

Two Plus Two Equals Five: Why Toronto's Waterfront Defies the Federal-Provincial-Municipal Equation (and What it Means for the Study of Multilevel Governance)

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*"Toronto's waterfront has been everyone's, but no one's, business for
over 150 years."*

— McLaughlin (1987, 19)

Scholars of urban governance in North America often discount the role and influence of multiple levels of government in local affairs. Many of the field's canonical works, largely derived from the US experience, centre on the dominance of private development interests or local political alliances (Logan and Molotch 1987; Stone 1989). Neil Brenner (2009) recently described this epistemological tendency in the American literature as a form of "methodological localism." All too often, argues Brenner, national or extra-local considerations are inappropriately and unjustifiably taken as self-evident background conditions for the study of urban politics, rather than suitable subjects of study in themselves.

Scholarly advances in recent years have slowly unhinged such parochialism. Several observers have actively investigated the nested characteristics of urban policymaking within the US federal system (Smith 2010; Krause 2011), while in Canada, the SSHRC-funded MCRI project on public policy in municipalities has helped spark numerous volumes of research more attuned to existing intergovernmental dynamics (see *Public Policy in Municipalities* 2005; Carroll and Graham 2009). Federalism scholars, meanwhile, have grown more comfortable abandoning the field's classical models, both in Canada and abroad (Steytler 2009). It is now generally agreed that many of today's most pressing urban problems cannot be understood as the sole domain of a single,

distinct order of government. Coordination across different scales is now seen as both necessary and desirable as a normative goal. The thriving European literature on “multilevel governance” (Hooghe and Marks 2003; Bache and Flinders 2004a) is a testament to this outlook, which has gradually been translated to the Canadian experience by a handful of urban scholars (Bradford 2004; Bradford 2005; Leo 2006; Young and Leuprecht 2006).

That said, many questions regarding the utility of multilevel governance as a theoretical framework remain unanswered. Here, I focus on two in particular. The first revolves around the temporal limits of the concept. The European literature suggests that multilevel governance (MLG) is a relatively new political phenomenon, the outgrowth of EU integration beginning in the late 1980s. Canadian applications often presume a similar storyline. But in truth, few scholars have examined the temporal aspects of multilevel governance in any great detail.¹ We are left to wonder, for example, whether the analytical framework underpinning the MLG literature has greater historical utility than currently accepted. Is it possible, for instance, to pinpoint the emergence of MLG in Canada? When exactly did it become appropriate to reconsider urban governance in Canada within the ambit of MLG as opposed to strictly “intergovernmental relations”? The literature does not explicitly address this line of inquiry. As I argue below, it may well be that multilevel arrangements constitute a longstanding feature of federal-provincial-municipal relations in Canada.

The second question concerns the literature’s foundational assumption that multilevel governance generates qualitatively better policy outcomes. Here, I concur with Peters and Pierre (2004) that this assumption should not be taken for granted. Inevitably, there are myriad examples of intergovernmental arrangements that are wholly *dysfunctional* — what may even be described as cases of multilevel *non-governance*.² The literature, however, is relatively quiet on this topic. What are the characteristics of intergovernmental dysfunction in multilevel systems? And how do these features relate to the established literature on multi-level governance?

This paper is an attempt to probe these analytical questions using the case of waterfront redevelopment in Toronto between 1960-2000. Toronto’s central waterfront encompasses some 3,700 acres, an area roughly double the size of the city’s central business district. As of 2000, over 80% of these lands remained in public ownership, a degree of public control unparalleled in North America. Yet historically, these assets have been dispersed across a maze of public agencies, corporations, and authorities — at one point numbering as high as 100 (Royal Commission on the Future of the Toronto Waterfront 1992, xxi) — either nested within the four levels of government,³ or in the

¹ Papadopoulos (2005) hints at this gap in the European context, but leaves others to investigate further.

² I borrow the term multilevel non-governance from remarks made by Clarence Stone at the 2009 meeting of the Canadian Political Science Association (Ottawa, May 27, 2009) in a workshop on American and Canadian perspectives on cities and multilevel governance.

³ While recognizing that metropolitan and municipal governments are generally considered as a single level of government for the purposes of studying intergovernmental relations in Canada, I distinguish between the former Municipality of Metropolitan Toronto and the former City of Toronto (pre-amalgamation) based on a careful reading of their respective policy decisions over the course of my study period.

unique case of the Toronto Harbour Commission, operating almost completely outside the conventional federal hierarchy. The result has been decades of institutional inertia and policy gridlock, with thousands of acres of waterfront land still underutilized or undeveloped.

Drawing from the Toronto case, my objectives are modest: first, to call attention to the ungrounded assumption that MLG is a recent phenomenon; and second, to challenge standard interpretations which presume that MLG necessarily produces optimal outcomes. By demonstrating how prevailing institutional dynamics served to obstruct waterfront redevelopment efforts in Toronto over a four decade span, the paper also sheds light on the political goals that have defined each level of government's urban agenda over time — observations which I believe challenge conventional interpretations of federal, provincial, and municipal jurisdiction in Canada.

The paper is divided in two sections. Part one reviews the literature on federalism, intergovernmental relations, and multilevel governance, both in international and Canadian contexts. Against this backdrop, part two investigates the historical influence of multiple orders of government in Toronto's waterfront saga. I conclude by reflecting on the implications of the Toronto case for the study of multilevel governance in Canada. Insights are drawn from ongoing doctoral research investigating the broader political history of waterfront planning and development in Toronto. Data is based on documents consulted at respective municipal, provincial, and federal archives as well as twenty interviews conducted thus far with past and present politicians, political staff, and bureaucrats at all levels of government, as well as several urban planners and designers, architects, journalists, and community representatives long involved in waterfront issues.

Intergovernmental Relations and Multilevel Governance: Concepts and Principles

Just as urban political scholars often downplay the role of senior levels of government in the practice of local politics, the study of Canadian federalism and intergovernmental relations is similarly myopic, albeit in reverse, consistently trivializing the role of cities and municipalities in the Canadian federal system. Historically, the constitutional supremacy of provinces in municipal matters has isolated the study of cities from a generation of federalism scholars preoccupied with more traditional intergovernmental concerns, such as the decades-long national unity crisis (Cameron and Krikorian 2002). Local and municipal politics have in large part been viewed only as subordinate to and derivative of classical federal and provincial dynamics (Eidelman and Taylor 2010).

This classical model of federalism is premised on a clear division of powers and functions between two strict orders of government. As Steytler (2009, 393) explains, “local government [is] typically placed within the sole jurisdiction of the states [provinces], excluding any direct federal interference. Local governments [are] mere creatures of states, existing at their will and having no independent relations with the federal government.” This dyadic model prevails not only in Canada, but also the US,

Switzerland, and Australia. Indeed, few countries around the world afford constitutional recognition of any kind to local governments.⁴

Paradoxically, then, one might conclude that while Canada could be considered one of the world's most decentralized federations in terms of federal-provincial relations, it remains one of the most centralized in terms of provincial-municipal relations (Simeon and Papillon 2006, 110). The types of "collaborative" mechanisms (Cameron and Simeon 2002) that underpin contemporary federal-provincial relations in Canada (first ministers meetings, entrenched bureaucratic dialogue) have no equivalents in the realm of provincial-local relations. Accepted wisdom dictates that "the essence of the system remains unaltered: the provincial governments control municipalities and what they do" (Young 2009a, 107). The federal government, by this account, has had little say over local affairs for several decades (Berdahl 2006, 30; Sancton 2008, 317-321; Stoney and Graham 2009, 392; Young 2009a, 115) — the only major exception being housing policy (Hulchanski 2006). Such restraint has often been attributed to the provinces' protective stance on local matters, which routinely provides federal actors a comfortable excuse to abstain from action, though the full extent of these hurdles has been difficult to diagnose (Wolfe 2003; Young and McCarthy 2009).

All this being said, there are signs that conventional governing frameworks have begun to evolve. Even in countries where states continue to dominate local affairs, local governments in many countries have gradually achieved moderate gains in both fiscal and administrative authority. Direct relations between federal and local governments are also increasingly being forged (Steytler 2009, 393, 407-408). The Canadian experience is said to be following the international trend. The role of local governments in Canadian intergovernmental relations, though limited, is more fluid than ever before — operating along a continuum from no formal relations (that is to say, as an interest group), to a mix of formal and informal relations, and in the rarest of circumstances, full and equal partnerships — spurring recent academic interest in the concept of multilevel governance.

The term multilevel governance was first utilized to capture the nature of EU structural reforms initiated in 1988, which seemed to challenge prevailing state-centric depictions of European integration (van Kersbergen and van Waarden 2004).⁵ The standard two-level (national and supranational) model of European governance was being undercut by apparent decentralization and diffusion of authority to other levels of decision-making, such as subnational territorial units, supranational interest groups, and nonstate actors. The term "multilevel" in this sense thus referred to the growing *vertical* interdependence of governments at different territorial levels, while "governance" referred to a related *horizontal* interdependence between governments and *non-governmental* actors (Bache and Flinders 2004c, 3).

Hooghe and Marks (2003) have since refined this definition into a typology of MLG activity. Type I governance systems involve durable governmental jurisdictions nested

⁴ Important exceptions include Germany and Spain, which enshrined principles of local self-government in the German Basic Law and Spanish Constitution in 1949 and 1978, respectively.

⁵ Since this time, other scholars have come up with a variety of alternative nomenclatures, including: "multi-tiered" governance, "polycentric" governance, "multi-perspectival" governance, conditions of "functional, overlapping, competing jurisdictions" (FOCJ), and "spheres of authority" (SOA).

within one another. The Canadian federal system — hierarchical in nature, with municipal authority nested within provincial jurisdiction, and provincial authority nested within the sovereign power of the nation-state — qualifies within this category, as does the EU's more complicated representative system of supra- and subnational bodies, which accommodates up to six territorial units of government. Type II governance systems, by contrast, involve more flexible arrangements wherein governmental or non-governmental bodies (for example, public agencies, special purpose authorities, or not-for-profit organizations) are tasked with providing public goods or services for a specific policy audience, as opposed to a territorially defined community.⁶ Operating according to the corporate logic of efficiency, competition, and risk taking, these organizations are expected to improve service delivery by avoiding the perceived shortcomings of top-down, bureaucratic policy implementation.

These ideal types have gained certain traction in American circles, primarily among scholars interested in coordination problems involved in metropolitan governance. Ostrom's (1999) analysis of polycentricity and fragmentation of metropolitan functions could be interpreted as evidence of Type II governance arrangements. The proliferation of special districts and special purpose authorities for local service delivery (see Foster 1997) also fits the MLG model, as they usually operate within Type I systems (that is to say, created by territorial units such as municipalities and state governments).

In Canada, scholars have been equally receptive to multilevel analysis. Reflecting on a collection of studies investigating contemporary federal-provincial-municipal relations in Canada, Young and Leuprecht (2006, 13) conclude that the multilevel governance literature has made an important impact on the field of urban governance. Although provinces continue to serve as the linchpin of urban politics and policy, decision-making has increasingly become shared (and contested) by actors operating at other levels — in other words, exhibiting both Type I and Type II relationships — depending on the urban problem at issue. To what extent this evolution fundamentally challenges conventional understandings of how the Canadian state operates remains open to debate.

Commenting during a period of renewed interest in urban issues spurred by former Prime Minister Paul Martin's dream for a "New Deal for Cities" upon entering office in late 2003, Neil Bradford (2004; 2005) proposed a new urban policy architecture that transcends conventional jurisdictional compartments. Bradford labels such multilevel coordination as "place-based" public policymaking in that it acknowledges the diversity of place-specific problems facing big cities, small towns, and areas in between. Drawing from multilevel analyses in the European Union, Britain, and the US, Bradford expresses frustration with the Canadian experience thus far, but remains optimistic that public policy goals in Canada can indeed be properly aligned with local needs and capacities based on recent intergovernmental frameworks (such as the 1999 Social Union Framework Agreement) and several "action-oriented" tri-partite agreements, such as the

⁶ North American examples of such functional specialization include conservation authorities, which coordinate inter-municipal, inter-regional, and even inter-provincial environmental planning and management, as well as a growing number of public-private partnerships (P3s) established as part of the New Public Management paradigm (Osborne and Gaebler 1992).

Urban Development Agreements (UDAs) signed in Winnipeg and Vancouver over the last several decades.

Christopher Leo, in a series of recent papers (Leo 2006; Leo and Pyl 2007; Leo and Andres 2008; Leo and August 2009; Leo and Enns 2009), has extended Bradford's analysis by proposing his own conceptualization of federal-provincial-municipal relations in Canada as a form of "deep" federalism. The steady shift toward decentralization in economic and social policymaking, argues Leo, necessitates an expansion of our conception of federalism to include not just differences between regional communities, but local, even neighbourhood, level variations. Utilizing several cases of intergovernmental collaboration — centred mainly in Winnipeg, but also in Vancouver, as well as Saint John, New Brunswick — across several policy areas (from urban development agreements forged to spur local economic development and infrastructure renewal, to homelessness and housing, to immigration and settlement services), Leo and colleagues paint a picture of contemporary intergovernmental relations which sharply contrasts previous interpretations.

The analyses put forward by Bradford, Leo, and others in the field represent solid contributions. But it is fair to say that taken together, the study of multilevel governance in Canada as it pertains to urban and local policymaking is still largely untapped. The recently completed SSHRC-MCRI project on public policy in municipalities marked an important leap forward in bringing together a community of like-minded scholars on the topic. But this was only a first step. Many important theoretical and empirical questions remain unexplored in the Canadian context (see Young and Leuprecht 2006, 15; Young 2009b, 498).

At this point, the reader should be reminded that, in spite of arguments to the contrary (Piattoni 2009; Piattoni 2010), the multilevel governance literature does not include a compelling theory of governance. It presents few hypotheses to be tested; its predictive value remains tenuous at best. Its true contribution, I believe, is instead as a comprehensive analytical framework — an "organizing perspective" in the words of Bache and Flinders (2004b, 94) — which offers a full catalogue of concepts and mechanisms to better understand complex policy systems. Its appeal, felt not just in the study of federalism or European integration, but also in such disparate fields as international political economy and climate change policy, lies in its ability to conceptualize power relations in the context of increasing complexity, proliferating jurisdictions, and challenges to state power (Bache and Flinders 2004c, 4-5).⁷

The utility of the multilevel governance framework in advancing the study of intergovernmental relations in Canada therefore depends on conceptual clarity, not predictive success. As such, the remaining analysis is intended to highlight two aspects of multilevel governance which, in my estimation, have not been given full consideration. First, I contend that there is an unconscious tendency within the literature to treat multilevel arrangements strictly as a recent phenomenon. Leo (2006, 489) hints briefly

⁷ Useful concepts that have emerged from this literature include the "joint decision trap" (Scharpf 1988; Scharpf 2006), which describes obstacles to collective problem solving in circumstances where decision-making requires unanimity.

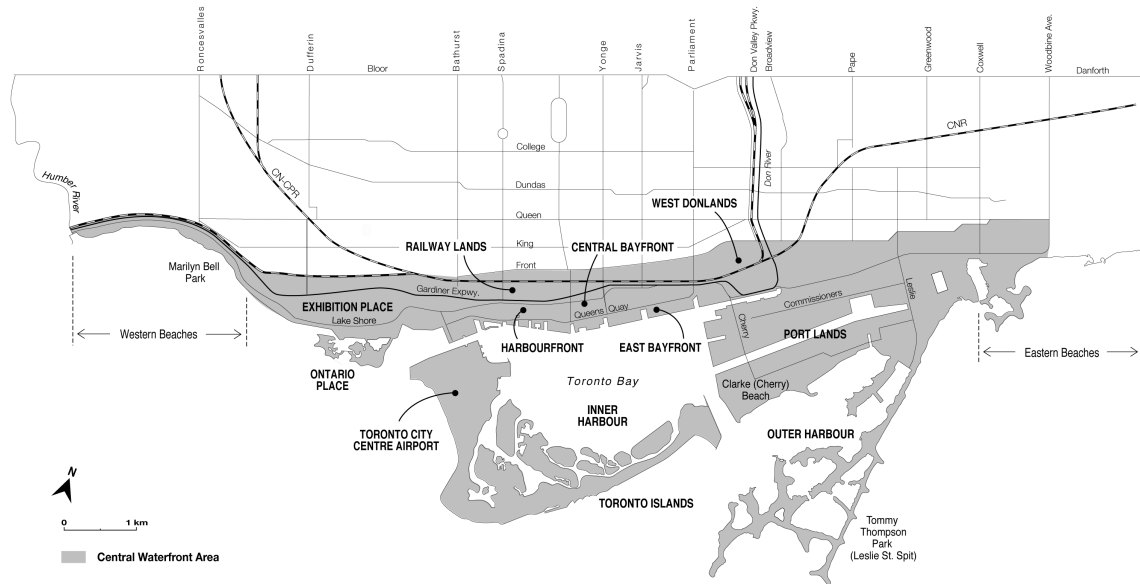
that MLG dynamics may have been observed as early as the 1970s, but it is fair to say that the bulk of the Canadian literature focuses on events over the last 10-15 years. If there is reason to believe that the MLG framework resonates in earlier time periods, this would force us to rethink the history of federal-provincial-municipal relations in Canada. Second, much of the multilevel governance literature (both in Canada and elsewhere) tends to subscribe to the normative position that multilevel governance engenders *better* governance, both in terms of process as well as on the ground results. Even the most casual observer of intergovernmental affairs, however, is well aware that such is not always the case. Nevertheless, few scholars have set their sights on cases of multilevel dysfunction. The study of multilevel governance, I would argue, requires consideration of *all* potential governance outcomes, functional or dysfunctional. The following analysis of waterfront redevelopment in Toronto over a forty year period is intended to help shine a light on these academic blind spots.

Waterfront Redevelopment in Toronto, 1960-2000

Toronto's central waterfront (see map below) encompasses over 15 square kilometres, or roughly 3,700 acres within the city core.⁸ The majority of this land is man-made, the physical remnants of large-scale lake-fill projects initiated as early as 1912, which created between 1,300-2,500 acres of new waterfront property destined for industrial use (Royal Commission on the Future of the Toronto Waterfront 1989, 45; Desfor 1993, 169; see also Merrens 1988).

⁸ Notable destinations and neighbourhoods located within this general area include: the Western and Eastern Beaches; the Canadian National Exhibition and Ontario Place; the Railway Lands; Harbourfront; the Toronto Islands; the Port Lands and the Leslie Street Spit; East and Central Bayfront; and the West Don Lands.

Figure 1. Map of Toronto's Central Waterfront Area.



Source: Composed by author.

By the late 1960s, despite a brief period of sustained growth in cargo and bulk tonnage following the opening of the St. Lawrence Seaway in 1959, the waterfront's industrial character was in decline. Changes in port technologies — containerization chief among them — were beginning to leave secondary ports like Toronto behind. Between 1969-75, port activity dropped nearly 60%, leaving Toronto with just five percent of Eastern Canada's shipping traffic (Price-Waterhouse Associates 1975, Exhibit X). Industries previously drawn to sites close to the waterfront were also becoming attracted to the advantages of suburban locations: enticed by lower taxes, cheap land with plenty of room for expansion, and fewer conflicts with neighbouring communities.⁹

Amidst this economic climate, planners from the City of Toronto, the former Municipality of Metropolitan Toronto, the province, as well as several federal, provincial, and inter-municipal agencies began devising a series of new visions for the waterfront. The larger research project on which this study is based details three key plans specifically: the 1968 *Bold Concept for the Redevelopment of the Toronto Waterfront*, produced by the Toronto Harbour Commissioners (THC) alongside Metro Toronto's 1967 *Waterfront Plan for the Metropolitan Planning Area*; the 1984 *Central Waterfront Plan* released by the former City of Toronto; and the 1994 *Metropolitan Waterfront Plan*, created by the Metropolitan Toronto's Planning Department in the wake of the Royal Commission on the Future of the Toronto Waterfront. While by no means the only major redevelopment plans proposed during the forty years in question — dozens of supplementary planning reports, official plan recommendations, by-laws, and task force

⁹ City-wide, approximately 2,000 firms and 80,000 jobs migrated to the suburbs between 1951-1971 (City of Toronto Planning Board 1974).

reports were produced to refine or supplement these strategic visions — these three plans represented the official policy of Metro and the City in each respective time period.

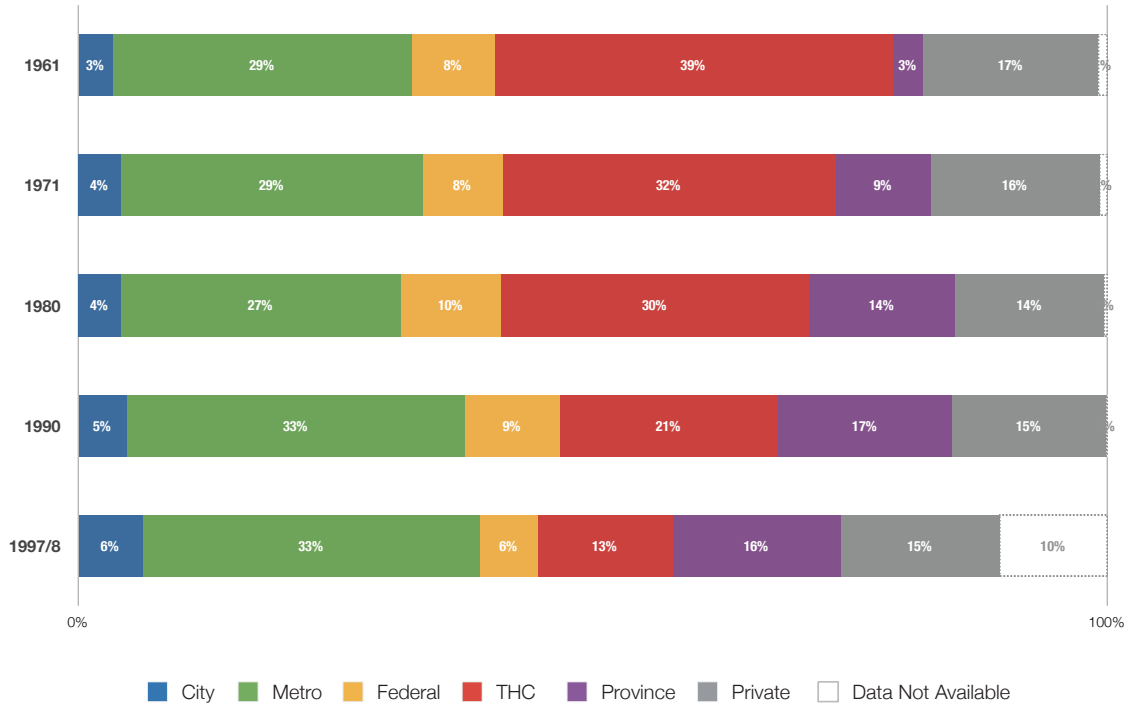
The details of each plan are not essential to the analysis here. The key point is that after years of debate, each plan was abruptly abandoned despite years of effort and resources. The 1968 *Bold Concept*, for instance, marked the culmination of seven years of study initiated in 1961. The 1984 Plan came out of over a decade of related consultations going back to the 1973 creation of the Central Waterfront Planning Committee. And the 1994 Plan was visibly inspired by studies undertaken during the Crombie Commission beginning in 1988. Yet all three visions never made it beyond the conceptual stage. The reasons for this are complex, often based on events and conditions unique to each planning era, including changes in political leadership, economic considerations, as well as periodic waves of local resistance. Nevertheless, three historical constants which were apparent throughout the four decades in question deserve our attention.

The first revolves around issues of jurisdictional complexity. On paper, jurisdictional responsibilities pertaining to development in the central waterfront seemed relatively straightforward: the federal government was constitutionally obligated to oversee port and shipping operations (seaports and airports), while the province was ostensibly responsible for monitoring various land use planning, housing, and infrastructure functions delegated to the municipal level, namely, the City of Toronto and the Municipality of Metropolitan Toronto. In practice, however, the traditional boundaries of federal, provincial, and municipal jurisdiction were rarely clear-cut, let alone respected. The federal government, for example, was at various times directly involved in development along the lake shore. Its high-profile Harbourfront project, for example, dominated waterfront politics for nearly two decades after Prime Minister Trudeau's surprise election pledge in 1972 (see Gordon 2000). What's more, federal crown corporations and agencies such as CN Rail, the CBC, and Canada Post also controlled substantial land holdings, solidifying the federal government's general stake in the area while at the same time fracturing this interest across various departments and agencies, each with their own institutional priorities.

The province, despite holding undisputed constitutional authority over municipal affairs, often refrained from direct intervention in waterfront planning, most noticeably under Progressive Conservative Premier Bill Davis, whose tenure included the demise of Harbour City and Metro Centre, two high profile redevelopment projects planned for the western harbour and central bayfront, respectively. When the province did become involved, its contributions were brief, rarely lasting longer than a few years.¹⁰ The City and Metro, for their part, seldom worked together. Political and bureaucratic channels for cooperation were rarely forged. Generally speaking, these upper- and lower-tier municipalities were considered partners only when forced to protect what little autonomy they already held.

¹⁰ Examples include the 1969-1971 construction of Ontario Place, a recreation and tourism project akin to Expo facilities in Montreal and Vancouver, as well as the Rae government's defunct Ataratiri housing project in the West Don Lands, abandoned in the early 1990s.

Figure 2. Distribution of land ownership, Toronto's central waterfront area, 1961-1998.



Source: Calculated by author. See Footnote 11.

The degree of confusion generated by this jurisdictional architecture was exacerbated by the second key constant in Toronto's waterfront history: disputes over land ownership. Toronto is exceptional in that the overwhelming majority of land across its central waterfront is, and always has been, publicly owned. Numerous international cities of similar size and resources (Chicago, Melbourne, Copenhagen, Sydney come to mind) have carried out extensive waterfront revitalization plans of their own, converting large swaths of industrial land to residential, commercial, and recreational uses in recent decades. Yet few, if any, of these mega-projects have been attempted amidst the same degree of public land ownership and associated jurisdictional fragmentation as that which plagued development efforts in Toronto. From 1961-1998, no less than 83% of all land in the central waterfront was owned by one government body or another (see Figure 2).¹¹

¹¹ Ownership totals were calculated by digitizing and georeferencing land survey maps originally produced by the Toronto Harbour Commission, former City of Toronto property data maps available through the University of Toronto Data and Map Library, municipal property assessments from the Toronto Archives, land transfer agreements from the Archives of Ontario, as well as several data sources generously provided by Waterfront Toronto. The 10% segment noted in the year 1997/98 as "data not available" pertains to public lands whose specific ownership has yet to be confirmed based on available information. Contact the author for full methodological details.

Title to these lands was dispersed across a patchwork of public agencies, corporations, and authorities — some, such as the Canada Lands Company (federal), and even the Liquor Control Board of Ontario (provincial), which had little or no interest in the long-term development of Toronto's waterfront apart from the prospective benefits of increased land values.

The historical fragmentation of waterfront ownership added a layer of complexity to the existing intergovernmental dynamic, which effectively crippled development efforts. It created a situation wherein each government body, as only one of several public actors with a partial ownership stake, had only one clear power: veto power — a power enabled not by any claim to jurisdiction so much as a claim of ownership. So debilitating was such jurisdictional sclerosis that it required the appointment of a commission of inquiry on the matter, the Royal Commission on the Future of the Toronto Waterfront, headed by former Toronto mayor and federal Progressive Conservative cabinet minister David Crombie. To this day, the Crombie Commission remains the only joint federal-provincial commission of inquiry dedicated to an issue of general public policy in Canadian history — an extraordinary fact given the list of prominent policy issues (health, education, and so on) involving similar intergovernmental considerations.¹²

Consider that even if the province had been motivated to assume its constitutional supremacy over local affairs by taking command of redevelopment efforts, it would surely have been thwarted by competing land owners, particularly the federal government, as well as the Toronto Harbour Commission, whose lands were granted by federal statute. Keep in mind that powers of eminent domain do not extend up the federal hierarchy. Just as the City had no power to assume control over provincial lands, the province had no power to assume control over federal lands. Given the jurisdictional and land ownership realities at play, the costs of taking a lead role in redevelopment efforts — both political and financial — were simply too high for the province to bear. Instead, it more often assumed a monitoring and regulatory role concerning the waterfront, a common calculation in cases where the province senses a political or financial minefield (see Garcea and Pontikes 2006).

The third consistent thread in Toronto's waterfront history has been the role of special purpose authorities in shaping the character and pace of development. The Toronto Harbour Commission, which owned anywhere from 15% to nearly 40% of prime waterfront land at any given time, is the most compelling case in point. Created by federal legislation in 1911 in the wake of the municipal reform movement of the early 20th century, the Harbour Commission was an agency vested with substantial statutory powers, yet few public oversight mechanisms. It could acquire, expropriate, hold, sell, lease and otherwise dispose of any properties it deemed necessary for port operations virtually at will (Canada 1911, Sec. 15.2).¹³

¹² Only one other inquiry in Canadian history, the Royal Commission on the Ocean Ranger Marine Disaster (1982-1985), was established as a joint federal-provincial initiative. The role of this inquiry, however, was to investigate the specific events leading to sinking of an oil rig and its crew off the coast of Newfoundland, not broader policy questions.

¹³ Amazingly, the Harbour Commission retained these powers for over 80 years until its dissolution and restructuring into the Toronto Port Authority in 1998.

What truly set the Commission apart, however, was the extent to which it seemed to operate outside the apparent interests of its political masters. Although the Commission was often painted as a federal agency — it was created by federal legislation, filed annual operational reports to the Minister of Transport, and had two federal appointees on its board — three of the Commission’s five-member board were in fact selected by Toronto council. Majority control of the Harbour Commission, in other words, was held by the City. Yet for years, in a bizarre pattern of political theatre, the Commission routinely ignored the wishes of Council, continually thwarting efforts by the City to spearhead development efforts on lands owned by the Commission (concentrated in the East Bayfront and Port Lands districts). As long as the Commission kept its finances in the black — made easy by its ability to sell off waterfront assets at any time — federal officials stayed out of the Commission’s affairs. Insulated from both municipal and federal review, the Commission operated in a political grey zone of sorts, free to exert a level of political autonomy and influence on par with a genuine order of government.

The result is a scenario which in many ways defies the conventional federal-provincial-municipal equation. Where there should have been four government actors involved — federal, provincial, and lower- and upper-tier municipalities (Toronto and Metro) — there were, *in effect*, five: the federal government, the province, Metro, the City, *and* the Harbour Commission, an agency with no clear political constituency, yet with unparalleled authority over waterfront planning and development. Where the province should have been expected to take the policy lead on an issue of regional and strategic importance, it routinely kept its distance. And where, according to conventional wisdom, the federal government should have kept a relatively low profile, it dominated waterfront headlines for decades, proving to be a constant thorn in the side of local officials. This intriguing intergovernmental history, combining features of both Type I and Type II multilevel arrangements (albeit in peculiar form), can be observed going back well into the 1960s. Fuelled by high levels of jurisdictional disorder and fragmentation of land ownership, it yielded an intergovernmental framework almost inimical to collaboration and coordination. It bred a decision-making environment paralyzed by institutional inertia and intergovernmental stasis — a state, one might conclude, of multilevel *non-governance*.

Reflections: The Toronto Case and Multilevel Governance

The Toronto experience offers an intriguing reference point from which to explore the conceptual limits of multilevel governance as an analytical framework. As alluded to above, two insights are particularly noteworthy.

First, based on the sheer diversity of governmental actors involved in redevelopment efforts in Toronto, as well as the non-hierarchical nature of their interventions over time, it may well be that multilevel governance has far greater historical utility than generally depicted in the literature. Multilevel dynamics were observable in the Toronto case as far back as the early 1960s. It seems reasonable to suggest, then, that the MLG framework has analytical value not only for Canadian urban scholars interested in contemporary events, but also those engaged in historical research. Where this potential begins and

ends, of course, is difficult to gauge from a single case. It seems unlikely that one could pinpoint the exact shift from conditions of intergovernmental relations to multilevel governance with great accuracy. Still, introducing a historical lens to the MLG literature at least provides a more textured understanding of the concept, opening up new avenues for inquiry into the historical foundations of federal-provincial-municipal relations in Canada. The field of political development, for example, which has recently begun to explore the role of cities in American political history (Dilworth 2009), seems ripe for academic cross-fertilization in this regard.

Second, the degree of frustration and disappointment felt by many Torontonians regarding years of failed redevelopment efforts is a reminder that multilevel arrangements do not always generate superior outcomes. A core assumption underpinning much of the MLG literature is that the diffusion of authority across multiple jurisdictions is necessarily “more efficient than, and normatively superior to, central state monopoly” (Marks and Hooghe 2004, 16). Recent empirical work in numerous federal states, however, suggests that this position is, at best, overstated (Lazar and Leuprecht 2007). The democratic and administrative benefits of multilevel systems are by no means guaranteed. Conditions of multilevel *non-governance*, typified by policy dysfunction and intergovernmental conflict, are just as possible as those of collaboration and coordination. The Toronto experience is emblematic of this reality, highlighting the need to better understand not only the features of the Canadian system which make multilevel arrangements work, but also the as yet uncharted pathologies of non-governance which fuel policy failure in federal systems.

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