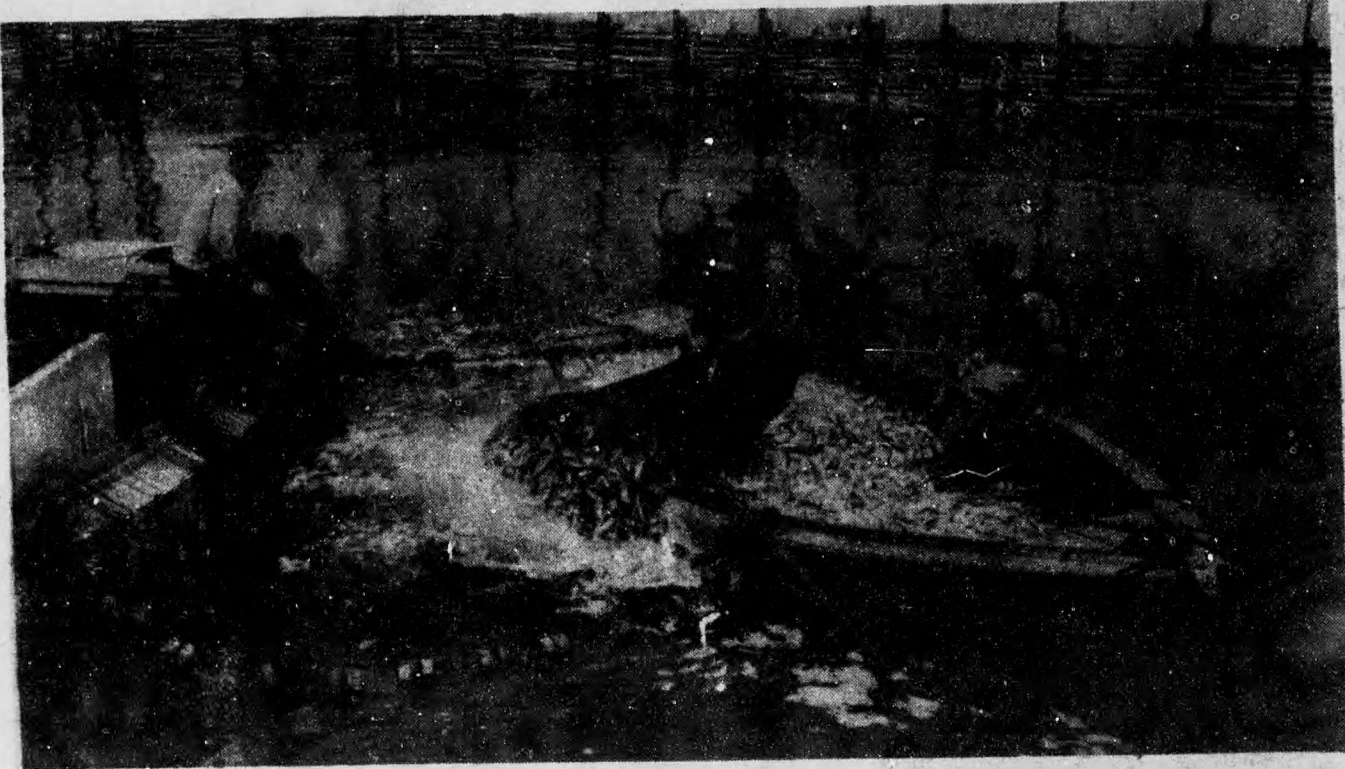


By ALAN ARCHIBALD

Adapted from a study for Economics 1050.

The relative decline of the Maritime economy since the wind and sail era has long been the focal point of Atlantic policy-makers; only in recent years has it truly become a subject of extensive joint federal-provincial concern. The need for accentuated economic growth for the region is the cure-all advocated by almost every regional developmentalist; the particular means undertaken to achieve it has always been the main subject of controversy. Much recent debate, however, has been concerned with questioning the validity of sustained economic growth and whether it is desirable or even physically possible. Not only economists, but people of varied disciplines have voiced concern over the whole question of progress and growth and its place in the future of social evolution. As a conscientious Atlantic Canadian I feel such contentions warrant consideration when formulating appropriate development policies for the region. The question of what type, degree, and quality of economic growth is best suited for relieving our obvious disparities without sacrificing our particular quality of life will serve as the subject of the following paper.



Perhaps more than any other value, an unshakable belief in continuous progress and growth has shaped Western societal development in the twentieth century. "Growth and development are indeed the mystically potent ideas in the mind of the twentieth century man," asserts Canadian historian Donald Creighton before proceeding to trace the trends of post-war growth in Canada in a recent MacLeans article.

Clearly, the idea of growth dominates the entire modern world. Growth is not only the aim of every business enterprise, but is deeply inculcated in the institutional structure of every Western nation. The expansive trends of post-secondary educational institutions in the 60's were founded on an unqualified belief that the demand for education would grow annually greater, creating structures not unlike modern business-industrial complexes where bigness is all too often equated with greatness.

The vast majority of Canadians have come to cultivate an insatiable desire for more material goods and services, thus generating unprecedented levels of economic growth and progress. The benefits and widened range of

Regional development-

The struggle to achieve quality with quantity growth

opportunities opened to the Canadian consumer are well-known, and it is only recently that the growing costs and disamenities of sustained growth have led to a serious questioning of the growth-progress ethic. Whether continued adherence to such principles will maximize social welfare in the years to come is a subject of considerable controversy.

The essential issues in the current debate concerning economic growth can be categorically divided into two areas.

In the first, one is concerned with pollution in all its manifestations, congestion, and "uglification" of the natural environment stemming from the spread of industrialization and urbanization and whether these "diswelfare" effects have come to outweigh the welfare gains of economic growth.

growth-antigrowth question relative to the regional situation in the Atlantic provinces? The importance of economic growth, per se, in a disparaged region such as Atlantic Canada would be generally conceded by even the most vehement anti-growth supporter. The practical benefits stemming from the current debate lie in its potential effectiveness for shaping and determining the type and degree of economic growth suitable for relieving the disparities without contributing to a net decline in social welfare.

In light of the particular task that lies ahead with respect to employment and per capita income levels, an over-concern with undesirable side effects of growth would not seem warranted. The Atlantic Development Council sees the need for the creation of 50,000 more manufacturing jobs in the Atlantic provinces by 1981. Basically, it would mean putting a little more than the industry of Kitchener, Ontario in a geographical area the size of Western Europe, prompting one prominent regional economist to conclude that "we'd have to be pretty stupid if we couldn't do that without polluting the area."

However, the present lagging state of our economy allows us to take precautionary measures in our policy formulation so as to avoid the social evils and disamenities of "growthmania" which could inevitably accompany the long-awaited take-off of the Maritime economy.

How best, then, should the DESIRE to limit the unpleasant social consequences of economic growth be incorporated in the development strategy for the Atlantic region?

Primarily, a desire to limit the costs of economic growth would consequently call for a clear delineation of the desired type and rate of economic growth best designed to serve our particular needs. Often economic growth targets framed in terms of GNP increases are set by policy makers. In regions featuring highly unequal distributions of income, as in many of the underdeveloped countries, the objective of overall growth in GNP could be satisfied with the average citizen experiencing little increase in personal welfare. Economists have too long concerned themselves with such purely quantitative measures of economic growth, which often prove indicative of the health of an economy but are of little use as a measure of social welfare.

Resultingly, then, economic growth should not be solely viewed in the context of per capita income, investment or employment targets, but should necessarily be framed in terms of a selective form of development designed to maximize social welfare.

"If we...are concerned with social welfare in the ordinary sense," states Mishan, "the only legitimate procedure is to consider the consequences of each and every economic reorganization entailed by the growth process in the endeavour to determine which...are beneficial and

which are not." Clearly, a largely immeasurable task difficult, but one which is not unattainable.

A desire to limit growth would seem to be the ethic of a development policy to the ethic of a concept which is de-cultural, commercial, of developed reg-

society, prevalent in urban Ontario has contributed to growth the life of material growing sector of the

For the most part have two cars, a television set, (the progress, in other largely concerned consumption, protect conserve some of qualitative aspects majority of Canadian just to make ends n quality of life pl concern for survival rising prices and

However, many rapid population growth of new industrial actively promoted now come to exert potential growth a shortages so str

sequently, although raise the Atlan economically di become harder to of "growthmania" extent that they areas" of Canada

Creighton says Canadians have sh with many of the unrestrained growth have acted on continuous econo perity are the only the harsh reali population growth of the world's res much-altered mar not too distant fut unrestrained ec become painstaking developed state opportunity to encountered by remains up to th exploit our positi order to attain growth.

With respect to to limit potential growth, it would concentrate on d prone to generat environmental p economic grov significant enviro of yet, but q