

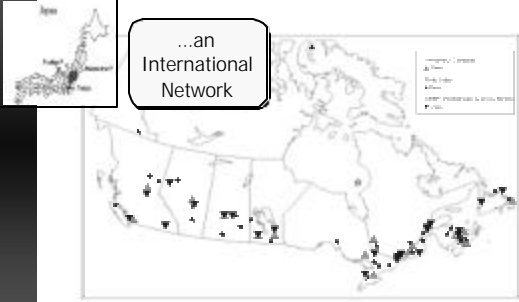
The New Rural Economy Project: What Have We Learned?

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2003/07/27





CRRF ...A National Network



What have we done?

- Macro analysis using census and survey data
- 32 field sites – a ‘Rural Observatory’
 - Local economies (SMEs, co-ops, entrepreneurship, trade)
 - Social capacity (governance, 3rd sector, services, communication)
 - Social exclusion (social cohesion)
 - Environment and natural resources
- Web Site (nre.concordia.ca)

What have we learned?

- Rural Canada poorly positioned for the New Economy
- Social Capital and Cohesion support economic performance
- A Rural-Urban Alliance is necessary

Challenge 1: It’s Rural

The New Economy:

- Global transactions
- Information, knowledge, innovation

Rural:

- Distant -> High Transaction Costs
- Low density -> Few Agglomeration Advantages

Challenge 2: Its History

- Mercantilism -> Little control of local assets (natural resources)
- Market concentration -> Bifurcation of enterprises
- Human Capital lower
- SMEs not well integrated into global
- 3rd sector stressed

SMEs and Coops have low capacity

- Greater uncertainty in global markets
- More demands on owners and managers
 - Production
 - Marketing
 - Management
- Owners and managers take few risks

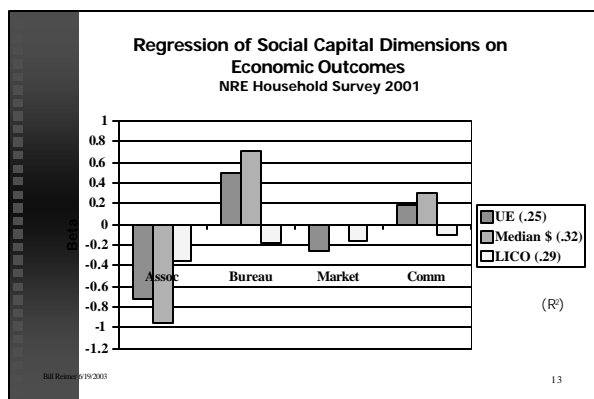
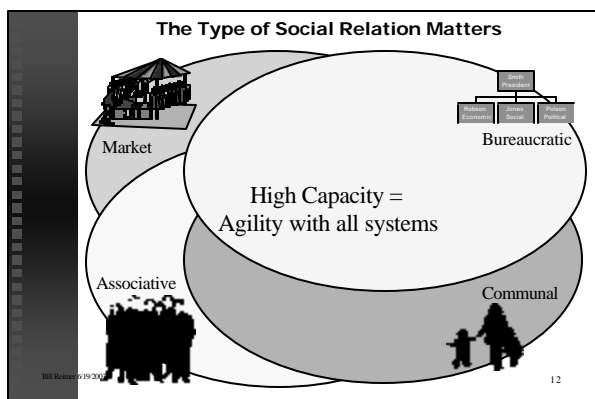
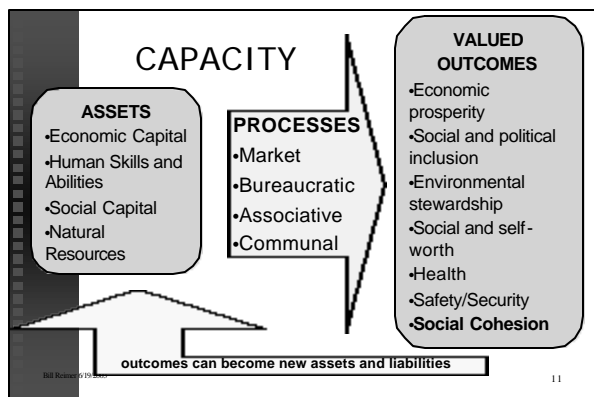
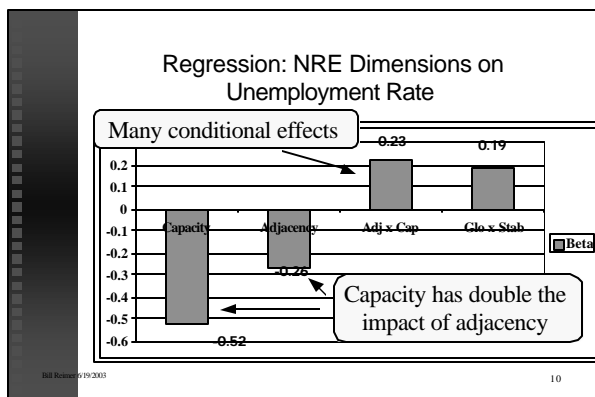
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Voluntary Associations

- Vulnerable
 - Membership (63%)
 - Finances (49%)
- Interests are diverted
- Competition for attention
- Government is the major supporter compared to private sector
- Don't know how to access funds and support

What are the major problems faced by voluntary associations?

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Context Affects Social Cohesion

	Market	Bureau.	Assoc.	Comm.
Global Economy	High	High		High
Stable Economy	Low		Low	Low
Metro Adjacency			Not Adjac.	
Capacity	Low			Low

Rural Canada has considerable capacity

- Wrong type for the New Economy
- Must be redirected
- Institutional challenges

Institutional Challenges

- Current ones are sectoral based
- Rural/urban distinction institutionalized
- Place rural at a disadvantage
- New institutions provide new perspectives and opportunities
 - Cut across rural/urban divide

Rural-Urban Alliances

- Focus on common interests
 - Food
 - Water
 - Environment
 - Amenities
- Rely on institutions, not sentiment
 - New arrangements of property rights

Revitalizing Rural Canada

- Anticipate the new economy
- Build all forms of rural capacity
- Innovate rural/urban institutions

Building Capacity in Rural Canada

The Canadian Rural Revitalization Foundation

<http://nre.concordia.ca>
<http://www.crrf.ca>
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