



Community and Economic Development in North Carolina and Beyond Blog: The Role of Economic Development Professionals in Job Creation

By Jonathan Morgan

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In the third part of a series on “How to Create a Job”, *This American Life* teamed up with *Planet Money* to get some insights into the “nuts and bolts of government job creation” by attending a recent meeting of the International Economic Development Council (IEDC). Part three of the four-part series is a 15-minute segment that originally aired on National Public Radio (NPR) on May 13, 2011 titled “**Job Fairies**”.

The segment was received as an affront by the formal leadership among economic development professionals. IEDC President Jeff Finkle wrote a complaint to NPR in which he characterized the piece as essentially being an unfair and unbalanced hit job on the profession by reporters with preconceived notions about the value of economic development efforts.

In a thoughtful response on his blog, NPR Ombudsman Edward Schumacher-Matos summarized the contentious points from the radio segment:

- local and state economic developers across the country do little to create jobs for the nation as a whole;
- they largely “steal” jobs from one another;
- they are “lying” or at least “spinning” in selling their communities;
- even their local impact is negligible; and
- their real interest may be to protect their own jobs.

The NPR Ombudsman acknowledges some serious problems with the story, including many key conclusions being made without sufficient data to support them.

While clearly controversial and somewhat mocking in tone, the segment makes some thought-provoking observations and implications about the practice of economic development that are worth addressing more fully:

1. The tendency for economic development to be “trendy work” and heavily influenced by faddish thinking. One of the reporters noted how the latest and greatest strategy in the field has evolved from smokestack chasing, to clusters, to creative cities, to economic gardening. Is this a healthy characteristic or is it problematic?
2. The extent to which extreme boosterism in economic development is a pathological problem that inhibits communities from dealing with the hard realities they must face.
3. The challenge of measuring results in economic development, particularly those produced by entrepreneurship/gardening strategies. (See related post from June 7, 2011.)
4. The extent to which any job creation that occurs can actually be attributed to the efforts of economic development professionals.

Perhaps this controversial media coverage will provide an impetus to get some systematic answers to these and other unresolved questions about economic development. Without better answers, people may draw conclusions about the role of economic development professionals based on ill-informed perceptions and preconceptions.