# POLITICIANS AND APPROACHES TO REGIONAL DEVELOPMENT: THE CANADIAN EXPERIENCE\*

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#### Introduction

Canada is one of the most highly regionalized of the industrialized market economies. Despite recent signs of a tendency towards convergence, regional disparities remain large for a country at Canada's general level of economic and social development. These continuing regional gaps reflect deep-seated elements of the structure of the Canadian economy. In addition, because of Canada's peculiar combination of geography, history, and constitution, it has been natural for Canadians to think of "regional" policy in terms of the ten provinces or groupings of them [21].

The centre-periphery nature of Canada's economic structure has given rise to important differences in living standards and to different regional economic specializations. While the Toronto region has been able to develop a highly sophisticated urban structure and a strong industrial base, most of the Atlantic region, some 1,200 miles to the east, suffers from chronic unemployment, a weak urban structure, and a heavy reliance on natural resources. This situation, repeated in variations across the country, has led people in different regions to perceive their economic interests differently. Southern Ontario, for example, will tend to favour tariff protection, while the peripheral regions, particularly the western provinces, are much more likely to espouse free trade.

Our political system itself has also served to promote these differences. Canadian federalism has "institutionalized regionalism", with

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provincial governments becoming the channel through which regional interests have been articulated [22]. In *Public Money in the Private Sector*, Allan Tupper [22:41] remarked that "The Premiers have obviously mastered the rhetoric of regional alienation", and went on to suggest that debates about a Canadian industrial strategy are shaped at least in part by the "often conflicting goals of eleven interventionist governments."

Provincial governments reject out of hand any notion that their respective economic circumstances are shaped by the market forces and by the geographically neutral policies of the federal government. In fact, the governments of the four Atlantic provinces, the four western provinces, and now Quebec, firmly believe that federal economic policies actually retard regional development and favour growth in Southern Ontario. [22:Ch. 4].

Certainly, the Atlantic provinces regard regional development and a role for the federal government in ensuring balanced economic growth between the various regions as fundamental tenets of Canadian federalism. Premier Peckford of Newfoundland, for one, recently warned that "Canada could not survive as a nation unless some tangible progress is made in alleviating regional disparities" [16:4]. The importance of regional equity in economic policy making in Canada is such that it is now a part of our constitution. Indeed, in 1982, governments committed themselves through the Canada Act to "reducing disparities in opportunity" [2].

The federal government has embarked over the years on a number of costly and major regional development initiatives. Clearly, the *driving force* behind the government's commitment in this respect has come for the most part from elected officials. A review of Canadian regional development efforts confirms the important role politicians have played in sustaining them and in supporting the concept in Ottawa. This is due no doubt to the fact that many politicians represent slow-growth regions and are always ready to support measures designed to assist these regions. There is also little doubt that without politicians the federal government's regional development efforts would not have been as ambitious as they have been.

There is ample evidence to suggest, however, that permanent government officials view regional development initiatives with great reservation. Tom Kent, the first permanent head of the federal Department of Regional Economic Expansion (DREE) explained: "From the point of view of almost all conventional wisdom in Ottawa, the idea of regional development was a rather improper one that some otherwise quite reasonable politician brought in like a baby on a doorstep from an election campaign" [4:24]. Recently, a senior federal offi-

cial argued that promoting regional development inside the federal government was like "pulling against gravity" [20:34].

The purpose of this paper is to review the role of politicians in promoting regional development concerns inside government. It is argued that the issue constitutes a puzzling paradox. On the one hand, it is clear that politicians have played a central role in sustaining a government commitment to regional development. Yet, it is also clear that politicians have played havoc with the various approaches that have been tried.

# Politicians and the Department of Regional Economic Expansion (DREE)

It is important to bear in mind that powerful central agencies such as the Department of Finance and the Treasury are staffed by mainstream economists. Most economists, one observer has remarked, "have a prejudice against regional growth policies on the grounds that such policies compromise efficiency in resource allocation" [12]. Another observer insists that "in many of the pronouncements of economists an objective is assessed. Frequently, that objective is to maximize the national dividend, but class distribution or regularity versus size are troublesome variants in objective. Regional distribution is just one more troublesome variant" [1:185].

Many senior government officials are of the view that the combination of industrial incentives, public investment in infrastructure, revenue sharing, and other transfer payments, designed to generate greater equality among regions with regard to income, employment, and standards of public service, in fact have the opposite effect: they misallocate resources, reduce mobility of both labour and capital, and delay adjustment to change. Still others are prepared to admit that the regional development programs and policies have brought some improvement in economic and social conditions to the disadvantaged regions of Canada, but maintain that these gains have been bought at the cost of a reduction in "efficiency" of the national economy. At best, they argue, there is a trade-off between faster growth of national income as a whole and further efforts to reduce regional disparities through the sort of devices that have been applied in the last decade or two [11].

Regional development "remained a secondary issue" in Canada until the establishment of DREE in 1969 [6]. The Diefenbaker government had made election campaign commitments to introduce measures for promoting regional development and had put in place initiatives designed to spur economic development in slow-growth rural regions. But the Trudeau government went further, and Trudeau

himself declared in the 1968 election campaign that persistent regional disparities were as threatening to national unity as English-French relations. After getting a strong national mandate, Trudeau immediately established DREE and appointed his close friend and trusted Quebec lieutenant, Jean Marchand, to head the department. He also named a high profile public servant, Tom Kent (who had been close to Trudeau's Liberal party while the party was both in and out of office) as deputy minister. All of this provided a clear signal to Cabinet ministers and the federal bureaucracy that regional development was a top political priority for the government.

Shortly after it was established, DREE embraced the growth-pole concept as the basis of its development strategy. While past efforts had been largely limited to economically-depressed rural areas, DREE was to rely on a sophisticated economic model developed by French economist François Perroux [17].

Perroux wrote that the operation of market forces did not guarantee a harmonious "equilibrium" in space. Economic activity and development would not necessarily spread evenly and equitably throughout the land [17:179]. To politicians in Ottawa it was a notion that held great commonsense appeal. To them, it was obvious that growth is a result of industrialization: industries tend to concentrate in locations that favour further accumulation, and centres with strong growth hold the potential to spread jobs over wide areas. The solution to Canada's slow-growth regions was equally obvious: encourage the clustering of new enterprises into urban centres of retarded regions.

With considerable fanfare, Marchand unveiled the new policy direction and outlined how it would be implemented. He explained that urban centres with the potential for attracting manufacturing and processing firms would be chosen. A special areas agreement with the relevant provincial government would then be signed, providing for joint federal-provincial government initiatives to transform the designated urban centre into a high growth area. Twenty-three such areas were identified, each of which became the subject of an intergovernmental agreement. Six were expected to realize substantially faster industrial growth as a result of the incentives programs, and were designated in order to provide the infrastructure needed to support this growth. These areas included St. John's, Halifax-Dartmouth, Saint John, Moncton, Quebec City, and Trois-Rivières. Because of their locations, Regina and Saskatoon were also designated in order to assist in development financing of the surrounding community. In Newfoundland, the Burin Peninsula, Gander, Stephenville, Hawke's Bay, Come-by-Chance, and Goose Bay (Happy Valley) were designated in order to make them more attractive as "receiving centres" under the Newfoundland Resettlement Program. The Pas and Meadow Lake in

Manitoba and Lesser Slave Lake in Alberta were designated in order to promote the development of resource industries, and to improve community facilities, particularly to the advantage of the Indian and Métis populations. The Renfrew-Pembroke area in Ontario and Lac St-Jean in Quebec were designated for industrial incentives, for which they were not eligible under the regular incentives program. Finally, the Ste-Scholastique area, outside Montreal, was designated, as a result of the federal government's decision to construct a new international airport in the area [10:136-37]. In this case, assistance was provided to the province to put in place the extensive infrastructure that was required.

These special areas agreements sponsored a great variety of projects. They included highways, water systems, industrial parks, tourist attractions, servicing of industrial land, sewer systems, and schools. Funding arrangements were also varied, ranging from federal financing of 50 percent of the cost of certain projects, plus a loan for part or all of the remainder. In the case of highway construction, Ottawa paid up to 100 percent of the cost.

A quick survey of the various special areas agreements reveals that the great majority of projects sponsored were indeed of the infrastructure type. In Newfoundland, a new industrial park was built in St. John's, as were new water and sewer systems, a new arterial highway, and a new high school. Similarly, in other areas of the province, nearly all of the DREE funds were allocated to new water and sewer systems, roads, industrial parks, and schools. The pattern established in Newfoundland was followed elsewhere. The Halifax-Dartmouth area, for example, saw some sixty-five projects exclusively for roads, sewer and water systems, and school construction.

All in all, special areas agreements essentially supported similar initiatives right across the country. In some instances, new access roads were built to new industrial parks, as was the case in St. John's, or to new tourist facilities, as in Trois-Rivières. Elsewhere, an engineering building was built for Memorial University in St. John's, while a seminary was rebuilt in Quebec City. New water and sewer facilities were constructed in The Pas area in Manitoba, in the Lesser Slave Lake area in Alberta, in Lévis, Quebec, and in Saint John, New Brunswick, among others.

Political pressure to extend the special areas designation to various centres was extensive. In part because such efforts in the past had favoured economically-depressed rural areas, Members of Parliament representing these regions did not readily accept the new approach. After all, they reasoned, regional development should be geared to economically depressed regions, and not to urban centres with high growth potential.

Political pressure to extend the program not only saw a high number of special areas designated but also gave rise to other programs that did not necessarily correspond with the special areas approach [19:ch.3]. Funds were made available for highway construction outside the special areas, and special funding for projects for rural development were approved.

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A regional industrial incentives program was also established, making cash grants available to firms willing to locate in a designated region. In introducing the program, the government made it clear that it wished to tie it directly to the growth-pole concept. The idea, the government explained, was to stimulate "families" of projects in relatively few localities, rather than to encourage a series of projects spread over countless little communities. As Jean Marchand explained in the House, "the more you extend it—special areas—the more you weaken it" [3:62].

In the end, however, the intentions of the government fell in the face of political pressure. Regions designated for the program eventually included all the Atlantic provinces, eastern and northern Quebec, parts of northern Ontario, and essentially the northernmost regions of the four western provinces. Thus, regions were designated in all ten provinces, encompassing about 30 percent of the total Canadian population; the average per capita income within them was approximately 70 percent of the national average.

As for the growth-pole concept, the areas designated were about as far as one could imagine from Perroux's theory of growth poles as clusters of propulsive industries. The urban centres labelled growth poles ranged in population from a few thousand to over 200,000. In terms of projects supported, it seems that all manner of initiatives were justified as being a proper application of the concept.

Despite this wide application, in the end continuing political pressure to extend the areas designated dealt a death blow to the approach. Legislation establishing the growth-pole approach was of little help in setting down precisely where and what could be done in the designated special areas. The wording of the legislation merely said that special areas could be designated when an area "is determined to require . . . special measures to facilitate economic expansion and social adjustment" [7:18]. Nothing was said about goals, or about what it was that the program was seeking to accomplish. The geographical dimension of special areas was not laid out, even in broad terms.

Thus, before the full impact of the growth-pole approach could be assessed, the federal government declared that it was dropping it as the cornerstone of its regional development strategy. In the end, federal ministers could no longer resist the pressure to extend the programs to other areas or to approve a host of diverse projects in the

designated areas. Pressure to extend the program came not just from government backbenchers but also from several provincial governments. Some of the provinces went public and told communities that the reason they were not designated for special regional development assistance was because Ottawa would not agree to it.

The search was on for a new approach for regional development barely four years after the growth-pole concept has been hailed as Canada's solution to its regional problems. Again, Ottawa was looking for an appropriate theoretical framework, and it soon declared that it had found one.

### The General Development Agreements

From now on, the "comparative advantage" approach would underpin all regional development projects and would constitute the new password to Ottawa's regional development budget. Borrowed from trade theory, comparative advantage implies that each region is treated as a nation and suggests that its economic potential would be maximized by concentrating its efforts on its economic strengths.

Ottawa announced in 1974 that the special areas program would be scrapped immediately and a new approach, the General Development Agreement (GDA), would be introduced [18]. This approach, it was explained, would enable governments to put in place measures to develop the economic potential of the regions by building on their respective strengths. The federal minister responsible for regional development pointed out that this would be accomplished by "intensive analysis . . . to identify . . . the comparative advantages of each region" [8:12]. A broad and flexible instrument (GDA) would provide the program instrument to deliver the initiatives, as would a substantially revised regional industrial incentives program.

The comparative advantage approach had an attractive feature over its predecessor. It did not restrict its programming to selected "growth" centres. All regions and all communities could now, potentially at least, benefit from this approach. And in the end, a great number of them did.

The GDA approach lived up to its billing as a highly flexible instrument. In fact, the GDAs freed politicians and officials from program limits usually seen in government. Consequently, virtually every economic sector and all regions in Canada have benefited from GDA programming [19:ch.8]. Projects were developed in forestry, tourism, fisheries, recreation, mining, industrial development, rural development, agriculture, energy, dry dock development, highway construction, marketing studies, the construction of golf courses, and marinas for pleasure boat owners, to name just a few. Projects were supported

in a given region with no apparent link between them or with other sectoral initiatives

For instance, in Newfoundland the GDA supported projects in numerous economic sectors and in various subregions of the province. In one particular region, funds were made available for street improvements in certain towns, for an auxiliary sewage collector system, for a student dormitory for a vocational school, and for a new industrial park. Other regional programs had a province-wide application which. for example, also provided for the construction of industrial parks. This pattern can be found right across Canada. In Quebec, for example, assistance was made available for the establishment of newsprint mills, for highway construction, for industrial parks, for tourism facilities, and so on. As in Newfoundland, special regional programs that provided assistance for a multitude of projects in selected subregions of the province were also established. The construction of a new water treatment plant for Montreal also qualified under the GDA instrument.

In Ontario, several subsidiary agreements were signed. One was designed to strengthen the urban system of northern Ontario by providing for new industrial parks and new water and sewer systems to Parry Sound, Timmins, Sudbury, and North Bay. A forestry subsidiary agreement was also signed. This promoted projects that would improve forest management activities, accelerate reforestation, construct new forest access roads, and so on. Community and rural resource development became the subject of a subsidiary agreement. Under this agreement, the Upper Ottawa Valley and the Kirkland Lake areas benefited from industrial land development studies, geoscientific surveys, and hardwood forest renewal schemes, to name only a few. A \$180 million subsidiary agreement for strengthening the competitive position of the province's pulp and paper industry was also signed.

Manitoba signed subsidiary agreements with DREE for the development of the province's northlands, its industrial sector, agriculture, tourism, water development and drought proofing, and the development of the Winnipeg core area. Saskatchewan also signed a northland agreement, another for the development of a major tourist attraction in the Qu'Appelle Valley, one for water development and drought proofing, and yet another for the long-term development of its forest industry. Alberta, meanwhile, signed six subsidiary agreements with DREE. One involved the processing of nutritive products in the province; another was aimed at improving the incomes, living standards, and community facilities in northern Alberta; yet another provided funds to develop further the province's transportation system in the north. In British Columbia, the GDA gave rise to numerous initiatives in highways construction; in support of the northeast coal industry, industrial development, agriculture and rural development, tourism, and forest management; in the development of the Ridly Island port facility; and for the construction of a ski resort [9]. The list of GDA projects goes on and on. All in all, over 130 subsidiary agreements were signed, with a total financial commitment of close to \$6 billion.

All these initiatives provided both federal and provincial politicians with countless opportunities to be seen in public supporting Canadian regional development efforts and bringing development projects to their local communities. Some politicians did suggest that the GDA process was far too bureaucratic and that it gave officials too much influence in shaping new initiatives. None, however, complained that the GDAs were too flexible, that they sponsored too many initiatives, or that they lacked overall coherence and a central purpose.

Spending by the federal government in aid of regional development is now spread out pretty well evenly across Canada. For instance, Ottawa now commits more funding to regional development in Ontario, Canada's most highly developed and diversified regional economy, than it does in Newfoundland, the country's poorest province, employing virtually any kind of socioeconomic indicator. This would have been inconceivable when the federal government first defined its regional development strategy; it was, after all, originally designed to "alleviate" regional disparities and to ensure more balanced growth in the national economy.

The regional industrial incentives program was also revised, as was promised, when the comparative advantage approach was introduced. Revisions, however, only served to extend the program further so that it covered over 90 percent of Canada's land mass and 50 percent of the population. In fact, not long after the program was introduced, the city of Montreal was designated as a region requiring special industrial inventives to spur development. It is now generally accepted that this was an attempt to stem the disturbing political problems surfacing in Quebec in the early 1970s. Ottawa had set out to strengthen Quebec's position in the federation, and special regional assistance for Montreal was part of this strategy. Subsequent changes to the program eventually extended its coverage to all of Canada. No serious attempt was made to transform the regional incentives program into one geared to develop the comparative advantages of the regions. In fact, the program introduced to supplement the growthpole concept remained pretty well intact for several years after the regional comparative approach was introduced.

Similarly, the GDA instrument was revised, but practically the only revision worth noting is a change in name from General Development Agreement (GDA) to Economic and Regional Development Agreement (ERDA). The GDAs had been criticized for encouraging an

overly bureaucratic approach to federal-provincial relations and for providing the federal government only limited visibility for its spending [18:ch.7]. Relatively minor changes have been introduced, but none hold important implications for the direction and substance of Canadian regional development policy. The regional comparative advantage approach, if one is to believe ministerial speeches and government policy papers, still provides the theoretical underpinning to Canada's regional development efforts. In a recently released intergovernmental position paper, for example, it was made clear that this approach would guide future efforts [5].

Legislation was recently introduced in support of both the ERDA approach and the regional incentives program, but it merely served to give a legislative mandate to the government to carry on as it has in the past. A full ten years elapsed before legislation was finally introduced in support of regional develop programming under the GDAs and ERDAs. Before the legislation was approved, the government simply employed the budget process to give itself the necessary legislative mandate. The new legislation, however, does not limit the government to certain sectors, regions, or activities, nor does it give any kind of policy direction. More important, it does not in any way limit the flexibility and the free-wheeling range the government has in developing regional development initiatives, nor does it tie the programming to the regional comparative advantage approach. No program criteria and no targets to be achieved have been laid out.

One would have to stretch the concept of regional comparative advantage beyond recognition to say that it underpins Canada's regional development efforts. In fact, the host of initiatives sponsored under the GDAs and ERDAs lead one to wonder if they could all possibly qualify as regional development, let alone fit the regional comparative advantage approach. Flexiblity, more than theory, appears to be favoured in defining new initiatives. But flexibility does not in itself provide a policy framework from which initiatives can be defined or even a yardstick to assess possible new ones.

As for the regional incentives program, one has difficulty in seeing the link between it and the regional comparative advantage approach. There is no evidence to suggest that regions have sought to develop the manufacturing spinoffs from their resources, thus extending their comparative advantage. Subsidies have been offered to attract manufacturing industries, but virtually all kinds of industries have been supported, regardless of whether they are related to the existing resources or manufacturing structure. One can argue that the very existence of subsidies to attract these firms is an admission of the *lack* of comparative advantage, since, if the subsidies are not simply to

increase profits, they must be based on the need to overcome the competitive disadvantage of a region.

This wide ranging, flexible and all-encompassing approach to regional development has been criticized on a number of fronts [15]. Some economists and other social scientists have argued that the efforts lack coherence. Others, including politicians themselves, have suggested that the policy gives rise to a grab-bag approach and that in practice it does little more than support miscellaneous projects. Canadian regional policy now means all things to all regions; that is, regional development has become a catchphrase to be employed whenever a project needs funding but does not easily fit into the various ongoing sectoral programs. In consequence, virtually all regions and all communities in Canada can qualify for regional development assistance. It appears that we now have abandoned the attempt even to define which regions in the country ought to benefit from regional development programming.

### Defining the Role of Politicians in Regional Development

Major studies of Canada's regional development efforts have concentrated on possible theoretical approaches, on the most appropriate government structure, and on the assessment of the impact of regional development policies and programs. None have dealt with the role of the politicians. Yet, as we have seen, politicians have played an important role in sustaining a commitment to regional development. At the same time, however, they have played havoc with the various approaches that have been tried to deal with Canadian regional problems.

One can easily appreciate why politicians would lead the way in supporting regional development efforts. Many represent economically depressed regions or slow-growth areas and view their role as primarily one of promoting the interests of the region they represent. The Atlantic provinces and northern and eastern Quebec (the traditionally economically depressed regions of Canada) have about fifty MPs in Ottawa, not to mention five out of ten provincial premiers, to represent their economic interests at the political level.

But politicians from other regions have also perceived a need for special assistance for their constituencies. And they have pushed and pulled regional development programming to cover virtually every corner of the country and almost all types of socioeconomic initiatives. Regional development theories and approaches, it seems, are something to be trotted out for press conferences but should not be expected to interfere with how decisions are actually made.

Regional development programs differ from other federal government programs in a very important way. By definition, they are not national programs and as a rule do not have rigid eligibility criteria. Virtually all observers and students of regional policy have urged that any such program be as flexible as possible in order to take advantage of continually changing economic circumstances and emerging development opportunities. Flexibility in programming, however, has opened up the decision-making process to virtually all types of government activities and to the notion that a proper regional balance must be struck in the allocation of projects.

Harvey Lithwick noted this development and has commented on the "strong sense of the need for a regionally balanced approach to distributing these [that is, regional development] projects" [14:363]. His plea is for "a marriage of good analysis and good administration" [13:281]. Such a marriage has yet to take place in Canada.

As a result, Canada has never been able to mount effective and coherent regional development planning. It is also impossible to test how the various theories or approaches have worked in Canada because the necessary requirements have never been respected, even in their broadest terms. Thus, Canada has not been able to pursue a comprehensive strategy because it has never been determined which elements of a particular program should be retained or discarded.

## Legislation and Regional Development Policy

Politicians have been able to free themselves from the requirements of any particular approach because the legislation establishing regional policy has merely cleared the way for whatever projects were considered appropriate. The legislation did not and still does not limit the terms of where programs should apply or what types of initiatives can be sponsored.

Politicians responsible for introducing regional development legislation now reveal that the legislation was made flexible not because they wanted a free hand in deciding what areas and projects should be sponsored, but because of the need to be flexible in federal-provincial negotiations. I As well, the general trend in recent years is towards loosely defined legislation. Given the demand from virtually all departments for time to introduce new legislative measures, a department can only hope to go to Parliament with new legislation once every five to ten years. This, it is argued, compels departments to have as much built-in flexibility as possible so as to be able to deal with emerging

circumstances. With respect to federal-provincial relations, it is argued that it would be wrong, if not impossible in practical terms, for Ottawa to impose its will and its programs on the provinces. A great number of possible regional development initiatives fall under provincial jurisdiction, so that intergovernmental negotiations and cooperation are required.

While the above constitute compelling reasons for federal legislation to be flexible, a case can be made to exempt regional development. Recent experience in this field suggests that politicians have been their own worst enemies. Because of their commitment to slow-growth regions, they have given regional development a priority status in Ottawa's policy-making process. Yet their constant pressure to expand programming both in terms of spatial designation and types of initiatives sponsored have been such that the various theoretical frameworks which gave rise to regional policies have never been given a chance to work or to be properly tested. It can be argued that the failure of Canada's regional policies results as much from the way they have been applied as from the incomplete theories on which they were based.

New legislation should be introduced in support of Ottawa's regional development efforts, which would be directly tied to the theoretical framework that gave rise to the policy. The new legislation should be much more specific about the theory from which the policy is formulated, and about the type of initiatives that should be supported. It should also spell out more clearly the regions to which efforts should be directed. Such legislation would protect the minister responsible for regional development from his cabinet colleagues and from his fellow MPs lobbying on behalf of their own regions and their own constituents. Changes to regional designations or to programs would require an amendment to existing legislation, something that is much more difficult than having a minister simply acquiesce to the persistent demands of a colleague.

With regard to federal-provincial relations, the federal government could point out that it is in the long-term interest of slow-growth provinces to have a regional development policy with regional and program criteria firmly established in legislation. For one thing, it would prevent new designations surfacing periodically, thereby diluting the impact of the intended measures. It would also enable provincial governments to refer to federal legislation to deal with projects, supported by communities or special interest groups, which have limited value from a regional development perspective. More important, the federal government would discuss the proposed approach with the provinces beforehand so that both levels of government would be committed to the legislation.

<sup>&</sup>lt;sup>1</sup>Interviews with former DREE ministers Pierre De Bané, Elmer McKay and Marcel Lessard.

As noted earlier, considerable efforts have been made by academics and governments to define the most appropriate theoretical framework to provide an all-encompassing approach to regional development. How the approach should be implemented or what role politicians should play are, however, questions that have been ignored. Contrary to what students of economics, politics, and regional development may assume, former ministers responsible for regional development in Canada insist that they would have welcomed informed observations on what role they should have assumed in defining and directing regional development measures. In the case of Canada, at least, this issue has been of critical importance and explains, in part, the lack of success that regional development has had.

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