to the term is essentially purpose driven” (p1). Richardson (1979) argues that part of the problem with an agreed definition is inadequate methodology. He suggested three possible approaches to defining regions, namely:

- homogeneity, such that there are shared economic, geographical, social or political characteristics,
- nodality, where regions are defined around heterogeneous nodes (cities, villages, etc.) of different size, and
- planning, where unity derives from political and administrative control.

The problem with defining regions in Australia is reflected by the approaches taken by various authorities. The former Department of Employment, Education and Training (DEET) used to divide the national economy into 216 *natural labour markets* (1993). DEET’s analysis of these regions was based on statistical data collected by the Australian Bureau of Statistics (ABS) at Local Government Area (LGA) and Statistical Local Area (SLA) levels. The purpose was to recognise certain locational factors such as community size and transport linkages in the incidence of labour market behaviour.

In contrast, when conducting their region-by-region analysis, a preliminary activity to “The Regional Development Program” (discussed below), the Task Force on Regional Development (1993) adopted the regional boundaries used by the then Federal Office of Regional Development, as its starting point. The success of the Task Force’s public meetings provided both the evidence of industrial coherency and the justification for regional differentiation.

Another important input to the “Regional Development Program” was the McKinsey and Co (1994) report. McKinsey and Co defined regions thus:

“regions are defined as the area that best supports the taking of actions to improve performance in regions. This definition should take into account issues of scale and the fact that some services have minimum efficient scales; economic linkages between firms,

¹ *Region* can also apply internationally to “a distinct part of a larger space, with the world economy the analogue to the national economy” (Richardson, 1979 p18).

for example, between suppliers and customers; and the sense of community that exists between people in an area and how much they feel different from people outside the area” (p10).

It is also noteworthy that the *regions* employed in McKinsey and Task Force reports have very similar geographic boundaries to those employed by the ABS when it collects data at the statistical division (SD) level. The ABS SDs cover, in aggregate, the whole of Australia without gap or overlap. The ABS defines SDs as “regions characterised by identifiable social and economic links between the inhabitants and between economic units within the region, under the unifying influence of one or more major towns” (Castles, 1993).

In large measure, the SDs employed by the ABS have the same geographical boundaries that are employed in State government planning regions. Exceptions include the statistical division of Richmond-Tweed and Mid-North Coast of NSW which combined make up the NSW government region of North Coast. In Victoria there is a variation between the ABS divisions and the State Planning Regions of Port Phillip (Melbourne statistical division in ABS terms), Central Highlands and Loddon-Campaspe regions. Otherwise, State planning regions correspond to the ABS SDs (ABS, 1998).

The ABS SDs are thus taken as a useful method of defining and analysing regional Australia, firstly, because quality data are collected at this level, and second, because the SDs are acknowledged as legitimate in the sense that they are distinct but internally homogenous with identifiable social and economic links.

3. GOVERNMENT AND REGIONAL DEVELOPMENT

Which comes first in regional economic development, industry or government infrastructure? In a classic sense it is probably the frontiersman - miner, trapper, timber-cutter - the rugged individualist who thrives and perhaps scorns government involvement. As a region progresses, so the need for law, order and government administration increases, until at some point economic development cannot truly proceed without public infrastructure. Thus the road, the railway, the establishment of property rights, follows and promotes further economic development. A simplistic but nonetheless logical scenario to explain the origins of regional industrial activity, but sustained regional success is more complicated. Indeed, despite the considerable energy that has been applied to understanding regional success, there is still no one model that is generally accepted as an explanation for variation in regional performances (Gertler, 1995). Clearly, this makes it difficult for government policy development.

Returning to the basic, regional industry development will be influenced by geographic factors, such as climate, mineral deposits or special natural attributes, which encourage the location of industry. Primary industries, for example, are essentially tied to the availability of suitable land and water resources. Manufacturing and services industries have much greater scope in choosing between locations, but are nonetheless dependent upon access to labour and capital. The notion is that industry development is linked to supply-side factors,

a simple proposition that is the starting point for the standard neo-classical models of regional development.

The supply-side model explains the development of regions in terms of the abundance of factors of production and exploitation of comparative advantages. The more abundant a factor of production, the cheaper it will be, so that a comparative cost advantage is obtained. Regions should then specialise in what they do best, realising consumption and production gains from free trade. In the absence of free trade, an inevitable pressure for factor mobility arises, so that in the end, there should be a convergence of factor incomes between regions. In other words, market forces will operate to equalise regional performance. Yet, studies have found the prediction of convergence in regional performance inconclusive across a range of cross-sectional and time series analyses with, for example, “persistent high unemployment, and the decline of particular regions, both in Australia and overseas” (BIE, 1994 p45) ... evidence of market failure.

One of the problems is that succession in industry structure may take decades before the effects are visible (Aldrich, 1990). Botkin (1988), for example, details how the business population on Route 128 (Massachusetts) changed over 300 years from that of an ice economy, through whaling, then textiles, to “high tech”, making the observation that while business populations rose and fell, the financial institutions, business services and universities prevailed, a process which followed institutional rather than political factors. A further implication is that regional decline may be a precondition for subsequent recovery and expansion, and inevitable pressures for a government response.

Though economists’ opinions will necessarily differ as to whether government policy is the cause or the cure, one clear government strategy has been policy activism in the extreme - to directly foster comparative advantage via a strategy of (re)locating a leading industry or company to the region. Such regional strategy has venerable roots in Perroux’s (1955, 1950) growth pole model. The scenario envisaged by Perroux is one where economic growth tends to polarise around a large enterprise and diffuse toward surrounding areas constituted by a myriad of small enterprises. The lead industry not only provides demand for additional goods and services, but also establishes linkages with other firms promoting technology transfer, competitiveness and specialisation. Over time these inter-firm relationships and the agglomeration economies lead to industrial clusters or ‘districts’ around a core of industrial activity (Marshall 1890).

Such government intervention is similar conceptually to infant industry theories and is therefore subject to the same weaknesses, not least of which is the government’s role in picking winners. Success inevitably depends on the core industry’s ultimate growth pattern. A growing core provides ongoing stimulus to investment in downstream or related industries through various multiplier effects in the externalities it fosters - the localisation and urbanisation effects. A growing industry provides a self-perpetuating momentum deriving from pyramiding of complimentary activities and services (Ullman, 1964). The idea is that economies of scale and market size drive a relationship between population size, ‘critical mass’, and the level of private and public sector services that

accrue (McKinsey and Co, 1994). As a consequence, the role of government shifts to providing the relevant infrastructure that promotes self-sustaining growth with rising population levels, the addition of services and a more attractive living/working environment.

The application of growth pole theory, that is, the focus on large enterprise proved to be a source of disappointing outcomes for regional development according to Bull, Pitt and Szarka (1991). Part of the problem was the consequences for innovation in the local economy. A variety of research over the years suggests a number of negative outcomes including:

- additional competition for labour which increases wages and promotes a movement out of smaller local businesses into the immigrant enterprises (Graziani, 1979);
- immigrant enterprises reduce the gap between the entrepreneurial wage and labour wage, thereby reducing the supply of entrepreneurs (Grossman, 1984);
- when immigrant enterprises produce for the local market they can drive local smaller enterprises out of the market (Johnson and Cathcart, 1979);
- an increasing share of public infrastructure may accrue to the immigrant enterprise (Del Monte and De Luzenberger, 1989); and
- immigrant enterprises are poor incubators for entrepreneurs (Johnson and Cathcart, 1979).

The issue is that small enterprise plays a big role in innovation and in starting new industries. Schumpeter (1934) gave the lead role to the entrepreneur in economic development. The international evidence now seems fairly convincing that small enterprise is the main job generator in the economy although some researchers remain sceptical (Davis, Haltiwanger and Schuh, 1996).

Small enterprises rapidly establish networks of inter-personal and inter-business relationships, generating marketing and production externalities. As a consequence, these networks of localised and integrated industrial systems are able to manifest a high level of entrepreneurship and new business formation, a high division of labour between firms, high levels of collaboration yet intense competition, and the rapid spread of innovation and socio-economic cohesion (Bull, *et al*, 1991; OECD, 1990). In essence, small enterprises are then the vehicle for diversification out of tired old industry. Thus, small enterprise promotion is seen as a potential strategy to foster regional growth.

Government intervention in promoting the small enterprise sector also has the advantage in not being so obvious in its intrusion. Space here does not allow a comprehensive treatment except to say that a variety of programs/projects have been employed in the Australian states including business advice centres (eg., the Business Enterprise Centre Network), main street programs and training schemes. Such programs have the advantage of being populist and non-exclusive from a political perspective (Peterson 1988).

But questions remain, firstly in evaluating program effectiveness (Wood, 1994) and second, as to the veracity of small enterprise in economic development. Many studies show that small businesses are more likely to fail than survive and grow (Watson and Everett, 1995). Indeed, small businesses are also the major player in job destruction, in the sense that more jobs are lost in

small businesses than in large. (Borland and Home, 1994).

In the end it probably true that it is not the mix of large-small enterprises in the regional economy that make the difference, but rather the fluid nature of the boundaries between the firms and their interrelationships that are important (Saxenian, 1994). In Silicon Valley, one manifestation of this is frequent job-hopping, which carries with it the transmission of skills and technology (Jennings, 1995). Indeed, the most successful regions may be successful, not because their industries make the right products, but because they specialise in diffusing innovation and new product development (Porter, 1990). The innovation friendly environment is highly adaptable, with a culture conducive to new ideas and new entrants. In contrast, poorer regions specialise and are locked into declining industry. Such regions face a “vicious circle of growth” of decreasing investment and job opportunities, population decline and an erosion of social amenities (Higgins and Savoie, 1997).

It is not surprising therefore, that in recent times, new policy has been tried around the idea of regional networking, to imitate industrial innovation districts and flexible specialisation that characterise regional successes in Europe and the US. Thus, one recent Australian government program, the Ausindustry Networks Program focused on innovation enhancement and networking (Arnall, Hine and Howard, 1995). But the role of networking and innovation will vary between industries depending upon a range of factors including the stage in the industry life cycle.

To over-generalise, regional policy evolves to match new regional development theory, justified in the context of targeting market failures. However, regional success can also be traced to much broader public policy. The phenomenal success of Silicon Valley has part of its roots in the expansion of US defence spending in the 1960s (Saxenian, 1994). On the other hand, success in Italy’s Emilia-Romagna region is traced back to more negative political forces. The new cadre of entrepreneurs emerged from the mass of skilled workers expelled from the big production factories after the Hot Autumn of 1969 because of their political sympathies (Mathews, 1990).

The point is, government policies can send regions on very different growth paths, yet regional policy in Australia has been inconsistent to say the least. At the national government level it has been mostly off the agenda, policy activism left to the State governments. And each State government has presented different policy priorities and programs.

4. REGIONAL POLICY IN AUSTRALIA

In 1901, the Colonies of Australia were federated under the Australian Constitution. Apart from defining the Commonwealth’s political decision-making processes, the Constitution also defined the legislative jurisdictions of the Commonwealth Government, vis-a-vis the State Governments. Intentionally, the Constitution was designed to maintain State autonomy while presenting a united front on the international scene. Economically, the Constitution largely limited the Commonwealth’s role to promoting free trade between the States and control of international agreements, with residual powers reverting to the States.

It is only as a matter of national expedience that, over the decades, significant economic controls (such as collecting income taxes and company law) have been captured by the Commonwealth (Howard, 1978).

As a consequence, in large measure, it is the Commonwealth government which sets the main parameters of macroeconomic (fiscal and monetary) policy in Australia. It is true that a significant part of the microeconomic reform agenda is promoted and implemented by the Commonwealth. But it is equally true that microeconomic policy remains predominantly in the domain of the individual State (and hence local) governments who effectively set priorities in terms of road building, rail, power generation and distribution, education, health and indeed, the vast majority of public infrastructure.

Regional development policy has therefore been mostly located within the domain of the State governments. This is not to say that the Commonwealth has never been engaged in regional development. Indeed there are two important periods of activity in national regional policy development. In 1974, the then Whitlam government established a "National Program for Urban and Regional Development". A measure of the Program's potential economic (and political) significance is that it envisaged 68 "regional growth centres" across Australia, with their own regional organisations seeking direct funding from the Grants Commission, the same mechanism for State Government funding (Department of Urban and Regional Development, 1974).

The more recent period of significant Commonwealth government regional development policy was in the Keating Government's *Working Nation* policies, "The Regional Development Program". The program promised \$150 million over four years for projects developed by autonomous community-based regional development organisations (REDOs) as a conduit for regional leadership and strategic planning (Department of Housing and Regional Development 1994). Like its predecessor however "The Regional Development Program" was quickly abandoned with a change of government and political ideology.

Although many of the REDOs remain, the abandonment of the Program by the Howard Coalition Government effectively crippled their functions. The Program barely ran for two years, so evaluation was not conclusive and probably redundant given the new political context. In other words, the prospects of a return of similar policy in the short-term are unlikely and for two reasons. Firstly, the Howard government perceived the Program as having no "clear rationale". Second, the Labor Party, who initiated the "Regional Development Program", derived little political reward (votes in rural Australia), suggesting energetic regional initiatives may be counter-productive (Giesecke and Madden, 1997).

Economic development initiatives targeting Australian regions have therefore largely emerged from State governments, except in a nominal sense, despite advantages that might flow from national coordination (Mackay, 1999). In other words, the regions in Australia have mostly developed in a State policy context. This suggests the prospect of useful interstate comparative analysis of regional performance as an outcome of policy.

As a starting point, a very simple model is proposed that attributes regional economic performance to two parameters, firstly, its *natural* geographic and socio-economic environment and second, government policy. That is,

$REP = f(e,p)$; where

- REP = regional economic performance,
 - f is a function of the regional environment (e) and policy (p).
- The model becomes much more complex with the precise specification of variables however. There is first the issue of defining regional performance – what are the relevant indicators? Then there is the problem of describing policy.

Given this model, if regional environments are intrinsically similar, then the variation in regional economic performance can be attributed in part to different policy environments. The need then is to identify Australian regions that are intrinsically similar but exist within different State government jurisdictions, because it has the potential to facilitate further analysis of policy effects.

5. REGIONAL AUSTRALIA AND THE LOCATION OF STATE BORDERS

Despite their widespread acceptance as coherent sub-national economic identities, there is one element of the ABS differentiation between SDs that is important to note. They do not cross State borders. This does not de-legitimise their definition as distinct regions though, because regions may be defined for political administration purposes. It is however useful to know how it was that the State borders came into existence because of the possibility that regions which might otherwise be intrinsically homogenous (socially and economically), have been divided arbitrarily by State borders.

The first historical point to be made is that the territorial limits (the borders) to the Australian States were established via British Acts of Parliament and at a time when the continent was only sparsely populated by European settlers. The borders were therefore established without necessary reference to the natural topographic or economic homogeneity of regions. Indeed, as the Table 1 suggests, borders to the mainland States of Queensland, New South Wales, Victoria and South Australia were often arbitrarily assigned according to the lines of meridian.

Map 1 illustrates the location of mainland Australia's State borders as determined via British Acts of parliament during the nineteenth century.

In effect, State borders were drawn without reference to natural or potential regional homogeneity, and since federation at least, different State government policy environments have applied. As a consequence, there are a number of regions that straddle the State borders and potentially fall into a category of divided regional identities. The relevant regions lie on either side of the Queensland-NSW border, the NSW-Victoria border and the South Australia-

Table 1. State Border Establishment Under British Acts of Parliament

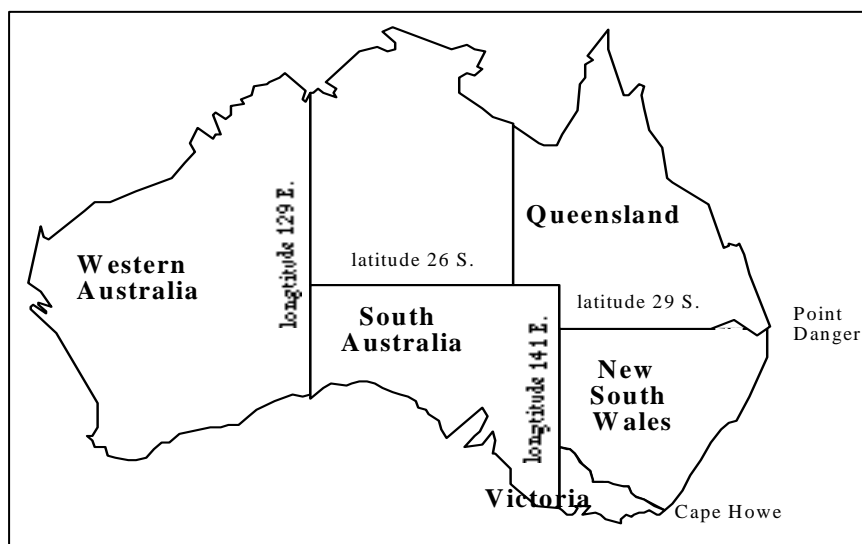
Year	
1825	New South Wales is extended to include mainland Australia out to longitude 135°. Over the next 40 years State borders are established to effectively reduce the territory of NSW to what it is today. Western Australia, for example, was constituted as a colony in June 1829 as the territory westward of the 129th meridian. The Northern Territory remains part of NSW until 1863.
1834	The northern boundary of South Australia was established at latitude 26° south and the eastern boundary at longitude 141° east.
1851	The northern boundary of Victoria was established by a straight line drawn from Cape Howe to the nearest source of the River Murray. The border then follows the course of the river to the eastern boundary of the South Australia colony.
1859	The southern boundary of Queensland was established by a line commencing at Point Danger, running westward along the McPherson and Dividing Ranges to the Macintyre River, downward to latitude 29° south and following that parallel to the South Australian border

Source: Groliers Australian Encyclopedia (1963).

Victoria border. Map 2 stylistically illustrates their location². A classic example is the “Riverlands Sunraysia” region with its agricultural/horticultural base on the Murray River is split into three distinct SDs, Murray (NSW), Mallee (VIC) and Murray Lands (South Australia) (Task Force on Regional Development, 1993).

To summarise, State borders were established without clear reference to the potential economic/social homogeneity that would have characterised these modern regional economies. If economic/social homogeneity infers similarity in economic performance, then economic performance indicators across the borders should be somewhat similar. If comparative analysis shows that this is not the case, it suggests consequences of alternate State government policy regimes.

² Regions that lie on either side of the South Australia-West Australia border are not considered as potentially coherent economic entities because of geographic features including the Great Victoria Desert. Similarly, Tasmanian regions are excluded because they are separated from Victoria by the Bass Strait.



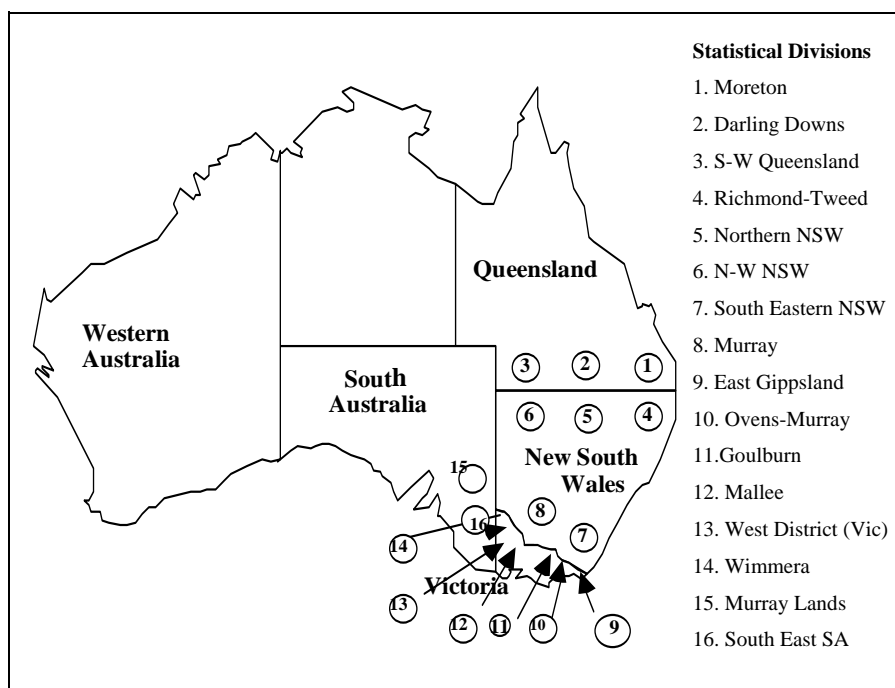
Map 1. Borders of Mainland Australia Based on Meridians

6. COMPARING THE BORDER REGIONS

A variety of indicators have been employed to compare regional performance. Maxwell (1993), for example, compared per capita incomes in the context of regional industry mix. Howard (1996) compared regions on the basis of small enterprise development. Howard and Bultjens (1999) compared regions on labour market indicators, finding extreme variation.

Certainly, labour market performance is a worthy measure, given an ultimate purpose for regional economic development in improving the lot of human beings. The unemployment rate, for example, is a useful measure of human happiness because it reflects the level of economic opportunity. It provides some measure of the difference in number between the haves and the have-nots. That is, the jobless have lower incomes and lower consumption possibilities. There is also the issue of potentially dysfunctional psychological conditions afflicting unemployed people (Morrell, Taylor, Quine, Kerr and Western 1994).

The labour force participation rate is also a useful measure of regional performance, in a developed economy at least, because it reflects the breadth of economic opportunities. Higher participation rates are preferred firstly, because it signifies a level of perceived opportunity, and second, because it means a higher potential productive capacity for the economy. A strong labour market attracts people to it, whereas a weak one encourages withdrawal.



Map 2. Regions (SDs) Straddling State Borders

Job growth rates are also potentially useful indicators of regional health. A high job growth rate not only suggests good job matching in the market, it also implies sustainable expansion in industry and therefore in the number and diversity of working opportunities for labour market participants. That is, *ceteris paribus*, high job growth lowers unemployment and/or increases participation (Howard, 1999).

Indeed, a variety of measures offer potential, including occupational mix, education, migration rates, and industrial mix as useful indicators of regional performance. Further, regional databases are available including the ABS' Census, Labour Force Survey and Business Register.

Two basic research approaches seem immediately appropriate. Firstly, analysis could be directed at contrasting the performance of the border regions as a group on an interstate basis. For example, the border regions on the Queensland side of the border could be compared on a range of indicators with the NSW border regions. It may be possible to identify a pattern that emerges over time to reflect general policy dispositions of particular governments.

Alternatively detailed case studies comparing a region with its cross border neighbour would provide the detail on economic performance potentially linked to specific government programs and projects.

7. CONCLUSION

It is argued from the above that there is as yet, unrealised potential for research in the field of comparative regional analysis, based on the notion of homogenous border regions with split regional identities. Furthering the research will be no easy task of course, firstly because the different State government policy regimes have potentially been in place for the past 100 years. Second, the variety of government policies and programs that are likely to influence economic variables are huge, ranging across all of a State government's functions including health, education and industry policy.

There is also an important assumption that must be confirmed, namely, that genuine homogeneity pre-existed across the borders and has been subsequently thwarted by arbitrary location of State borders. At this stage, there is some evidence that this is the case. The Riverlands Sunraysia region was cited as an example. And given the number of regions involved, the probability is high that homogeneity did exist at some level, and has been disturbed.

There is also the assumption that economic and social homogeneity should result in similar economic performance; a logical proposition perhaps that nonetheless needs to be proven. This also suggests the need for more research that probably starts with a definition not just of *homogeneity*, but also of *region*.

So the general finding of the need for further research is valid. Such research should add to the understanding of regional policy design and evaluation of the economic effects.

BIBLIOGRAPHY

- ABS (1998), CDATA, 1991 and 1996 Census of Population and Housing, Canberra, ABS.
- Aldrich, H.E. (1990) Using an ecological perspective to study organisational founding rates. *Entrepreneurship Theory and Practice*, (Spring), pp. 7-24.
- Arnall, R., Hine, D. and Howard, D. (1995) Toward a regional small business networking model. In *Ausindustry Business Networks*. Business Growth International Conference, Sydney.
- BIE (1994) *Regional Development: Patterns and Policy Implications*. AGPS:Canberra.
- Borland, J. and Home, R. (1994) Establishment-level Employment in manufacturing mndustry: Is small really beautiful? *Australian Bulletin of Labour*, 20(2), pp. 110-128.
- Botkin, J.W. (1988) Route 128, Its history and destiny. In Smilor, R. W., Kozmetsky, G. , and Gibson, D. V. (eds), *Creating the Technopolis: Linking Technology, Commercialization, and Economic Development*. Ballinger:Cambridge, pp. 117-124.
- Bull, A.C., Pitt, M., and Szarka, J. (1991) Small firms and industrial districts, structural explanations of small firm viability in three countries. *Entrepreneurship and Regional Development*, 3, pp. 83-99.
- Castles, I. (1993) CDATA91 Data Guide, 1991 Census of Population and Housing. Australian Government Publishing Service:Canberra.

- Czamanski, S. (1973) *Regional and Interregional Social Accounting*. Lexington Books:Lexington, Mass.
- Davis, S.J., Haltiwanger, J.C. and Schuh, S.C. (1996) *Job Creation and Destruction*. MIT Press:Massachusetts.
- Del Monte, A. and De Luzenberger, R. (1989) The effect of regional policy on new firm formation in southern Italy. *Regional Studies*, 23(3), pp. 219-230.
- Department of Employment, Education and Training (1993), *Natural Labour Markets in Australia*. Canberra, Economic Analysis and Policy Division, AGPS:Canberra.
- Department of Housing and Regional Development (1994) Guidelines for the Regional Development Program, Growth through our Regions, AGPS:Canberra.
- Department of Urban and Regional Development (1974) A National Program for Urban and Regional Development. Interim Statement, Canberra.
- Gertler, M. S. (1995) Round Table - Discussion of Regional Advantage: *Culture and Competition in Silicon Valley and Route 128* by AnnaLee Saxenian. *Economic Geography*, 71(2), pp. 199-202.
- Giesecke, J. and Madden, J. (1997) Regional government economic policy: assessing the policy instruments. *Australasian Journal of Regional Studies*, 3(1), pp. 3-18.
- Graziani, A. (1979) Il Mzzoogiorno nel quadro dell'Economica Italiana. In Del Monte, A. and De Luzenberger, R. (1989) The effect of regional policy on new firm formation in southern Italy. *Regional Studies*, 32 (3), pp. 219-230.
- Grossman, G. (1984) International trade and entrepreneurs. *AER*, (September), pp. 605-613.
- Higgins, B. and Savoie, D.J. (1997) *Regional Development Theories and Their Application*. Transaction Publishers:New Brunswick, NJ.
- Howard, C. (1978) *Australia's Constitution*. Penguin Books.
- Howard, D.M. (1996) Design Factors in Small Enterprise Development Programs for Regional Development. Unpublished PhD Thesis, Southern Cross University.
- Howard, D.M. and Buultjens, J. (1999) Labour market performance of Australia's non-metropolitan regions. *Australian Bulletin of Labour*, 25(2), pp. 105-116.
- Jennings, L. (1995) A tale of two technopoles. *Futurist*, 29(1), pp. 60-61.
- Johnson, P.S. and Cathcart, D.G. (1979) New manufacturing firms and regional development: some evidence from the northern region. *Regional Studies*, 13, pp. 269-280.
- Mackay, S. (1999) Regional and urban development: the Commonwealth –ocal government link – a discussion paper. *Regional Policy and Practice*, 8(1), pp. 38-42.
- Marshall, A. (1890) *Principles of Economics*. Macmillan:London.
- Mathews, J. (1990) Towards a new model of industry development in Australia, (No. 78). School of Industrial Relations and Behaviour, University of NSW.
- Maxwell, P. (1993) Trends in regional income disparities: an Australian perspective on the Canadian experience. In Curtin University of Technology,

- Perth: School of Economics and Finance Working Paper 93.27.
- McKinsey and Co (1994) *Lead Local Compete Global*. Report for Office of Regional Development, Department of Housing and Regional Development, Canberra.
- Morrell, S., Taylor, R., Quine, S., Kerr, C. and Western, J. (1994) A cohort study of unemployment as a cause of psychological disturbance in Australian youth. *Social Science and Medicine*, 38(11), pp. 1553-1564.
- Murphy, T. and Walker, G. (1995) A new phase in Australian regional development. *Australasian Journal of Regional Studies*, 1(2), pp. 119-132.
- OECD (1990) *Implementing Change, Entrepreneurship and Local Initiative*. OECD Publications:Paris.
- Perroux, F. (1950) Economic space: theory and application. *Quarterly Journal of Economics*, 64(Feb), pp. 89-104.
- Perroux, F. (1955) Note sur la notion de pole de croissance. In *Economie Appliquee*, Paris.
- Peterson, R. (1988) Understanding and encouraging entrepreneurship internationally. *Entrepreneurship Theory and Practice*, 13(3), pp. 1-7.
- Porter, M. E. (1990) *The Competitive Advantage of Nations*. MacMillan:London.
- Richardson, H. W. (1979) *Regional Economics*. University of Illinois Press:Urbana.
- Saxenian, A. (1994) *Regional Advantage: Culture and Competition in Silicon Valley and Route 128*, Cambridge, Harvard University Press.
- Schumpeter, J.A. (1934), *The Theory of Economic Development*, Cambridge, Harvard University Press.
- Task Force on Regional Development (1993) *Developing Australia, A Regional Perspective*. Vol. 1, Canberra.
- Ullman, E. L. (1964) Regional development and the geography of concentration. In Friedmann, J. and Alonso, W. (eds), *Regional Development and Planning, A Reader*. MIT Press:Cambridge., pp. 153-172.
- Watson, J. and Everett, J. (1995) Do small businesses have a higher failure rate? *International Council for Small Business, 40th World Conference*, Sydney.
- Wood, W. C. (1994) Primary benefits, secondary benefits, and the evaluation of small business assistance programs. *Journal of Small Business Management*, 32(3), pp. 65-75.