

A State of Minds Canada in the Information Era

Address by Thomas J. Courchene (Sask.'62) on receiving an honorary degree from the University of Saskatchewan, Fall Convocation, October 21, 2000.

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Globalization and the knowledge/information revolution are signalling the advent of a new societal order, one with profound and pervasive implications for citizens, for markets, for governments and, therefore, for public policy. This new global order is a truly remarkable watershed in the annals of human history and, as is the case with all such great transformations, it carries with it both enormous opportunities and daunting challenges. Building on my 1999 Mabel Timlin Lecture at the University of Saskatchewan, I want to share with you my perspectives on the nature of some of these opportunities and challenges, with an eye toward drawing out the implications for the evolution of the Canadian society and economy.

At the core of this new global order is a truly exciting development – the democratization of information and the emergence of information-empowered indi-

viduals as dominant players on the economic and political scene. Former NBC President, Lawrence Grossman probably best captured the resulting implications: printing made us all readers; xeroxing made us all publishers; television made us all viewers; and now digitization has made us all broadcasters.

One implication of this is that the era of the sovereign consumer is at hand: standards are increasingly being determined not by those who make or sell the product but rather by those who buy it, so much so that consumer sovereignty is one of the accepted definitions of globalization. However, while the new global order obviously enfranchises individuals as *consumers*, a frequent concern is that it disenfranchises individuals as *citizens*. This relates to the so-called “democracy deficits” that arise because an increasing number of policy areas and issues are

decided at supra-national levels where there is no *direct* citizen representation. While not downplaying this concern, I remain optimistic that the emerging reality will be one where citizens networking internationally will be able to harness sufficient information/power to begin to provide a meaningful countervail to mobile capital and, in the process, begin to forge the conception of a global citizenship.

On the economic front the news is, if anything, even more exciting. The information revolution will do for human capital what the industrial revolution did for physical capital. Knowledge is clearly at the cutting edge of competitiveness and already the world's richest person owns no oil, no land, no resources, no factories – Bill Gates owns only knowledge.

Alongside these marvellous opportunities that await you, however, there is, also a set of rather daunting challenges. I shall address only three of these.

At the international level, it appears that the increasing openness of the new global order is coming at the expense of social cohesion. Unlike most of the post-war period where freer trade went hand-in-hand with the evolution of welfare states, the recent period appears to be characterized by further trade integration alongside a retrenchment in social spending. Our common challenge here is to ensure that further international economic integration does not lead to domestic social disintegration.

Closer to home and of much more concern, this new global order is serving to polarize market incomes – increasing the returns to human capital and to knowledge workers and decreasing the returns to unskilled or routine workers.

What appears to be emerging is a highly educated, mobile, internationally-networked cohort of knowledge workers on the one hand and a relatively unskilled, immobile class of workers who bear most of the costs of the new global order on the other. This is not the Canadian way. Thus, the challenge here is to reconnect citizens to labour markets and to restore social solidarity across cohorts. To anticipate the later analysis, the principal way to respond to this income-distribution challenge is to ensure equality of access and opportunity for all Canadians to develop their skills and human capital.

The third concern for our collective future in the upper half of North America is that the new global order had led to a marked shift toward north-south trade, to the point where north-south trade is now running at twice the level of east-west trade. All provinces except PEI and Nova Scotia now export more internationally than they do to their sister provinces. Arguably, Canada is now less and less a single national economy and more and more a series of cross-border regional economies. These trends will continue so that the challenge here is how to preserve and promote our east-west political and social union in the face of this north-south trading union.

Left to itself in the face of these opportunities and challenges, my guess is that the dynamics of the new global order are such that Canada would drift toward the *Life, Liberty and Pursuit of Happiness* philosophy and reality of the United States and, therefore, Canadians would likewise drift in the direction of becoming northern Americans. While this is a highly viable and, for some, a highly appealing future, I think that the vast majority of Canadians would much prefer to have *Peace, Order and Good Government* inform

the manner in which we embrace the information age. Among other things, this requires a creative approach to policies and instruments to ensure that we successfully encompass both the economic competitiveness of the Americans and the social cohesion of the continental Europeans. It also requires that our policy frameworks become forward looking and anticipatory. Here we would be wise to heed the wintry wisdom of Wayne Gretzky: "I skate to where the puck is going to be, not to where its been".

But where is the 21st century puck going to be?

Thankfully, the march of events has presented us with an historically unprecedented window of opportunity. With knowledge at the cutting edge of competitiveness and with enhancing knowledge and skills of all Canadians as the key to addressing inequality, a societal commitment to a human capital future for Canadians is emerging as the principal avenue by which to promote *both* economic competitiveness and social cohesion. Accordingly, I offer for your consideration the following mission statement for 21st century Canada:

To design a sustainable socially-inclusive and internationally competitive infrastructure that ensures equality of opportunity for all Canadians to develop, to enhance and to employ in Canada their skills and human capital, thereby enabling them to become full citizens in the information-era Canadian and global societies.

I respectfully submit that this has to be integral to being a Canadian in the 21st century. Anything less would not only be failing our citizens in their desire to achieve their potential but, as well, would be failing to take advantage of the oppor-

tunities presented by the new global order. In short, as the title of my address indicates, Canada must become *A State of Minds*.

If, collectively, we are willing to put the human capital future of our citizens at the core of our policies in the information era, we will be successful in bridging the competitiveness/cohesion gap. For example, on the social cohesion front, we will be able to commit ourselves to a human capital bill of rights for our children, in order to ensure equality of opportunity to a human capital future. And on the economic front, we will be able to generate competitive tax and regulatory regimes so that those most talented among us can prosper globally operating from Saskatoon or Sarnia or St. John's rather than having to move beyond our borders.

Phrased differently, the new global order is inherently about people, about citizens, not about resources or capital or land. And if we privilege our citizens in terms of their economic and social futures, the rest of the policies required to prosper in the information era will fall into place.

We Canadians recall with pride Sir Wilfrid Laurier's prophetic claim that the 20th century would belong to Canada. Indeed the parents and relatives who are celebrating your achievements today are the very Canadians that toiled long and hard and often out of the limelight to make Laurier's dream come true. And your dreams as well! Indeed, you are a very special group of graduates—the final University of Saskatchewan graduating class of the 20th century. Moreover, your very presence here today means that you recognize fully that education and knowledge are the keys to fulfilling your goals and aspirations in the new global era.

As you pursue your exciting futures the challenge, or rather the opportunity, I offer to you is to update Laurier's vision by embracing the information-era goal of

making Canada a "state of minds." If you succeed, as I trust that you will, then the 21st century will belong to *Canadians*.