

# Local and regional development 2

## Regional planning

- *Urban planning* (for municipal decision-making)
- *Regional planning* (for regional policy)

Aim: to improve the life standards and converse the present economic structure

*Example:* Many cities were rebuilt in the past ⚡ fires, etc. according to certain plans developed in advance

Steam engine invention => Industrialization => Concentration of production => Dynamic growth

Rapid development => Many problems (overpopulation, poor hygiene, epidemics) => Govt. regulation

*Green belts* = to disperse the cities to grow farther

Several cities have been established since the 1900s in order to make the space easier to manage.

## Strategies for local development

Aim: to make particular action to happen, to make a goal real, to *strengthen region's competitiveness* by developing unused potential in long-term period.

Population, economic structure, social life and physical environment are analysed by statistical data and terrain exploration.

Main problem is the population's support as well as other influenced subjects, e.g. businessmen, authorities, etc.

Methods: relation analysis, comparative analysis, SWOT

Every SLD should contain: (PPP)

- *infrastructural improvements*
- *business development*
- *human resources' development*

Plan: priorities → objectives → strategies → financial costs → EIA → time plan

## SME

= their number refers to the development of a region (economic prosperity)

= often more flexible in answering to the specific demand compared to large companies

Significance → employment, innovation, competition, image

SME *influenced* primarily by: demand, agglomeration, household standards, elections, govt. expenditures.

**How to help SME to form?**

## SF EU

= main financial instruments to combat the regional inequalities

ERDF:

ESF:

## FDI

= creates difficult competitive environment + various motives (*low costs vs. market penetration*)

SARIO:

## TNCs

!!! Liberals vs. Marxists !!!

= efficient ⚡ economies of scale, specialization, financial power, work management, bank and government incentives

Impacts:

- ✓ *competition*, e.g. ability to lower the prices => disadvantaged domestic producers
- ✓ *trade balance*, e.g. export/import ratio
- ✓ *financial "drainage"*, e.g. money withdrawn from a country providing loan to invest overseas
- ✓ *technological improvements* (?), e.g. assembling plant vs. R&D (science park)
- ✓ *labour market and wages*, e.g. usage (un)skilled workforce

## Keywords

regional planning, competitiveness, PPP, EIA, SME, TNC, FDI, SF, objective, financial costs, motive, SARIO, drainage, specialization, incentives