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ATLANTIC REGION DEVELOPMENT
IN A WORLD PERSPECTIVE

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The primary intent of this brief paper is to explore some paradoxes in the way development economists, and in particular this development economist, have happily prescribed a range of fairly traditional palliatives to bring growth to the Atlantic Region, while knowing deep down that the world economy demands a long-term pattern of little if any economic growth as we have known it.

By way of introduction, let me quote from myself in three different settings; each passage was written sometime between July 1975 and June 1976.

First, in summarizing a proposed strategy for the Atlantic Region:

1. The "central corridor" (roughly from Halifax to Fredericton) will provide most of the employment opportunities and absorb an even higher share of the population growth. Industries which depend on distribution, on good transportation, on services, and on skilled labour will not typically locate elsewhere in the region. Within Newfoundland, the Avalon Peninsula area performs the same function.

2. Outside the central corridor, emphasis must be placed on selected regional centres such as Bathurst, Yarmouth and Corner Brook to serve as secondary growth centres.

3. Intra-regional links are vitally important, particularly highway and air links. The urban focus outside the central corridor can strengthen these links.

4. Import-substitution in manufacturing and services will provide the largest part of employment creation.

5. The steel complex proposed for the Sydney area is the most important single project in the region. Without it, there can be little or no optimism concerning Industrial Cape Breton.

6. The expansion of electrical generating capacity must take priority in Newfoundland for the next decade.

7. Increasing emphasis must be placed on the quality-of-life aspects of urban development. In Halifax-Dartmouth this means cultural and entertainment facilities, regional parks, etcetera; in other areas, recreation and community services must be developed. This is fundamental to attracting and maintaining population [2, pp. 36-7].

It rings well to the development ear, attuned to growth and expansion. Even the qualitative improvements are justified in terms of attracting population and investment.

Shortly after writing this, I became involved with Canada's pre-
Almost a year later, including nine months in a large bureaucracy concerned with environmental management, I still very much believe the last statement: the ball is in our court and we, the fat cats of North America, are going to have to display a long-term sensitivity that has not been conspicuous to date.

I shall return to an examination of this perspective, with particular reference to Atlantic Canada; but first I want to explore the inconsistencies among these three positions, and, more important, to look at how they are mutually consistent.

Consistency and Inconsistency

Very plainly, the fundamental inconsistency is that I am on the side of the battles of growth, bigness, and development at the beginning and renouncing technological progress at the end. More, I am pronouncing mechanistic solutions at the beginning and humanistic ones at the end: my urban/industrial *revolution* is replaced by a "new sense of moral purpose".

In the first two quotations, I am well within the normal bounds of bureaucratic/academic/professional conduct: I see the world moving along; I forecast its direction and suggest how people, trends and economies can be comfortably accommodated within the mainstream of progress.

In the last quotation I become a prophet, warning that the next step you take in the present direction may be irrevocable and fatal, and I suggest a solution that is completely outside the mainstream of progress.

As usual, Shaw said it better.

The reasonable man adapts himself to the world: the unreasonable one persists in trying to adapt the world to himself. Therefore all progress depends on the unreasonable man [6, p. 260].

It is worth noting that Shaw talks of progress in a sense which is quite the opposite of my use of the word. This leads to the first major inconsistency between the three quotations: They can all be described as "progressive". That is, they all propose changing the direction of the world so as to obtain some supposedly higher state.

Second, and more important, in each passage I am very sure who my audience is. The Atlantic Region strategy was aimed at investors and hard-nosed bureaucrats, people who pride themselves on being pragmatic. The others are similarly audience-directed. In W.S. Gilbert's words from The Yeomen of the Guard, you must "consider each person's auricular: What is all right for B would quite scandalise C (for C is so very particular)."

It worries me very deeply that when we engage in this sort of duplicity we often end up in a position where we have twisted the truth too far in order to please our audience. Worse, this is not even a conscious act most of the time; it is merely the way in which we play the game. The rules of the game take priority over our own beliefs. Thus we prescribe traditional economic growth for the Atlantic Region, and for Canada when we know that such growth is at best unlikely and at worst immoral or suicidal.
There are two reasons for concern here. First, there is the danger that individuals will turn off their consciousness and that their deeply-felt concerns and beliefs will go unheard. Second, I believe that we are designing institutions, public and private, so as to encourage this separation of our beliefs from our work. Thus we become predictable rule-obeyers, withdrawing from our beliefs and values.

At this point I am verging on the question of morality again, and I would like to stress its importance. What we refuse to accept in our pragmatic, business-like, institutionalized work-world is morality, which we see as belonging only to our so-called personal life, and which we generally try to avoid even there if we possibly can. It was Shaw again who said, "An Englishman thinks he is being moral when he is merely uncomfortable." We all suspect morality is uncomfortable. We do not believe immorality is uncomfortable, as Dante and other explicits of hellfire suggested; rather we think that morality is uncomfortable, as it was for John Bunyan's poor old pilgrim. So we eschew morality, especially in our "public" lives. For those of you who feel morality is a matter for churches and not for economists and regional scientists, it is worth remembering that most of what we call morality is in fact a very pragmatic approach to cultural survival, a set of principles and rules that make it possible for man to live in harmony with his neighbours and with his environment. In our arrogance over the past 200 years or so, we thought we could conquer things. We are now relearning how to live with things, and the old principles are once more becoming clearly relevant.

This is a very dangerous pattern, not only because it is purposeless, but also because it inhibits change. It means that our institutions say, "We expect to hear the same old song. They become dogmatic. There is a strong theological overtone to all of this, and it is very apt. Provincial and Federal development agencies and advisors have a tendency to pursue ideas with all the fervour of the recently converted, and as failure cools their fervour, they flounder around in the Sough of Despond until another concept comes along. But once on one of these paths, they are very difficult to shift, and are deaf to approaches that do not fit.

I can recall three very different DREE theologies, each with a number of sects within the body of the one true Church. There was the Growth Centre approach which, with its emphasis on Infrastructure, became known as the Central Place Wharf, Road, and Sewer approach to development. Then came Development Opportunities, which was supposed to be very hard-nosed and entrepreneurial but was inhibited by many as opening things up for every little community to get a federal handout; if nothing else, it acted as a spur for community planning. Then came the Central Corridor, which is some sort of combination of the earlier two approaches, but recognizes that many industries can only be competitive if they locate in the central area (roughly Halifax to Fredericton plus the St. John's area). This approach is still with us.

My own contribution, quoted earlier, is very much part of the "Genesis" of the Central Corridor school. Although I am flattered by the adoption of the concept, I am worried that it will inhibit adoption of new and better ideas as they become relevant. This is of particular concern to me, as I have a few further ideas to contribute and am not particularly sanguine about bashing my head against the wall of the sanctuary for a couple of years while the high priests inside are monotonously chanting the Central Corridor and Urban Development back at me.

An Alternative Approach to Development

The approach with which I would now like to assail the Holy of Holies starts with the fine moral sentiments with which I left Vancouver after HABITAT.

The major characteristics of Atlantic Region development in such an approach would be:

1. Low or no growth in consumption - and hence production - of goods.
2. A substantial increase in the use of renewable resources, rather than non-renewable resources.
3. The avoidance of waste and the recycling of most materials.
4. The application of the most stringent environmental safeguards.
5. The application of self-help and community involvement to the improvement of communities, communities, and in general the setting in which we live.
6. The relentless pursuit of techniques by which resources, especially energy resources, may be conserved.

Put in these terms, it all seems quite radical and very far removed from the development strategy outlined earlier. In fact, it is largely consistent with the strategy I outlined earlier, except that one absolutely fundamental restraint has been introduced: I am now saying that never-ending exponential growth as we have known it, especially in the production of goods and the consumption of resources, is simply unrealistic. But that does not mean that the Atlantic Region economy has to stagnate. With the resources we have and the ingenuity we have, we can satisfy the needs of Atlantic Region residents very richly indeed.

A development strategy to achieve the above goals would have a number of characteristics in common with the approach I outlined at the beginning of this paper. First, it would focus very much on self-sufficiency for the Region. This would involve import-substitution in manufacturing and in the service sector. Second, it would increase the emphasis on quality-of-life aspects of development. Both of these are in line with the earlier strategy, although I would now tend to stress services a bit more and be more dogmatic about quality of life.

As far as the urban bias is concerned, I would stay with it for now and also stay with the Central Corridor. The Region is too dispersed to meet its needs in an economical fashion. If the retreat from growth were to become a complete "children's crusade" for self-sufficiency at the family and village level, and if we were accordingly to abandon most of our financial superstructure, then it would not be necessary to worry about the urbanization process. But if we are careful about it, we can aspire to maintaining most of our present lifestyle, except for the unconscionable waste, and we will want to choose from a wide range of goods and services. This diversity comes in urban places, and in those same urban places are then found the market concentration, the services, and the labour pool required to produce that diversity.

That leaves two major elements in the strategy: steel in Cape
and electricity in Newfoundland. After almost ten years of professional involvement in Nova Scotia (and Cape Breton) development, I am still totally unable to see any real alternative to steel and coal in Industrial Cape Breton. I am not at all convinced that it can be totally viable in traditional economic terms, although the Gabarus (or Cansteel) approach probably would come close, but the alternatives are even more costly: a mass welfare program for 120,000 people; massive out-migration; the destruction of the morale of the entire area. I would, however, shift my emphasis slightly now, and I would not wait for the new steel mill: I would suggest that Industrial Cape Breton start right now to upgrade the existing urban fabric, to make it a better place to live. Most of the people are going to stay whatever happens, and with the skills and strength that exist there, they can rebuild their community through self-help of the best kind. The success of Co-operative Housing in Cape Breton shows what can be done.

As for electrical energy in Newfoundland, I have no problem with the basic concept of developing the renewable resources of hydro power. I would just want to be sure that it is treated like gold, conserved wisely, and used primarily to meet the needs of Newfoundlanders.

So far, so good. Coming at the world from the other end, I reach the same conclusions. It’s quite a clever trick, and it is quite misleading. Just because some elements of strategy are the same does not mean either the basic thrust is the same or the specific means adopted to get there are the same. Fido has claws, therefore Fido is a cat.

**Strategies for an Alternative Future**

At best, we can be comforted by the thought that the present prescriptions are not too far out of line, and are not likely to be too harmful. But they are still based on the concept of sustained growth, and worse, the institutions which we use to pursue development are firmly committed to that sort of growth and will consciously or unconsciously resist the emergence of non-growth solutions.

Ultimately I see this as an institutional problem, which must be attacked both from inside and from outside these institutions, to change the institutions we have and to build new ones more relevant to future (and, I believe, present) realities. In a very skeletal way, let me list some basic changes that I see as necessary if the strategy is to be truly consistent with the world-scale realities that I glimpsed at HABITAT.

1. We should adopt as a principle the concept that any task should be performed by the lowest level and/or smallest unit that can handle it. This combines both decentralization of governmental power to local levels and devolution of power and responsibility down the hierarchy within organizations.

2. Complementary to the above point is the need for large organizations to define clearly their objectives and operating principles. In simple terms, this leadership is vital internally, so that the organization works together, and externally, so that it can be understood.

3. Consistent with both of the above is a reduction in the amount of bureaucratic effort put into “coordination”. If responsibilities and powers, objectives and principles, are clear, coordination can be avoided. Coordination nearly always leads to blurring of lines of authority and wasteful delays.

4. Our large institutions, public and private, have to be more open to public questioning, scrutiny, and ultimately to public accountability. In government institutions, this means exposing the bureaucratic more often and expecting less of the poor elected representative, who simply cannot be responsible for everything done in his Department. Most senior elected representatives, at all levels, work unbelievable hours and still only manage to see a fraction of what is done in their name. We should expect them to steer the ship, but not to oil the engines as well.

5. Relatively informal community-level organizations can take over a wide range of functions, supplementing and supporting both government agencies and for-profit enterprises.

6. More generally, self-help organizations can mobilize resources that the market leaves unused. With the baby boom reaching the labour force in unprecedented numbers, there are gloomy forecasts of double-digit unemployment as the pattern for the next decade. Our whole economic and political system is in trouble if it cannot provide meaningful activity for the population, and self-help has a large role to play in this.

7. The mass media have to be on top of these changes so as to inform the majority of the public of what is going on and how the world is changing. This is vital to reducing stress and conflict for individuals.

8. All our institutions have to encourage individual initiative and reward success. Present patterns encourage extreme cautiousness and the avoidance of new ideas.

9. In general, we have to encourage risk-taking and entrepreneurship. One regrettable side-effect of institutional growth is that many potential entrepreneurs find corporate or bureaucratic work very rewarding; thus, instead of applying their fertile minds to meeting real needs in their community, they (we? I?) spend much of this creative energy in bureaucratic infighting far from where the decisions are made. We (They?) are pushing boulders uphill.

10. We have to reconcile ourselves once more to working for a living. Our productivity is desperately low now, and that severely damages our competitiveness. We cannot live off economic rent for ever.

11. As much of the work in community enterprises is voluntary, we need new measures for such basic factors as GNP and employment.

Some work is being done on indicators to replace GNP. We also need to differentiate between "jobs" and "employment". I suggest we define employment as: "using one's abilities to help meet the needs of society." This will change not only the statistics but also our view of work.

**Conclusion**

There is more that could be added, but the thrust is clear. To become sane in a world context, we have to change our goals and our institutions, although fortunately we may not have to change our immediate strategies too much. Let me conclude with three quick notes:
First, you may well ask, "Why us? Why the Atlantic Region, who have not enjoyed the gluttony that some of our neighbours have?" The answer is that this is for everybody. For the Atlantic Region the adjustment might even be easier. My prescriptions for Ontario and Alberta would be basically the same, except that they can probably trade their resources for a slightly higher standard of living, at least for a while.

Second, I would like to point out some very successful endeavours in the Atlantic Region. PEI leads the way with the Ark, with their reshaping of the rural community around the family farm, and with the emphasis on alternative energy sources. In Nova Scotia there is the Little Red Schoolhouse program, a number of heritage conservation projects, Sultles and Seawinds making quilts and apple dolls, and a renewed interest in supporting small enterprises. There are many more in New Brunswick and Newfoundland too.

Third, to bring some much needed perspective to all this, two quotations. The first reads:

Only a large-scale popular movement towards decentralization and self-help can arrest the present tendency towards statism.

The second reads:

The problem which faces the modern world is the combination of individual initiative with the increase in the scope and size of organizations. Unless it is solved, individuals will grow less and less full of life and vigor, more and more passively submissive to conditions imposed upon them. A society composed of such individuals cannot be progressive or add much to the world's stock of mental and spiritual possessions.

The first was written in 1946 by Aldous Huxley (4, preface). The latter was written in 1917 by Bertrand Russell(5).

Most new ideas are merely old ones in new guises. But that does not render them any less worthy of consideration.

References