

## 5 Governance in Small Places: The Unleashing of Asymmetric Federalism

Godfrey Baldacchino

*First Nations, cities, and universities in Canada — apart from provinces, territories, and municipalities — are engaged in decision-making, often within interlocking and overlapping policy regimes. In Canada and beyond, sub-national (often island) jurisdictions are additional actors in a contemporary game of intersecting governance. Successful examples of asymmetrical federalism, where sub-national units enjoy a level of autonomy, privilege, or power that other sub-national units within the same state do not necessarily share, also can be found. These examples share the recognition of the power of jurisdiction as an economic resource.*

### INTRODUCTION

I guess it is referred to as asymmetrical federalism, where you try to evolve a system, where you give a bit more power to Quebec to satisfy its needs, but you do not give all those same powers to the other provinces because then you dilute, in a very significant way, the central government authority. (Manitoba Legislative Task Force on Canadian Unity, 1997)

BY SANCTIONING the action by a shared government for certain common purposes, together with the autonomous action by its constituent units for purposes that relate to maintaining their distinctiveness, federalism is touted often as a formula for stability in large, sprawling countries with diverse populations and/or ethnic or national diversity (e.g., Watts, 1999). Asymmetrical federalism goes further, since this permits one or more of the constituent units (such as states or provinces) within the federal system to have or exercise more extensive powers than others, relative to the central government (Stevens, 1977).

Asymmetrical federalism, seen and discussed in Canada, often is proposed as a device for meeting the specificity and aspirations of the singular province of Quebec for control over its cultural and social life without removing it from the Canadian federation, where it coexists with nine largely English-speaking provinces that have more in common culturally and socially. The Canadian Constitution does not formally recognize such a system; yet, arrangements over the past several decades

have introduced asymmetrical federalism piecemeal. Quebec today has extensive authority over immigration, health care, pension plans, and the use of employment insurance funds for parental leave within its borders, matters that are largely or totally handled by the federal government in/for all the other provinces.

The series of events that took place following Christmas 2004 may have been felt by some Canadians to be nothing short of extraordinary. They witnessed what they interpreted as a unique unfolding of asymmetrical federalism for the most anglophone Canadian province of all: Newfoundland and Labrador (NL).<sup>1</sup> A showdown between the then Prime Minister Paul Martin and NL Premier Danny Williams signalled a readiness to consider tactics and manoeuvres formerly confined to Quebec. Moreover, the outcome has shown, on one hand, that exploiting political-historical circumstances of the day can be successful in achieving sub-national goals, with debatable consequences for the Canadian polity. On the other hand, unless legalized or somehow codified, the commitment can be rescinded by a new government in Ottawa.

#### HIGH DRAMA, ON AND OFF THE FLAG POLE

The fundamental basis for federalism in Canada . . . was and remains the need to reconcile, balance, and accommodate diversity. (Simeon, 2002)

On Valentine's Day 2005, Newfoundland and Labrador was guaranteed that it would keep 100 per cent of its offshore oil and gas revenue, and this without endangering its equalization payments. The event followed in the wake of a walkout by Premier Williams from negotiations over the distribution of offshore oil and gas revenue, and a dramatic Christmas and New Year, during which the feisty Premier ordered the Canadian flag pulled down from all government buildings in the province. During those 18 tense days of the Maple Leaf's sequestration, the province appeared to be seriously contemplating secession from the Canadian federation (see Dunn, 2005).

The "flag flap" exposed many sore points in Canadian federal-provincial relations. Many Canadians were not amused by the grandstanding and much less with the outcome of the deal: they were quick to decry the agreement as foul and unfair. Having the cake and eating it too was just not right. In contrast, for Newfoundlanders and Labradoreans, the showdown reignited their sense of pride and dignity as a people who had a right to effectively manage their offshore resources (and do a better job with them than the federal government), and cash in on the benefits. For their Premier, Danny Williams, it meant a strong and welcome surge in popular local support. And all were angry and disgusted by Margaret Wenté's newspaper commentary that viciously downplayed the Newfoundland case with deliberate condescension and paternalism (Wenté, 2005). Premier Williams's popularity and his brazen leadership style were significantly boosted, tested, and proofed in this

showdown and won him a landslide victory in the provincial elections of October 2007.

One could portray the deal as a unique achievement; however, it also is one of many examples demonstrating an underlying reality in Canadian politics. A large country with enormous imbalances — in geography, resource wealth, population, employment opportunities, religious affiliation, and national sentiment — has been carved into a federal mould to respect this diversity, while maintaining a modicum of stability and cohesion. For this reason, the “Martin-Williams” showdown of early 2005 is placed, here, in a wider critical context. First Nations, cities, and universities in Canada — apart from provinces, territories and municipalities — all are engaged in decision-making, often within interlocking and overlapping policy regimes. Moreover, all over the world, sub-national, often island, or mainly island, jurisdictions — like Newfoundland and Labrador — are key actors in this contemporary game of intersecting governance, recognizing their jurisdiction as an economic resource. They often seek to exploit the economic opportunities offered by their jurisdictional capacity in such sectors as tourism, financial services, or industrial promotion, while maintaining an umbilical cord to a much larger, and richer, state and/or regional power, which would (at times begrudgingly) come in to cover the costs of social services, inject heavy capital investments, or stave off economic downturns. Their small size, strong political organization, and shrewd “glocal” positioning typically serve them well; nor is theirs necessarily a “zero-sum game” (Ordeshook and Shvetsova, 1997: 29).

Within a federal political system, some degree of self-rule is granted to sub-national levels. This allocation of jurisdiction can defuse political conflict by providing alternative sites of power and patronage. It can help to accommodate sub-national identities *within* an overarching identity, such as a country. It can provide a basis for protecting regional cultures and languages. It can give political weight to a community that otherwise would not enjoy it (Ghai, 2002: 44-5). The stuff of federal politics is largely framed by carefully worded constitutions that declare what powers are held by whom, but then federalism is consumed by negotiations between the national core and the sub-national periphery as to how to interpret the fine print—and how to balance, usurp, or renege on the rest.

With multiple peripheries negotiating with the centre, however, as is the case in Canada, one would assume that the logical route to take is that of equal treatment. Whether one is dealing with fiscal transfers, executive powers, tax measures, citizenship rights, or level of public services, arguably, the safest and fairest approach is an even and impartial division. But how can one treat Prince Edward Island equally to Ontario? How can one treat a province like a territory? How can one reconcile the unique demands of the *nation Québécois*, and those of various Aboriginal peoples, for more self-governance and/or resource control?

For the sake of the maintenance of the central Canadian state (how else to effectively protect against the strident unilateralism of the US?), it appears that any

idiosyncratic powers exercised by the provinces, Quebec, and First Nations must be curtailed. Otherwise, in order to assuage demands for sub-national and provincial autonomy, the federal cast that holds the country together would be dangerously weakened. The situation has the hallmarks of a Catch-22. Yet, only by forgoing the basic principle of equal treatment can the Canadian polity accommodate different forms of partnership simultaneously. An “imperial temptation” (Laforest, 1998) by the central government; a priority for advancing, country-wide, basic human rights and freedoms (as during the Trudeau era); and the myth of a uni-national Canada (Kymlicka, 1998)—such and similar initiatives may have stymied this centripetal development. The situation now appears to have changed, and continues to unfold following the election of a Conservative minority government in 2006 and again in 2008. Opportunities for a resort to *de facto*, asymmetric federalism in policy-making continue to present themselves in the guise of pragmatic provincial governments willing to risk “cutting their own deals” with Ottawa, fiscal flexibility, and a need to expand into north-south relations that reflect commercial transactions (RSC, 2005). Meanwhile, Quebec — now recognized by Parliament as “a nation within a united Canada” (Thompson, 2006) — has been granted formal representative rights in UNESCO, an international organization: this is a measure of diplomacy and international relations typically reserved, even in federal countries, to the central government (PMO, 2006; Gwyn, 2005).

Canadians may be angry, worried, and confused; one doubts whether there are (as yet) any clear ideas of what is being spawned in the medium to long term. The extent to which asymmetry is politically acceptable and legally and administratively legitimate is also driven by political values; and yet no broad consensus on such values appears to exist in Canada (RSC, 2007). Moreover, the Martin-Williams deal and a similar one brokered at the same time with Nova Scotia were not reached as part of a broader national program, their *ad hoc* nature smacks of political opportunism, and a new federal government in Ottawa since 2006 appears inclined to re-open “the deal.” In any case, the outcome may hold new challenges for devolution and innovative governance, both in/by provinces (Alberta?), as well as in/by small and remote rural regions.

#### THE CASE FOR DIFFERENCE

To some extent, the provinces expected to be and *have* been treated differently all along. Asymmetry has been the name of the game with respect to a raft of “jurisdictional powers and duties, the shape of central institutions, or the application of national laws or programs” (Milne, 2005). Specific provinces (mainly, but not only, Quebec) have secured, or have been given, specific arrangements — whether enshrined (1) in the 1867 Canadian Constitution — as in the case of denominational education, the qualification of judges and language (for Quebec), as well as the unequal representation of the provinces in the Senate; (2) in provincial Acts of Union,

as in the commitment to a steamship and telegraph service to PEI, and the withholding of provincial control over natural resources in Alberta, Saskatchewan, and Manitoba until 1930; (3) via asymmetry by design, as in regional development (ACOA only for Atlantic Canada), as well as in foreign policy (New Brunswick and Quebec represented in La Francophonie); and finally (4) in de facto program implementation, as in immigration, child care, tax collection, student loan plans, health care, and many other policies pursued by the province of Quebec (for review, see Milne, 2005; Hogg, 1977). Yet, de facto provisions, not codified in the Constitution or legislation, can be rescinded: it had been the practice to appoint at least one minister from PEI in each federal cabinet; this is no longer so under the first (2006-8) Harper government.<sup>2</sup>

A second motivating force towards arrangements of asymmetrical autonomy relates to the defence of minority rights and the promotion of minority identity. This has found its most obvious expression in Canada with regard to the rights of indigenous peoples. Land rights, revenue-sharing arrangements from land-based resources, and other forms of autonomy for Aboriginal peoples have been negotiated in recent years, others are in the offing, and others still are being contested. Indigenous governance practices, including the resort to consensus, non-party politics, communal decision-making, and a totally different relationship with air, sea, and land, are instructive procedures. The world's largest political unit with a largely indigenous population is the territory of Nunavut, carved out of the North in 1999. Around 85 per cent of its population of some 30,000 are Inuit (Légaré, 2002).

In a third arena of asymmetry, note the particular struggles of the short-lived Martin Liberal minority government to secure its own political survival and eventual re-election on a stronger footing, hanging on by the smallest of margins in a budget confidence vote, while sitting on the largest continuous series of budget surpluses in Canadian history, and with "peak oil" heralding deep federal pockets for years to come. This fortuitous (and as we now know, transient) combination of circumstances created an unparalleled historic opportunity for provinces to demand their share of the additional national wealth, each in ways that satisfy particular interests, with no attempt at interprovincial harmonization, and with a strong likelihood that each would actually get most of what each would have asked for — if only they acted fast enough. Newfoundland and Labrador's Atlantic Accord of February 2005 is one such result. Nova Scotia secured its own, similar deal concurrently. Ontario was pledged a refund of \$5.75 billion over 5 years in May 2005. PEI and New Brunswick sought to follow suit with their own \$100 million deals (Thibodeau, 2005), but these deals were not secured prior to the demise of the Martin government in January 2006.

A fourth, and more compelling, move that does not respond to the constitutionally established centres of executive power is the major interest of recent years in *cities* as new jurisdictions. We have at hand an "urban asymmetry," one that creates cleavages through the historical fabric of the Canadian federation. This term means

that the federal government has actively flirted with pursuing direct relationships with the larger urban centres and agglomerations of the country, and also with other players, such as universities (for example, the Canada Research Chairs program; see [www.chairs.gc.ca](http://www.chairs.gc.ca)) and special-purpose bodies, and that this drive is premised on two key rationales.

The first basis for this new relationship is needs. Canada, the world's second largest country by land area, is possibly the world's most urbanized state. While the population density averaged out over the whole country was a meagre 3.3 persons per km<sup>2</sup> in census year 2001, 79.4 per cent of its population lived in communities of more than 1,000 persons *and* with a population density of more than 400 persons per km<sup>2</sup> at the same time (Beckstead and Brown, 2005). A further 19.4 per cent lived within commuting distance of an urban area with a population of at least 10,000 residents: the so-called *urban shadow* (Polèse and Shearmur, 2002). Moreover, the pattern is set to continue: 74 per cent of the country's recent immigrants — which number around 250,000 annually and now represent the major form of population increase nationwide — settle in Toronto (46 per cent), Vancouver (15 per cent), or Montreal (13 per cent) (*The Guardian*, 2003).

The second rationale is economic potential. The transformation of the world into a series of “prosperous city regions” (Ohmae, 2000: 33), with the remainder doomed to poverty and political marginality, is gripping policy-makers. Cities are deemed the only viable route to economic prosperity. They are the dynamic export and innovation platforms of the new knowledge economy. They may be hitherto lacking constitutional status, but only they have the critical mass of people, educational institutions, markets, talent, and finance to undertake research, compete, and create value. “As go our GCRs” [global city regions], argues Tom Courchene, “so goes Canada” (Courchene, 2005: 31; Dunn, 2004).

Cities had successfully convinced the Martin Liberal government that they cannot simply remain creatures of provinces: they can and will manage their affairs better and more economically if they are recognized as legitimate actors in the constellation of federal governance and are legitimate recipients of direct federal funding, bypassing the provinces (e.g., Plunkett, 2004). There is a strong case for implementing *subsidiarity*. While provincial concerns persevere in support of rural settlements and their challenges of employment, service provision, and population growth, many federal pundits have been extolling the virtues of urbanization. They are advising that, unless cities are granted more fiscal autonomy and stability, the basis of Canada's prosperity (read “urban” prosperity) will be eroded (e.g., Slack and Bird, 2007).

A case in point is that made by *Globe and Mail* columnist John Ibbitson, who observed that wages and salaries are highest in large cities and lowest in remote rural regions. So, for example, per capita annual employment income in St. John's in census year 2001 was \$14,303, while in remote rural regions of Newfoundland and Labrador it was \$5,490: just 38 per cent of the urban rate, the highest urban-rural

differential in the country. Ibbitson deduces that Canada's poorest provinces, which include all four Atlantic ones, are poor because they are the ones without large cities. Therefore, he argues, the best way to increase average incomes is simply to concentrate populations in large metropolitan areas (Ibbitson, 2005). The truth is more complex than that; however, this wry commentary faithfully reflects the ethic of federal involvement, which is today distinctly more economic than social, its strategy intent on picking winners, not shoring up losers.

And so, Canadians are now witnessing "a new inter-governmental relations nested in an increasingly complex set of sub-provincial [and *ultra*-provincial] partnerships" (Dunn, 2004: 42). First Nations, cities, universities — apart from provinces, territories, and municipalities — are engaged in decision-making, often within interlocking and overlapping policy regimes. Asymmetrical federalism is even more *de rigueur*, even if its introduction is piecemeal, and driven by pragmatic considerations. This is a very different climate from what obtained nationally nearly 30 years ago, when the Charter of Rights and Freedoms proclaimed a language of common and equal rights in the Constitution Act, 1982. Any resort to idiosyncratic "sub-national autonomy" would then have largely been looked upon as "anomalous, annoying or even amusing exceptions" to the sovereignty rule (Stevens, 1977: 178): incentives for spiralling devolution, fuelling secession and catalyzing an eventual implosion of the state.

#### SUB-NATIONAL ISLAND JURISDICTIONS

Not so today. And, to add grist to the mill, there are various successful examples of asymmetrical federalism around the world, where sub-national units enjoy some level of autonomy as well as privileges or powers that other sub-national units within the same state do not necessarily share. The very large majority of these units are islands, on islands, or mainly islands.<sup>3</sup> Newfoundland and Labrador is but one example. There are over 100 such permanently populated island territories, which can be referred to as *sub-national island jurisdictions* (SNIJs) (Baldacchino, 2006c; Baldacchino and Stuart, 2008). They can be found all over the world, in different sizes, with different populations. They range from Taiwan (21.5 million) and Puerto Rico (3.6 million) to Pitcairn (just 47 inhabitants). (See the Appendix to this chapter.) Possibly the best known SNIJ, since 1997, is the "special administrative region" of Hong Kong.

These island units, in spite of their obvious diversity and geographical spread, are largely characterized by one or more various "special" endowments: (1) they are non-sovereign states with strong levels of internal autonomy, *de jure* [at law], *de facto* [in practice], or both; (2) they are *sub-national*, meaning that they continue to be associated with a, usually very much larger, sovereign state; in some cases, this would be their former colonial master; (3) they are *sub-national*, meaning that they have a distinct society and culture, and are often recognized as constituent "na-



tions” within the larger state; (4) they are islands, physically cut off from mainlands and often geographically remote from their metropolitan powers, and therefore, they present pragmatic cases for administrative autonomy; (5) the bulk of their citizenry supports local politicians who are neither integrationist nor sovereignist, but who delicately exploit “the best of all possible worlds” (Everard and Holt, 2004: 188), using their jurisdiction as a key economic and political resource; and (6) they either escape regulation or customize it to suit *their* interests — or else have it thus crafted so as to suit the interests of the metropole — whether it is tax policy, language policy, citizenship rights, or transportation costs.

Even in the age of globalization, comparative research shows that small can still be beautiful *and* affluent. The island citizens of Aruba, Bermuda, French Polynesia, and Iceland have been counted among the world’s top 10 richest peoples in 2003 (*The Economist*, 2003: 33). Moreover, on average, the citizens of *non-sovereign* island territories tend to be even richer per capita than sovereign ones (Bertram, 2004; Poirine, 1998), and to enjoy steady, net immigration, even though they tend to be relatively resource-poor (McElroy and Sanborn, 2004).

These observations suggest that, today, a relatively small autonomous territory is *not* well advised to seek sovereign status but to craft an ever-increasing autonomy within asymmetrical federalism. Evidence of this change of tack is the total absence of newly independent, fully sovereign small states on the world stage since Brunei in 1984 — with the single exception of East Timor in 2002.<sup>4</sup> Referenda in various islands — Bermuda, the Dutch Antilles, Mayotte, Puerto Rico, US Virgin Islands — have *all* rejected independence by huge margins. The desire for independence is more likely to be triggered from a sense of frustration over restricted powers within the federalist arrangement (Thorndike, 1989).

More research needs to be undertaken among this interesting collection of jurisdictions. The complex political and economic dynamics of “sub-nationalism” make increasing sense in a world where levels of governance are expanding both above (supranational) and below (municipal) the level of the sovereign state (Baldacchino, 2004a). A quick scan of the manner in which some of these SNIJs deploy their jurisdictional powers is instructive; not just to other islands, but also to other regions that could turn geographical remoteness and separation into an advantage to leverage special status and discretionary powers.

The relevance of “island studies” to non-geographical islands is a pertinent one to discuss here. After all, literal islands — pieces of land surrounded by water — are only one sort of insular situation in the physical world. A lake is presumably as much an island to the fish and amphibians that may inhabit it; and a clump of trees in a city park as much an island to its birds and squirrels. Our obsession with one type of island may stem from a jaundiced, continental understanding of the sea as the ultimate barrier. But a watery expanse may prove easier to cross than a desert, a swamp, a mountain range, a huge plain, or a forest (Baldacchino, 2004b). A remote settlement, or a refugee camp, may thus effectively be even more isolated and insu-



lar than an island. And the impact of bridges on islands connected to mainlands may be comparable to the impact of land or air transportation infrastructure and services on a remote rural community (Baldacchino, 2006a).

#### RELATING TO GOVERNANCE TOOLS

How do these diverse, physically remote, often peripheralized autonomies navigate and negotiate the fuzzy ground between sovereignty and dependency? A number of policy issues emerge as particularly salient in the development strategies of most sub-national island jurisdictions: these areas of political economy are most likely to fall within the realm of self-rule. They are looked on by many sub-national island authorities and spokespersons as areas of competence they would most prefer to have under local control; and no wonder, since they could be critical ingredients in shaping economic prosperity (e.g., Milne, 2000).

#### *Managing Rural-Urban Interaction*

In recognition of the increasing, strategic shuttling and flow of individuals to and from cores and peripheries over time, an a priori acceptance of a “zero-sum” *brain drain* or *brain gain* may well need to be replaced by reference to a more “positive-sum” *brain rotation* or *brain circulation* phenomenon (*The Economist*, 2005: 18; Baldacchino, 2006b). After all, suburban dwellers may live most of their working days in a larger city; big-city dwellers may spend their summers in remote cottages; and successful dwellers of islands, remote rural regions, and other peripheries habitually refresh themselves — professionally, materially, and culturally — in towns, cities, or metropolises. The focus in migration analysis needs to shift from place to movement. The periphery as just a finite place where one has roots must give way to the periphery as a platform for sorties and routes into the wider world, if it is to survive. Many contemporary knowledge professionals move around wherever their work may take them (e.g., Ó Riain, 2000), and this pattern of mobility can be extended to other categories. In other instances, it may not even be necessary to move physically, since information and communication technologies can, in some instances, bridge distances effectively. Many so-called “places” are actually “spaces of flows” — particularly roads, cars, bridges, rail stations, ferries, ferry terminals, airports, airplanes — significant only as locations that capture people in collective motion; they are arteries of movement, and have no sense when forced into either a rural or urban cast. Thus, with expanding transport infrastructure, traditional mining towns are giving way to “fly-in/fly-out” communities — like Voisey’s Bay (Inco, 1997) — where employees spend only one or more weeks in a camp at the mine, but alternate this with similar periods at home with their families.

Transportation is often a triple problem of choice, time, and price for islanders. Generally speaking, islanders know that transportation options and frequencies de-

crease and verge towards monopoly provision, while transit times increase and prices rise with increasing distance from mainland areas and with decreasing size of a specific island's population (CPMR, 2002: 25-6). Archipelagic islands compound these issues even further (Bayliss-Smith et al., 1988; Hamilton-Jones, 1992). Difficulties with transportation and access affect a range of issues including: the viability of a tourism industry, a manufacturing export strategy, absence of economies of scale, and limitations to emergency off-island health care (Baldacchino and Milne, 200: 234). The Åland Islands' development of its own shipping registry and the safeguarding of duty-free transactions on Åland ships flying the Åland flag have been crucial to the territory's economic prosperity (Lindstrom, 2000: 107-21). The Scottish isles continue to enjoy the monopoly, state-supported ferry services of Caledonia MacBrayne; the US Virgin Islands, American Samoa, and the Commonwealth of the Northern Marianas are exempted from the protectionist Merchant Marine Act, which elsewhere in the US prevents foreign-built ships from docking in US ports. Bermuda had threatened independence in the early 1990s when British Airways considered suspending its scheduled flights between London Heathrow and Hamilton. Island jurisdictions like Gozo or Gotland lobby intensely, at both national and European levels, to convince policy-makers that they deserve subsidized access to regular ferry transportation. The European Union explicitly recognizes the public service obligations of both air and sea links to, and between, islands in Europe (CPMR, 2002: 83). Desolate and remote St. Helena should finally get an international airport by 2010, financed by British taxpayers (SARTMA, 2005).

### *Fiscal Management*

Various island autonomies enjoy considerable autonomy and responsibility in fiscal management. Gotland is the only island region and single commune in Sweden that manages its own tax revenues. The Cayman Islands and Bermuda have practically full fiscal independence and do not receive overseas financial assistance from the UK, which remains mainly responsible on their behalf for defence and international relations. Sub-national island jurisdictions often have special, direct relations with the metropolitan exchequer, and do not have to negotiate fiscal allocations via multi-tier structures and intermediaries — such as provincial or regional governments. The West Indies Federation broke down in 1962 because the smaller Caribbean islands did not want to be ruled by Jamaica. In 1979, tiny Anguilla seceded from the newly independent state of St. Kitts-Nevis, preferring to remain a colony of Britain. In 2008, the Netherlands Antilles disbanded because the six Dutch island territories in the Caribbean voted for direct links with Amsterdam. Gozo has its own territorially responsible minister within the archipelagic state of Malta.

Many small islands have excelled as offshore finance centres: low tax policies are perfectly suited to such locations because they are likely to draw in much more

income by widening the tax base than would be lost from forfeited domestic tax revenue. Moreover, in sub-national island jurisdictions, their overseeing by larger states makes them more respectable locations for finance operations (McElroy and Mahoney, 2000). Successful finance centres in small island economies — like Labuan, Jersey, Guernsey, and Madeira — however, tend to “crowd out” pre-existing industries (such as agriculture or small-scale manufacturing), leading to increases in the price of property and skilled labour (Hampton, 1994).

### *Devolving Power-Building Capacity*

Sub-national islands exploit their typically small size, sense of identity, jurisdictional powers, and sense of difference from their metropolitan power to rally considerable political support. Domestic politics is usually tense and dramatic, many voter preferences would be known publicly, and voter participation rates are very high (Hirczy, 1995). Politics is intimate, with both voters and politicians making sure that they are well known to each other. Personality politics runs high, and dynastic political families are common. Social capital is strong. The media profile of these islands is not generally high, but they attract considerable international public sympathy as “underdogs” when struck by an emergency or dramatic event. The United Kingdom was galvanized into action three times over the last quarter-century because of events impacting its overseas territories, and in a manner totally disproportionate to the number of people involved: the invasion of the Falklands by Argentina (1982); the eruption of the Soufrière Volcano on Montserrat (1995); and the child sex abuse scandal on Pitcairn (2004) (Killingray and Taylor, 2005). The Nicobar and Andaman Islands of India were catapulted into the international public gaze after the December 2004 tsunami, and were granted control by New Delhi over the management of financial assistance earmarked for their rehabilitation (Kelman et al., 2006). Moreover, the skills of local politicians often are judged on how well they are able to exploit and manoeuvre the island’s metropolitan links to its net economic advantage (Baldacchino, 2004a). A key political relationship would be between the elected chief minister and the appointed governor.

### *Services and Infrastructure*

Service provision and infrastructure maintenance pose particular challenges since the costs per capita are typically much higher in small territories. Dispersed populations, often in an archipelagic context, make service provision even more problematic. Economies of scale are often absent; yet health, education, and other social services, along with the professional staff required to operate them, would be expected by the locals to be at par with any available on the metropolitan mainland. Energy production is also more costly, if there is no possibility of tapping into national grids, which are usually found on mainlands (Stuart, 2006). If the island is

physically close to the mainland, then such basic services may be made available off-island and the gap forded by a fixed link and/or efficient air and sea transportation services. The presence of a significant pool of politically active and articulate voters usually improves the likelihood that the mainland will respond positively; this also grants the mainland a valid excuse to practise a form of acceptable “soft imperialism”: France is one such contemporary example, which ensures, among other things, that it has the world’s second largest exclusive economic zone (after the US) (Hintjens and Newitt, 1992).

### *Natural Resource Management*

The management of specific local resources desired by the central state — oil, gas, mineral deposits, fishing zones, strategic bases, or tourism potential — has been used to leverage enhanced local policy autonomy. We have mentioned the Atlantic Accord between Ottawa and St. John’s in this context. North Sea oil and gas have also led to a renegotiation of the power balance between Faroe Islands and Denmark, and between the Shetland Islands and the United Kingdom (Olafsson, 2000; Blackadder, 1998). Sakhalin Island, with its prized oil resources, has its own governor, even though it is not a Russian federal district. Still other islands — like Batam (Indonesia), Jeju (South Korea), Hainan (China), and Kish (Iran) — have benefited economically by being designated special economic zones (Chongyi and Goodman, 1997; Royle, 1997; Roston, 2005).

Meanwhile, the contribution of islands to cultural, environmental, and biological diversity is proportionately much greater than the size of their territories or populations (Young, 1999: 253). This gives them an international standing that could be used to influence or circumvent domestic politics: a case in point is the Tasmanian Wilderness, saved from industrial exploitation by its inclusion as a UNESCO World Heritage Site (Chen and Hay, 2004). Indeed, while islands — excluding the continents of Antarctica and Australia — occupy just 1.9 per cent of the Earth’s surface area — 13.1 per cent (106 out of 812) of World Heritage sites are islands or *on* islands ([whc.unesco.org/en/list/](http://whc.unesco.org/en/list/)). Island World Heritage Sites — like Rapa Nui, or Galápagos and its national park and marine resources reserve — are run differently from the mainland provinces of Chile and Ecuador respectively.

### *External Relations and the Diaspora*

Negotiating — between home and away, the edge and the centre, roots and routes — is the hallmark of island life. A look at *entrepreneurship* in small islands manifests this vividly. In a study of small, successful, export-oriented manufacturing firms from five European island regions (Baldacchino and Vella Bonnici, 2005; Baldacchino, 2005a, 2005b), eight out of 10 showcased firms had entrepreneurs who either (1) spent long stretches of time living and working away from their island home — in places like London and Stockholm — choosing to return after they

had amassed the contacts, education, and experience which allowed them a much better chance of being successful in business; or (2) developed and nurtured innovative business ideas after accumulating skill and contacts working with large, multinational companies; or (3) got their own local business going after a successful transfer from a dependence on a key international supplier, client, or partner. It is also not exceptional to find island-based entrepreneurs being lured to the island from further away, a case of migrating from the core to the periphery (Baldacchino, 1999, 2002; Baldacchino and Fairbairn, 2006).

The ingrained openness of small islands serves to orient their island inhabitants towards the metropole: for inspiration, vacation, shopping, education, employment, adventure, or just to escape from an excess of familiarity. Small island history and literature are dominated by the migration theme (King and Connell, 1999). Small island diasporas and “the ties that bind” are strong and vibrant, emotional and nostalgic. Typically, many more islanders live away than remain on their own island. The exiles — *or ex-isles* (after Bongie, 1998) — connect with their island home in many ways: receiving news and reading books and magazines from “home”; sending gifts to family and friends in cash or in kind; visiting as culturally friendly and long-staying tourists; returning to invest in business, to endow their university, or to engage in local politics; taking up specialized employment; buying secondary homes; retiring in style. They constitute a natural consumer market for distinctive island products overseas.

An engagement with the world is not only assiduously cultivated by island individuals, however. Although we are talking about *sub-national* jurisdictions, this does not prevent them from being active on the diplomatic front on a global or regional scale, circumventing the parent state in the process, and usually much to the latter’s discomfort. “Para-diplomacy” has involved sub-national governments setting up offices in Brussels or in other countries, within and outside the European Union (Bartmann, 2006). The ambiguously named, 21-member Overseas Countries and Territories Association is one such active EU lobby, set up by the Treaty of Rome in 1957 ([europa.eu.int/comm/development/oct/index\\_en.htm](http://europa.eu.int/comm/development/oct/index_en.htm)). We have already mentioned Quebec, an active member of La Francophonie, bypassing Ottawa to safeguard its interests under NAFTA. De facto island jurisdictions in the international system — like the Turkish Republic of Northern Cyprus or the formerly Tamil-controlled parts of Sri Lanka — press for recognition on the international stage, seeking to bypass other regimes (Bahcheli et al., 2004). Åland has been a member of the Nordic Council since 1954. Anguilla and the British Virgin Islands are associate members of the Organization of Eastern Caribbean States, while Montserrat is a full member. The Isle of Man, Guernsey, and Jersey have been active in signing conventions with other states and international organizations, especially in the fields of finance, the environment, and trade (OECD, 2004; Gallienne, 2007; Le Rendu, 2004). Quebec’s formal membership in UNESCO may set a Canadian precedent, but not an international one.

### *Regional Diversification*

Diversification in economic development can be especially tough for small island jurisdictions. Many tend to be mono-economies, selling one particular export product (such as bananas, sugar, copra, fish, or phosphate) or services (like offshore banking or bunkering of oil, gas, or tradable commodities). Manufacturing is not naturally competitive in small islands; but some niche export industries — quality crafts, branded island-specific souvenirs, and non-price-sensitive goods — can be successfully supported. Many islands are switching to tourism, tapping into short weekend breaks (if close to a metropolitan market) but possibly doing better when positioning themselves deliberately as remote, exclusive destinations, attracting fewer tourists but reaping higher revenue from each.

Nevertheless, just in case the export economy goes into decline, other buffers are in place. They include: (1) a typically ponderous *public sector*, responsible for a third of all jobs or more; (2) a diligent resort to *economies of scope*, where locals maintain secondary jobs, grow vegetables, hunt game, fish, chop wood, make and sell souvenirs, drive taxis, run restaurants, and perform other remunerative activities that do not always appear on their income tax forms; (3) an open option to *emigrate* to the metropolitan power for jobs and citizenship, should the need arise; and (4) a strong political *lobby with the central government* to maintain its responsibilities towards the smaller jurisdiction and stave off any economic catastrophe.

### POLICY IMPLICATIONS

All these examples have much to tell us about governance in the twenty-first century, and they harbour lessons for remote rural settlements as well. Sub-national island jurisdictions strike me as *governance entrepreneurs*: they manifest creative, often unique, dynamic expressions of dyadic asymmetry within federal relationships. The economic and political tools they deploy are in part a function of a negotiated outcome of a bilateral relationship with a (usually benign) metropole; a colonial inheritance; the vibrancy of a local (sub-)national culture; and the ability of local governments to effectively “rally the troops” and thus represent and advance local interests.

Some critical ingredients are required to make this phenomenon possible. First is *local political capacity* — a legitimate and local power base. Our islands have elected assemblies that are accountable to their watchful and demanding island voters. Second, the power base needs to have *local economic capacity* to act — the power to collect and spend revenue in accordance with priorities determined in line with a local strategic vision. In particular, the ability to strive in favour of the “three Ts”: transportation, tourism, and taxation — corporate or income — is a winning strategy especially suited to small jurisdictions. A third requirement is a jurisdiction of the *right size* — there is a fair scatter, but we are referring mainly to polities that represent 1 per cent or less of the population of the federal ensemble, and

around 25,000 to 50,000 population. They must not be too small to succumb to pettiness and to a sclerosis arising from insufficient financial or human resources, or to an excessive dependence on one main employer or investor; but they must not be too large to alienate voters and fall victim to bureaucrats, technocrats, or interne-cine partisan rivalry (Richards, 1982). These parameters suggest that, within the contemporary Canadian context, while the municipality is the obvious reference point for local governance, the typical municipality (outside metropolitan areas) is simply too small. A fourth factor is the ability not to allow partisan political cleavages to dissuade the locals from *putting up a strong united front* against the metropole. (Remember that the metropole will have every political incentive — in the raw meaning of the term — to “divide and rule” by fragmenting an island identity.) Fifth, and following from the above, is the ability to sustain a powerful *lobby directly on the central government* for capital investment, especially in transportation, social services, public-sector jobs, and communications infrastructure. Such representations should be direct and not via political brokers, and they tend to be more effective when the locals are represented on federal legislative structures. Public relations and public opinion can be mobilized to good effect here. Sixth is the need to maintain an active *interest and direct presence in regional and international developments*, again bypassing intermediate levels of governance, and doing so mainly with jurisdictions that can be lucrative trade partners, tourist-senders, or locations of diasporas.

#### CONCLUSION

When the US Central Intelligence Agency was updating its authoritative *World Factbook* for 2005, it explained why it was adding two new “jurisdictions” to its coverage, as well as why it wasn’t adding a third. These three sort-of “countries” are, each in its own way, examples of creative governance: the UK sovereign military bases of Akrotiri and Dhekelia on Cyprus; the European Union; and the US base at Guantánamo Bay (the latter was not added as a new jurisdiction).

Key players in (usually large) federal states debate nervously why and to what extent obvious differences (or asymmetry) in the size, geography, economic wealth, cultural fabric, or population of their constituent units (regions, states, provinces) should be translated into asymmetric power, in practice or at law. Meanwhile, sub-national, often small, island jurisdictions have generally prospered from inventive, asymmetrical federalism. The legislators of various of these sub-units have deployed their jurisdictional powers to determine their own destiny in most policy fields, clinching special deals from the centre, jealously guarding their autonomy, while stubbornly refusing sovereignty. They maintain an umbilical cord to a much larger, richer, and benevolent state and/or regional power. They recognize jurisdiction as an economic resource. They are aware that the exceptional downing of a national flag may be an expedient and effective political ploy. Their small size,



strong political interest, and shrewd “glocal” positioning within the architecture of multi-level governance have served them well. They demonstrate how “[s]overeignty rules can be violated in inventive ways” (Krasner, 2001).

Big lessons, one hopes, from and for the world’s small places.

#### ACKNOWLEDGEMENTS

The support of the Social Sciences and Humanities Research Council of Canada (SSHRC) to the proposals “Patterns of Sub-National Autonomy amongst the World’s Islands” (SRG Application No. 410-2004-0397) and “Offshoring Strategies from/for Sub-national Island Jurisdictions” (SRG Application No. 410-2007-0577) is gratefully acknowledged. I thank Chris Dunn, Rob Greenwood, Lawrence Felt, Mark Shrimpton, Kathleen Stuart, and anonymous reviewers for critical comments on an earlier draft. My gratitude to the organizers of the CRRF/NAIP conference in Twillingate, NL, 13-15 October 2005, to deliver a keynote address on which this article is based.

#### APPENDIX: POPULATED SUB-NATIONAL ISLAND, OR MAINLY ISLAND, JURISDICTIONS AROUND THE WORLD

(Inclusion in this non-exhaustive and dynamic list is not to be construed as an act of acknowledging the legitimacy or otherwise of any jurisdictional powers, *de jure* or *de facto*.)

1. West Atlantic/Caribbean: (Anguilla, Aruba, Barbuda, Bermuda, Bonaire, British Virgin Islands, Cayman Islands, Curaçao, Guadeloupe, Martinique, Montserrat, Nevis, Puerto Rico, Saba, San Andrés y Providencia, St. Eustatius, St. Martin, Sint Maarten, Tobago, Turks and Caicos Islands, US Virgin Islands). (21)
2. South, Central, and Northeast Atlantic, all related to Britain: (Alderney, Ascension, Falklands, Guernsey, Isle of Man, Jersey, Northern Ireland, Orkneys, Sark, Scotland, Shetland Islands, St. Helena, Tristan da Cunha, Wales). (14)
3. Scandinavia: (Åland, Bornholm, Faeroes, Gotland, Greenland, Hiiumaa, Lofoten, Saaremaa, Svalbard). (9)
4. South Pacific: (Admiralty Islands/Manus, American Samoa, Banaba, Bougainville, Chatham Island, Cocos [Keeling] Islands, Cook Islands, Easter Island/Rapa Nui, French Polynesia, Galápagos, Kosrae, Macquarie Island, New Caledonia, Niue, Norfolk Island, Pitcairn, Pohnpei, Rotuma, Tasmania, Tokelau, Torres Strait Islands, Truk, Wallis and Futuna, Yap). (24)
5. Northwest Atlantic: (Baffin Island/Nunavut, Cape Breton Island, Newfoundland and Labrador, Prince Edward Island, St. Pierre et Miquelon). (5)
6. Mediterranean and East Atlantic: Territories associated with European Union member/applicant countries: (Azores, Akrotiri and Dhekelia, Balearics, Bioko, Canaries, Corsica, Gozo, Madeira, North Cyprus, Príncipe, Sardinia, Sicily). (12)

7. Indian Ocean/ East Africa: (Andaman and Nicobar, British Indian Ocean Territory, Kish, Lakshadweep, Mayotte, Njazidja, Mwali, Ndzwani, Pemba, Reunion, Rodrigues, Socotra, Zanzibar). (13)
8. South Asia, East Asia, and North Pacific: (Aceh, Aleutians, Guam, Hainan, Hawai'i, Hong Kong, Jeju, Kurile Islands, Labuan, Macao, Mindanao, Northern Marianas, Okinawa, Queen Charlotte Islands/Haida Gwaii, Sabah, Sarawak, Sakhalin, South Moluccas, Taiwan). (19)

## NOTES

1. The 2006 census reports NL as the province with the largest proportion of residents who claim the English language as their mother tongue: 98 per cent (Statistics Canada, 2006: slide 17).
2. Leading to the question: Is the island province being penalized for being the only one not to send any Conservative MPs to Ottawa in the 2006 federal election?
3. As Chris Dunn has said (personal correspondence, June 2006): "What else would one expect with regard to islands, but geography-specific accommodations?"
4. The Marshall Islands, Palau, and the Federated States of Micronesia gained "independence" in the 1990s, but only after approving and signing a Compact of Free Association with the United States, which effectively robs them of an independent foreign and security policy.

## REFERENCES

- Bahcheli, T., B. Bartmann, and H.F. Srebrnik, eds. 2004. *De Facto States: The Quest for Sovereignty*. London: Taylor and Francis.
- Baldacchino, Godfrey. 1999. "Small Business in Small Islands: A Case Study from Fiji," *Journal of Small Business Management* 37, 4: 80-4.
- . 2002. "A Taste of Small Island Success: A Case from Prince Edward Island," *Journal of Small Business Management* 40, 3: 254-9.
- . 2004a. "Autonomous but Not Sovereign? A Review of Island Sub-Nationalism," *Canadian Review of Studies in Nationalism* 31, 1-2: 77-89.
- . 2004b. "The Coming of Age of Island Studies," *Tijdschrift voor Economische en Sociale Geografie* 95, 3: 272-84.
- . 2005a. "Successful Small Scale Manufacturing from Small Islands: Comparing Firms Benefiting from Local Raw Material Input," *Journal of Small Business and Entrepreneurship* 18, 1: 21-38.
- . 2005b. "Island Entrepreneurs: Insights from Exceptionally Successful Knowledge-Driven SMEs from 5 European Island Territories," *Journal of Enterprising Culture* 13, 2: 145-70.
- , ed. 2006a. *Bridging Islands to Mainlands: The Impact of Fixed Links*. Charlottetown: Acorn Press.
- . 2006b. "The Brain Rotation and Brain Diffusion Strategies of Small Islanders: Considering 'Movement' in Lieu of 'Place'," *Globalization, Societies and Education* 4, 1: 143-54.
- . 2006c. "Innovative Development Strategies from Non-Sovereign Island Jurisdictions: A Global Review of Economic Policy and Governance Practices," *World Development* 34, 5: 852-67.

- and T.I.J. Fairbairn. 2006. "Entrepreneurship and Small Business Development in Small Islands," *Journal of Small Business and Entrepreneurship* 19, 4: 331-40.
- and D. Milne, eds. 2000. *Lessons from the Political Economy of Small Islands: The Resourcefulness of Jurisdiction*. New York: St. Martin's Press, in association with Institute of Island Studies, University of Prince Edward Island, Canada.
- and K. Stuart, eds. 2008. *Pulling Strings: Lessons for Prince Edward Island from other Sub-National Island Jurisdictions*. Charlottetown: Island Studies Press, University of Prince Edward Island.
- and J. Vella Bonnici. 2005. *Small Business from Small Islands: Real Stories — A Training Manual*. Malta: Malta Enterprise with the support of the European Commission.
- Bartmann, B. 2006. "In or Out? The Antechamber of Paradiplomacy," *The Round Table: Commonwealth Journal of International Affairs* 95, 386: 541-59.
- Bayliss-Smith, T., R. Bedford, H.C. Brookfield, and M. Latham. 1988. *Islands, Islanders and the World: The Colonial and Post-Colonial Experience in Eastern Fiji*. Cambridge: Cambridge University Press.
- Beckstead, D., and W.M. Brown. 2005. *Provincial Income Disparities through an Urban-Rural Lens: Evidence from the 2001 Census*. Ottawa: Statistics Canada, Catalogue no. 11-624-MIE 2005-012. At: <[www.statcan.ca/english/research/11-624-MIE/11-624-MIE2005012.pdf](http://www.statcan.ca/english/research/11-624-MIE/11-624-MIE2005012.pdf)>.
- Bertram, G. 2004. "On the Convergence of Small Island Economies with Their Metropolitan Patrons," *World Development* 32, 2: 343-64.
- Blackadder, A. 1998. "The Case of Oil in the Shetland Islands," in G. Baldacchino and R. Greenwood, eds., *Competing Strategies of Socio-Economic Development for Small Islands*. Charlottetown: University of Prince Edward Island, Institute of Island Studies, 91-118.
- Bongie, C. 1998. *Islands and Exiles: The Creole Identities of Post/Colonial Literature*. Stanford, Calif.: Stanford University Press.
- Chen, C.L., and P.R. Hay. 2004. "Dissenting Island Voices: Environmental Campaigns in Tasmania and Taiwan," *Islands of the World VIII: Changing Islands — Changing Worlds. Proceedings*, vol. 2. Taiwan: Kinmen Island.
- Chongyi, F., and D.S.G. Goodman. 1997. "Hainan: Communal Politics and the Struggle for Identity," in D.S.G. Goodman, ed., *China's Provinces in Reform*. London: Routledge, 53-80.
- Conference of Peripheral Maritime Regions (CPMR). 2002. *Off the Coast of Europe: European Construction and the Problem of the Islands*. St. Malo, France: EurIsles on the initiative of CPMR.
- Courchene, T.J. 2005. "City-States and the State of Cities: Political-Economy and Fiscal Federalism Dimensions," *Working Paper Series*, No. 2005-03. Montreal: IRPP.
- Dunn, C. 2004. "Urban Asymmetry: The New Reality in Inter-Governmental Relations," *Policy Options* 25, 10: 38-42.
- . 2005. "Why Williams Walked, Why Martin Balked: The Atlantic Accord Dispute in Perspective," *Policy Options* 26, 2: 9-14.
- Everard, J.A., and J.C. Holt. 2004. *Jersey 1204: The Forging of an Island Community*. London: Thames and Hudson.
- Gallienne, T. 2007. *Guernsey in the Twenty-First Century*. Guernsey: Gallant Publishing.

- Ghai, Y.P. 2002. "Global Prospects of Autonomies," in H. Jansson and J. Salminen, eds., *The Second Åland Islands Question: Autonomy or Independence?* Mariehamn: Julius Sundblom Memorial Foundation, 44-5.
- Gwyn, R. 2005. "Who Will Speak for Canada Abroad?" *Toronto Star*, 7 Oct.
- Hamilton-Jones, D. 1992. "Problems of Inter-Island Shipping in Archipelagic Small-Island Countries: Fiji and the Cook Islands," in H.M. Hintjens and M.D. Newitt, eds., *The Political Economy of Small Tropical Islands: The Importance of Being Small*. Exeter: University of Exeter Press, 200-22.
- Hampton, M.P. 1994. "Treasure Islands or Fools Gold: Can and Should Small Island Economies Copy Jersey?" *World Development* 22, 2: 237-50.
- Hintjens, H.M., and M.D. Newitt. 1992. "Editorial Introduction," in *The Political Economy of Small Inter-Tropical Islands: The Importance of Being Small*. Exeter: University of Exeter Press.
- Hirczy, W. 1995. "Explaining Near-Universal Turnout: The Case of Malta," *European Journal of Political Research* 27, 2: 255-72.
- Hogg, P.W. 1977. *Constitutional Law of Canada*. Toronto: Carswell.
- Ibbitson, J. 2005. "Ghettos of the Canadian Hinterland," *Globe and Mail*, 22 July, A10.
- Inco Ltd. 1997. *Voisey's Bay Mine/Mill Project: Environmental Impact Assessment. Summary and Conclusions: Vol. 1*. At: <[inco.com/about/development/voisey/assessments/chapter.asp?Chapter=vol1/v2eng.htm](http://inco.com/about/development/voisey/assessments/chapter.asp?Chapter=vol1/v2eng.htm)>.
- Kelman, I., M. Davies, T. Mitchell, I. Orr, and B. Conrich. 2006. "Island Disaster Paradplomacy in the Commonwealth," *The Round Table: Commonwealth Journal of International Affairs* 95, 386: 561-74.
- Killingray, D., and D. Taylor, eds. 2005. *The United Kingdom Overseas Territories: Past, Present and Future*. Overseas Service Pensioners' Association Research Project Occasional Paper 3. London: Institute of Commonwealth Studies, University of London.
- King, R., and J. Connell. 1999. *Small Worlds, Global Lives: Small Islands and Migration*. London: Pinter.
- Krasner, S.D. 2001. "Think Again: Sovereignty," *Foreign Policy* (Feb.). At: <[www.globalpolicy.org/nations/realism.htm](http://www.globalpolicy.org/nations/realism.htm)>.
- Kymlicka, W. 1998. "Multinational Federalism in Canada: Rethinking the Relationship," *Policy Options* (Mar.)
- Laforest, G. 1998. "Se Placer dans les Souliers de l'autre dans l'Union Canadienne," *Policy Options* (Mar.)
- Légaré, A. 2002. "The Construction of Nunavut and Its Impact on Collective Identity in the Canadian Eastern Arctic," *Review of Constitutional Studies* 7, 1-2: 55-78.
- Le Rendu, L. 2004. *Jersey: Independent Dependency? The Survival of a Microstate*. London: Ex Libris Press.
- Lindström, B. 2000. "Culture and Economic Development in the Åland Islands," in Baldacchino and Milne (2000: 107-21).
- Manitoba Legislative Task Force on Canadian Unity. 1997. At: <[www.gov.mb.ca/legislature/hansard/4th-36th/vol\\_020/h020\\_4.html](http://www.gov.mb.ca/legislature/hansard/4th-36th/vol_020/h020_4.html)>.
- McElroy, J.L., and M. Mahoney. 2000. "The Propensity for Political Dependence in Island Microstates," *INSULA: International Journal of Island Affairs* 9, 1: 32-5.
- and K. Sanborn. 2005. "The Propensity for Dependence in Small Caribbean and Pacific Islands," *Bank of Valletta Review* (Malta) 31: 1-16.
- Milne, D. 2005. "Asymmetry in Canada: Past and Present," Asymmetry Series. Kingston: School of Policy Studies, Queen's University. At: <[www.iigr.ca/browse\\_publications.php?section=43](http://www.iigr.ca/browse_publications.php?section=43)>.

- . 2000. *Ten Lessons for Economic Development in Small Jurisdictions: The European Perspective*. Charlottetown: University of Prince Edward Island, Institute of Island Studies.
- Ohmae, K. 2000. "How Regions Can Prosper from Globalization," in A. Scott, ed., *Global City Regions: Trends, Theories, Policy*. New York: Oxford University Press, 33-43.
- Olafsson, Á. 2000. "Constitutionalism and Economics in the Faroes," in Baldacchino and Milne (2000: 121-40).
- Ordeshook, P.C., and O. Shvetsova. 1997. "Federalism and Constitutional Design," *Journal of Democracy* 8, 1: 27-42.
- Organization for Economic Co-operation and Development (OECD). 2004. *The OECD's Project on Harmful Tax Practices: The 2004 Progress Report*. Paris: Centre for Tax Policy and Administration, OECD.
- Ó Riain, S. 2000. "Net-Working for a Living: Irish Software Developers in the Global Workplace," in M. Burawoy et al., eds., *Global Ethnography: Forces, Connections and Imaginations in a Postmodern World*. Berkeley: University of California Press, 175-202.
- Plunkett, T.J. 2004. "A Nation of Cities Awaits Paul Martin's 'New Deal' — Federal Funds for 'Creatures of the Provinces,'" *Policy Options* (Feb.): 19-25.
- Prime Minister's Office (PMO). 2006. "Prime Minister Harper and Premier Charest Sign Historic Agreement Establishing Formal Role for Quebec in UNESCO," media release, 5 May. At: <pm.gc.ca/eng/media.asp?id=1151>.
- Poirine, B. 1998. "Should We Hate or Love MIRAB?" *The Contemporary Pacific* 10, 1: 65-106.
- Polèse, M., and R. Shearmur. 2002. *The Periphery in the Knowledge Economy*. Montreal: INRS.
- Richards, J. 1982. "Politics in Small, Independent Communities: Conflict or Consensus?" *Journal of Commonwealth and Comparative Politics* 20, 2: 155-71.
- Roston, A. 2005. "Iran's Bizarre Military Bazaar," *The Walrus* 2, 4: 21-3.
- Royle, S.A. 1997. "The Benefits of Insularity on Development: The Case of Batam Island, Indonesia," Development Studies Association Conference, Norwich, University of East Anglia, Sept.
- Royal Society of Canada (RSC). 2005. "Who's Afraid of Asymmetrical Federalism," 12 May. Royal Society of Canada: The Academies of Arts, Humanities and Sciences of Canada. At: <www.rsc.ca/index.php?lang\_id=1and page\_id=196>.
- South Atlantic Remote Territories Media Association (SARTMA). 2005. "An Airport for St. Helena," media release, 14 Mar. At: <www.sartma.com/artc\_1479\_SH\_9\_1.html>.
- Simeon, R. 2002. "Federalism in Canada, A Visitor's Guide 2002," unpublished document. Quoted in "Why Federalism?" Ottawa: Privy Council Office. At: <www.pco-bcp.gc.ca/aia/index.asp?lang=engand%20page=federaland%20sub=whyand%20doc=why\_e.htm>.
- Slack, E., and R.M. Bird. 2007. "Cities in Canadian Federalism." At: <ideas.repec.org/p/ttp/itpwps/0603.html>.
- Statistics Canada. 2006. *2006 Census Canada Release on Immigration and Language Data, Part 1: Immigration and Non-Official Languages*. Ottawa: Research Unit, Strategic Policy and Management Branch, Citizenship and Heritage Sector; 22 slides.
- Stevens, R.M. 1977. "Asymmetrical Federalism: The Federal Principle and the Survival of the Small Republic," *Publius: The Journal of Federalism* 7, 4: 177-203.

- Stuart, E.K. 2006. "Energizing the Island Community: A Review of Policy Standpoints for Energy in Small Island States and Territories," *Sustainable Development* 14, 2: 139-47.
- The Economist*. 2003. "On the World's Rich List," London: The Economist Intelligence Unit, 17 May: 33.
- . 2005. "The Brains Business: A Survey of Higher Education," London: The Economist Intelligence Unit, 10 Sept., 18.
- The Guardian* (Charlottetown). 2003. "Immigrants to Canada," 5 Sept., A5.
- Thibodeau, W. 2005. "P.E.I., Feds Working toward Energy Deal," *The Guardian* (Charlottetown), 8 Oct., A5.
- Thompson, E. 2006. "Quebeckers a Nation: Harper," *The Gazette* (Montreal), 23 Nov.
- Thorndike, T. 1989. "The Future of the British Caribbean Dependencies," *Journal of InterAmerican Studies and World Affairs* 31, 3: 117-40.
- Watts, R.L. 1999. *Comparing Federal Systems*, 2nd edn. Kingston, Ont.: Institute of Intergovernmental Relations, Queen's University.
- Wente, M. 2005. "Oh Danny Boy, Pipe Down," *Globe and Mail*, 6 Jan., A19.
- Young, L.B. 1999. *Islands: Portraits of Miniature Worlds*. New York: W.H. Freeman.