

**From Planning to Action:
Reconciling Community Development Strategies
with Regional Assets and Infrastructure**

**Re-orient to Readiness:
Overcoming Barriers to Implementation in the Northwest Region of
British Columbia**

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1 Executive Summary

Purpose of the Report

The purpose of the *From Planning to Action* Project was to examine a persistent barrier in economic development strategies: the gap between planning and implementation. Across northern BC, people have told the research team that their communities are frustrated by being ‘studied to death’ while not seeing their efforts translated into viable action.

To address these implementation gap issues, the research team engaged in an eight-month project focussed on the Terrace – Kitimat – Hazelton area of northwest British Columbia. The Project had three main research components:

- conduct key informant interviews with community and regional economic development actors about perceived barriers to moving economic strategies into action,
- collect and review of a sub-set of community and regional economic development strategy reports completed by government and third party groups, and
- produce an inventory of key socio-demographic and community/regional infrastructure.

Summary of Findings

This report is a synthesis of findings and recommendations drawn from the key informant interviews. A central unifying statement that summarizes what people told us into four themes tells us that we need to:

Re-orient to readiness by understanding the role of the ***region in the world*** while also ***grounding our strategies*** in a real, in-depth analysis of our local and regional ***assets and aspirations***.

Implementation barriers associated with these themes are summarized as follows:

Approach to Planning: Stuck in the Middle

People told us that the northwest region (and probably all such regions) are ‘stuck in the middle’ of the economic strategy process. Many of the strategy reports we reviewed, or which people talked about, are missing a thoughtful and participatory grounding in the community (the beginning), and they fail to provide the deeper level of analysis necessary for real decision-making and implementation (the end). Barriers identified in the interviews include:

Plan Depth:

- Reports lack a depth of analysis that, while useful for stimulating dialogue, limits their effectiveness and implementation guides,
- Reports often lack sensitivity to critical issues of local and regional context.

Considering Local Control:

- Report recommendations do not adequately consider the varying realms of jurisdiction and realistic levels of community reach and control.

Community Involvement:

- Economic development processes, especially those driven from outside the area, often fail to become embedded in the communities and region – leading to a circularity of process and no collective memory that might otherwise lead to incremental progress.

Balancing Economic and Social Issues:

- The inherent linkage between economic and social issues is often not reflected in local and regional processes, thereby limiting prospects for development.

Understanding Strategy:

- There is a tension between reactive and proactive approaches to economic development that hinders the creation of coherent and comprehensive strategies. People told us that doing things is important, and that flexibility is important. They also noted some tension with the need for coherence and consistency, both of which are also necessary for long-term processes.

The Region: Context and Collaboration

A second theme generated by the interviews relates to what people told us about the importance of the northwest region. Given the nature of the global economy, and rising competition from/in both domestic and foreign markets, there is increasing pressure on regional economies to work together, thereby scaling-up the impact and reach of economic development through collaboration and cooperation. Barriers associated with the region include:

A Context for Competitiveness:

- The concept of competitiveness is poorly defined in most reports and is often used without adequate consideration of the 'realities' of northwest BC.

The Role of Social Capital:

- The importance of social capital (inter-personal and inter-institutional trust and networks) and regional collaboration is increasingly understood and accepted by all, but rarely supported in policy and program funding.
- The concept of social capital and regional cooperation in reports tends to be borrowed from other places and, therefore, they often lack relevance to the northwest (or even a more general understanding of rural) region.

Grounded Development Planning

The term 'grounded development planning' is used to capture the many procedural and contextual factors that people told us affect the ability of communities and the region to successfully implement strategies or take advantage of opportunities. It is a reality check for current and future strategies, plans, and processes. Factors to help ground economic development include:

The Uneven Playing Field:

Regional cooperation is hindered by the fact that the region exists as an uneven playing field – something not always recognized in idealized presentations of regional economic development. Differences exist in many forms, including: jurisdiction, capacity, community size, population profile, economic mix, and others.

The Other 80%:

People told us that they recognized the place and importance of attracting new industry and businesses to the region. That said, people also told us that the existing local economy of the region, and the people supported by it, represent a significant latent economic opportunity.

Regional Capacity:

People told us that realistic assessments of regional capacity – both in terms of technical capacity and human resources – rarely accompany recommendations and program expectations. The administrative and organizational resources of the region are assuming greater levels of responsibility for the regional economy, however, this process does not occur without cost.

Regional Re-investment:

Almost unanimously, people told us that the region must benefit more from a re-investment of the resource wealth drawn from the region.

Institutional Consistency:

People recognize that community and regional economic development requires a sustained effort. Short-term, one-off processes and limited program initiatives do little to sustain the consistency needed for long-term economic development.

In Conclusion

In reflecting on how communities and regions are engaging in processes of economic research and development, the people of the northwest have challenged traditional assumptions and identified numerous avenues for improving the effectiveness and consistency of our development efforts. Communities and regions must:

Re-orient to readiness by understanding the role of the ***region in the world*** while also ***grounding our strategies*** in a real, in-depth analysis of our local and regional ***assets and aspirations***.

The arguments by those we spoke with are powerful since they are rooted in years of practical experience with what works and what does not work. They describe a quite different approach to thinking about economic development strategies.

People told us that governments, communities, and regions must re-orient economic strategy processes so that we can be more generally ready to engage with emerging opportunities. In other words, we cannot just work 'in the middle', we need to:

- 1) build from a solid understanding of the community's/region's social and economic foundations,
- 2) identify and understand opportunities and possibilities within our framework of local/regional assets and aspirations (visions and values), and
- 3) follow-through the process with a manageable and accountable implementation framework.

Given the context of new regional economies, *doing things matters and good choices matter*. The people of the northwest have provided invaluable insights for ensuring that actions and decisions will have their most productive and effective impact for the people and economies of the region.

Thanks and Recognition

We would like to express our thanks to Western Economic Diversification Canada (WEDC) for their generous support of this project. We would also like to thank and recognize the efforts of our project partners, 16/37 Community Futures Development Corporation and the Regional District of Kitimat-Stikine. Finally, our collective thanks go to the people of the northwest region who generously donated their time and thoughts to the project.

2 Introduction

There is a growing consensus within rural and small town economic development networks that development policies are either not working or are not having the impact that communities and governments might like. Part of this shortcoming is linked with the transformative scale and effects of economic restructuring and the abilities of places and governments to cope with the increasingly fast pace of economic transition. Yet another explanation lies with the development processes and recommendations themselves and, importantly, our ability to implement them effectively. The response to this 'implementation gap' is varied. Some argue that our failure to create and implement a comprehensive local or regional development strategy is proof that, at best, our efforts and resources are wasted, or at worst, counterproductive and inhibiting the on-going evolution of rural and small town places.

There is another emerging consensus within the development sector, however, that recognizes that while the evolution of rural and small town economies is complex, it is not beyond our capacity to understand or intervene in productive ways. This second consensus understands that local and regional economies are composed of both inherited endowments, such as location and available resources, *and* human intervention in terms of choices, policies, capacities, and leadership. The key to successful development policy then is about balancing the changing nature of our economies with appropriate and effective planning to take advantage of opportunities and respond to challenges.

It is within this context that the project 'From Planning to Action: Reconciling Community Development Strategies with Regional Assets and Infrastructure' was initiated. The purpose of the Project was to examine a persistent barrier in economic development planning: the gap between planning and implementation. The findings, which add to earlier work through the 'Northern BC Economic Development Vision and Strategy Project', highlight two significant gaps that contribute to this impasse:

- 1) community economic development options, plans, and strategies fail to adequately address and integrate the capabilities and capacities of the local and regional infrastructure and assets; and
- 2) proposed strategies fail to adequately comprehend or consider practical questions of competitive advantage, on their own and in association with a more regional approach.

Using a case study approach focussed on the Terrace – Kitimat – Hazelton area of northwest British Columbia, the Project explored this gap between planning and implementation. The findings draw from interviews with community and regional development stakeholders and a synthesis of the many economic development reports written about the region. Together, the region’s economic development stakeholders argued that we need to re-think and re-orient our approach to economic development strategies. Using 4 clear themes, they argued that we need to:

Re-orient to readiness by understanding the role of the ***region in the world*** while also ***grounding our strategies*** in a real, in-depth analysis of our local and regional ***assets and aspirations***.

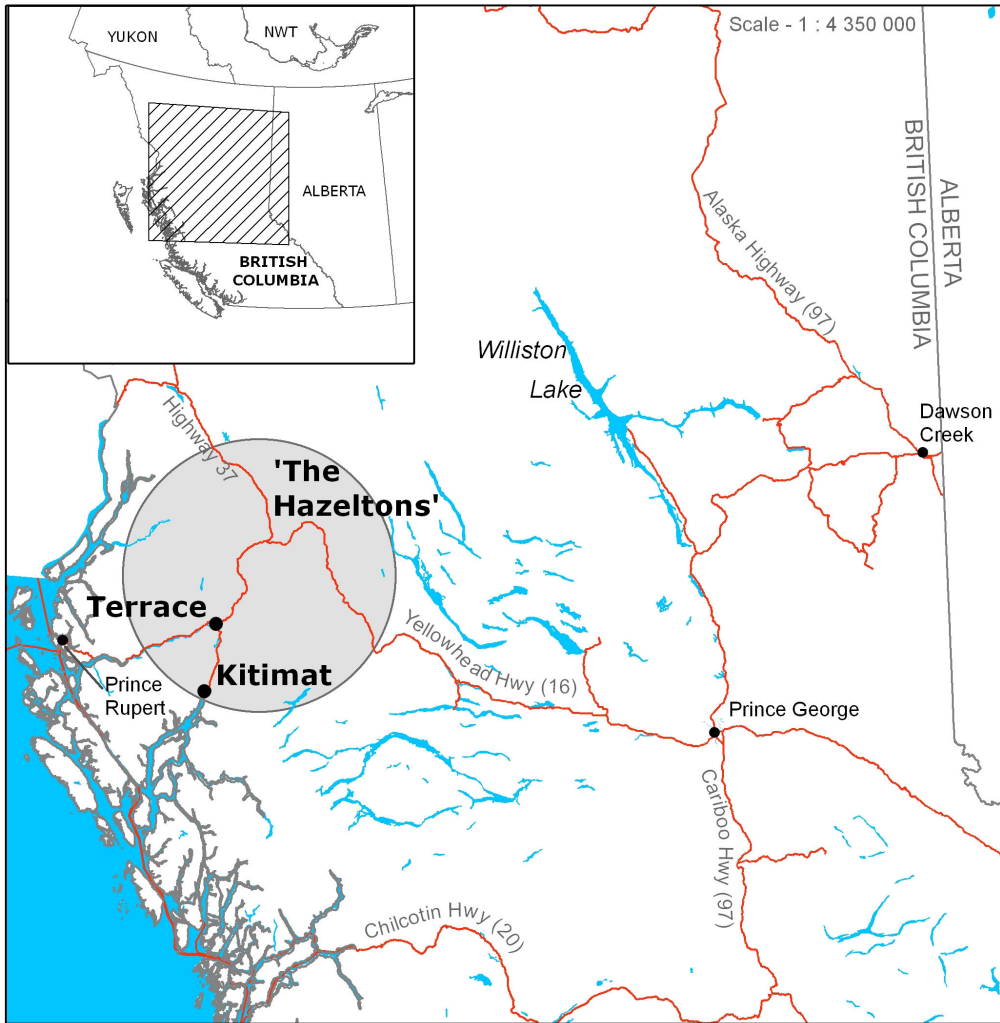
Their arguments are powerful and rooted in years of experience with what works and what does not work. Through their words, this report describes a quite different approach to thinking about economic development strategies. People were arguing that success will be intimately linked with the ability of governments, communities, and regions to re-orient and re-think our strategic processes so that we can be more generally ready to engage economic and development opportunities in a flexible and responsive manner. The increasingly rapid pace of the global economy means that a more general focus upon ‘readiness’ will allow us to respond quickly and effectively to opportunities that not only help our community and region compete in the global economy, but to do so in a way that fits with our assets and aspirations.

In addition to the Executive Summary and the Introduction, the report is organized around three main sections. Section 3 brings together information from the community and regional interviews in order to examine the economic development strategy process. People spoke at length about what works and what does not work. They considered issues such as the time spent fitting community goals and aspirations into the exercises, the challenge of asserting local control into economic development, the role for community involvement, the need to not only balance economic and social planning but to recognize that the two are intimately related, the need to understand strategy as involving not only the social and economic foundations of the area but also the possibilities that may be available through the global economy, and the need to make action or implementation a key piece of our strategy exercises. In the end, people told us that too often our processes get ‘stuck in the middle’. That is, they focus upon identifying opportunities and possibilities but don’t always ground those in the community’s/region’s social and economic foundations or complete the task with a manageable and accountable implementation framework.

Section 4 highlights what people told us about the need to recognize the context of place. This included consideration of the competitiveness of our communities and regions within local, regional, and global economic marketplaces. It included the need to ‘scale-up’ our thinking to draw upon collective regional strengths and assets. People told us that in an economic framework where business and industry can locate in many different places, we have to identify the key assets that can be used to convince existing businesses to remain local and grow with us or to convince new businesses to re-locate into our community and region.

Section 5 highlights what people told us about the need to ground our development strategies in that same context of place. We need to recognize that while regional strategies will be important, they will also be difficult to manage because of the unevenness inherent in smaller and larger places working together. They also spoke of the need to remain attentive to the important economic and business interests already in our community and region. While attracting new investment is a well understood tool for growth, people also highlighted the value of encouraging the growth of local (or endogenous) business and industry. These, after all, have already demonstrated a deep commitment to place. In addition, people spoke about the need to be efficient in our strategy process so as not to risk participant burnout. They also spoke about the need to focus upon a wise reinvestment in all forms of local and regional infrastructure to support our development strategies. These include our human infrastructure, community infrastructure, economic infrastructure, and physical infrastructure. Such reinvestment must also be directed at the institutions that provide the assistance, information, and foundations for identifying and carrying out our local and regional development strategies.

In the end, people told us that we need to re-think our economic development strategy process to focus more on the foundations of a competitive and attractive community and region. With a foundation that includes our visions and aspirations for the future, a clear sense of our assets, and builds upon a reinvestment in our infrastructure, we can be ready to respond when opportunity presents itself.



3 Approach to Planning: Stuck in the Middle

In this first section, we describe what people told us about the need to re-think our economic development strategy process. What does 're-orient to readiness' actually mean and how would we carry it forward?

To start, the easiest answer to this concerns the fact that all community and economic development practitioners, government administrators, and politicians are familiar with the seemingly endless series of consultation and research reports that "sit on the shelf and gather dust." Asking the deceptively simple question of "why?" motivated those we interviewed to dissect the planning reports (and the processes that generated them) in order to capture and understand better the many procedural and strategic decisions that they entail – processes and decisions that too often we may be taking for granted.

The idea of 're-orient to readiness' involves a re-thinking of the economic strategy process. Instead of concentrating upon generating a list of potential development opportunities, we need to first set some solid foundations. These foundations include a clear sense of our visions and aspirations for the future – what kinds of developments will fit with who we are and who we want to be. These foundations also include a clear sense of our community and regional assets and infrastructure – including human, community, economic, and physical. With a good understanding of our foundations, we also need to have clear lines of communication, responsibility, and decision-making so that implementation proceeds and responsiveness to opportunity is efficient. This not only creates an information base which economic development staff can use to attract opportunity, but it also allows us to be responsive to "any type of opportunity that comes through the door".

'Re-orient to readiness'
re-thinking the economic strategy process

move away from lists of development opportunities

1) Build Foundations:

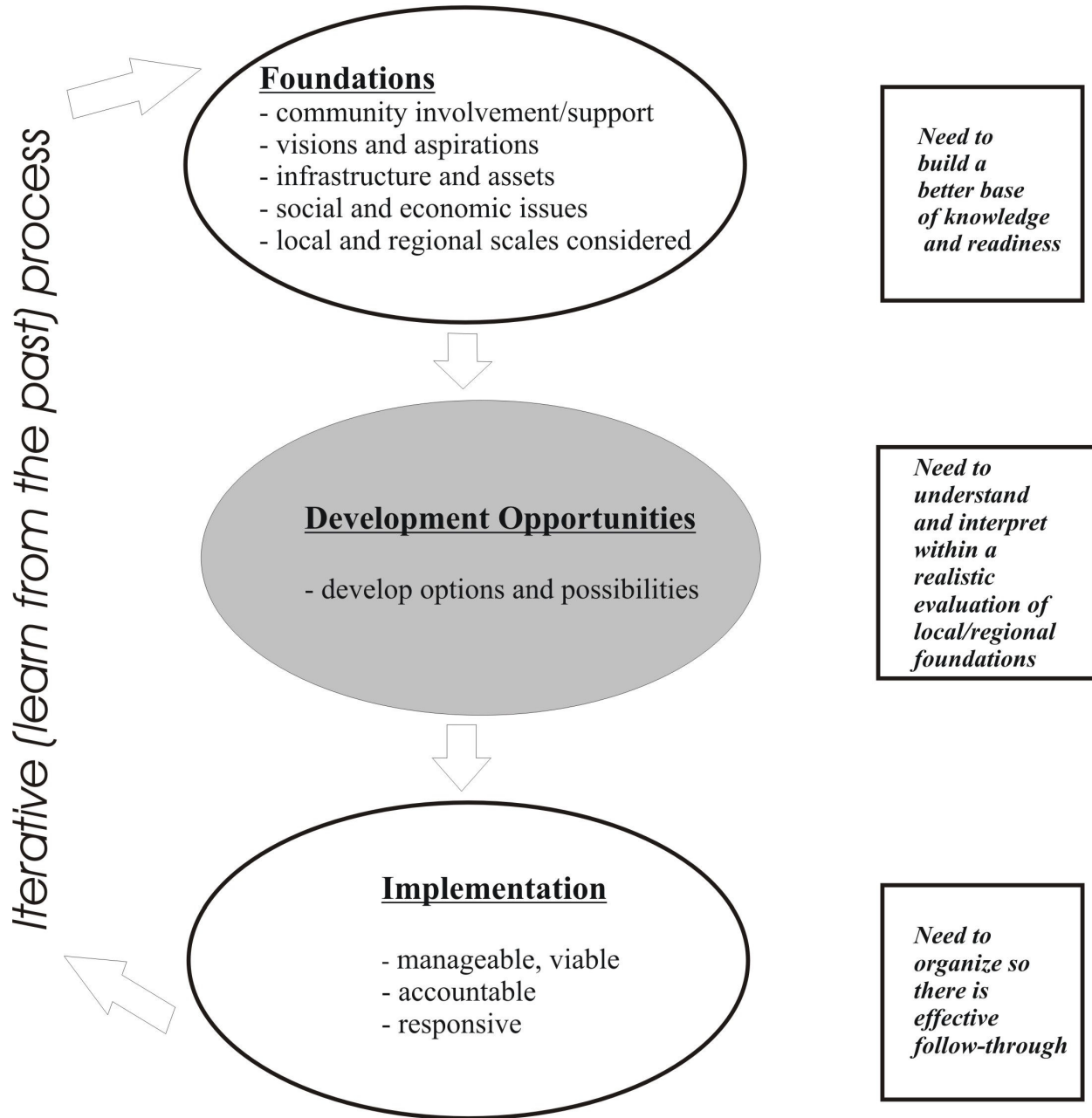
- our visions and aspirations for the future
- our community and regional assets and infrastructure

2) Organize implementation:

- clear lines of communication, responsibility, accountability, and decision-making
- ensure implementation proceeds
- create responsiveness

THEN, we can respond to opportunities!

The 'Stuck in the Middle' Dilemma



A synthesis of the many ideas and opinions voiced by the development stakeholders we spoke with yields a wealth of ideas for how to make our economic strategy processes more effective. The findings clearly illustrate that the capacity in the region is extensive and sophisticated. We have organized what people told us about the processes of creating economic strategies under five key topics linked to the effectiveness of both the reports and the processes. These include:

1. Economic development reports often tend to lack depth;
2. Recommendations often fail to adequately account for issues of jurisdiction and meaningful levels of local control;
3. Contracting-out research and strategy exercises limits opportunities to build community buy-in and may even limit process accountability;
4. Social and economic planning are not being well integrated;
5. Doing things is important, but a cohesive development strategy is often lacking.

3.1 Plan Depth

Perhaps the most significant observation in this section concerns two critical limitations which people identified with respect to many of the reports intended to guide or inform local development activities. First, with exceptions, these research and strategy reports lack a depth of analysis that would make them ultimately useful as implementation or action documents. Criticisms here must be tempered with the fact that the intention of many of these reports is not to serve as fine-grain analysis to guide social and economic investment decisions; rather, they are often broad brush efforts intended to stimulate discussion and further research. However, for a variety of reasons (funding, programmatic changes, political and administrative turn-over, etc.) such follow-up discussion and research is often rare. When finer-grain, or business plan level, analysis does occur, the linkage to the now dust-gathering reports is limited.

Second, because many of these reports are produced with a high level of generality, their recommendations often lack sensitivity to critical issues of context. People spoke about how there are a multitude of generic recommendations associated with how to promote competitiveness, or build social capital, or generate economic diversification. However, without a true appreciation for local contextual factors linked to human capacity, location, access to resources, transportation and communication infrastructure, etc., these recommendations are conversation starters only. We pick-up this point again in Section 4 of this report.

The danger with this **implementation barrier** is that dialogue may remain trapped in the abstract, create false expectations, and lead to ill-suited program interventions based on passing policy or development 'fads' that are without substance. At a more basic level, the reports themselves can be expensive, swallowing-up limited resources and the even more limited time of the people and organizations earnestly working towards a new economy.

People spoke about:

- *“Lack of knowledge. We’ve run into this with our local group. Most of them are trying to run 4 jobs at once and they haven’t got time to research anything so they just go on rumours and stories rather than actually researching through what could be a solid opportunity.”*
- *“Re: PIC (Promoting Innovation & Commercialization in Regional BC): I don’t know if there are other strategies like that, but it is an example of what’s been done province wide maybe in the rural areas but not really identifying the specifics of each region and then the results don’t identify the problems that exist in each region to overcome those economic obstacles or barriers. They didn’t take the time to get to know the communities, which results in a superficial view of the region that you then can’t really identify what the obstacles are.”*
- *“The reports almost always go to the point where they justify the next study.”*
- *“We need to act. We have enough plans about where people want to see activity; agriculture, value added forestry, tourism, and others. Capitalization is very difficult in projects and so is finding the investment money to create the projects. On the last ---- strategy there was government funding to do a study, I wanted those folks to come up with a list of investment capitalists that we might be able to approach, but they didn’t do that – most people won’t do that.”*
- *“These reports consistently talk about what we want to become but not clearly how we get there, what the obstacles are, and what the priorities are. It is the absence of economics that make these ‘wish-lists’. People become more pessimistic when they don’t see the reports getting beyond the planning stage.”*
- *“Once the strategy is in place, the money isn’t there for people for implement the plans.”*
- *“I think all of the reports are alright. They all lay out our assets. When we lay out our disadvantages, they are always the same. I do think our obstacle has been on a couple of fronts; the plans haven’t laid out how they are going to do what they have proposed. It doesn’t take into consideration the ‘how to’ list.”*

3.2 Considering Local Control

A related limitation which people identified in many of the economic strategy reports is that the recommendations often do not adequately consider realms of jurisdiction and realistic levels of community reach and control. For example, while there are many issues over which the community and region would like to have justification or control, the structure of law and governance in Canada means that other levels of government have that justification or control. People told us about how we need to make sure we work on recommendations that fall within the areas over which we have control and can have an impact upon. Where decisions will depend on other levels of government or business, we need to recognize our limited ability to affect change but also need to work towards developing better working relationships so that our voices are heard.

Again, in tempering this criticism, we must consider that many of these recommendations may be points for local advocacy and partnership development. Again, people pointed out how the finer grain analysis that would have provided a roadmap for these processes is almost always absent. A detailed analysis of jurisdictional and interest boundaries for municipalities, regional governments, the province, the federal government, and First Nations is complex, messy, subject to change, and perhaps difficult to disentangle. These difficulties understood, people still spoke about the need to move forward on sorting these issues out and making them central to our implementation efforts.

The problem with this **implementation barrier** is that it again creates false expectations. Reports that list opportunities, but do nothing to analyze their viability within a given context create a false impression that nothing is being done – or that local development processes have failed to capitalize on the many seemingly ripe economic opportunities. In this sense, local and regional development is unfairly criticized for being ineffectual.

People spoke about:

- *“Consultants can put together a plan and say what needs to be done, but there is a disconnect between what is ideal conceptually and what exists.”*
- *“In many cases, communities lack the ability to impact those things because they are beyond their control.”*
- *“When I think about pine beetle today as an example, it is being managed provincially where community groups are receiving funding to find out where they want to go. The reality is that a lot of the things they want to recommend are things out of their control. So, if you want a transition from a forestry industry to mining, agriculture, manufacturing, as an example, maybe some of that money would have been better spent in forestry? Maybe it would have been better spent in agriculture or education? Those are all areas outside of a community’s control. They have no way of impacting that so it is really important to know where the responsibility for this lies in terms of implementation. This is frustrating for communities.”*
- *“You have to make sure that the things you are talking about are within your own control. Managing expectations should be made around the strategy; if you don’t want people to get depressed about these things, we need government commitment because anything else isn’t going to work. The whole purpose is to attract new businesses into our community and we have to ensure this is doable. Otherwise, it is a great vision, with a great plan, with no way of doing it.”*
- *“I think it is important that in order to develop strategies that we can feel confident in, we need buy-in at the provincial level. You need communication to the highest level possible. If it is a significant report, and you are going to require funding from the province or policy work or any kind of intervention, you absolutely need the Ministers and MLA’s clued in that this is something that needs pushing along. If it isn’t a priority for the province, it may be marginal to even start it. You can’t do these things for lip service or just to feel good.”*

- *“Government policy is definitely a concern for northern BC. I think probably the further you get away from the policy makers, there’s probably a percentage relationship to how useless policy can become.”*
- *“If you look at Prince Rupert to Prince George, where should you put government offices? Well, strategically and economically it makes more sense to put them in Prince George. Philosophically, what you’ve done to places like Terrace, Smithers, and New Hazelton is you’ve pulled out of the economy that 25% that everyone could count on those wages. So when they pulled out the Ministry of Forests offices from Hazelton, they pulled out some really valuable stable income that was coming into that community. So from a strategic sense, it didn’t make any sense. If you value rural communities, and if you recognize that those rural communities aren’t going to go away, than you’ll make different economic development decisions, which in the long run can be just as successful, but it requires a different mindset.”*

3.3 Community Involvement

Perhaps the most complex part of community and economic development planning concerns community involvement. It is well known that the involvement of local people in the development processes that will affect their lives yields a variety of positive changes that enhance implementation. These include greater buy-in, appreciation for and integration of local knowledge, and conflict resolution prior to major investment decision-making. That said, numerous people we spoke with identified frustrations with either the level or format of community participation in various strategy or research processes. Community members stated that they:

- felt left-out of the research and strategy processes,
- were unaware of strategy processes,
- were unaware of various earlier development or strategy reports, and/or
- were unaware of where to find current or past reports.

There are a wide array of models for including community participation in economic development processes. Ultimately, such processes are always faced with limited resources of time and money. As a result, strategic decisions must be made concerning levels of community involvement. However, the statements drawn from interviewees help us to identify a variety of additional **implementation barriers** associated with this issue. The extent to which economic development and strategy processes, and their outcomes, fail to become embedded in the community or region can lead to wasteful circularity, as there is no collective memory to either avoid duplication of effort or make incremental progress through each effort. In addition, another positive outcome, enhanced trust and knowledge of networks/organizations, produced either through direct involvement or well-communicated process transparency, is a lost opportunity.

People spoke about:

A Local Best Practice Example: Getting more out of the Official Community Plan

- *“The one strategy that I have seen work through the background studies for the first Official Community Plan for Terrace, is the use of public meetings to solicit input for the OCP process itself, so it wasn’t a Chamber of Commerce or business group driven process.”*

A Local Best Practice Example: Council Short/Mid-term planning

- *“What council has been working off of for the last while is not so much development strategy documents, but we’ve been having planning strategy sessions. We might bring in a guest speaker or other players such as the president of a chamber of commerce or the chair of a development agency. We need to try to work out a short-term and a long-term strategy from a council leadership point of view.”*

A Local Best Practice Example: Future Search

- *“Future Search, if you are familiar with it, it has a number of claims to fame which many believe are quite true. One is it that it can bring together extremely diverse groups and you can work on a regional level, which you need to know what your region is all about and what is going to work within your region. It can also do a couple of other things. It moves the participants right to common ground as quickly as possible, and it also allows the participants - instead of doing a planned process where it’s 10 second ideas without thought or context, the process itself allows for context to take place over a longer period. And so the outcomes, the visions that you are getting, are perhaps a little more well thought out and there’s been a tremendous number of perspectives communicated on those specific ideas throughout the process.”*

Local Accountability Lacking for Implementation

- *“The document that we have was done a while ago. It is an excellent report that was done on the area and includes both development and infrastructure ideas about what is required for us to move forward in the tourism sector. It’s been sitting on the shelf for quite a while. Just recently I had time to read it and was surprised the study was done but just sitting on the shelf. Intentions were there, yet it sat on the shelf - its kind of like ‘OK...why wasn’t this actually implemented, why didn’t somebody take it to the next step’. This is where the question comes from our local government when they look at it as ‘oh yeah, this study is done’, but yet they don’t act upon it, and the problem with that is that the community in the end will suffer in the long run. There is no accountability for implementation. This report has been done, recommendations were made, how are we going to implement them - there is no accountability back to the community saying this is what we’re doing to make us move forward.”*
- *“The strategy is just fine. But if it truly wants to be carried on, then it has to be owned by the community.”*

- *“Again, I feel there are few people and there is too much to do. There is burn out, frustration, a lot of activities are repeated unnecessarily; studying things to death and then not having the funds to implement them. That also contributes to stalemate.”*

3.4 Balancing Economic and Social Planning

A number of interviewees expressed concerns related to the perceived dominance of economic planning relative to the resources being allocated to conduct social planning in the Northwest region. For others, the main problem with this issue is that strategies and processes are considering the economic and the social factors in isolation from one another. It is clear from the people who spoke to us that the economic and the social are intimately interwoven. To be effective over the long term, they must be moved forward together.

The **implementation barrier** associated with these observations concerns the inherent linkage between economic and social development. People spoke to us about how communities and regions will not be able to diversify their or renewal economies, let alone consider long-term prospects for growth, if there are not processes to support healthy communities and healthy community development. However, within the uncertain context of boom and bust resource-based economies, the economic development emphasis can become overly concerned with questions of economic activity, leaving matters of social development as residuals or outcomes of economic processes. Instead, it was clear from the interviews that the economic and the social reinforce and support one another.

Our increasing knowledge of economic development within a more globally competitive context now tells us that we separate economic from social (and environmental) issues at our peril. We can no longer disassociate social well-being from issues of productivity and economic growth – whether linked with individual and family well-being or increasingly important factors like regional economic attraction and retention.

People spoke about:

- *“Our challenge with the reports is that they are not functional for the planning of our services and that’s our biggest barrier – we’re not linking the economic development reports with the social planning reports.”*
- *“There is not enough attention paid to sustaining or developing healthy communities at the same time as we explore economic opportunities.”*
- *“What is often lacking in the strategy process is the social planning, the social aspects. You want to create jobs so people want to stay in the community. You have to start weighing the projects out in terms of financial benefits but also consider repercussions on health and all of the other issues. You want to be able to balance things out and have more diversified communities.”*

3.5 Understanding Strategy

Our final observation linked with development strategy reports and processes concerns the tension between reactive and proactive approaches. Each community and each economic report identifies a number of possible action items to reinvigorate or diversify the community or regional economy. This only becomes a problem when the pieces become severed from any affiliation with the whole.

The **implementation barrier** associated with reactive planning is that when resources are perpetually consumed by 'the immediate', a community or region will be challenged to realize its strategic vision; thus plans will forever appear incomplete. 'Doing things' is important to build momentum and sustain community energies (no one likes to participate in endless process). However, there is a lost opportunity if we fail to link isolated projects to higher-level strategic coordination. Communities don't want to be overly structured, such that they miss-out on emerging opportunities, but an adherence to a broader vision serves an important check and balance through long-term economic development processes.

People spoke about:

- *"People become more pessimistic when they don't see the reports getting beyond the planning stage."*
- *"Studies have got to be carefully designed - you have got to know what it is you're going to study and why. I have occasionally run into people who have wanted to do a study because that's what they do and they're looking for a job - come in here looking for some funding to do this study and then they'll go and find some money to do another study. Well ok, very good, but you've got to identify the issue. I think it might be easier to - although broad very, strategic studies, are necessary - you can do one every five years. Whereas a more tactically oriented study is something that would be easier to pull off in a shorter period of time and intended to serve a specific purpose."*
- *"The NDI (Northern Development Initiative) monies, if used properly, have the chance of really creating something in the north. There is a lot of money there. I'm afraid that everybody is going to say 'give us ours in cash' because they are afraid that it'll get taken away and it will go on things like arenas, and bowling alleys, and pipes in the ground. Budgets would be played with so that it could be used for those types of things. NDI money should be restricted so that you have to prove a multiplier from any expenditure before you can use the money."*

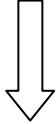
3.6 What People Told Us: Stuck in the Middle

In summarizing the significance of the above five planning process **implementation barriers**, it has become clear that the northwest region (and probably all such regions) are 'stuck in the middle' of the economic strategy and planning process. In short, the many planning processes and reports we reviewed and discussed with the people of the region have no true beginning and they have no definitive end. The majority of the

reports are missing a thoughtful and participatory grounding in the community (the beginning), and they fail to provide the deeper level of analysis necessary for real decision-making and implementation (the end).

In fairness to the reports, the beginning is undoubtedly the most messy and complex part of the process – and it yields no “hard product that can be pointed at on the street”; while the end requires additional technical capacity and a truly intimate knowledge of the region and the key partners. The end result, too often, is a failure to implement recommendations.

Table 1. Three Elements of Economic Strategy

Beginning	Middle	End
Phase 1: Strategy	Phase 2: Blue Sky Options and Possibilities	Phase 3: Implementation
<ul style="list-style-type: none"> • Community process (participation, vision, values, etc) • Goal identification 	<p>A)</p> <ul style="list-style-type: none"> • Opportunity identification • Possibilities list <div style="text-align: center;">  </div> <p>B)</p> <ul style="list-style-type: none"> • Context of place (assets and infrastructure; regional setting; global setting) • Business case 	<ul style="list-style-type: none"> • Partnership development • Long-term commitment • Long-term funding • Flexibility • Transparency and accountability • Technical capacity

4 The Region: Context and Collaboration

Our second theme of findings relates to what people told us about the importance of the northwest region. Given the nature of the global economy and rising competition from both domestic and foreign markets, there is increasing pressure on regional economies to work together, thereby scaling-up the impact and reach of economic development through collaboration and cooperation.

The regional link to implementation concerns the growing reality that the assets and resources of the northwest region must be mobilized collectively to realize and commercialize economic opportunities. In the following sections, we outline two main findings relating to the regional economy: the link between competitiveness and context, and the role of social capital in fostering regional cooperation.

4.1 A Context for Competitiveness

The **main implementation barriers** identified through the interviews, and from reviews of economic development reports, are that the concept of competitiveness is poorly defined and being used without adequate consideration of the northwest context – i.e. often without a real analysis of local assets and aspirations. Looking at the first of these issues, we can understand competitiveness as the success with which regions compete with one another in some way – over market share or for capital and workers. However, regional competitiveness is multidimensional, mixing traditional factors of infrastructure with less concrete factors like amenities and social capital. The growing complexity associated with regional competitiveness is reflective of changes taking place in the global economy and in the governance of all places. If the ‘old’ region was previously seen as a subordinate administrative unit, without many responsibilities for its economic make-up and management, the ‘new’ region represents a territorial hub for production, planning, trade, education, and innovation. Interviewees described to us how regions are increasingly ‘on their own’ to coordinate, enhance, and promote their economies and competitive advantages.

Second, discussions of competitiveness are of little use if they do not accurately reflect the places being described. One of the frustrations people relayed to us about many of the economic development reports they are familiar with is that these reports often do not really understand the northwest context – its people, economy, environment, cultural diversity, amenities, and infrastructure. A review of recent reports confirms this view. While again, many of the reports are broad brush-stroke discussion pieces, they nevertheless tend to borrow an understanding of economic development and competitive variables from other places and other sources. In terms of competitiveness, this means that a relatively standard list of variables is mentioned in the reports – variables that are more closely associated with more urbanized environments – where much of the research on competitiveness takes place. Rural and small town places have many competitive assets and many limitations that do not apply to more urban places. For example, a relatively simple observation concerns the realities of providing competitive services and amenities with smaller populations. On the challenging side, smaller populations do make it difficult to achieve some of the typical economies of scale cost

savings, yet on the asset side of things, rural places tend to have very strong social networks that can be used to facilitate innovation and local economic stability.

One final observation relayed to the research team concerns the competitiveness within the region itself. People told us about how communities within the region have been brought together by tough economic times. By the same token, people were concerned that as the economy improves, inter-community relationships may once again move back towards more traditional arrangements of isolation and weakening ties of interdependence. From a competitiveness perspective, this can be characterized as the difference between 'low road competition' and 'high road competition'. Low road competition is associated with communities undercutting each other with tax incentives, grants, and other such mechanisms to promote their community to industry over their neighbours. High road competitiveness, on the other hand, is based upon a regional commitment to processes of learning, shared innovation, open communication, and positive place attraction based upon a clear understanding of the different strengths of different communities. Here again, we find that a clear understanding of place matters to developing an effective regional approach to economic development.

Table 2 An Illustration of Listed Strengths and Barriers

Key strengths of our communities/region	Critical barriers
<p>Abundant natural resources Access to nature Broad range of physical, natural, cultural assets Communication systems Crisis creates action/collaboration (pine beetle) Diversity of economies and players Economic development infrastructure/ organizations First Nations Gateway to Asian markets Government buy-in Growing transportation infrastructure Huge renewable energy resource Land base Linkages to global markets Natural tourism resources Partnerships People Pool of available funds Post-secondary education: UNBC and Community Colleges Quality of life Recognition of urgency Relatively skilled labour force Untapped labour pool – youth and First Nations World class forest industry</p>	<p>Access to capital Beetles Communication Communities with self-interest Competition between communities Demographic challenges Dependency Development / construction costs Differing cultural models Differing governance models Disproportionate investment by government (to where people vote rather than where the revenues are generated) Distance from expertise Electricity Entrenched power structures Fear of change Geographic dispersion / sense of isolation Getting senior governments to accept the need for sustained funding Government interference Government policy changes Human resources Infrastructure Investment interrupting quality of life Labour force shortage Lack of a common vision Lack of collaboration and cooperation Lack of coordination Lack of industry participation Lack of political clout Lack of regional economic development strategy Land claims No consistent access to fibre Politically based decision-making Resource based mentality Skills shortages Trust Unresolved land claims Youth exodus</p>

People spoke about:

Danger of low-road competition:

- *“I also think the small places tend to compete against each other too much. I had a problem with the community charter the way it came out. It tends to encourage communities to compete with each other to attract industry and it allows you to give tax breaks to industry. We are getting into the US style where the guy who bids the least gets the job and it’s not good.”*

Link with social planning:

- *“I don’t think that they [the competitiveness factors] are as important to many of the prospective employers as the other things that we value, such as a really good school system, swimming pool, indoor hockey arena, and that kind of stuff.”*
- *“First, they don’t know if their management team is willing to move out of the big city. Second, it’s not just some run of the mill operation; they require skilled labour, and even though we have Northwest College, UNBC, and that sort of thing, they really don’t know if they can find the skilled labour they need here.”*

Supply-side example:

- *“When you are bringing a big firm to town, the first thing the big firm executives will ask you is what have you got in the community for our people if we move them there. Do you have a swimming pool, movie theatre, dance studios, etc.? And yes we have some of them, but we don’t have the capacity to handle these big things so we have to build on what we have. We find that very difficult to get going, mainly due to the fact that any grant monies that we get we have to match and we don’t have the money to match if we want a bigger grant.”*

4.2 The Role of Social Capital: The benefits of regional interaction

People in the region spoke often about the importance of working together. In many of the economic strategy and development reports, this factor is discussed in terms of promoting the social capital of the region. Simply put, social capital refers to the positive social and economic effects that are generated through social interaction – both formal and informal. The idea is that when people interact in constructive ways, they build trust, share ideas, and foster a sense of common ground that can have a positive influence on economic development and social cohesiveness. Besides trust, social capital also refers to the networks, knowledge, and relationships that such interaction can create. The benefits and potential from such trusting networks and relationships can then be stored as ‘assets’; assets which can then be drawn upon in times of need. For example, in a recent report on economic development in northern BC, three of five final recommendations for economic prosperity in the north are linked to the idea and importance of social capital:

1. improve collaboration and cooperation;
2. engage First Nations; and
3. enhance communication and information systems.

We identified two main **implementation barriers** associated with social capital. First, people expressed varying degrees of frustration that while people recognize the importance of building social capital, it is rarely if ever supported in policy and program funding. Our engagement with social capital has not kept pace with what we now recognize to be its increasing importance to local and regional economies. It is no longer simply a fringe-benefit that comes about while you are busy doing other things. Social

capital must be actively promoted and sustained through consistent effort. Here again, the lack of a definitive product hinders the ability of social capital processes to attract necessary funding and policy support.

Second, similar to discussions of competitiveness, many of the strategy and development report references to social capital tend to be context-free. Generalized descriptions of social capital are useful for highlighting the importance of the concept, but it is necessary to take the analysis to a deeper level of consideration concerning the conditions of the northwest. If this is not done, it will limit the utility of the concept and can again create false expectations.

For example, people commented that one of the barriers in the region to fostering a greater sense of collaboration is the legacy of development in the area. As stated above, previously there had not been a specific need to cooperate; each place was generally self-contained – administratively and economically. As a result, bonds of trust that take a considerable amount of time to develop have not been forged. As a result, economic development reports often assume a level of viable working social capital that may not yet exist.

More generally, recommendations related to social capital are again often borrowed from urban interpretations and research. Rural and small town places must conceptualize and build social capital in fundamentally different ways. For starters, people commented often on the close social networks that exist within their communities and a broader sense of pride with being in the north. That said, many of the commonly conceived determinants of social capital, when taken out of context, may paint a false picture of social capital relations in the north. Factors like distance, ease of communication, education levels, labour market participation rates (where people interact at work), and income structures (that may influence the ability of people to participate in extracurricular activities or attend networking functions) can vary widely in a northern setting. Ultimately, people told us that they are looking for appropriate strategies and support for building the collaborative potential of the region.

People spoke about:

- *“I think that what works is working together. We get together often and that’s key. So, it’s not a case of getting together twice a year and saying ‘are we on the right track?’. We work very closely constantly. We’re on each others board of directors, we’re meeting with each other in liaison groups, and I think it works very well for us because we’re in constant touch with each other. We constantly know what the other’s doing, where they’re going, and what they’ve got in their plans. I think that’s very important.”*
- *“People are trying to work as a region, but I don’t know how much success they are seeing in the process. I think because we have had economic depression in the last five years it has resulted in more interest in doing the regional thing. Before, when we were all independent and everyone was doing fine, nobody cared what was happening in the other communities and so it has been quite a change in these last five years. But now things are getting better again and so you wonder if that is going to obfuscate that process or if it is going to continue.”*

- *“I think a significant factor is the very difficult economic times this region has gone through in the last 5 years. It has forced them to look at cooperation. Before that things were moving along, everything was productive, there was a good boom - they didn’t need to cooperate. There were enough resources and business activity and the economy was going fine and nobody actually noticed it could have been actually better. But now, when the pie shrinks and you recognize that really in order to grow again you’ve got to collaborate and cooperate, and that’s the way it is going to happen faster than what it was. It will never be the way it was. Those economic hard times made the whole region become a community to a certain extent.”*
- *“You need to build relationships. You have to find some common ground and build on that common ground so that each other can understand where they’re coming from. We are finding that common ground with KTIDS because it is made up of 5 directors from Terrace and 5 from Kitimat. It has taken a year and a half. We have candor - we can yell and scream at each other and still go out for a beer after. That is the number one barrier that needs to be broken down with First Nations, Federal, and Provincial governments. We need to be able to walk in this room, have lots of candor and yet still be able to work with each other. That is the number one barrier that’s stopping the northwest from succeeding.”*

4.3 What People Told Us: Context of Place Matters

In summarizing this section, the core messages from what people told us are that:

- 1) It is crucial that our economic strategies be built on a foundation of economic competitiveness that draws upon a solid understanding of the assets and aspirations of our communities and our region.
- 2) It is crucial to build our economic strategies on ideas that fit with the nature of communities and region.

The central importance of place means that mechanisms for understanding or mobilizing the northwest as a ‘region’ cannot simply be assumed or borrowed from other places. The northwest is very much its own place, with a unique mix of economic development assets and barriers. Generalities help to stimulate discussions, but deeper analysis and a more complete integration and consideration of local knowledge is required before recommendations become truly useful. The region holds considerable collaborative and competitive assets, but they are steeped in a unique context and history that requires context specific approaches to unleashing their potential.

5 Grounded Development Planning

In this final section, the term ‘grounded development planning’ is used to capture the many procedural and contextual factors that people told us about that affect the ability of communities and the region to successfully implement strategies or take advantage of opportunities. It is a reality check for current and future strategies, plans, and processes. Interviewees were aware that a perfect planning process is in many respects an unrealizable idyll. We are not provided with unlimited budgets, unlimited amounts of time, fully resolved differences of opinion, limitless capitalization prospects, and implementation guarantees. Nevertheless, awareness of the issues listed in this section may help resolve some of the less explicit barriers that can derail initiatives with good intentions and real prospects for improving the economy of the region.

5.1 The Uneven Playing Field

Regional cooperation is hindered by the fact that the region exists as an uneven playing field that is not always recognized in idealized presentations of regional economic development. Differences across the region exist in many forms, including:

- jurisdiction,
- capacity,
- community size,
- population profile, and
- economic mix.

Each of these variables affects the ability and willingness of communities within the region to work together. Recognizing and accommodating difference may then enable a more constructive regional dialogue to take place, especially in the early stages when trust and relationship building will be as important an outcome as the strategic plans themselves. The concept of the uneven playing field also applies to provincial north-south relationships that influence policy clout and the effectiveness of the northern voice when advocating for provincial and federal attention.

People spoke about:

- *“Just in this area, there are two municipalities, one regional district, and 2 First Nations reserves. There are 5 different governments in a span of 8 kilometers, and all imposed government systems, so for us to collaborate – it is incredible!”*
- *“Well at the provincial level, you are always kind of behind the 8-ball because you don’t have the political clout that exists down south. In which case, you just have to go and hammer harder and if you do get an MLA from the government side, you immediately have to champion them to become a cabinet minister, and when they become a cabinet minister, you have to keep your messages clear. Organizations, in that sense, are important. You have to have a united strength. Organizations like NCMA (North Central Municipal Association) and even UBCM (Union of BC Municipalities) are your strategic vehicles to get your messages through. It always*

works better when the government only has a few seats as a majority or a minority. You can hammer a little louder. I think that's always been a problem – having your northern voice heard in the province.”

- *“It should be the politicians that drive the bus on infrastructure prioritization, in a sense, but pushing the envelope forward. Because you get these community groups together and they have no teeth. They have no jurisdiction. So it should go to the political route, and there needs to be far more strength to the relationship, and respect between levels of government.”*

5.2 The Other 80%

People told us that they recognized the place and importance of making the region attractive to industry in order to attract both businesses and people to the region. That said, people told us that the existing local economy of the region, and the people supported by it, represent a significant latent economic opportunity in the region. Besides looking to attract new business and industry, people reminded us that we also need to look to supporting and growing our local businesses – that we need to also encourage more of our local entrepreneurs to develop or expand. These people, and the businesses and industries they run, have a proven track record of commitment to our communities and to the region. The other 80%, therefore, refers to the people and economy of the region not directly associated with the larger industrial economy we often seek to attract. The local economies of the region represent an untapped resource for economic development that directly sustains the economy and society of the region – people and businesses committed to the region and staying in the region.

People spoke about:

- *“The economic development I’ve seen depends too much on outside investors and depends too much on the global economy, and for the most part has failed or has been very short lived. It has to be something that’s based on the fact there is a solid core of at least 40,000 people in this region that aren’t going away. If you build economic development around their needs that economic development tends to hold.”*
- *“Often economic development plans support radical changes rather than small graded changes and you may ultimately end up at the same place. What I’ve seen over the years here is when you do radical changes, strategic economic changes, it is not the same people. The ones that were here before are gone and you bring in a different workforce that itself leaves in a decade when that opportunity runs out. You still have an underlying population that isn’t moving around, that suffers when big industry pulls out, and that can get into difficult economic situations.”*
- *“The regional perception is that higher levels of government only perceive us as somewhere that they can rip the resources out of and sell them at commodity prices. It is assumed that the communities will die when the resources are gone. That flies in the face of First Nations. These people don’t want to move out of here, so economic development has to recognize that it also has to stabilize these communities.*

Economic development needs to look at the assets of the community, not in an exportive fashion, but in terms of what is perpetuated there.”

5.3 Regional Capacity

People told us that realistic assessments of regional capacity – both in terms of technical capacity and surplus human resources – rarely accompany recommendations and programmatic expectations. The administrative and organizational resources of the region are assuming greater levels of responsibility for the regional economy, however, this process does not occur without cost. An added pressure associated with across-the-board downloading further reduces the capacity of services and communities across the region to respond to new opportunities or sectoral downturns.

People spoke about:

- *“What I think is key is actually absent from the whole system. The key is having the idea of what the community has to work with as far as human resources. One of the difficulties in putting together an action plan is having the requisite people in place in order to actually implement the plan.”*
- *“Education is key; skilled labour shortage is a real barrier.”*

5.4 Regional Re-investment

Almost unanimously, people told us that the region must benefit more from re-investment drawn from the resource wealth of the region. In order for the region to assume greater responsibility for economic development, and position itself for success in the local, regional, and national markets through added investments, and to be able to compete at a global level, the allocation of resource wealth requires adjustment.

People spoke about:

- *“If the community had a resource sharing agreement like the Peace River Regional District so that they could have invested back into their own community, that investment would attract more businesses and create a stabilized community. If you look at the sad history of forest resources and mining, there is no investment back. This is even worse now because most of mining companies operate on a fly-in-fly-out basis where workers and services can come from outside the region. At least in the Northwest Territories, they’ve designated Yellowknife as the rallying spot so people may stay there.”*
- *“The local people keep the community going. What I’m talking about here is tainted by a long history of poor corporate leadership. It’s been very ‘take the money and run’. We need the big players to come in so the small community players can benefit from it, but right now the balance isn’t there. We have had an overwhelming support of the big players coming in by government policy and we are left with the results which is a pretty devastated economy and the social conditions that creates.”*

5.5 Institutional Consistency

The people we spoke with recognized that community and regional economic development requires a long-term sustained effort. It is a process defined by continual renewal and re-invention. In order to accommodate the ever-changing realities of both the global economy and local conditions, the region requires an institutional response and institutionalized resources to facilitate and coordinate regional efforts. Short-term, one-off processes and limited programmatic initiatives do little to sustain the consistency needed for long-term economic development.

People spoke about:

- *“The lack of continuity within the chief and council is a huge barrier. When you talk about the implementation of different plans, you can have different council members being involved in different stages. The 2 year term for chief and council doesn’t give you a whole lot of time to do anything. It doesn’t allow for a lot of real sustained progress.”*
- *“One of the biggest things we have struggled with is that the current structure of elections every 2 years. You cannot implement a community plan in 2 years, so when a new council or a new board comes in, the first thing we should present to them is ‘this is the plan; it has been endorsed by the community’ so at least we can get that continuity. That is one of the biggest problems in Aboriginal communities; trying to get and work through a five year plan. It is difficult to get anything done on the current two year terms.”*
- *“I think change is good, but the constant is also important. There’s a need for some sort of stability. I can think of at least 3 organizations that were doing quite well developing the community, and itself within the community, that has now had to completely start right from the top down. When there is little continuity in terms of staff, experience, and expertise, there’s nothing to keep it carrying forward. When this happens yearly, or quarterly, which it often does with some communities, there’s nothing to hold it together any longer.”*

5.6 What People Told Us: Re-imagining

In summary, the people of the region told us that while the context and demands of economic development have changed considerably, our approach to economic planning and our expectations have perhaps not kept pace. We need to view our community and regional economies differently. There are new and fast changing relationship dynamics between industry and communities, and between government and communities. Our understanding of the advantages of place (and our place in the world) is also changing and is challenged by new global – local dynamics. In short, people are asking that we update at all levels our image of place and the region in terms of economic and social development.

People spoke about:

- “we haven’t handled expectations very well.”
- “It’s about breaking all the moulds and making the plans more real to the communities.”

6 Conclusion

In reflecting on how communities and regions are engaging in processes of economic research and development, the people we spoke with in the northwest have challenged traditional assumptions and identified a range of potential ways by development efforts might be improved for greater effectiveness and consistency. Communities and regions must:

Re-orient to readiness by understanding the role of the ***region in the world*** while also ***grounding our strategies*** in a real, in-depth analysis of our local and regional ***assets and aspirations***.

Their arguments are powerful and rooted in years of experience with what works and what does not work. They describe a quite different approach to thinking about economic development strategies.

People argued that to move towards a more effective and successful approach, we:

- need to ground our development strategies in the context of place; including the competitiveness of our communities and regions within local, regional, and global markets,
- need to include our goals and aspirations,
- need to include and balance both economic and social issues,
- need to ‘scale-up’ our thinking to draw upon collective regional strengths and assets,
- need to recognize and manage the unevenness inherent in smaller and larger places working together in regional strategies,
- need to have a clear role for involvement while being efficient so as not to risk participant burnout,
- need to direct our energies to those issues over which we have local control, and we need to extend our relationships and ‘voice’ with senior governments,

- need to remain attentive to the important economic and business interests already in our community and region,
- need to identify the key assets that can be used to convince existing businesses to grow with us or convince new businesses to re-locate into our community and region,
- need to invest in the infrastructure needed to support our development strategies; including human, community, economic, and physical infrastructure, and we
- need to support the institutions that provide the assistance, information, and foundations for our strategies.

People told us that governments, communities, and regions must re-orient their strategy processes so that they can be more generally ready to engage with emerging opportunities. In other words, we cannot just work 'in the middle', we need to:

1) build from a solid understanding of the community's/region's social and economic foundations,

2) identify and understand opportunities and possibilities within our framework of assets and aspiration, and

3) follow-through the process with a manageable and accountable implementation framework.

Given the context of new regional economies, *doing things matters and good choices matter*. The people of the northwest have provided invaluable insights for ensuring that actions and decisions will have their most productive and effective impact for the people and economies of the region.