



## Council of Economic Advisors

Great news or day-dreaming ?

That is the question many will be asking further to the recent Canadian government's announcement of creating a Council of Economic Advisors, CEA. It is part of "Trudeau's pledge to spur long-term economic growth and nurture the 'middle-class.'" <sup>1</sup>

Lest you have forgotten, such advisers, whether in councils or boards, are part of the knowledge and expertise "assets" that enable SME growth. And lest you don't know, non-profit organizations of all colours, at all levels of society also have such advisors. In this era of globalization... of a global village, it is time for governments to once again get their "feet wet" and heed the advice of such experts, or at least listen carefully prior to any policy changes and/or budgetary initiatives. Shades of C.D. Howe and E.P. Taylor, at \$1 per year, that is truly a bargain.

The fact that this particular gathering includes such a diverse group of business and academic leaders is an even better indication that their suggestions will be very practical. Imagine, we will finally have "holistic brainstorming" that will truly present options to "create long-term conditions for economic growth focused on the middle class" <sup>2</sup>, one of the true pillars of economic growth, along with SME growth.

The CEA will be chaired by Dominic Barton, the Global Managing Director at McKinsey & Company, a respected international economic strategy consulting giant. As a proud Canadian, and Uganda immigrant of a missionary father and nurse mother, he developed his knowledge and character in B.C., graduating from UBC as an economics major, winning a Rhodes scholarship to study at Oxford University <sup>3</sup>. He is a highly sought-after expert with many decades of experience, most of which have been with McKinsey & Co., where he has been CEO since 2009, and is seen as not being a "plain vanilla management consultant" <sup>1</sup>.

Mr. Barton's "baggage" can be summed up in the following quotes:

- "It is manifest that the best political community is formed by citizens of the middle class, and that those states are likely to be well-administered, in which the middle class is large." <sup>1</sup> A quote from Aristotle that he used in one of his writings about China. It is however debatable whether or not this applies to China's situation, even though more and more urban and rural citizens are entering the middle class.
- He has staked a critically clear position on dysfunctional capitalism <sup>1</sup>, stating that "The dialogue has clarified for me the nature of the deep reform that I believe business must lead – nothing less than a shift from what I call quarterly capitalism to what might be referred to as long-term capitalism." <sup>1</sup>
- On CEO compensation, he stated that it is "too often structured to reward a leader simply for having made it to the top, not for what he or she does once there." <sup>1</sup>



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- He also stated that “...*short-termism is undermining the ability of companies to invest and grow... have far-reaching consequences, including slower economic growth, higher unemployment, and lower return on investment for savers.*”<sup>2</sup>

But the part that interests us here at S.E.I even more is that their mandate will also include tackling the various issues arising from Canada’s ageing population, such as “*The ‘massive strains’ on all governments of the aging global population, which could force people to work longer*”<sup>2</sup>, combined with “*The rise of emerging markets...*”<sup>2</sup> and “*The changing nature of capitalism...*”<sup>2</sup>. Mr. Barton himself figures that there are two challenges on the horizon, namely “*an aging population that could reduce productivity and technological automation that could affect as many as half the jobs in Canada.*”<sup>4</sup> To S.E.I that sounds like a Catch-22. Certainly as people become seniors then there are less workers available, but the trend to automation will mean a reduction in the need for workers, at least in some sectors, some important sectors. As for the service sector, a growing sector, more and more seniors are deciding to keep busy by working a few hours a week, and earning some needed “pocket” money to supplement their minimal pensions. But its not just about money, it’s also about “valorization”, the need to still contribute to society well-being even as one ages.

All these, and others, are aspects that we have considered in developing our senior citizens’ lifestyle solutions, as embodied in our various project outlines as can be seen in S.E.I’s Introduction presentation on the Publications page of our website, <http://educultural.institute>

CEA sounds, looks like a great initiative in getting Canada back on track to a growth economy that lives up to our reputation as the second best country to live in<sup>5</sup>.

But even these days with the greatly unpopular TPP, there is still talk about pushing for free trade with China, with Mr. Barton expressing his personal view “*that it would be ‘very good’ for Canada to enter into negotiations with China on a free-trade deal.*”<sup>4</sup> He is even optimistic about establishing a long-term relationship spanning decades, not on again – off again as in previous years, seeing Canada as having “*a unique role in helping China as it evolves over time*”<sup>4</sup>. Notice that he is not saying free-trade with only China, he is opinionating that Canada should look at doing the same with all Asian major economies<sup>4</sup>, ex. India and Japan.

And that is were many would say “Danger Will Robinson, Danger !” Cultural differences can be surmounted through dialogue... honest dialogue, but not through whimsical threats or bullying tactics.

Certainly we must “*be deliberate and try and jolt growth*”<sup>4</sup>. And just as certainly “*there’s lots of opportunity to do it in Canada*”<sup>4</sup>. We may be small in numbers, but we are multicultural and big hearted.

Here’s hoping you get “sunny days” and citizens get transparency and regular updates. Why? Because its 2016, the beginning of a new era in governance, and because Canada, as the best country in the world, deserves the best from its best minds.

Welcome to spend more time in Canada Dominic Barton.  
Welcome to immigrate.  
Welcome to visit.

Dr. J.L. St-Arnaud  
Chairman



Founded in 2015, the Starlight Educultural Institute advocates a truly caring Global Village Mindset (GVM) by promoting "Global Village" activities through educational & cultural research.

S.E.I 's philosophy is simple:

Look at the world not just as it is, but also as how you want it to be, then make it so.

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<sup>1</sup> [“McKinsey executive to head new federal economic council”](#)

by Jennifer Wells, Business Columnist at The Star (Toronto), dated February 23, 2016

<sup>2</sup> [“Women outnumber men on Justin Trudeau’s influential council of economic advisers”](#)

by Andy Blatchford, the Canadian Press, for CBC News, dated March 18, 2016

<sup>3</sup> [“Meet the man who will help draw the blueprint for Canada’s economic future”](#)

by Andy Blatchford, the Canadian Press, for CBC News, dated May 20, 2016

<sup>4</sup> [“What Dominic Barton thinks Canada should do to boost the economy”](#)

by Aaron Wherry, for CBC News, dated September 7, 2016

<sup>5</sup> “Social Progress Index”

by the Social Progress Imperative Organization, <http://www.socialprogressimperative.org/>

