The proposal economy

Pamela Stern
Simon Fraser University, British Columbia

Peter V. Hall
Simon Fraser University, British Columbia

Abstract
Using the case of Cobalt, a former silver mining town in Northern Ontario, Canada, we trace the transition from social funding as a feature of the welfare state to social funding based on application, adjudication and award. We identify a process in the community development arena, whereby local governments, community organizations and community members are increasingly enmeshed in the bureaucratic and socially disengaging processes of proposal-writing. Cobalters regard aspects of this downward deflection of the locus of economic responsibility as fairer, and more transparent, than the previous funding regime. We show how a local moral economy and understanding of citizenship based on an ethic of caring has contributed, in a counterintuitive way, to an interim outcome of more public services. At the same time, the current pursuit of development funds via proposal is undermining the practices of civic engagement which have allowed the town to remain distinct for the past century.

Keywords
Canada, development, heritage, neoliberalism, proposal-writing

A grant is a grant, you know. (Canadian singer-songwriter Fred Eaglesmith)

During the 2006 August long weekend residents and visitors to Cobalt, Ontario (2006 census, pop. 1229) celebrated the 100th anniversary of the town’s incorporation. This centennial fete, built into the annual four-day Miner’s Festival, was the second celebration of the town’s centennial. The first, which occurred three years earlier, commemorated the discovery of the silver and coincided with Parks Canada’s designation of the town site as a national historic district. The 2003 celebration was recalled as quite a shindig, and in the weeks leading up to the sequel, several of the festival organizers worried aloud that the current festivities would not measure up to the earlier ones either in size or degree of revelry.

Corresponding author:
Pamela Stern, Simon Fraser University, British Columbia
Email: pamela_stern@sfu.ca
A successful festival would be a positive sign that the efforts to reverse the fortunes of this former mining town by developing it as a heritage tourism destination were having some effect. While both centennial celebrations were proxies for Cobalters’ efforts to sustain the town as a distinct, socially and economically viable community, the decision to hold a second centennial celebration was driven, largely, by the need to sustain the heritage tourism development project.

Dissonance between local goals and specific projects claimed to support those goals is not unique and has been identified in many studies of development (for example Abramson, 1999; Green, 2003; Lazar, 2004; Prazak, 2007). In Cobalt the tension is between the project to revitalize the town through heritage tourism and the goals of local employment and retail and public services. These goals need to be understood within the framework of a local moral economy (Scott, 1976; Thompson, 1963), which for Cobalters is one in which residents assert a claim to public services and social support, especially for those in need.

The heritage development project is pursued through a contemporary mechanism for community and economic development in North America: the externally adjudicated development grant. The town is a poor one and, as we learned, monies from development grants have become indispensable to the ordinary operation of the municipality and the realization of its moral economy. Nonetheless, the town must also engage in the specific development activities for which the grants are intended. Development grants – current and future – are a prominent feature of the local discourse involving a substantial portion of residents. The town and some of its residents are caught up in an ongoing cycle of grant proposal-writing in order to maintain a set of public services they deem essential. Successful proposals are much more than a source of municipal funding, however. They have become a kind of social currency by which local leaders and politicians validate both community aspirations and residents’ understanding of the community as caring and civicly engaged. At the same time, because this new ‘proposal economy’ entails a set of practices that actively engages relatively few residents it threatens to undermine the very social relationships on which civic life is built. Hence, the proposal economy both supports and has the potential to reshape the way Cobalters interact with each other.

Our focus is on the proposal economy as a normalized, taken-for-granted practice that impinges on the practices of citizenship. At the same time, we recognize that proposal-writing also embodies a set of organizational practices. We seek to add an anthropological understanding to work from other disciplines, most notably in the fields of community and urban planning, which have explored how funding regimes shape the governance and structure of community development as an organizational field. For instance, studies based in impoverished urban communities in the United States have drawn attention to the role of corporate philanthropists, private foundations and religious organizations in shaping and re-shaping the terms under which community development organizations operate and engage community members (see Martin, 2004; Thibault, 2007; Yin, 1998). Scott (2003: 35), writing about Canada, notes that non-profit and voluntary
organizations have also found themselves in a new funding regime characterized by a shift away from a ‘core’ funding model to a ‘project-based’ funding model and greater emphasis on partnerships in requests for proposals. A consequence of this competitive funding environment is that: ‘much organizational time is now devoted to chasing short-term sources of funding, often at the expense of the organizations’ mission and core activities’ (Scott, 2003: ix).

In this article, we identify a similar process in the community development arena, whereby local governments, community organizations an community members are increasingly enmeshed in the bureaucratic and socially disengaging processes of proposal-writing. The turn to neoliberal governance practices in Canada, while arguably less punitive than the structural adjustment programmes imposed on people in developing countries, has nonetheless entailed a scaling back of direct state provision of services (DeFilippis et al., 2006; McBride, 2005). Ismael (1988) argues that the scaling back of direct provision by the Canadian state has entailed an extension of bureaucratic control that shapes both the goals and the terrain of action of non-state actors who have become providers of a range of public services (cf. Gill, 1997 regarding Bolivia). Donald Brenneis (1994), in the discussion of his first experience as a member of the National Science Foundation graduate fellowships panel, observes that his situational bureaucratization was so completely normalized that it was initially hidde from him. It is our contention that for Cobalt and similar communities, economic development via the externally adjudicated development grant involves a similar co-option to a bureaucratic order whose interests an politics are hidden.

We were drawn to examine development efforts in Cobalt when the second author was contacted in the spring of 2004 by a director of a private non-profit organization established to promote sustainable, environmentally friendly development in the Temiskaming Region of north-east Ontario. As discussed below, that organization eventually abandoned its project. We had no financial relationship with it or any other organization in the Temiskaming Region. The article draws on evidence collected during repeated research visits to Cobalt between 2004 and 2007. Data collection activities include open-ended ethnographic interviews with more than 50 individuals, including the current and former mayors, town councillor citizens, development professionals and government officials; a questionnaire survey conducted during the summer of 2006 to which over half the adult residents of the town responded; attendance at public meetings and events; and a review of archival sources.

This article contains three sections. In the first we provide a brief history of the town of Cobalt and of its development activities, as well as description of municipal funding and heritage development in Ontario. In the next section we apply the insights afforded by ethnographic work on development and NGOs in the global South to our analysis of development activities in Cobalt. We conclude with a discussion of Cobalters’ employment of federal, provincial and private development grants to resist the retreat from public provision of services. The proposal economy makes it possible for Cobalters to maintain the public services they
associate with a citizenship based on an ethic of caring and collective rights. Nonetheless, as with development work in the global South, this reliance upon externally adjudicated development grants to maintain the provision of public services ultimately threatens this ethic (cf. Lazar, 2004: 302).

**Development and local governance in Cobalt and Ontario**

The town of Cobalt is located a six-hour drive north of metropolitan Toronto, beyond the weekend tourist’s ‘cottage country’, in the Temiskaming Region of north-east Ontario. The town entered its second century smaller than at any time in its history, and, like most of Canada, has an ageing population. Decades of mining left its mark on the landscape and on the built environment, and according to a variety of economic and demographic measures of interest to planners, development professionals and bureaucrats, the town is suffering relative to neighbouring municipalities (the City of Temiskaming Shores to the north, and the Township of Coleman which surrounds the town), the District of Timiskaming and the Province of Ontario as a whole (see Table 1). Despite indicators of social and economic distress – or rather partly because of them – Cobalt and organizations operating within the municipality have since the mid 1980s been extremely successful in obtaining development grants from regional, provincial and federal agencies.

The story of Cobalt, as it is repeated in funding proposals and planning documents, begins with the 1903 discovery of silver by workers extending the Temiskaming and Northern Ontario Railway to farming towns to the north. The Cobalt mining camp was the single most important source of silver in Canada and several great fortunes were amassed there. Silver from the Cobalt camp is said to have provided capital for England’s prosecution of the First World War and certainly financed the development of Canada’s domestic mining industry. Cobalters enjoy telling visitors that it was ‘Silver Street that built Bay Street’. The boom,

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<th>Table 1. Indicators of socio-economic distress</th>
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<td>Town of Cobalt</td>
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<td>Township of Coleman</td>
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<td>City of Temiskaming Shores</td>
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*Coleman’s 2006 population count was revised upward from 431 in February 2008.
Source. Statistics Canada, Community Profiles.
however, was relatively short-lived and soon most of the fortune-seekers and mine workers moved on to other mining camps. At its height the town boasted banks, hotels, a stock exchange, an opera house, several live theatres, a YMCA, restaurants, a vibrant retail sector and an electric street car. All of these, save one restored and reopened theatre, are gone today.

Although many Cobalters believe otherwise there is ample evidence to suggest that the current economic distress in the town is not recent. Nor is it directly attributable to the closure of the mines and consequent loss of employment, but rather to the conditions under which the town was first established and the manner in which mining was conducted (Baldwin and Duke, 2005). The mining boom ended by 1919. Silver mining continued after the First World War, but at considerably lower levels, with a brief resurgence in the 1950s. But the population continued to dwindle, and abandoned homes and businesses fell victim to one or another of the fires that had plagued the town since its earliest days. Mining ceased completely in the 1980s.

Urban redevelopment came to Cobalt in the late 1960s and early 1970s. Town officials successfully lobbied the provincial government for more than the usual provincial contribution to a federal study for an urban renewal scheme to ‘restore’ portions of the town for a new industry – mining heritage tourism. Under the usual funding formula, the federal government contributed 50 percent of the costs and the municipality and the province each contributed the 25 percent. Cobalt’s urban renewal study was expected to cost $20,500, of which Cobalt’s share would have been $5,125. Town officials made the case that it could not afford this, and the provincial government made the extraordinary decision to allocate 45 percent of the costs of the study. This way of doing grant funding, which was ad hoc and developed through petition and the activation of political ties, is quite different from the current practice. We make no claims that the older personalized practice was preferable.

It is not at all certain that a recommendation to proceed with the restoration project would have resulted, but in any event the federal study was never done. The federal government cancelled the urban renewal programme before Cobalt’s study could be conducted. Following persistent requests from the mayor and other local leaders the provincial government conducted its own study of heritage tourism opportunities for Cobalt (Cobalt Study Committee, 1972). The province also appropriated financial assistance that enabled the town to convert squatters on a disputed former mining property into land title-holding ratepayers. The town received some further funding through a federal job creation program called the Local Initiatives Program (LIP), and provincial money and lands to create a campground. These were Cobalt’s first development grants. During this period, the town replaced sidewalks, installed streetlamps and bulldozed abandoned and derelict buildings. Funds were not allocated, however, to replace badly decayed infrastructure like the water system. Although the degree of deterioration was known to both provincial and local officials, repairs to the water system were disregarded in favor of more visible and less costly repairs. On Victoria Day (24 May) 1977, the
inadequate pressure in the water system contributed to disaster. A massive fire consumed 140 buildings – one quarter of the town – and left more than 450 residents homeless. Ten years later a sinkhole created by a collapsing mine shaft swallowed the highway leading into Cobalt from the south. Both the fire and the sinkhole brought Cobalt’s plight to the attention of people outside the region, but also cemented an image of the town and its residents as distressed. Town officials were able to leverage this attention into massive provincial financing for the mitigation of many of the public health hazards left by scarcely regulated mining.

The idea to develop mining heritage tourism in the town dates to the early 1960s. Through the efforts of citizens, the town established a mining museum in 1953. The first tourism proposals, however, came from well-known outsiders. For example, leading Canadian geologist, Franc R. Joubin, promoted a plan, called the Cobalt Restoration Project that would have returned the town’s main north–south (and only) thoroughfare to its ‘authentic’ 1911 condition, with wooden sidewalks, an unpaved roadway and historic blacksmith shops, snooker halls and saloons.2 A competing idea came from University of Toronto professor of planning, Anthony Adamson, who proposed a mining heritage theme park – to be called Silver-fields – on the abandoned mining lands adjacent to the town. While neither of these schemes was acted upon, the province’s own study of tourism prospects for Cobalt concluded that incremental development which focused on the preservation and restoration of the remaining mining camp sites and structures, combined with the careful development of other recreational facilities could be both attractive to tourists and have positive spin-offs for residents (Cobalt Study Committee, 1972). In the last three and a half decades multiple proposals to study and/or develop tourism based on the town’s silver mining heritage have been funded through a variety of provincial and federal programs. Increasingly, these proposals have come to constitute what is understood by residents as development.

Municipal power and taxing authority is extremely limited in Canada where the provinces are the major administrative bodies. In Ontario, even control of seemingly local decisions such as zoning ultimately rests with the provincial government.3 Historically, the Ontario provincial government allocated block grants to municipalities on a per capita basis, which, combined with property taxes, were used to provide or administer the delivery of local services such as water, sewers, welfare, schools, fire protection, land transfers, business licensing, etc. Local governments had very little decision-making power in the allocation of these revenues (Siegel, 2004), and towns like Cobalt, with low housing values and little commercial property, had no funds for more than the mandated minimum. Over the years the town sustained some public services and facilities by relying on civic organizations and committees made up of citizen volunteers. Former mayor Doug Wilcox’s recollection that, during the 1980s, many projects were accomplished with volunteer labour, reveals much about the inclusive practices of the moral economy:

We had a few employees through one of the Employment Canada plans. We were able to hire a few... but when it came down to the really big, costly aspect, like doing the...
roofing, that was pure volunteer with the [train] station. Or the [ice hockey] arena, the boards had rotted off. So we decided that we’d do it, and we created a budget from council and we promised them, I don’t know, up to [$] 50,000 or something. But we challenged them to get the volunteer labour and parts, and do what they could to save us money and get the job done and the arena board, and the fire department, and a variety of people, but even retired people. We had one a welder and a miner, and I guess he was broken up in an accident and he couldn’t walk particularly well or anything. So they set him up a chair on the arena floor and he would weld the pieces. And they’d bring the pieces to him and he would weld them and they’d take them away and bring him more. There was that kind of a community output...everybody got into the act, just unique individual stories...(Interview, May 2006)

The manner in which provincial funding is allotted to municipalities in Ontario changed substantially under the neoliberal ‘Commonsense Revolution’ of Conservative premier Mike Harris (1995–2002). While the province remains all-powerful, municipalities now have some authority to select which public services to support and slightly more revenues with which to do so (Siegel, 2004). Devolution or downloading of services from the province to municipalities, however, has placed new demands on municipal budgets. Some public services that were provided for municipalities by the province – policing is an example – are now subjected to a complicated accounting formula in which municipalities receive a provincial grant, but are then billed according to their use of the service. It should also be noted that the Commonsense Revolution encouraged an understanding of the public as consumers with choices (i.e. where to live) rather than citizens with rights. As with similar shifts elsewhere, the political leaders who implemented the Commonsense Revolution sold their changes by claiming that the introduction of competition and an outcomes-based orientation would encourage public participation as well as openness, fiscal accountability and cost-savings.

In the current configuration, funding for many local public services is awarded through a competitive and adjudicated process in which (ideally) citizen groups and local governments identify local needs and then make applications to federal, provincial and regional agencies for the monies to support specific projects. In many cases, the grantee must contribute or find matching funds. In Cobalt, this type of funding mechanism has become a primary source of monies for local public infrastructure and services, especially those that can be regarded, however loosely, as development. DeFilippis and colleagues (2006: 675) note that with the ‘deliberate withdrawal of the public sector from social services...community is implicitly and sometimes explicitly, expected to fill the gaps left’. In Cobalt, this has been taken up with relish, as the availability of grants has enabled the town to provide its citizens with services it deems necessary, but could not ordinarily afford. Cobalt’s leaders embrace the proposal economy, not as a way to reconfigure the public as consumers, but rather as a way to finance what they understand to be legitimate citizenship claims on government for public services. It is thus not surprising that the proposal economy has become so firmly entrenched in everyday discourse
that funding announcements now represent development. For example, the regional newspaper, the *Temiskaming Speaker*, reported in its 2007 Year-in-Review section that Cobalt:

...had a very busy and productive 2007 with many projects – the highlight of the town’s events being the grant money given to Cobalt for its Phase One, Phase Two tourism plan. Teck Cominco, the Vancouver-based mining giant with historical ties to the Cobalt camp gave the town a $300,000 donation to construct a multi-purpose park which will be named Teck Cominco Prospect Park. The town was further buoyed by a $500,000 grant from the Rural Economic Development program administered by the Ontario Ministry of Agriculture. The town had hopes of raising money from various government agencies combined with the private sector to further work on an interpretive centre, a new home for the Bunker military museum, and development of the right-of-way mine site. In September the town received a further funding boost from the provincial government when MPP David Ramsay came to town and dropped a cheque for $680,250 for Phase Two of its tourism plan. Mayor Andre Belanger stated at the time that Mr Ramsay had always been supportive of the efforts made by the town to promote tourism. Early in the year, the Cobalt Mining Museum received some good news when Timiskaming-Cochrane MPP David Ramsay came to town to hand over $225,000 in capital funding for Phase 2 of the Historic Cobalt Mining Camp development. Cobalt residents saw their residential taxes rise by 2.5 percent in 2007 which allowed the town to generate some $13,575. (Nielsen, 2008: 8c)

In relation to the grant monies, the $13,575 increase in property taxes seems irrelevant. What municipal services could this sum possibly pay for?21 The $500,000 Rural Economic Development grant, on the other hand, included heritage development funds to repair the leaking roof on an historic building, the town’s original YMCA, currently used as the town office.

Unlike earlier block grants, the current grant funding is project- rather than program-driven. Other examples of application-based funding mechanisms available to Northern Ontario towns, most of which lack a sufficient local tax base, include the province’s infrastructure-oriented Ontario Small Town and Rural Development Initiative (OSTAR); grants for infrastructure improvement from the Canada-Ontario Municipal Rural Infrastructure Fund; grants and loans from the Northern Ontario Heritage Fund Corporation; and FedNor, Industry Canada’s Federal Economic Development Initiative for Northern Ontario (Slack et al., 2003). Cobalters, via the town council and community organizations, apply for and compete with other and with the residents of other towns for these grants. In Cobalt, and maybe elsewhere, these ‘special project’ grants are used to provide what many in North America consider to be basic municipal services, in fire protection, sewage treatment and sidewalks. While these monies are frequently constructed as supplemental, they are in fact essential to the survival of places on the economic and social margins of the nation. Because of the town’s success in attracting these funds, the grant has become a normalized, commonsense part of
civic life; but one which threatens to change civic engagement and the ethic of caring within this small community. In contrast to what was predicted by promoters of the Common sense Revolution, citizens are less involved in collective activities in the town while continuing, at least for now, to espouse a collective identity.

Early in the research we speculated that changes in the organization, delivery and funding of governmental programmes and services had opened a space for grassroots organizations to pursue funding for initiated projects, but also had a disciplining effect by extending the audit to a new domain (Rose, 1999; Shore and Wright, 1999; Strathern, 2000). Organizations involved in development work in places like Cobalt expend considerable amounts of energy pursuing funding, and planning and reporting on their activities. In many cases the proposal, we posited, had become the project, an opinion supported by a former member of the town council when he cynically described the town’s development grants as ‘highgrading’ – a mining term that refers to a practice of mine workers to pocket some of the ore. ‘The town of Cobalt, here, they like to get grants in. They spend the money from the grant and they go on to another grant, and so on. It just seems to be one step after another’ (interview, May 2006).

As we learned, however, while the proposal economy makes it possible to parlay one development proposal into another without ever delivering a project – and seems, in some cases, to encourage this practice – it is: to categorize the majority of Cobalt development proposals in this way. The current set of development funding has delivered few jobs in Cobalt and retail services have actually declined, but the grants support significant amounts of public infrastructure and public services valued by residents. Still, the most visible and celebrated of the development grants are directed towards the transformation of the town from a declining former mining site into a site for mining heritage tourism. Despite doubts on the part of many councillors that heritage tourism can deliver real economic benefits, the town council has endorsed this path. The heritage-based strategy is promoted to residents and funders alike as the best, and perhaps only, hope of securing the long-term future of the town. Thanks to inputs from these external grants, much of the public infrastructure is now in good repair, though much of the housing stock remains in poor condition. Empty store fronts line the commercial street, and Cobalters travel to other towns for work and to shop (Hall and Stern, 2009).

Reliance on development grants thus embodies numerous contradictions. It presents opportunities for funding public services that would likely not be possible in a town as small and as economically distressed as Cobalt. It is significant that the town is using restructured development aid to resist the retreat from public provisioning of services that has become a hallmark of the neoliberal state (see Harvey, 2005; McBride, 2005). But the practice of proposal-making is not without symbolic and real costs that we believe threaten Cobalters’ sense of community and the long-term survival of the town. Furthermore, reliance upon externally adjudicated development grants is transforming Cobalters’ practices and understanding of their own agency in small, but pervasive ways.
The history of Cobalt not only provides the basis for its insistent assertion as a distinct and validated community, but has become one of the primary targets of development. Heritage is widely understood in Ontario as a resource for economic development, especially in small and remote towns. In order to transform the story of Cobalt’s past into something of economic value, some Cobalters strategically deploy that history to justify their claims to and receipt of development funds. In the process they have been compelled to engage in a discourse which simultaneously draws on an image of the town in decline and disarray while insisting that it is worth preserving because of its historical contribution to the nation as well as its future potential:

[Cobalt] is unique and the nice part about it is that people don’t need any money to go and see it. . . people should be able to see their heritage. It’s their heritage, as well as the people in town, it’s the people that live in Canada, it’s their heritage. So if we can keep it the way it is [and make] these places available to look at. Before they were, they were pretty [dilapidated], you might fall down, a couple of hundred feet [laughter]. But it is, like, it’s a good little community. There is nothing wrong with the town, and the people that do work at it try hard to make it work. And they are certainly searching out grants, and [the mayor] and the council are working very hard. (Retired business owner and life-long resident, interview, 19 June 2007)

In contrast to the working-class descendants of textile workers of ‘Alltown’ in Lancashire, England, who insist that abandoned cotton ‘mills do not constitute an appropriate “heritage”’ (Edwards, 1998: 160), descendants of mine workers in Cobalt are anxious to preserve the town’s remaining mining structures. In fact, efforts by a former miner to stop the demolition of mining structures and machinery underpin the current heritage-based development efforts. This is not a matter of imaginations being captivated by visions of silver bars in ways that they never are by bolts of cotton. Cobalt’s extant mining structures are rusting and crumbling hulks that do not easily evoke visions of wealth (Figure 1). Further, for the most part, the Cobalters involved in the preservation efforts are not the descendants of mine owners, but mine workers and descendants of mine workers who gave their sweat, their health and, too often, their lives, to work the mines. The Cobalt mining camp figured prominently in Canadian history and geology texts, and was specifically referenced in the province’s annual year book until the 1950s. We were repeatedly told, directly and indirectly, Cobalt was special and thus, to be from Cobalt was to be from someplace. This is the meaning behind the statement that ‘Silver Street built Bay Street,’ but we heard this same sentiment expressed in a variety of ways.

It is the conviction that the town is special that enables Cobalters’ heritage development efforts. Instead of public outrage at the abuses they and their forefathers and mothers suffered, it is precisely the collective memory of a gallant but failed struggle against giants – the mining companies, the Temiskaming and Northern Ontario railroad, and provincial government – that gives many
Cobalters satisfaction and is referred to locally as ‘Cobalt pride’. Ironically, this makes Cobalt an attractive recipient of development funds. In a regime that validates competition, accountability and the primacy of the economic, funders must seek out worthy and worthwhile projects. Cobalters’ ability to simultaneously mobilize images of both great need and great potential more effectively than most, makes the town an ideal candidate for what are meant to appear as competitively and selectively adjudicated and awarded development monies (cf. Freedman, 2000). A former provincial museum advisor explained how Cobalt’s mining museum secured an infrastructure grant:

In Cobalt they have been great at grabbing grants from all over the place. And being in Northern Ontario helps because they are just over the line so they can apply for those Northern Ontario development grants that a lot of museums can’t apply for. I think they were smart in doing so much planning and getting such a good set of documents in place before they started to go out looking for money, and they had Parks Canada involved, and they had all the studies done. And they had kind of a plan in place, and the museum fit very nicely into this larger project that the town was pushing forward on and supporting. (Interview, June 2007)
As in the past, the political process awards funds to only some places and projects. What is new and different about the way in which this is happening today in Northern Ontario is that it is organized through a supposedly meritocratic process that emphasizes partnerships, the mobilization of community and a circumscribed range of fundable activities. As this development discourse has become integrated into existing practices and embedded in the perceptions of Cobalt residents, the understanding of what economic development is possible has narrowed (see Gibson-Graham, 2006). The heritage tourism development grant has thus become normalized in the local discourse. In response to the question we posed in the household survey ‘What is the most important thing you feel Cobalt should attempt to change over the next few years?’ a 53-year-old male resident of the town responded: ‘Fix up the downtown. Get a grant and fix the Fraser Hotel, make it a bed and breakfast. People come to Cobalt for history, but people come to Cobalt and stay in New Liskeard.’ A 26-year-old man responded to the same question with: ‘I don’t know. [You] can only get so many grants.’

A grant is just a grant: Comparisons to the global South

Recent ethnographies of development organizations and practices in Latin America, Africa and in the former Soviet Union reveal similarities in the way that international development aid is delivered. This is not surprising given that development grants are often provided by the same or related organizations in each of these places. Canada, through its CIDA program, is one of those providers of international development aid. Many Canadians might be surprised to discover that development practices within Canada are similar to those in the nations Canada aids. There are differences, of course. Development aid in Canada comes from domestic, primarily governmental sources rather than from foreign governments and international agencies, and government is the direct provider of basic services such as education and public health. Nonetheless, our research on the proposal economy in Cobalt indicates that when development depends upon externally adjudicated grant proposals there is considerable similarity with the global South in the way the aid works. In this section we discuss just a few of these similarities.

Lesley Gill (1997), in her discussion of the political context of NGO activity in El Alto, Bolivia, offers a substantial analysis of the shortcomings in the organization and delivery of international development aid. In particular she observes that there is no clear separation between the state and NGOs due, in part, to frequent circulation of personnel among public and private agencies. This fuzzy boundary also exists in Cobalt between local government and community organizations due to fluidity of personnel as well as shortcomings in capacity among the eligible applicants. Town councillors sit on, and often chair, the citizens advisory committees which are frequently the official applicants for development grants. The town staff assist in the preparation of proposals and the management of grant funds. And the council itself passes resolutions in support of, and frequently appropriates
required matching funds for projects proposed by the only nominally separate advisory committees. Capacity was the issue with one of the first heritage projects that Cobalters and their neighbours in Coleman Township undertook: the Heritage Silver Trail, a driving tour of local mining and milling ruins. According to Cobalt town councillor Pat Anderson, who worked in the Resident Geologist’s office (a provincial agency) at the time, the trail was the inspiration and product of the Geologist’s office, a fact that needed to be hidden because provincial agencies are not eligible recipients of provincial grants. Thus, Coleman Township signed the grant application and became the official recipient of funds. The deception, once discovered, had to be dealt with. According to Anderson, the Resident Geologist:

... went over to Coleman Township right next door to our office, and talked them into fronting it. So, we did all the paperwork, we did all the development, and everything else. They signed the papers so it didn’t look so obvious that our office was taking advantage of a government grant .... And the four of us together, well the five of us with our secretary, you know, really polished things up, went around, threw out ideas, so it was a real collaboration and then we were able to hire people, guys on UIC [unemployment insurance compensation] to go ahead and do the manual labour .... [E]ach one of them had worked at a different site as a miner .... And when it came down to things getting a little tough, when one of the higher-ups in Timmins discovered really what was going on [discovered that the Resident Geologist was the real grantee] they were really to grow part of helping to keep it going. You know, you take out the government official on the trail that’s totally against it; because it’s against the rules, and there they were. And as they went from site to site, here’s these guys working there; and out of their pockets comes samples that they found while they’ve been working there, and stories about this mine. And in the end he was won over. And then of course in the end we let him do the official opening. You do whatever you have to. So he cut the official ribbon on the trail; that was fine. None of us are glory hogs. (Interview, 11 May 2006)

Gill also notes that pressure to professionalize both NGOs and grassroots organizations in Bolivia disempowers poor people to represent themselves while strengthening a professional middle-class (1997: 146; see also Abramson, 1999; Green, 2003; Lazar, 2004). This has also occurred in Cobalt. Although a stated aim of the provincial funding reforms was to replace centralized, government-administered social services with a system that allows citizens’ groups to design and compete as service providers, requirements for professionalization both in services and in proposal-writing discourages greater citizen participation and involvement. In Cobalt, rather than involving more citizens in local civic life, the proposal-driven development environment appears to disable local means for making change by transferring authority to professionals and intermediaries. Only a small number of local residents can and do engage in this newly circumscribed arena of development; the net effect is to discourage citizen involvement.
What’s always been the other hold back was who could take the lead on a lot of these projects and write the applications, and had the experience and that kind of thing to actually pull it off and make sure that you get the most mileage you could out of it. It’s difficult to get the people who had the time and the expertise and a willingness to participate that fully. A lot of people are interested, are able to give some time, but not necessarily the kind of time that those sorts of projects demand. But this way again, when you have the professional help, they can carry that ball, and because they’re earning the money to do it, it becomes much more feasible. And it happens. (Former mayor, Doug Wilcox, interview May 2006)

In the course of our research we heard occasional complaints from residents that the heritage tourism grants had not translated into jobs. The grants do provide jobs, though much of the employment is for contracted professionals. One thoughtful resident offered a diplomatic response to our question about the value of the heritage development efforts,

You know it seems to me that there’s an awful lot of consultants involved. I’m not quite sure what they are all doing. But again I think that, you know, one of the ways that a lot of these federal projects are driven, is they’re consultant driven. You know you have, as a community, you have to bring in consultants. There’s certain consultants that are, you know, recognized and legitimate and all that. So, it’s this whole kind of overburden of process. In the end I don’t know exactly how much will trickle down to the community in terms of long-term benefits from it. But that the Cobalt story is – it’s an amazing story. It does need to be told in a variety of formats. And it should be told. You know and it should have a provincial and national profile, ‘cause it’s an amazing story. It’s a great story. You know!…I think in that respect, I’m really glad they’re doing these, you know, kind of this ongoing historical development and exploration and articulating that story. (Interview, 19 June 2007)

Proposal-writing is both exclusive and exclusionary. Even when local people rather than hired consultants do the proposal writing, it is a select few individuals, rather than the community at large, who are engaged. For example, Cobalt’s recreation committee, which has been very successful in attracting funds for parks redevelopment and youth programmes, had just one active member who told us she spent evenings after her children went to bed surfing the Internet for grant opportunities (interview, May 2005). The local non-profit development organization which first attracted our attention to the region did not move forward on, and ultimately abandoned its project. Board members and other interested participants drifted away, while a single director pursued short-term funding for internships and feasibility studies. Cobalters have been perceived and perceive themselves as a civically engaged community. Yet we have been told that lately it has been difficult to encourage people to volunteer, and our community survey identified a gap between relatively high rates of organizational membership (63 percent of adults reported belonging to one or more organizations) and low rates of active
volunteering (only 35 percent reported having volunteered in any capacity in the previous 12 months). And more than a few people told us that newcomers had been discouraged from volunteering. Civic projects that in the past were managed by volunteers from local organizations, and might still be done this way, are now commonly deferred until professionals can be hired and a grant is obtained. Certainly, the new grant funds purchase more than citizen volunteers can do on their own, but the result is to turn away the sweat equity of engaged citizens. For example, in 2007 the local Lions Club raised money and provided labour to refurbish a section of a walking path around Cobalt Lake, but saw their efforts displaced when the town received a gift of $300,000 from the Teck Cominco Corporation, among other things, to rebuild the entire walking path. The town, in gratitude, renamed Lions Park (where the path is located) after the mining company. As another example, the volunteer board of directors of the heritage project resists contributing any labour to that project, preferring to leave the work to hired professionals. This is likely part of the same set of broader social processes that have seen shrinking public engagement in the United States (Putnam, 2000), but, as these examples show, development within the proposal economy has the invidious effect of limiting rather than enabling public participation. Without these collective activities, Cobalters are losing the collaborations, social interactions and practices that previously reinforced their ethic of caring.

Maia Green (2000) addresses the matter of local participation in development in Tanzania. Like Gill, she observes that contemporary requirements for local participation in planning and implementation of development projects dangles the possibility of real change in local conditions by allowing recipients of aid to believe that they are making decisions. A corollary of this is that blame for failure is located in the inadequacies of the grantees or on local barriers to development rather than on external structural conditions, the politics of which are obscured. Reliance on development grants plays into how the town of Cobalt is perceived in the region. To date, development aid to Cobalt has not produced the structural changes desired by community members, but it has reinforced long-standing economic and social relations between Cobalt and other towns in the region (Hall and Stern, 2009).

Not everyone in Cobalt is pleased by the town’s dependence on development grants to support heritage tourism. The ambivalence about grant-based development is, in part, ambivalence about deploying the town’s history in ways that objectify the lives of contemporary residents through practices that make the town and residents into museum exhibits (Stern and Hall, in press). As well, there is ambivalence about the necessity to exploit their economic distress in order to be worthy of development funding. Cobalt’s success in development grant competitions, which provide photo opportunities for senior government officials, serve as potent reminders of the town’s economic troubles and buttresses negative perceptions of the town held by residents of other towns in the region. For example, an editor of the region’s weekly newspaper shared her view that the government had ‘put a lot of money into Cobalt’ in order to assuage its guilt over
the town’s economic distress. Even the one clearly successful development initiative – the restoration and decade-long operation of the region’s only live theatre – is frequently disparaged for its Cobalt address. In a very real sense, the proposal economy has the ironic effect of labelling the winners of government grants, in some sense, also as losers. Real winners do not, on the surface at least, need to compete for development grants.

Resisting the retreat from the public provisioning of services

What has been the outcome of the proposal-centred heritage tourism development initiatives in Cobalt? In keeping with the rationale of the current development grant regime, funding is available primarily for short-term and limited-scope projects. While some earlier grant programmes originated as temporary job creation programmes for displaced miners, this is no longer the case. As noted above, a number of Cobalters complained to us that the much heralded heritage grants had been spent on consultants rather than to create local employment, although, to be fair, some local individuals have benefited from short-term employment and job training. Grants pay for internship placements, planning processes, feasibility studies, capacity building, and sometimes to build or repair community facilities. While several historic mining sites have been developed and redeveloped and some tourists do visit, no economic transformation of the town has yet resulted.

Still, the town council has strategically used short-term project funding to repair considerable amounts of infrastructure – such as putting a new roof on the town hall – even though, as currently structured, development grants are not intended to provide for ongoing maintenance to forestall the need for future repairs. Grants do not usually fund the purchase of durable equipment; and they do not cover ongoing operating expenses or create permanent employment. Yet, despite the restrictions and other shortcomings of development grants, they continue to have strong appeal to both public officials and many others in the cash-strapped community.

The town of Cobalt has never had the financial resources to fully provide its residents with needed and desired social services or to fully support its infrastructure. As a result of the political power wielded by the mining companies, this was true even during the mining boom. Throughout its history the town has been forced to petition the provincial government for relief (Baldwin and Duke, 2005). Indeed, the substantial array of social services that it does provide is impressive for any small town, especially one in economic distress. These public services include a very modern public library, a hockey arena and weight room, household garbage collection, trash recycling, regional bus service, a medical clinic, parks, fire protection, snow removal, and town water and sewage treatment delivered by a public works crew.

The town council has thus far used the development grants, including some of the heritage grants, to provide public services. Rather than reduce services or leave service provision to non-governmental organizations, the town itself is increasingly organized to pursue grant-funding opportunities. Despite externally generated
discourses about choice, personal responsibility and the evils of big government, until now public officials in Cobalt have been committed to maintaining strong public services. This, we argue, reflects Cobalters’ moral economy and understanding of themselves as a community that looks after those in need. Cobalt evinces an ethic of caring that is reinforced through the public provision of municipal services and the practices of the town council. According to a member of the town crew, the town council passed a formal resolution to permit the crew to do things like plough snow from the driveways of the elderly. For Cobalter, development success is not reducible to an economic calculation, but is instead comprised of diverse social transactions (see Gibson-Graham, 2005). Put simply by the current mayor: ‘If you don’t have an [ice hockey] arena and you don’t have a library you’re not a town any more’ (Andre interview, May 2006).

Not everyone in Cobalt, of course, subscribes to the communitarian ideal. Recently, in response to ongoing fiscal pressures, the town council moved toward user fees for some municipal services. At least one councillor is pushing to eliminate services such as the subsidized public bus, used primarily by the poorest and most infirm residents. Moreover, Cobalters’ preference for public services contrasts sharply with the attitudes of many of their neighbours in the Township of Coleman. A prominent resident of the Township responded to our question about whether Coleman should build its own library or share the costs of operating the Cobalt Public Library in a way that emphasizes a private rather than a public solution.

Today, the bulk of our people that live in the community here, there are a lot of the retired professionals and so on and so on, and they have access to the internet, you can do research. I do my research on the internet. I don’t remember the last time I went to a library to be honest with you. (Interview, 14 June 2007)

As Green (2003) observes for Tanzania, economic need can cause aid recipients to accept funds for projects that may not be a priority. In the last several years, proposal-writing in Cobalt has been dominated by studies and projects meant to develop mining heritage tourism because town officials and residents have come to understand that mining heritage tourism is the development project that is fundable. To a town council trying to figure out how to maintain and extend public services, and stimulate growth, development grants for heritage tourism appear to be – and in some cases are – new sources of money for which the town can compete. Applying for grants provides town councillors and other community leaders with a sense that they are being pro-active, really doing something to help the town and its residents. Winning grants provides external validation of their efforts.

Conclusion

Cobalt’s current articulation with the proposal economy derives from the historical and institutionally defined political economy of the town as well as from the new
'opportunities' in the current funding regime. As an economically struggling former mining town, Cobalt is able to claim a portion of state and private development funds. However, these funds are only secured by Cobalt’s assertion of its 'authentic' place in the history of Canada and the province of Ontario, and by the admission of its great need. This is not an easy place to be. Not only is the funding itself limited and restricted, it limits and restricts the understanding of what is possible, and who participates in defining that understanding. The required assertion of Cobalt’s importance in Canadian history reinforces the identification of the town as a mining place. This makes it difficult to imagine a different future for the town. Short of the unlikely return of mining, the only economic possibility imaginable is mining heritage tourism (Stern and Hall, in press).

Previous forms of external support also imposed external values on the residents of the town; the Cobalt Restoration Plan and Silverfields were high development visions for the town that existed alongside the presumption that the Canadian state would act in a way that was consistent with the moral economy by maintaining basic social services and facilities. In fact, the welfare state did not provide enough to maintain the infrastructure of the town. What is qualitatively different about the proposal economy is the way in which responsibility for development has been deflected downwards. Residents have come to understand that asserting both distinctiveness and great need are essential in the competition with other communities for limited funding. In the process, the role of the state shifts from claiming to be the guarantor of community integrity to that of supposedly neutral arbitrator. The locus of power is obscured as community engagement gives way to proposal-writing, an activity increasingly undertaken by professionals.

As currently organized, development grants are meant to enable the town and its citizens to prepare for some, often unspecified, external opportunity, rather than to meet locally oriented social requirements. Many in the town and on the town council would prefer to have the funds to provide a consistent and high level of social services – something that the proposal economy does not seek to provide. Those engaged in the proposal economy opt for development projects and grant applications that are acceptable. At this time and in this case, that means more heritage-based tourism while, wherever possible, using the funds to enhance public services. This set of practices, which we label the proposal economy, has allowed Cobalt to avoid amalgamation with wealthier municipalities nearby, and to maintain its image of itself as a caring, civically engaged community. Indeed, in an era when many North American municipalities are scaling back and/or privatizing public services Cobalt has an extremely high level of public service provision – both in quantity and quality – that would not be possible without development aid monies. Multiple one-time development grants have been the way Cobalters have found to preserve these services. Nonetheless, our research shows that the current pursuit of development funds via proposal is undermining the practices of civic engagement which have allowed the town to remain distinct for the past century.
Students and colleagues with whom we have shared our findings are discomfited by the notion of the proposal economy. The most common first response is a reminder that academic research is also part of a proposal economy. True enough, but this is not the real source of the unease. Rather, our critique of the proposal economy rubs another way. Our argument is that, in order to win competitive development grants, municipalities and other organizations have had to professionalize in order to pursue those funds. This changes the nature of civic and social relations away from the personalized face-to-face interactions that characterize life in many small places to the seemingly disinterested professionalized social relations that characterize bureaucracies (Herzfeld, 1993). We train our students to become, among other things, professional grant consultants, and many of our colleagues also serve as consultants to municipalities and NGOs. Our goal is not to criticize professionalization per se – indeed there is much to recommend it over the often haphazard and overly interested lay management of public institutions – but rather to observe that the ethic of caring and public engagement that is so fundamental to Cobalters’ collective subjectivity is put at risk under the ethic of efficiency, and presumed impartiality and rationality of the proposal economy. The proposal economy has provided the financial basis for some of the public services that are essential to Cobalt’s survival as a distinct community. Yet the practices required to produce successful grant proposals undermine the existing social basis of those services.

The 2006 centennial festival did not equal the previous one – if the reports of the 2003 event are to be believed – but neither was it a failure. Each and every one of the local clubs and organizations and most of the handful of local businesses sponsored and/or organized events. The town’s four museums and fire hall were all open. Cobalt’s Mining Museum showed off its new grant-funded exhibit cases during the induction of four new ‘founders’ and ‘mining partners’ to a standing-room-only crowd. Our informal observations indicate that most of the visitors were not tourists per se, but rather former residents and their extended families. Cobalt is now one of those ‘marginalized zones’ that must assert an identity as an authentic place in order to ‘provide conditions of reproduction in economic and cultural terms that the nation state . . . [is no longer willing] to afford’ (Friedman, 2003: 10). For the moment, at least, the residents of the town remain committed to following a proposal-driven approach to development that cannot, in the long term, deliver either the social services or the economic security they seek. The development strategy Cobalters have chosen, the only strategy available to them as well as to many communities in both the global South and North, is one based on externally adjudicated development grants. Cobalters have used the proposal economy to compete for funding that has allowed them to maintain, and even in some cases enhance, public services that they have long been committed to. However, this comes at a cost, which includes declining volunteerism, tensions with neighbouring communities and in a willingness by some to consider retrenchment of public services.
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Notes

1. Bay Street in Toronto is Canada’s financial district equivalent to Wall Street in the United States.
2. It is not certain whether or not there were snooker halls in early 20th-century Cobalt, but it is certain that there were no public saloons. Provincial law explicitly forbade the sale of alcohol in mining camps.
3. In Ontario, municipal plans and zoning by-laws must be approved by the Minister of Municipal Affairs and Housing, they must conform to provincial policies and local land use decisions may be appealed to the Ontario Municipal Board, with often controversial outcomes. For example, in 2004 the Ontario Municipal Board overruled the decision of the city of Guelph (and the clear preferences of that city’s residents) to deny a building permit to Wal-Mart.
4. In addition to property taxes and grants, Cobalt, like all Ontario municipalities, also receives annual operating funds from the province. In 2007 Cobalt received $837,801 from the Ontario Municipal Partnership Fund (OMPF), which is the current name of the main mechanism for transferring funds from the Province to municipalities. The funding combines allocations for social programmes, local tax assessment equalization, and additional support for northern and rural communities, and policing. Some of the monies are allocated on a per capita basis; others are based on more complicated formulas. In 2006, the last year for which we have complete data, the OMPF contributed $831,000 to an operating budget of just over $2 million. Local property taxes contributed $542,000.
5. The Fraser Hotel is a vacant building in the centre of Cobalt. In 2008, the town announced that it had acquired the building for social housing and a training institution. New Liskeard is located some 16 km north of Cobalt, and is the major agricultural service centre in the region. In 2004, it amalgamated with the town of Haileybury and the township of Dymond to form the City of Temiskaming Shores.

References


**Pamela Stern** is an adjunct professor of anthropology at Simon Fraser University in British Columbia. Her research addresses the intersection of governance, resource development and subjectivity in indigenous and non-indigenous communities in Canada. She is the author of the forthcoming *Daily Life of the Inuit* (Greenwood) and co-editor, with Lisa Stevenson, of *Critical Inuit Studies* (University of Nebraska Press, 2006) [email: pamela_stern@sfu.ca]

**Peter V. Hall** is a faculty member in Urban Studies at Simon Fraser University in Vancouver. He received his PhD in City and Regional Planning from the University of California at Berkeley. He previously directed the local economic development Masters programme at the University of Waterloo in Ontario and he is active in the Canadian Community Economic Development Network. His research addresses community economic development, local labour market processes and outcomes, and port cities. His most recent work has been published in *Regional Studies, Environment and Planning A, GeoJournal, Journal of Rural Studies* and *The Canadian Geographer*. 