

INTRODUCTION

PUBLIC POLICY - URBAN AND REGIONAL ISSUES

Len Gertler
School of Urban and Regional Planning
University of Waterloo
Waterloo, Ontario
N2L 3G1

Launching a special issue of this nature, notwithstanding the editorial hand, is always something of a lottery. Until very close to the birth, one is not certain what manner of offspring it will be. Now, I can testify that it is in good health and has quite a lusty squawk. The squawk is about urban and regional policy making. Three of the papers lament, each from a different perspective, the gap between need and performance in public policy.

Weaver and Gunton reveal a perverse Canadian propensity for following foreign prophets, and give short shrift to a domestic line of thought initiated by the economist, Harold Innis. His staple theory of Canadian development, as revived and restated in the 1960s, might have, by its insight on the structural defects of the Canadian economy, provided the conceptual basis for regional economic policy. Such a policy might have been concerned with avoiding the "staple trap" - by an adroit mixture of provincial control of staple resources (along the Saskatchewan potash model) and the redirection of resource rents into diversifying regional investments. Instead Canadian policy took its cue from American development theory and opted for measures "favouring efficient resource allocation" through an unfettered market. The timing of the key events in this miscarriage are important: 1968, the Annual Report of the Economic Council of Canada; and 1969, the creation of the Department of Regional Economic Expansion. While DREE flirted (sometimes with every appearance of genuine passion) with the concept of development strategies through General Development Agreements with the Provinces, the bias of its emphasis was away from comprehensive regional development towards expedient support of job creating activities mainly in predominant growth centres. The restructuring of the machinery of economic policy making,

announced in January 1982, appears to offer a moment of opportunity. But the question posed is whether regional development priorities will, as officially stated, become "much more important" or whether policy will be dominated by "centrally-orchestrated mega-resource projects."

Wellar's complaint is of a different nature. It is an indictment of the entire Canadian government process: federal, provincial, municipal - singly and interactively. Invoking the presence or absence of policy impact assessment, in this case *urban*, as the operational touchstone of probity in government, he finds little cause for celebration. The tough questions of benefits and costs, efficiency and effectiveness, and responsiveness to societal needs are sidetracked by a devilish combination of sectoral pressures, political evasion and sterile bureaucratic games.

Homenuck and Martin are concerned with what they perceive to be a conspicuous lag between societal trends and prevailing policies and practices in urban and regional planning. If planning is to be conceived as a form of societal guidance not only to maintain but to change the social system, then it is as an institution in this country woefully unprepared for the social tectonics of the 1980s and beyond. Of particular concern are the reverberations of the technological revolution - microtechnology, robotics, and telecommunications - that will have far-reaching effects on leisure, education and training, human settlement patterns, transportation, services of all kinds, and indeed on the social structure itself. We face a society composed of two polarized groups, a "workforce becoming stratified between decision-makers and machine-minders," and as a consequence, the great washed middle class so dear to our Canadian way of life will gradually disappear.

It is on the basis of this diagnosis, together with stresses such as the near-collapse of work associated with this transformation, that Homenuck and Martin come to speak, as well, for the critics Weaver, Gunton and Wellar: to meet unprecedented challenges we must lift public policy analysis, formulation and action to an entirely new plane, more effective and socially sensitive; in these perilous times muddling through is a luxury we can ill afford.

Such a heroic assertion does, of course, lead even an incorrigible optimist to consider whether government as we know it can rise to the occasion. The evidence provided by O'Brien, Doerr and Crowley is only partly encouraging. They provide three different perspectives on the late lamented attempt of the federal government to innovate a process of broad horizontal policy making and coordination - cutting across sectoral lines, around the theme of "urban affairs."

The post-mortem yields a revealing diagnosis. O'Brien, who as a strategist for the municipal camp tells a tale of intricate intergov-

ernmental negotiations, 1969 to 1971, leading up to the establishment of the Ministry of State for Urban Affairs (MSUA), stresses the dynamics of the classical Canadian triangle in government. MSUA threatened the provinces and could not deliver to the municipalities. This ineffectiveness in both the liaison and broker roles gradually undermined its coordination role within the federal administration, which in turn depended on being superbly informed and influential in affairs urban by virtue of a trusted and respected presence in the consultative process. And conversely, the visible lack of influence within the federal camp, dramatized by the collapse of the Urban Demonstration Programme, midsummer 1975, further discredited MSUA vis-à-vis the provinces and the municipalities, and so on.

Doerr and Crowley, who, in different ways, had a view from the inside, put their fingers on other weaknesses. They probably will not be surprised to find themselves in agreement that program responsibility and a big budget are not essential for the exercise of clout by a policy agency. More to the point is a strategic position between the line departments and the Cabinet. This is the *sine qua non* for both budgetary control and a sustained impact on the decision-making process. MSUA, which had neither program/budget nor a suitable niche in the structure, was from the start a design for failure. To this, Doerr adds to the catalogue of woes an insufficient integration of "policy, research and coordination around policy issues" and, related to that, inadequate mobilization of the Ministry's policy development capabilities in the service of the Minister. And Crowley reminds us of the importance of personality in administration. Like it or not, the federal bureaucracy is a subculture with its own heroes and symbols and cults, and these seemed to have been overlooked in the recruitment of senior management (like this writer, I suppose) most of whom had little or no credentials in the "Public Service."

But there is a ray of hope for comprehensive policy mandates. Crowley discovers that each of the structural and other faults of MSUA have been corrected in the design and operations of an important second generation policy agency, the Ministry of State for Economic and Regional Development (MSERD), established in its first incarnation in February 1979. The omens are much more promising today than they ever were for the ill-conceived Urban Affairs Ministry.

Reassuring as this may be, the matter cannot rest here. Markusen and Wilmoth, in their interpretation of "National Urban Policy" south of the border between 1976 and 1981, contribute an important dimension to the analysis. By invoking a "political economy" perspective, we are led to a disquieting question. Is it possible that the devolutionary paths of the brave new initiatives in both

countries are due not so much to the internal dynamics of the government system, but to the biases of the market system as played out in the political arena? The evidence mustered for the United States is substantial. It is marked by the shift of the Carter administration from concern with the priorities of a peoples' coalition in the older cities to an aspatial policy of "reindustrialization," which freely translated means reinforcing the flow of investment capital to areas of "cheap land, low wages, low taxes and lax public sector regulation at more southwesterly, rural or third world sites." Carter paved the way for Reagan.

The insight that may be derived from this societal perspective is suggested by relating the political economy of Weaver/Gunton to the diagnosis of the fate of MSUA. What is suggested, tentatively, is that the mandates of DREE and MSUA in the 1970s, the formative years of both organizations, were marching in diametrically opposite directions. At the very time that MSUA was being enjoined to redress the regional and distributive imbalances arising from two decades of unbridled urbanization, DREE was adopting the "dominant international paradigm" which included, conspicuously, an emphasis on "the concentration of development in growth centres in order to realize agglomeration economies." Further, it is highly likely, as Wellar on behalf of Richard French reminds us, that this misalignment was but a symptom of the general lack of federal policy consistency in the 1970s, when the issue of strategic intervention versus fiscal/monetary fine tuning was being debated, without resolution, by the competing planning systems revolving in the orbits of the Privy Council Office, Finance, and the Treasury Board.

The argument will be pursued no further here, except to note that if "political economy" leads us into perdition, then it may also lead us out of it. This is because of the political side of the duality. Dare we hope, with Downey, that the contemporary disenchantment with government is but a prelude to reform, fired by our belief in and use of democratic institutions and processes?

It was not my intention in introducing this special issue to provide a commentary on all of the included papers. Instead, I have been moved by the substance of a group of the papers, which taken together seem to me to suggest a line of thought and insight not yielded by any one of them. In doing so, I have not commented on two of the papers, by Joseph H. Chung and Gérard Divay and Marcel Gaudreau. I commend them to our readers as good examples of policy discussion; in this case on the urban system of Quebec and the spatial structure of Greater Montreal, solidly informed by empirical research.