

# Appendix

## **THE CORPORATIST ECONOMY**

Some readers will object to the phrase “corporatist economy”, since markets are strong in these economies, and corporatist entities hardly have full control overriding market signals. But economies don’t come in pure forms and the corporatist label is useful in distinguishing these economies from even more market-oriented economies, such as in the United States, where corporatist bodies have little or no influence over market signals.

Of course, there are other types of economies. The state-managed economy, under many different guises, has never experienced anything than long-term failure, sometimes preceded by short-term success. A less extreme form of state-managed economy is one where government agencies attempt to get around markets, either by direct state investment or through subsidies to selected businesses which agree to make the investments the state wants. Thus, state activity either supplements or replaces the profit motive. To some extent, this characterizes economic policy in Atlantic Canada, the subject of *Retreat from Growth: Atlantic Canada and the Negative Sum Economy* (McMahon 2000).