Citizens of Canada’s marginalized, distressed, impoverished communities expect - as is their right - that governments at all levels will field programs to address the conditions of marginality. Unhappily, neither they nor the governments themselves have been very satisfied with the impact of these programs, past or present. Yet both governments and communities can hope that future programs will be better and more powerful.

Two basic reasons may be cited for the lack of satisfaction. One lies in the nature of the impoverished or distressed communities. The other lies in certain difficulties of program design.

What is it that makes it so difficult for the best-motivated and -administered government programs to have a significant impact in distressed communities? The challenge begins with approaching the task in a doable fashion.

One key is to recognize that the initiative cannot come from outsiders; they can achieve little of significance by their efforts alone. For the process to be successful, local people must conceive and direct it, and governments must support that self-determination. That has been recognized for some time (longer than governments have put it into practice).

A second key lies in the definition of the problem. In the past, thinking about economic development (community-based or otherwise) has led too often to an analysis simply of economic issues and the proposal of economic counter measures.

We have learned in relatively recent years that this actually leads us away from a critical insight: namely, economic forces alone do not handicap the marginal community; rather, a mutually reinforcing pattern of destructive economic and social influences and conditions is at work. So the restorative program that uses solely economic techniques can never be successful. Only programs that address both social and economic conditions in concert can interrupt the reverberating circuits of depletion and distress. What happens positively for social conditions will then positively reinforce economic conditions, and vice versa.

THE CIRCUITRY OF COMMUNITY DECLINE

Let me illustrate this by showing how a local pattern of industrial desertion, with few business start-ups (if any), interlocks with a decrease in local social and human capital.

A number of signs make this decrease known. There is a loss of critical resources for leadership, due in part to the emigration of people in search of better opportunities. The quality of schools, health care, and other tax-supported services decline, due in part to a reduction in tax revenues. Disinvestment and divestment become a general pattern; local people have less disposable income and they cash in their assets, while outside interests unload their investments and seek better returns elsewhere. Thus the housing and commercial property stock deteriorates. The picture will include an added demand for services and expenditures to address the problems of households rent by joblessness - an increase in alcoholism, violence, family break-up, and so on.

The more people lose hope in the possibility of change, the more those left behind will engage in unproductive activities - or worse. And the longer the entire pattern operates, the more in-
grained the cycle of deterioration.

Now, since the loss of industry may be understood to have instigated this situation, the remedy may be supposed to lie in attracting new industry - a basic economic technique for renewal, certainly. However, if outside investors are indeed considering a new industry, the distressed community all too often lacks sufficient human resources to do the job. Too many experienced and skilled people have moved away and they have not been replaced.

Conceivably, these conditions could be surmounted by the import of skilled and committed people. But how attractive will they find these opportunities if the available housing stock has deteriorated? If the schools are substandard? If their families must do without appropriate local dental services, or if the local government is hamstrung by problems?

Poor results or outright failure of government initiatives can be laid at the feet of some common program “design traps.” All appear to relate to the difficulty of targeting two key elements of the CED approach: the requirements of local self-determination & of multiple techniques focussed on interacting problems.

On the one hand, if local business expansion is discouraged by social conditions, even the offer of capital incentives to prospective new businesses is a questionable strategy. On the other hand, to address just one of the social impediments to recovery also seems dubious. Why improve the housing stock, if there is no demand for it? What is the point of up-grading local training in new technology if the graduates won’t find local jobs? Any one of these corrective actions is frustrated by forbidding economic and social conditions in the locality.

REDEFINING THE DILEMMA

Yet the sturdiness of the residents of these communities is undeniable. They have strong leaders who remain committed. With a degree of creativity that can amaze outsiders, they often manage to make a difference.

A predicament much like the one I have described faced the community leadership in Cape Breton in the 1960s and ’70s. Some of the local leaders took another look at what confronted them. Conventional wisdom and government programs held that local decline could be reversed simply by attracting industry and jobs. This definition of the problem they rejected. Starting with a few hundred dollars of their own money, they instead began a comprehensive and multi-purpose strategy, and ultimately designed the special community tool now well known as New Dawn Enterprises.

One of their first measures was to establish a program to attract dentists. When New Dawn got started, a simple toothache was a major problem for a Cape Bretoner. It took a year or more to get an appointment with a local dentist, unless you could make the 200-mile trip to Halifax. So New Dawn developed attractive clinical premises to interest practitioners in coming to the island. Today dozens of dentists have discovered that Cape Breton is a fine place to practice, and a sudden toothache can get swift attention.

However, New Dawn’s leaders knew that this was not enough. They began to upgrade the housing stock and eventually built hundreds of new housing units. They sponsored cultural enterprises that built on local talent in crafts and music. They engineered some innovative health services. They started some new businesses, including one that focussed on technical training. They also engaged in a
host of other activities, including formal and informal partnerships for upgrading the local college and job-training facilities, vigorous advocacy with government agencies, networking with private business, and sponsorship of an innovative community investment fund, probably the first of its kind in Canada.

In short they fielded a program of community economic development. Only one $50,000 grant earmarked for CED and capacity building came their way. Instead, they shaped grants from many different government categorical programs to fit a local multi-purpose strategy.

Not that New Dawn has solved Cape Breton’s economic and social problems. Far from it. Can one community organization, even in 25 years, reverse a vicious circle dating back to the investment and labour patterns of 100 years ago? But together with its private and public sector partners New Dawn is making a difference.

FOUR CHALLENGES OF PROGRAM DESIGN

The government programs of today can learn much from this community effort, and from all of the others that the CED movement is proud of today. Suffice to say, these local efforts all point to the same fundamental conclusion: interrupting the vicious circle of community deterioration requires not one kind of economic or social initiative, but multiple, concurrent, and interlocked techniques that address both economic and social conditions - a comprehensive strategy designed by local leaders to fit local conditions.

The lackluster results of some of the best-intended government initiatives over the years are traceable to overlooking this lesson. But poor results or outright failure can also be laid at the feet of some very common program design features. I discern at least four such “design traps.” All, strangely enough, appear to relate to the difficulty of targeting two key elements of the CED approach: the requirements of local self-determination and of multiple techniques focussed on interacting problems.

First, there is the problem of trying to do things at long distance. The relevant government agencies try to handle program design themselves. Unfortunately, long-distance design fits all too well with one of the depleted community’s most characteristic and destructive features - its discouraged dependence upon outsiders. However, merely to locate a program office in a depressed locality or region changes nothing unless that will involve local residents in program design. What is needed is a design that strengthens local self-reliance by relying on local decision-making.

Long-distance program design is a very un-understandable outgrowth of external sources of funding. The funders are not local, so they do not have the local perspective. The task is how to use long distance-funding without excessively long-distance decisions. I would call this the “distance problem.”

Second, there is the problem of program designs that are tailored to such specific standards that they cannot be applied to richly varied local conditions.

Don’t confuse my criticism here for a superficial complaint about “cookie-cutter program design.” Governments must set standards and its managers must be held responsible to meet them. Public funds will never be placed on the table for anyone to pick up and use at will. The task is to design minimum restrictions or limits and, in partnership with local groups, agree on the variety of performance measures that will justify the use of taxpayers’ funds. In this fashion, government managers and community managers can come to share responsibility. I would call this the “responsible management problem.”

Third, there is the handicap of using a very sharp and focussed design that employs a single powerful device, when what is truly needed is an integrated, flexible orchestration of many different techniques.

Again, the error is quite natural and understandable. Specialization in a government agency leads to a specialized single-instrument technique for development. So we may see an emphasis
on business development because business development is the task of the government agency concerned. Or another agency may emphasize job training, because preparing people for jobs is the business of that government agency.

The challenge, then, may be how to field a program that includes multiple techniques even though the agency is supposed to specialize in only one. Alternatively, the challenge can be to administer single-technique programs so that they can be properly integrated with other techniques at the local level. I would call this the “specialized mandate problem.”

Fourth is the handicap of funding cycles that are short term, whereas community-based economic development (indeed, any economic development) is a long-term affair. I don’t have to harp on this well-known dilemma. Suffice it to say that government agencies are bound to annual appropriations and are governed by political leaders whose perspectives are usually very short term. By contrast, communities have become depleted over decades, and they will require many decades to reverse the process.

The task, then, is to discover how to fit a framework of short-term outcomes and episodic funding into a long-term process of long-term goals. I would call this the “problem of program commitment.”

TRANSCENDENT ORGANIZATIONS

These four design challenges, stemming as they do from the natural and existential requirements of government initiatives, have been transcended at times. New Dawn and many other local CED groups have managed to use government programs inventively.

The more successful of these CED groups have certain features in common. It is to these features that government programming must adapt:

1. They have a commitment to integrating social goals and economic (especially business) goals.
2. They field a multi-functional, multi-dimensional program system of varied initiatives, relying on partners where they themselves do not carry out some essential function.
3. They have a perspective that fosters local empowerment, local control, and self-reliance, not just with respect to the organization itself, but with respect to the community as well.
4. They use a strategic design of thought-out, long-term goals and objectives, rather than opportunistic, short-term, and unsystematic tactics.
5. They take a businesslike approach to financial management that builds assets and diversifies sources of funds and revenues.
6. They employ a nonprofit central organization that is independent of government and ownership demands, yet works closely with both the public and the for-profit sectors.

How do such organizations arise? Not overnight, of course.

Behind them is committed, long-term, and renewed leadership with such deep roots in the community that the groups can be seen as credible and not self-serving. This does not mean that the organizations do not have their critics or competitors or even enemies. It simply means that they depend upon deep wells of confidence that are renewed by reliable performance. And each group has gone through a growing process to reach that stage.

To be sure, such organizations are not as numerous as the many marginalized communities of Canada require, but we need not wait for them to arise spontaneously. They can be seeded. Perhaps the most outstanding of such cases is that of RÉSO, which arose in southwest Montréal out of the 2-year community organizing commitment of two workers funded by the local YMCA.

Long-term observers of CED can distinguish the stages that such organizations go through, stages that can be fostered by targeted support, such as that given by the YMCA in Montréal. If governments are to play as effective a role in CED as the Montréal YMCA and its like elsewhere, their programs must be grounded in a firm understanding of the problem of the depleted community and then must surmount the four major design challenges inherent in government initiatives in this field.30

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