

Abstracts

GUNDERSON, M.: "Regional Productivity and Income Convergence in Canada Under Increasing Economic Integration".

The paper analyzes regional convergence of productivity, wages and incomes in Canada, focusing on issues of labour adjustment associated with convergence of productivity, wages and incomes in Canada, focusing on issues of labour adjustment associated with such convergence. The analysis draws on the theory and evidence in a variety of inter-related areas: growth convergence and preconditions for growth; migration, resource rents and equalization payments; spatial convergence and the growth and decline of cities; neighbourhood effects and the social transmission of inequality; interjurisdictional competition for investment jobs; and trade liberalization and factor price equalization. The analysis concludes that there will be a tendency towards regional convergence in such factors as productivity, wages and incomes. Nevertheless, there is considerable variability in the convergence, and there is no guarantee that the very poorest regions will converge upwards. There is a very real danger that they may be bypassed by the process of integration and become increasingly marginalized, especially if they do not possess certain minimal preconditions for upward convergence. The extent to which the wealthier regions can sustain upward convergence around a rising living standard will depend upon the extent to which they can develop the scale economies and positive externalities of growth and agglomeration to sustain high productivity and wages. Transfer payments are likely to be more difficult to sustain under increased economic integration; hence, the effects of market forces on convergence or divergence are likely to become more pronounced.

COFFEY, J.C. and DROLET R.: "Make or Buy: Internalization and Externalization of Producer Service Inputs in the Montreal Metropolitan Area".

Producer services enhance the efficiency of operation and the value of output at various stages in the production process. Each firm must decide whether to "make" or "buy" a specific producer service input; such as, whether to provide a given service internally through its own personnel or to contact-out the provision of the service to an external establishment. In the present paper we seek to increase the understanding of this phenomenon by examining, both conceptually and empirically, the make or buy behaviour of establishments across all sectors of activity. We first review the factors that can influence the decision to internalize or to externalize producer service inputs. Then, after a brief section on definitions and methodology, we examine some empirical evidence drawn from a detailed survey of producer service consumption by establishments in the Montreal Metropolitan Area. We present a descriptive

analysis of internalization and externalization in the consumption of producer services, then attempt to identify some of the factors that underlie the make or buy decision. Our analysis concludes with some comments linking our empirical results to the producer services literature.

THIBODEAU, J-C. and MARTINEAU, Y.: «Technological Diffusion in Peripheral Regions: A Case Study» [Essaimage technologique en région périphérique: étude de cas].

Recent work in regional science focuses on the concept of technological core and suggests that regional development should be based on a better utilization of a region's potential capabilities. However, tools developed for the evaluation of the capacity to adopt innovations perform rather poorly when applied to peripheral regions because of low population densities and the degree to which economic activities are concentrated in a few urban centres. In this context, are the activities of a major high-tech firm strong enough to generate technological diffusion in peripheral regions? This is the question the authors address through the analysis of case studies of high-tech manufacturing firms located in some of Quebec's peripheral regions. This study reports on a number of findings from the study of four such industries located in the Côte-du-Sud region of the province.

RICE, M.: "Functional Dynamics and a Peripheral Quaternary Place: The Case of Calgary".

This article examines Calgary's role as a headquarters centre in the periphery of Canada. It places the headquarters community of Calgary in context through an analysis of change in the national economy from 1970-1990. The paper focuses on the central finding that Calgary's headquarters community has been dominated in recent years by headquarters in declining subsectors of the Canadian economy. The paper links this finding to the dual conceptual frameworks of core-periphery theory and a perspective on business behaviour known as resource dependence. The results have implications for the development of theory in location analysis and regional development.

STABLER, J.C.: "Economics and Multicommunity Partnerships".

The purpose of this paper is to identify the incentives for, and constraints to, (predominantly rural) multicommunity partnerships from an economic perspective. As a discipline, economics has had little to say on this topic. Thus, the approach taken is to identify those concepts from economic theory that provide justification for, as well as disincentives to, multicommunity development or restructuring initiatives. It is clear that what is required for development is a structure that replaces the present incentive for strategic behaviour at the level of the

individual community with an incentive to identify with, and to be accountable for, the economies of larger regional entities.

HANSEN, N.: "Regional Development Policies: Past Problems and Future Possibilities". Increasing regional disparities in a number of industrial countries have led to a renewal of interest in regional policies. However, the complex mosaic of regional development patterns and processes suggests that they cannot be explained sufficiently by any general theory. In any event, it appears that successful regional development is based on extensive networking among firms, and that these cooperative interactions often take place over wide areas. In the past, regional policies provided subsidies and inward information flows to lagging regions. Future policies should give greater attention to outward information flow linkages so that regional firms can become networked with potential sources of development-inducing innovations. This approach is consistent with evidence that the signalling of a problem to be solved is more significant for innovative activity than the generation of new knowledge.

MILLERD, F.:"The Impact of Water Level Changes on Commercial Navigation in the Great Lakes and St. Lawrence River".

The impacts on commercial navigation of water level changes due to water regulation measures proposed for the Great Lakes and St. Lawrence River and a doubling of atmospheric carbon dioxide are estimated. The 1989 shipping season is simulated with each of the water level changes in place and any resulting increases in shipping costs computed. Each change's relative impact is derived by comparing its shipping cost changes to the shipping cost changes associated with a set of benchmark lake levels reflecting historic hydrologic conditions and current water management structures and procedures. The results indicate that commercial navigation would benefit from implementation of many of the proposed water regulation measures. A doubling of atmospheric carbon dioxide, however, would have a significant negative impact on commercial navigation.

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