Implementing the Next Economy in a Unified Context:
A Case Study of the Paddle Prairie Mall Corporation

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ABSTRACT. A recent paper entitled “Native and Local Economics: A Consideration of Economic Evolution and the Next Economy” (Robinson and Ghostkeeper, 1987: 138-144) by the authors proposed a model for community-based native business development based upon the fusing of community culture with corporate culture in the information and service economy. This model has now been implemented by a Metis entrepreneur in the northern Alberta settlement of Paddle Prairie and is evaluated using the “unified approach” to economic development described by Higgins and Higgins (1979).

In this way the new venture’s performance is assessed against the following criteria: employment generation, income creation, contribution to regional ecological harmony and maximization of cultural enrichment. It is concluded that the Paddle Prairie Mall Corporation is a practical demonstration of the unified approach in Canada’s mid-North and that the “Metis way of doing things,” born of the bush economy, is an indigenous Canadian variant of the unified approach that acknowledges the importance of sociocultural and ecological factors in development planning. It remains to be seen whether or not the Metis way of doing things has an Inuit or Indian analogue and to what degree the next economy model can be equally well applied in non-Metis native communities.

Key words: community-based economic development, unified development, bush and next (information and service) economies, Metis, case study

INTRODUCTION

This paper describes the process of a native entrepreneur entering the “next economy” and is in part the logical consequence of applying the concepts outlined in “Native and Local Economics: A Consideration of Economic Evolution and the Next Economy” (Robinson and Ghostkeeper, 1987: 138-144). The term “next economy” is used here to describe the information and service sectors, which currently drive new job creation in Canada. During the period 1975-85 over 1 180 000 new jobs were created in the field of community, business and personal services (Clarkson Gordon, 1986: 6). These include educational, health and social services, accommodation, food and beverage services, amusement and recreation. Second and third leaders in new job creation during this period were trade (350 000 jobs) and finance, insurance and real estate (170 000 jobs). It is interesting to note that the traditional sources of Canadian (and northern) employment in the resource sector (forestry, fishing and trapping, mines, quarries and oil wells) produced collectively only 70 000 new jobs. It is now clear that the information and service revolution is changing job creation patterns in Canada; in 1985, just over seven in ten working Canadians were employed in the service sector.

The paper also attempts to evaluate the business start-up described from the perspective of the unified approach to economic development (Firth, 1963; Higgins and Higgins, 1979: 151). Implicit in both the conceptual application and the evaluation described above is the search for a general theory of economic development that recognizes the role of culture in the development of small business, especially those in remote and isolated areas. Anthropologists Clifford Geertz and Raymond Firth have argued that a wide range of cultures may enable entrepreneurship and economic development to flourish — the problem is recognizing in each culture those forces conducive to entrepreneurship and designing development plans accordingly (Geertz, 1963: 147; Firth, 1969: 25-26). Those forces not conducive to development must be equally well understood and their implications carefully studied. From Geertz’s perspective a development plan cannot be implemented until anthropological analysis is complete and has been integrated into the overall economic planning. Similarly, rural development economist E.F. Schumacher has eloquently put his case for the role of religious and spiritual values in economic development planning (1974: 51-60, 1979: 137-145). He subtitles his book Small Is Beautiful “A Study of Economics as if People Mattered.” Given this body of anthropological and economic insight, it is interesting to note the degree to which the role of culture is either ignored or downplayed in many recent publications on development planning and entrepreneurship.

Silver (1983: 22), in The Entrepreneurial Life, states that “there is no scientific study of the social, emotional and cultural forces that cause one person to become an entrepreneur and another to drive in the slow lane.” He sets out to rectify this situation from his perspective as a venture capitalist and author, aided by two psychiatrists. Together they designed and administered a questionnaire investigating the behavioural characteristics of successful American entrepreneurs (defined as people...
who have achieved personal wealth of at least $20 million through the entrepreneurial process). Fifty-four respondents eventually participated in the study, and their responses form the body of the book, which is admittedly “suggestive rather than definitive” (Silver, 1983:9). While the author describes his respondents and categorizes shared character traits, he undertakes no analysis to explain entrepreneurial behaviour in cultural terms.

Storey (1983), in Small Firms in Regional Economic Development, while recognizing the increasing relative importance of small business as an employment and income generator in leading industrialized countries since the mid-1970s, does not deal systematically with the contribution of regional culture to entrepreneurship. The analyses he presents are generically economic, using either statistical measures of aggregate economic activity or the case study approach to highlight economic processes that can be lost in aggregate studies. When words and phrases such as “cultural” or “socio-cultural setting” are used, they are generally presented gratuitously in conclusion statements that serve to draw economic variables into a regional picture (Storey, 1985:40, 97).

Sandberg (1986), in New Venture Performance, focuses on investigating the factors that contribute to the success or failure of new businesses and their founding entrepreneurs and presents a conceptual framework for understanding new venture performance. This framework views new venture performance as “a result of the concentration of strategy, industry structure, and the entrepreneur” (Sandberg, 1986:1). The author draws on the academic literature in economics, entrepreneurship research and strategic management to develop his conceptual framework and notes the limitations of this literature. Industrial organization economists who employ an industry-level frame of reference and econometric research methods are said to have usually overlooked the entrepreneur as a unit of analysis (p. 5). Entrepreneurship scholars are seen to have employed psychological methodology and not to have established a causal relationship between psychological variables and new venture performance (p. 5,42). Experience, however, has been related to entrepreneurial success, and Sandberg suggests that there are important skills that can be acquired. Strategic management research is held not to have contributed significantly to the analysis of new venture performance, but rather to have concentrated on established businesses and their problems. Sandberg does note, however, that management literature is less apt to portray entrepreneurs as performers of functions (the economist’s view), and more likely to treat them as people (p. 33-34). Management literature is said to reveal more of “the tradeoffs among values that animate the somewhat austere, functional portrayal favoured by many economists” (p. 33). Within Sandberg’s analysis the key characteristics of entrepreneurial success are prior entrepreneurial and start-up experience, managerial experience in related industries, age and education (p. 75-77). Cultural background of the entrepreneur is once again not included in the equation.

We thus come to an interesting juncture: it would appear that economic development economists like Higgins and Higgins (1979), with the support of anthropologists like Geertz (1963) and Firth (1969), advocate a strong role for understanding and working with cultural factors in the development process; contemporary venture capitalists, industrial organization economists and strategic management academics (Silver, 1983; Storey, 1985; Sandberg, 1986) argue for a more functional definition of the entrepreneur. He or she is apt to be portrayed more as a skill-set or successful practitioner, conditioned solely by experience, age and education.

Viewed from another angle, economic development practitioners with Third World experience in traditional microeconomies have often had direct experience with cultural barriers to development; development practitioners in the industrialized macroeconomies of the First and Second worlds seem to view their disciplines as largely acultural. Consequently there may be a tendency to downplay or disavow the role of culture in the economic development efforts of North American aboriginal peoples.

THE UNIFIED APPROACH

At the 1969 Stockholm conference, the United Nations Expert Group on Social Policy and Planning in National Development called for a new approach to development planning, one that would view development as a total societal process (Higgins and Higgins, 1979:151-152). The term “unified approach” was coined in Stockholm to describe integrated development, combining economic, cultural and environmental considerations. This approach views development as a holistic process and within its purview includes such factors as nutrition, health, the built environment, the physical environment and the social environment (including culture, public participation in decision making and social justice).

At its very core, the unified approach decrees the failure of technocratic, unidimensional economic planning and argues for the inclusion of human factors in the development process. Higgins and Higgins (1979:139-140) suggest that the best way of understanding this process is by critically reviewing case studies of its application. By way of example they describe the Pahang Tenggara project in Malaysia, where the unified approach was implemented in the early 1970s (p. 218-224). Their analysis of this project sets out important concepts for potential replication in other development projects.

THE PAHANG TENGGARA PROJECT

The Pahang Tenggara project was created by the Malaysian government to give Malays a chance to participate more fully in the commercial and industrial life of their country, to provide equal economic opportunity and to create employment. In concept it involved comprehensive development of an almost empty region on the east coast of Malaysia. The project was really inspired by the economic success of Chinese and Indian Malaysians in the industrial economy of the country and the corresponding economic marginalization of indigenous Malays in the agricultural and government administrative sectors.

Four interlocking objectives were selected for the project: 1) maximizing the growth of per capita income for indigenous Malays, 2) maximizing the contribution to reduction of unemployment, 3) maximizing the contribution to the ecological harmony of the region, and 4) maximizing cultural enrichment of the Malays in the project region. All four objectives were to be included in any project planned for the region. From the Malaysian government’s perspective, objective 1 was to be strictly evaluated in terms of internal rate of return on investment and total income generated for indigenous Malays; objective 2 was to be evaluated on the basis of number of jobs created per million dollars of investment; objective 3 was to be evaluated on the basis of indirect measures closely related to the objective (because direct measurement was deemed imprecise);
and objective 4 was evaluated in terms of amount of employment created in "rare" services (recreation and cultural activities, education, etc.). The premise underlying the evaluation of objective 4 was the expansion of individual opportunity and choice through urbanization. While significant achievement along all four project goals was expected, the quality of transition to the new way of life was also carefully watched, and support was given to institutions of transition, such as schools, community centres and recreation facilities.

Every project idea submitted for consideration in the Pahang Tenggara development was rated against the four objectives outlined. The final choice of individual projects (e.g., lumber milling, ranching, construction of fish ponds, encouragement of poultry farming) was taken by classifying all proposed projects in terms of their contribution to each of the four objectives. A simple matrix demonstrates this process (Higgins and Higgins, 1979:224), where "N" signifies employment, "I" income, "C" cultural enrichment and "E" impact on ecology. The letters A, B, C and D have their academic grade equivalents in the assignment of rank.

<table>
<thead>
<tr>
<th>Projects</th>
<th>N</th>
<th>I</th>
<th>C</th>
<th>E</th>
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<tbody>
<tr>
<td>Rubber plantation</td>
<td>B</td>
<td>D</td>
<td>D</td>
<td>C</td>
</tr>
<tr>
<td>Oil palm plantation</td>
<td>A</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Forestry complex</td>
<td>C</td>
<td>B</td>
<td>B</td>
<td>A</td>
</tr>
</tbody>
</table>

Having demonstrated and justified the ranking to government clients, the development planners then left the final choice of project up to the clients. They may assign whatever weights they desire to the individual objectives, and in the final analysis the success of the chosen development project will rely heavily on the government’s commitment to carrying out the plan.

In the next section of the paper the unified approach is utilized to evaluate a Canadian small business start-up in northern Alberta from the perspective of employment creation, income generation, impact on the local environment and cultural compatibility. In this way the four general objectives of the Pahang Tenggara project will be tested in the context of a Canadian case study.

**THE PADDLE PRAIRIE MALL CORPORATION PROJECT**

This case study documents a native entrepreneur’s move from thinking to doing in the business planning, financing, architectural planning, construction, start-up and new product and service development of a next economy small business in a hinterland community, Paddle Prairie, in northern Alberta. The decision to enter small business in the next economy was carefully and deliberately taken over a 30-month period from January 1984 to July 1986, and construction began in August 1986. The Paddle Prairie Mall Corporation, operating under the trade name of Ghostkeeper’s Store, encompassing convenience store and gasoline bar, opened for business 28 October 1986.

**The Entrepreneur**

The entrepreneur whose idea is the subject of this case study is first and foremost Metis. A Metis is defined as a person who identifies with Metis history and culture and is descended from blended Indian and French or Scottish parentage. The entrepreneur was born on the Paddle Prairie Metis settlement in 1947, into a family responsible in large part for the creation of the settlement pursuant to the Alberta Metis Population Betterment Act in 1938 (Weinstein and Ghostkeeper, 1982:7). His youth was spent on the family farm, a mixed livestock and grain operation. Under the direction of his father and community elders the entrepreneur learned the aural history of the Metis people and developed a healthy respect for what he terms “Metisism” (Weinstein and Ghostkeeper, 1982:iii). Metisism is quite simply the cultural identity shared by the Metis in Canada. Today it has found expression in sections 35(1) and (2) of the Constitution Act, 1982, and is viewed by the entrepreneur as a distinct Canadian political identity, incorporating rights to Metis social, cultural and economic development.

After completing his junior and intermediate grade schooling on the settlement, the entrepreneur attended high school, technical school and university in Edmonton. He is bilingual in Cree and English, holds a diploma in civil engineering technology and a B.A. in cultural anthropology and political science. Previous career experience includes farming his own land on the settlement, a period as assistant city engineer in Whitehorse, a term as president of the Alberta Federation of Metis Settlement Associations and an ongoing consulting practice for both industry and native organizations, focussing on public participation in resource development and Metis constitutional policy development. The entrepreneur’s volunteer experience is equally broad and is directed to the support and development of Metis cultural, education and employment issues.

In choosing to leave a career increasingly associated with Metis rights and their provincial and national expression, the entrepreneur has returned to his roots on the settlement. The decision to go home was taken to enable the creation of a small business, to provide security for a growing family (adopted twin boys and a new baby expected in 1988) and to care for aging parents. In returning to Paddle Prairie with his family, the entrepreneur has consciously avoided a small business start-up in what might prove to be a more lucrative (in terms of profits) urban setting (Fig. 1).

**FIG. 1. The entrepreneur opening business for the day at 8:00 a.m.**

**Business Planning**

The business plan was predicated on current development options for the Paddle Prairie Metis settlement and benefited from the entrepreneur’s understanding and knowledge of the settlement’s history. Established in 1939, after the transfer of lands in fee simple to the Metis by the government of Alberta, Paddle Prairie occupies 17 townships, or 1564 km² of land. The
The results of this questionnaire indicated that 80% of all Paddle Prairie transactions take place if a local food store and gasoline bar were established. Consequently, Paddle Prairie and seven other settlements (Fishing Lake, Elizabeth, Buffalo Lake, Kikino, East Prairie, Gift Lake and Peavine) represent the only Metis land base in Canada. Today Paddle Prairie has 1100 members, of whom about 600 live at the settlement full time. The community has a public school (grades kindergarten to 9), several churches, a settlement association office, a post office and a medical clinic. During the years 1940-71 a community general store had existed on the settlement, operated and largely subsidized by the provincial government. It finally closed because of lack of community support.

Since that time community residents have had to rely on the communities of High Level (72 km to the north on the MacKenzie Highway) and Manning (129 km to the south) for a wide variety of retail products and personal services. Consequently, shopping trips to town have been a frequent and increasingly expensive necessity for Paddle Prairie families, costing approximately $15 per return trip by pick-up truck for gasoline alone. Realizing the opportunity to provide retail food and gasoline service to the community, the entrepreneur designed and administered a simple questionnaire (Table 1) to determine the volume of household food shopping and gasoline purchases that might take place if a local food store and gasoline bar were established. The results of this questionnaire indicated that 80% of all Paddle Prairie households (approximately 96 families) would shop locally if prices were competitive with High Level stores.

Taking the next step, the entrepreneur began to conceptualize a business strategy and culture. Realizing that the next economy was predicated on personal service and placed a major emphasis on the hands-on orientation to management, large-scale, impersonal services characteristic of the industrial economy were to be avoided (Hawken, 1983:174-209). The entrepreneur realized from the outset that the relatively small population base of Paddle Prairie would quickly assess the flaws of any new venture and by word of mouth pass on the news. Consequently a premium would have to be placed on service, product quality and product information. As well, Paddle Prairie consumers indicated in their questionnaire responses that they wanted convenience; they did not favour the slow service and the lack of variety traditionally associated with rural general stores. Fast, informal and personal service was desired along with a variety of quality merchandise.

In planning his business culture, the entrepreneur decided to:

- honour community traditions,
- favour taking decisions by consensus,
- have a bias for action,
- serve a community need,
- be responsive to community suggestions, and
- avoid needless services, which add unnecessary cost to products.

While some of the above elements may be shared generally among successful small businesses and represent a form of generic small business culture, they are understood by the entrepreneur as being characteristic of Metis business practices.

Using the next economy model of business development (Fig. 2) proposed in "Native and Local Economics: A Consideration of Economic Evolution and the Next Economy," the entrepreneur developed a community strategy to combine Paddle Prairie culture with corporate culture.

To succeed, the new business would have to appeal to the dominant "Metis way of doing things," an oft-used term in Paddle Prairie to describe how the Metis solve problems differently from Indians or whites. The Metis way is above all practical, self-reliant, action-oriented, conserving of capital and very often brilliant in its simplicity. Its cultural roots lie in the unique blend of Indian, French and Scottish traditions that underlie Metis culture. Developed in the context of the Canadian fur trade and the buffalo hunts on the prairies, the Metis way combines the 18th-century European concepts of civil liberties, the equality of man and democratic rights with the Indian traditions of consensus and respect for the wisdom of elders (Robinson and Ghostkeeper, 1986:11-12). Similarly, it combines mercantile capitalism with traditions of sharing and service to the extended family and community. Forged in the process of Metis expansion from Manitoba to the Northwest Territories, the Metis way is a hybrid of the bush economy and the fur trade.

Given that the old Paddle Prairie government-sponsored store had failed, a new venture would have to profit from the old store's experience. The old store was run by a government employee from off the settlement; it met government standards for mark-ups and service and it stocked goods selected by bureaucrats. The entrepreneur would have to deal with the stigma still associated with the old store. He decided in the business planning process to cater to individual customer needs, to exemplify the notion of convenience and to rely on his knowledge of settlement life in deciding just what services and products to offer. Catering to the Metis tradition of entrepreneurship, the new store would have to demonstrate self-reliance;

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**TABLE 1. Paddle Prairie Mall Corporation Market Analysis**

**DATE:** January 1984  
**PLACE:** Paddle Prairie Metis Settlement

**SURVEY QUESTIONS:** Presently our settlement spends almost all of its income in other communities. This deprives settlement members of business and employment opportunities. This survey is to determine if a general store and gas bar would be successful in getting your support if they were established here by a settlement member.

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
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<tbody>
<tr>
<td></td>
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<tr>
<td>1.</td>
<td>Do you think the settlement should have a general store?</td>
</tr>
<tr>
<td></td>
<td>2. Do you think the settlement should have a gas bar selling regular and unleaded gas?</td>
</tr>
<tr>
<td></td>
<td>3. Would you support a general store and gas bar by buying groceries and gas there?</td>
</tr>
<tr>
<td></td>
<td>High Level Manning Others</td>
</tr>
<tr>
<td>4.</td>
<td>Presently where do you do most of your shopping?</td>
</tr>
<tr>
<td>5.</td>
<td>Approximately how much money do you spend in a week in other communities on food?</td>
</tr>
<tr>
<td>6.</td>
<td>Approximately how much money do you spend in a week in other communities on gas?</td>
</tr>
<tr>
<td>7.</td>
<td>If the settlement had a general store and a gas bar how much do you think you would spend there each week?</td>
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**THANK YOU**
it would have to be run as a profit-making venture, with no expectation of government operating subsidies or bailouts; its corporate culture would have to embody the Metis way of doing things in Paddle Prairie.

**Financing**

Having chosen the type of new business venture and conceptualized a corporate culture appropriate to the community, the entrepreneur began to seek start-up financing. An important first step was the legal incorporation of the Paddle Prairie Mall Corporation. Rather than start out with full personal liability, the entrepreneur chose to incorporate with two types of share offerings — Class A voting and Class B non-voting shares. At the outset he and his spouse each purchased Class A voting shares in the company. In the next economy model proposed by the authors, Class A voting shares are limited to individual members of the community. No age limit for ownership exists, and purchase is limited only by the size of the initial offering. Class A voting shares may pay annual dividends at the option of the board of directors of the company.

Class B non-voting shares differ from Class A voting shares in that they are offered only to corporate entities, both within and outside of the community. At the option of the board they may also pay annual dividends. They are redeemable by Class A shareholders however, and they do not entitle the shareholder to a vote at the corporation’s annual general meeting. This share structure ensures that local people as individuals (Class A voting shareholders) do not lose control of the corporation to local or external corporations.
A detailed business plan document was prepared by the entrepreneur and circulated to potential individual investors in Paddle Prairie Mall Corporation, once again according to the next economy model. A Class B share offering with prospectus was prepared for potential corporate investors, including government economic development funds (e.g., the Canada/Alberta Northern Development Subsidiary Agreement, the Native Venture Capital Co. Ltd. of Alberta and the Native Economic Development Program of Canada) and private sector corporations. A basic decision underlying the localized and external funding was to use typical northern Alberta farm design elements: a covered front porch, a barn slope roof and wood frame construction. The interior was to be open plan, contain public space for resting and eating and be well lit with both natural and overhead lighting. The chosen colour scheme was to feature Metis reds, yellows, greens and blues in order to reflect the bold traditions of Metis dress (the sash particularly) and bead work. The building was also to contain a suite for the entrepreneur’s family and be amenable to additions as the mall concept was fully developed.

Armed with these program instructions, the architect went to work and developed an initial design for client review in June 1986. This design was costed out at roughly $140 000 — $80 000 more than the construction budget given in the business plan. With the removal of the family quarters, the store building was brought down to budget limits and the decision was taken to begin construction. For the time being the entrepreneur and his family would live with his parents on the settlement.

Construction

In keeping with the Metis way of doing things, the entrepreneur became the contractor on the construction site and negotiated all major orders for framing lumber, trusses and related construction materials. The entrepreneur contracted local Paddle Prairie excavators, carpenters, roofers, dry wallers and painters and himself acted as a work crew member during construction. At the end of each work day, he used his Sony Video 8 camera to keep a video tape documentary of construction progress, in order to prepare a construction video for the benefit of other Metis settlements and entrepreneurs. By playing a central role in all construction decisions, the entrepreneur was able to maximize his budget control, maintain architectural control, motivate the workforce and physically participate in the building of the store by contributing sweat equity. This holistic approach to construction is typical of new building starts in Paddle Prairie and further reinforced the linking of corporate culture with community culture. Construction began in August 1986 and was finished by the end of October, on time and on budget (Fig. 3).

Start-up

The Paddle Prairie Mall Corporation opened its doors on 28 October 1986, under the trade name of Ghostkeeper’s Store. The start-up was a major community event, with games provided for children and a barbecue and horseshoe tournament for the community. In keeping with the corporate philosophy of no debt and self-reliance, there was no money in the cash register when the doors opened for business. The first customers had to pay...
cash in full for their purchases. Prices, where possible, were rounded off to even amounts to avoid having to produce awkward amounts of small change. A tight credit policy was extended on day one, in sharp contrast with the old government store, which served to reinforce the difference in operating policy. The entrepreneur did not wish to be viewed as part of the old northern store system, which extended liberal credit beyond the capacity of the local economy to repay and consequently forged a master-servant relationship between store and consumer.

Ghostkeeper’s Store opened with considerable technological support. The gasoline bar has four pumps, featuring regular and unleaded gasoline, lubricants and automotive parts. It is a self-serve operation (once again the Metis way) and is monitored by a computer. The store’s cash register is the latest computerized model and provides hourly and daily sales reports for each department and a daily sales total at the touch of a button. The most modern walk-in coolers and freezers were installed, which enable the supplier to deliver and stock goods himself. The store’s computers all feature quick repair component replacement systems. Microchip monitors blink to indicate problem circuits, and new components are ordered for next-day bus freight delivery from Edmonton. Rather than import a southern service technician, the entrepreneur orders a new circuit board component and replaces it himself. The entrepreneur notes that the Metis have always been quick to adapt to new technology, whether it was the repeating rifle, the outboard motor or the computer. In deliberately outfitting the store with the latest technical innovations, the entrepreneur was demonstrating to the community his awareness of new efficiencies, his capability of using them and his self-reliance in repairing them. In this way both the technical innovations of the next economy and the Metis tradition of responsiveness to appropriate new technology were combined for the community’s benefit.

The store is open from 8:00 a.m. to 10:00 p.m., seven days per week, and the staff works two shifts: 7:30 a.m. to 3:00 p.m. and 3:00 p.m. to 10:30 p.m. Once again following the next economy model, the store opened with a training policy and plan in place and four full-time employees and two part-time employees in training. All six new employees were residents of Paddle Prairie who previously were only seasonally employed or unemployed. Under the employee training plan all employees receive a three-month assessment of their progress. Career advancement from clerk to assistant manager (from operations to administration) is envisioned for those who have demonstrated capabilities and the desire to advance. While the presence of increasingly well-trained clerks and administrators is good for Ghostkeeper’s Store, it is also good for the community. Developing employees also develops aspirations of ownership, and the entrepreneur hopes that some of his better employees will also develop and implement new business ideas in Paddle Prairie — even competitive businesses. Via the next economy model, it is also open to employees to purchase Class A shares in the company, promoting an understanding of localized share offerings, profit-and-loss statements and dividends.

At the end of November, after one month of operation, Ghostkeeper’s Store was still in the red; by the end of December, however, the business was showing a profit. This trend continues to the point of this paper’s publication (some 23 months), setting an enviable record for a new Canadian native-owned business (for any small business, for that matter). The one personal loan utilized in start-up has now been paid off by the corporation, and the entrepreneur is deciding whether or not to redeem the Class B non-voting shares issued to the Native Venture Capital Co. Ltd. He is also working on new product and service development.

**New Product and Service Development**

Two months into operation, with the profitability of existing services established, the entrepreneur began developing some new services and products for customers. The first additions to gasoline, groceries and fast foods were video recorder and tape rentals. Video recorders are becoming a standard household fixture in northern Alberta, and Paddle Prairie is no exception. A contract was negotiated with a southern video tape supplier, and a wide range of titles (including some restricted ones, which are kept behind the counter) are now available at Ghostkeeper’s Store.

Next to follow, after a protracted three-and-one-half-month negotiation, was a contract with Greyhound to function as the Paddle Prairie bus depot and freight office. Previous to this contract, bus passengers had to wait for the bus, exposed to traffic and elements, on the shoulder of the Mackenzie Highway. Bus freight had to be picked up in Keg River or was tossed at the side of the highway for local pick-up.

A magazine and pocket book section was added next, allowing the store to cater to local readers of all ages. The entrepreneur consulted his customers before ordering the first shipment and was sensitive to community interest in westerns and adventure stories. A small selection of children’s colouring books and general youth literature was also provided. Magazines proved poor sellers, however, and the entrepreneur has stopped stocking them. This decision was an important lesson in customer demand and actual customer ability to support such a demand. A smaller selection of pocket books and children’s literature has been maintained and has recently been supplemented with cassette tapes.

A suggestion box was installed in the store to gather community opinion on quality of service, merchandise and needs and has resulted in several more recent developments. A newsletter, the *Tamarack Post*, is now being produced on the entrepreneur’s computer printer for Paddle Prairie residents. The newsletter is printed bi-monthly, is free and contains store and community news. It is Paddle Prairie’s first and only newspaper.

After 11 months of operation, the entrepreneur added a laundromat in October 1987. This service is advertised locally as “Dirt Busters Laundry” and features seven washing machines and eight dryers housed in a second-hand Atco commercial trailer unit (Fig. 4). Since the laundromat commenced operation it has been a steady performer and is forecast to pay for itself in a
In the twelfth month of operation the entrepreneur incorporated Sundog Tipis and commenced operations in an unused section of the trailer unit. With eight orders for $700 teepees in hand, he purchased a heavy-duty sewing machine and began work. The pattern he uses incorporates Metis traditional design elements and new innovations, such as velcro vent and smoke hole fasteners. As the order book fills up, local employees will also be brought into this business on the same terms as those employed in the store.

Another venture in the planning stages is the potential manufacture on the settlement of Metis capots. The capot is a well-cut men's long winter coat, which was originally fashioned by Metis women for use in the buffalo hunt on the southern plains. Once again the entrepreneur plans to adapt a traditional Metis design for broader distribution to the local and external markets. Paddle Prairie women with sewing skills developed in the tepee project could form the nucleus of a Paddle Prairie capot company initially capitalized by the entrepreneur.

**Financial Status of the Paddle Prairie Mall Corporation at the End of Year One**

Upon the completion of one year's operation in November 1987, the Paddle Prairie Mall Corporation had met all operational costs and issued dividends to investors. It is now up to the entrepreneur to decide whether or not to offer to redeem the issued Class B shares or retain the external equity investment.

As the business plan continues to evolve, the aptness of the legally registered corporate name, Paddle Prairie Mall Corporation, becomes more and more apparent.

**DISCUSSION**

In Ghostkeeper's Store's evolution skeptics and supporters alike have evidence of the successful implementation of a next economy business in a northern native community. In their previous paper detailing the appropriateness of fit and significant parallels between the social and administrative aspects of the bush and next economies, the authors have argued that northern native entrepreneurs should be well equipped to develop their own service and information businesses. It has further been argued that to the degree these businesses are locally owned (by either a sole entrepreneur, family or localized group of shareholders), profits will be recirculated in the immediate region, management decisions will be made by local residents and local expertise will be developed for local application. As this paper has demonstrated, profits are being generated and recirculated in Paddle Prairie, community dollar leakage is being stemmed, management decisions for Ghostkeeper's Store are made locally, and local expertise is being developed for existing and potential new business application. All of this has been accomplished within one year of business start-up, and entrepreneurial energies are now being directed at a series of new local business ventures for year two.

As an entry point to a unified approach analysis of the case study, the authors note the emergence of a significant triad in the creation of the Paddle Prairie Mall corporation (Fig. 5).

**A Unified Approach Analysis**

We have seen in the earlier discussion of the unified approach the interlocking presence of four objectives: maximizing the growth of local per capita income, maximizing the contribution to reduction of unemployment, maximizing the contribution to regional ecological harmony and maximizing cultural enrichment of indigenous people in the project region. As described by Higgins and Higgins (1979), unified approach planning is a tool for making major decisions about economic development on a wide regional scale; it is not presented as a tool for small business planning. Nevertheless, when the Paddle Prairie Mall Corporation is reviewed in a unified context, its integrated contributions to the community become more apparent.

Higgins and Higgins (1979:224) have provided a simple matrix to set out the analysis, where “N” stands for employment, “I”
for income, "C" for cultural enrichment and "E" for impact on ecology. Evaluations are presented utilizing the letters A, B, C and D; these letters have their academic grade equivalents:

<table>
<thead>
<tr>
<th>Project</th>
<th>N</th>
<th>I</th>
<th>C</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paddle Prairie Mall Corporation</td>
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Regarding N (employment), we have seen that the Paddle Prairie Mall Corporation has created five person years of new employment in Paddle Prairie. These new positions now include the entrepreneur and his wife as co-managers and three clerks.

It is worthy of note that by the entrepreneur’s estimate, 80% of the salary costs for the five person years of employment are provided by settler cash flow. Roughly 20% of salaries are generated by off-settlement highway traffic. No community public funds from the settlement association or the Alberta Federation of Metis Settlement Associations were utilized in the project. In essence the Paddle Prairie Mall Corporation is contributing to the creation of locally sustainable employment, and there is the potential for more new job creation through the Sundog Tipi Company. At present the Paddle Prairie Mall Corporation is one of the three largest employers on the settlement. From the perspective of Paddle Prairie residents, their community now has a small business capable of providing new employment and sustaining itself over the long term.

Regarding I (income), the Paddle Prairie Mall Corporation is currently generating $40,000 in total annual wage income for the three clerks who are Paddle Prairie residents. The entrepreneur and his wife do not pay themselves wages, preferring instead to make shareholder drawings on the advice of their accountant. Prior to the start-up of the store, this annual local income did not exist, and arguably these monies were spent by settlers shopping in either High Level or Manning. Well over $40,000 that once leaked from the community is therefore now retained by local residents.

Regarding C (culture), the entrepreneur has made conscious efforts to meld his small business culture with community culture. Given that Paddle Prairie is a Metis settlement and part of the only Metis land base in Canada, the community culture is especially Metis. In the entrepreneur’s mind, he and his business exemplify both contemporary Alberta Metisism and the Metis way of doing things. When asked to enumerate the Metis elements of his business success, he lists:

- the Metis tradition of entrepreneurship in the native sector;
- consensus approval of the settlement council for implementation of the business plan;
- the conscious focus on self-reliance in planning, financing, construction and implementation of the business;
- the conscious focus on self-service in the gasoline bar, store, bus depot, fast food outlet and laundromat;
- personal service by a fellow Metis in Cree and English if required;
- potential sharing of company profits among community investors;
- utilization of appropriate new technology alongside traditional technology (e.g., using heavy-duty sewing machines to make teepees);
- the promotion of community ambience in the business (e.g., Metis architectural design elements, public space to sit down and chat over coffee, the provision of a community horseshoe pitch); and
- the reliance on extended family members for construction, operations and maintenance services.

While some of the above elements of business success are arguably shared by other cultures, the entrepreneur understands that they make particular sense to the Metis community and states that ignorance of their existence at the community level would make the start-up of other new ventures problematic in Paddle Prairie.

As anthropologist Raymond Firth has noted (1969:25), the issue is not so much that people in different societies differ widely in individual motivation, it is that their relative cultural frameworks must be taken into account when planning for economic development. The personal Metis touch, whether it be manifested in Cree-English bilingualism, design motifs or the innovative production of traditional products, counts for a great deal in Paddle Prairie.

Regarding E (ecology), it is difficult to rate the store’s success in contributing to or enhancing the local natural environment. We have discussed the efforts made to fit the building architecturally into the community built environment. The store does not ape urban franchise convenience store design, nor does it resemble a Bay store. Ghostkeeper’s Store is a Paddle Prairie store by design.

Given that Paddle Prairie requires a store, gas bar, fast food outlet and laundromat, all segments of the business meet local demands for service. They are not non-conforming in terms of local acceptability of small business ventures. From the authors’ perspective, no Metis principles of environmental stewardship have been violated by the current grouping of businesses run by the entrepreneur. The store is constantly tidied, the gas bar operation is carefully maintained, the laundromat is washed clean every night and the entire operation is essentially non-polluting. The surrounding grounds have been upgraded from ploughed fields to grassy parkland and contain benches, tables, a horseshoe pitch and a teepee in summer.

**Grade Assignment and Justification**

Returning to the matrix presented earlier, the authors have assigned the following grades:

<table>
<thead>
<tr>
<th>Project</th>
<th>N</th>
<th>I</th>
<th>C</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paddle Prairie Mall Corporation</td>
<td>A</td>
<td>A</td>
<td>A</td>
<td>B</td>
</tr>
</tbody>
</table>

The grade assignments for N and I are justified in terms of new job and income creation and the stemming of employee drift and dollar leakage off the settlement. In straightforward business terms, the Paddle Prairie Mall Corporation is an objective success: new jobs have been created, wages are being paid and profits are being made and recirculated in the community.

In terms of grading cultural enrichment associated with the new business, the authors have reviewed the premise utilized to evaluate C in the Pahang Tenggara project, namely the expansion of individual choice and opportunity and the quality of transition to a new way of life. Certainly the Paddle Prairie Mall Corporation has expanded individual choice in terms of new employment opportunities for local people. As well, school children on the settlement now have new role models (next economy entrepreneurs and employees) and potential careers to assess. Many adult settlers take pride in their new community store. That it is run by a local son who forsok the attractions of the urban South has considerable community significance.

However, cultural enrichment stemming from the new business goes deeper than expanded choice and opportunity. Local
acceptance of the store and its ancillary services is a delicate process. Any hint of overcharging, maltreatment of staff or otherwise inappropriate behaviour by community norms would quickly be registered in Paddle Prairie. While substandard corporate behaviour might be expected (if not tolerated) from an outsider, a fellow Metis settler faces a much higher standard of service expectation and performance. By consciously incorporating the Metis way of doing things into the corporate culture, the entrepreneur has worked to both entrench and ensure community acceptance of his business. That he is succeeding by objective measures (i.e., profit) is a good indication of his subjective success as well.

As we have already noted, it was most difficult to assess E in the context of this case study. This was also the case on the Pahang Tenggara project. Inevitably, as authors we were influenced by the perceived compatibility of the business culture with Paddle Prairie community culture. Given that the community places a high premium on environmental stewardship, the business would not succeed if it were seen to pollute the settlement or undermine ecological stability. Consequently a grade of B was assigned, reflecting a lack of objective certainty but a feeling of subjective community support.

Replication of the Unified Analysis

It remains to be seen to what degree the experience of a Metis entrepreneur on a Metis settlement in the mid-North can be generalized to new venture creation in more northerly communities. Given that the Metis presence extends downstream to the Mackenzie River delta communities of Fort McPherson, Aklavik, Arctic Red River and Inuvik, there are many communities and potential and existing small business ventures where the unified approach analysis could be replicated. An incentive for this process to occur is the prevailing Mackenzie Valley folklore about several successful Metis businessmen. The question is, do they also exemplify the Metis way of doing things, or is their success simply another North American reflection of prior managerial experience, innate acultural entrepreneurial flair and education?

At the level of cross-cultural replication, another series of questions remains. Can the next economy model (Fig. 2) be applied in non-Metis native communities? Does the Metis way of doing things have an Inuit or Indian analogue? Is the next economy the preferred sector for native economic development generally? It would appear that there is significant scope for further research.

CONCLUSIONS

By way of a final commentary on the unified approach, it is clearly one technique of evaluating economic development opportunities that forces a consideration of non-traditional factors. As the authors’ review of contemporary economic development literature indicates, there seem to be two schools of thought on the determinants of small business success: one holds an important role for sociocultural factors; the other does not. Analysis of development potential from the unified perspective at least demands a consideration of the contributory roles of culture and ecology. In the case of the Paddle Prairie Mall Corporation, a unified analysis reveals more than a simple triumph of small business profit. Other factors are clearly at play, and they underline the utility of the Metis way of doing things. This way is above all things holistic and draws upon its historic development in the context of the Canadian fur trade. The Metis way, born of the bush economy, is arguably an indigenous Canadian variant of the unified approach.

ACKNOWLEDGEMENTS

The authors wish to acknowledge an intellectual debt to the late Jim Boulding, a next economy entrepreneur of long standing at his Strathcona Park Lodge and Outdoor Education Centre on Upper Campbell Lake on Vancouver Island. By making a comprehensive commitment to living his philosophy of service through outdoor education, Jim Boulding showed thousands of students and guests how to build careers and employment on personal values linked to conservation and environmental stewardship. It was very much his dream that native people could return to their reserves and settlements and “grow their own jobs” in tourism, retail services and renewable resource development.

REFERENCES


