

The New Rural Economy Project (Canada)

The NRE Project is in its eighth year. It is a multi-disciplinary, national, collaborative research project examining the changes occurring in rural Canada and the opportunities they create for rural revitalization. Two main types of questions are being explored by 15 researchers supported by 23 institutional partners and 32 field sites.

- **What are the key changes affecting rural Canada? How can rural communities and people best position themselves for revitalization in the light of these changes?** and
- **What conditions enhance or inhibit the capacity of rural people to achieve revitalization?**

The project is also organized to build research capacity on behalf of rural Canada. The dispersion and diversity of rural researchers has been a major challenge to comparative work and the development of sufficient mass to support the level of attention required. The NRE Project has addressed this obstacle through institution-building in rural locations; conferences and workshops; training opportunities for students, policy-makers, and rural citizens; and the creation of a 'Rural Observatory': 32 systematically selected rural sites (plus 2 in Japan) that serve as sources of information, criticism, and inspiration for our activities.

What have we learned?

Rural Canada must reposition itself for the new economy. Although the extraction of natural resources remains important for rural economies, it is no longer sustaining local communities and livelihoods. Labour-shedding technologies and improved transportation have centralized commodity production to a point where most of the goods, capital, and labour move through large regional centres – leaving smaller towns and villages struggling to justify their existence.

The new economy provides opportunities for rural revitalization. Rapid and extensive communication technologies have meant that relatively remote locations have access to information that can help identify and service new markets. They also enable new networks for knowledge-sharing and collaboration. Our field work identifies many examples where rural people have capitalized on these opportunities – creating innovations in production, marketing, services, and governance that extend their capacity to function in the new economy.

Capacity is a social affair. Our survey and field work make clear that technology and infrastructure are only part of the requirements for revitalization. Social capital – the networks and norms that support local action – is critical to the use of the technology. Our rural household survey and site profiles provide key evidence of the multi-dimensional nature of this type of capital. Facility with market or associative-based social capital is more likely to result in higher household incomes, for example, than capacity based on bureaucratic or communal relations.

Context matters. Our comparative approach reveals how the context can affect the nature and extent of important outcomes. In general, household incomes are higher where participation in voluntary associations is high. But this relationship disappears where the economy is locally oriented or close to urban centres. These results imply that social capital is even more important for incomes within the new economy – especially in more isolated communities.

Innovations in institutions are key. Institutional innovation does not typically occur by decree. Instead, it emerges as people find existing institutions to be inadequate or obstructive to achieving

their objectives. In some cases it means modifying existing forms, while in others, it means creating new ones.

We have identified some of the ways this has occurred in rural areas. Citizens concerned about the sustainability of salmon fishing organized a watershed-focused committee that brought together businesses, industries, environmental groups, and municipalities in a forum that cut across their traditional institutional divisions. Municipal councilors frustrated by their inability to raise funds, created a corporate structure that enables them to initiate projects on behalf of their community. In each case, local capacity is increased through institutional innovation.

Unfortunately, these innovations are not widespread, often remaining weakest in the locations that need them the most. By analyzing the conditions and processes leading to innovation, we will be better equipped to meet the need of such places.

Challenges and Opportunities of Collaborative Research

Collaborative research introduces a number of key challenges to social science research. These occur because:

- Financial demands must be substantial and long-term;
- Multiple disciplines make communication and commitment challenging;
- Researcher, policy-maker, and citizen collaboration is demanding;
- Our institutional and career contexts are typically unsupportive; and
- Multi-level analysis requires extra methodological demands.

We have sought to meet these challenges by:

- Diversifying our funding support and ensuring multiple products to warrant them;
- Exchange materials and work across disciplines within specific projects;
- Use our partner organizations strategically (e.g. CRRF) to provide a place for meeting;
- Divide tasks to meet career stages and demands; and
- Explore diverse methodologies in a context of triangulation.

Project Themes

- **Governance:** Investigating how new forms of local and regional governance facilitate or inhibit rural capacities.
- **Services:** Exploring innovations in service delivery to rural peoples
- **Communications:** Investigating the relationship between traditional and new communication techniques – and how they facilitate or inhibit rural capacities
- **Environment and Natural Resources:** Investigating how innovations in natural resource management and environmental concerns relate to rural capacities.
- **Integration:** Developing the conceptual framework for capacity, social capital, social cohesion and other theoretical aspects. Maintaining common data resources.

The NRE Project is an initiative of the Canadian Rural Revitalization Foundation (514) 848-2424 (ext. 2323);
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