

Good Governance as the Key to Gross National Happiness

*John Ralston Saul**

Lyonpo Jigmi Thinley, Mary Coyle, and everybody from my university – I feel that I can say it is my university since you have given me an honorary degree. I am thrilled to be here. I was worried that I would not be able to make it because I was just in the northern part of Nunavut. When you go to the Arctic, you are never quite sure when you are going to come back, partly because you do not want to come back, but mostly because the weather does what it does.

I have to say that it was a remarkable trip. The Governor General and I, we went from Iqaluit to Alert, which is the most northerly tip of Canada. You step on the ice, the permanent ice, and could walk to Russia. What most Canadians do not realize is that from Ottawa to Iqaluit is only halfway to Alert. It is about 2,000 kilometres to Iqaluit, and another 2,000 to Alert.

And in many ways, as I was wandering around the Arctic, chatting with people in the communities, I was thinking about you here and the conversations you were having. I was also thinking about the time that my wife and I were lucky enough to spend in Bhutan. It was one of those trips, a bit like going to the North that actually changes the way you see life.

For those of you who have not been there, it is truly a remarkable country, and it is not an accident that it has come up with one of the most disturbing concepts -- "Gross National Happiness". Disturbing because it upsets completely what is in place everywhere else. It is also a wonderful revelation of the Bhutanese sense of humour, which is laced with irony. And when faced with the boring certainty of Western economists, it is not at all surprising that His Majesty knocked them off their comfy chairs – he came up with a theory which they could not even understand. It is very Bhutanese, and tells you a great deal about the strength of their culture.

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I was very excited by my time there. I talked to everybody I could – they were remarkably available and willing to chat – and I learned an enormous amount as we either drove through the mountains or walked through the mountains, in January, which is a marvellous time of year to visit because there are basically no other outsiders there due to the cold, and because, in a sense, there is a great beauty about seeing those mountains partly green, partly in the snow, and to sense the need for warmth -- that sort of sense of consciousness that Canadians know a bit about.

Good governance. That is what I have been asked to talk about. I think the two key words are "inclusion" and "equilibrium." I am at a slight disadvantage here, because you have been talking about this all week, and there is nothing worse than somebody who comes in at the end and tells you what to think. I tried to listen a little bit for a few hours, earlier today, and I am going to build on what was said:

"Rethinking Development: Local Pathways to Global Well-Being"

But I have to say that, coming from the North, I think that I am coming from a place where people are thinking about the things that you have been talking about. They only had the great and good fortune of being mishandled by people like me -- a white southerner -- for about 40 years.

The brilliance of Western civilization only really got to the Arctic in the mid-60s, and so we haven't had time to completely destroy it yet. In fact, after less than 40 years, the Inuit have got control, more or less, of the situation again, and they are trying to figure out how to put together what they want from Western civilization and Southern civilization and what they want from their traditional civilization.

But the final event of our trip there was – it is something you may have seen in the newspapers -- the graduation ceremony of the first cohort of lawyers from the Arctic. There used to be only one lawyer in Nunavut – Premier Paul Okalik, who got his law degree in Ottawa. Now there are suddenly 12 lawyers in Nunavut.

There are two really interesting things about this. One of them is that this was done with Canadian law -- that curious mixture of European (French and English) laws with Aboriginal notions interwoven throughout, which we deny -- but elders were involved in the full law program, so that as part of the creation of the lawyers, they were building right into it traditional Inuit concepts of justice and law.

The other interesting point -- and I have to say I am picking up on something that was said by Mr. Savory earlier today -- is that, of the 12 lawyers in Nunavut today, 10 of them are women. I think that this will have a very important impact on the shape of the future and society.

So, I find it fascinating that Bhutan is at the centre of this kind of discussion. It is not an accident that it is taking place at St. Francis Xavier, because this is the home of the Coady Institute. Father Coady, I think, was right for his time. He was bypassed or was no longer in vogue for a while, but I think he is very much of *this* time. He is a very modern figure, when looked at in terms of the kind of conversations that you have been having this week.

When we talk of *happiness*, I think of the Bhutanese sense of the word, both serious and ironic -- and I think those two things go together because there is nothing more serious than irony. And I also think of it in the proper Western sense, which is essentially a 17th- and 18th-century Enlightenment theory of happiness, which has absolutely nothing to do with 20th-century theory of happiness. I mean, the Enlightenment theory of happiness is an expression of public good, of the public welfare, of the contentment of the people because things are going well. As opposed to the 20th-century Disneyland theory that happiness is a bright, white smile. One should not confuse these two ideas.

And it is very important to keep reminding people that in the expression "life, liberty, and the pursuit of happiness", "happiness" is a reference to the public good, not a reference to savage individualism, meaning that you can go away and look after only yourself and make only yourself happy. It is the exact opposite of the idea which is unfortunately generally understood around the world.

Moses Coady said, "In a free society, we can recognize no other force but the force of ideas." This is the sort of statement which sounds kind of easy, and it is coming from a religious figure. Well, the fact of the matter is, that is a very tough statement about reality. It is ideas which determine the direction in which civilizations go. If you do not get your ideas right, it does not matter what policies you try to put in place. The policies will backfire, because the ideas that dominate will not be the right ideas. You have to *begin* with" the ideas -- then you can simply go ahead and put them into effect.

I think that we have today in the West -- in Canada, in the 20-odd Western countries -- a larger percentage of people under the age of 40 who are engaged in public life than ever before in history. We have never seen anything like this. You will hear people in formal politics saying, "It is too bad the kids are disengaged." They are disengaged from formal politics, for better and worse, but they are not disengaged from public life. There have never been so many young people in public life.

On the other hand, the general discourse -- the central ideas running society -- have not been changed in this period. I would say for the last 15 to 20 years, we have had a growing number of people going into public

life with a series of ideas which are extremely interesting, extremely important -- and you here represent many of those ideas -- but they have not succeeded in doing the essential thing. I assume that is why this conference is taking place. They have not succeeded in changing the central public discourse about the nature of the public good, the nature of democracy, the nature of citizenship, the nature of economics, the nature of what we ought to be doing.

And that, it has to be said, is a failure. It is not a failure at the end -- it is a failure along the way. If it goes on much longer, we will lose this engagement because people will not be seeing the kind of change that they felt they *should* have seen, given the devotion that they have shown to the public good.

So I think we have a rather narrow window of opportunity to actually change the central public discourse of Western civilization. It is actually very valuable that an idea like Gross National Happiness would come from *outside* of the West. Indeed, it is much more likely that the idea would come from outside of the West. Remember, in the 18th century, a large part of the ideas came from Asia. They did not come from Europe. They were *adopted* in Europe.

And incidentally, it is always worth remembering that in 1750, 60 percent of the world's export market came from China and India, and I think the West had about five or six percent. We have rewritten history so that it appears we invented the ideas and we had the economy. Actually, we were just quite clever at taking them over, and doing quite well at them ever since, but they weren't essentially ours.

So the reason I am making a sort of fuss about this is that I see many of my friends, who, in order to get subsidies, in order to enter into a discourse with people who do not agree with them, use this established discourse. My friends say, "Well, you know, I have *got to* write it this way, got to use words like 'client' and 'stakeholder' and...." -- you know, the whole language, the sentences that you have to fill in, the words that are expected of you, the questions which you are expected to answer in a certain way. And I hear my friends using that language, thinking that it will get them by this not-very-important barrier, which is the barrier of central ideas, to the reality of what they want to do, once they are past the barrier.

But once they accept that central language, which is the *wrong* language, they fail. They may succeed a little bit, but at the end of the day, I/you/we will fail, because we have not changed the central discourse, and it will drag us back in. We are just thinking we are doing well, we are getting somewhere with micro-credit, or we are doing quite well with redefining education, and suddenly, you find yourself being

reeled in, and you look around and you say, "How did that happen?!" Well, it happened because you did not win the essential battle of the central discourse.

And I think it is a tough message, but it is a very important message, and I incessantly -- which is why I have somewhat of a reputation for being annoying -- stop meetings when the discourse is nonsense. I say, "We can't have the conversation using these words -- these words make no sense at all, and either we have to use no discourse at all that relates to this and end the meeting, or we have to talk about the way we are going to talk about it."

So I really would encourage you to think, the next time you are tempted to use language you do not believe in, to stop yourself, and be annoying. I know you mean to be annoying later on, but be annoying right up front, in terms of the discourse at those meetings. You can interrupt as many meetings as you want. After about three meetings with you, they will stop using the language, and maybe even come around to your language, if you are annoying and insistent and coherent enough.

So I think that Gross National Happiness is, of course, a brilliant trick. A trick is a good idea, because what it does is, it goes "Snap!" and it changes the discourse. Suddenly, you are talking about something else. You are not talking about amending the old discourse. You are talking about a new discourse, from the core, and that is what is so important and clever about it.

And I think it taps right into Lyonpo Jigmi's statement in his speech at the beginning of this conference, when he said, "The conventional development, or economic growth paradigm, is seriously flawed and delusional." Note that he said "delusional." He is a Minister. He had no fear to use a word as strong as that, because it is only by using words that mock ridiculous language that you can knock it off its pedestal. And it *is* delusional -- he is absolutely right. Why be polite?

And then he went on to say, "There is a growing level of dissatisfaction with the way in which human society is being propelled, without a clear and meaningful direction, by the force of its own actions." In other words, by this sense of inevitability, of "There is nothing we can do -- we must remain passive" or "We have to move very quickly, and arrange the details so that we don't do too badly out of these inevitable forces which are rolling ahead of us."

Lyonpo is absolutely right. I spend a lot of time speaking with people and I firmly believe that the common sense, the intelligence, the intuition of citizens everywhere in the world, in different ways, *is* dissatisfied with what is thought to be the mainstream. What they *don't* have is a convincing, central, alternate thesis -- I do not mean ideology --

a convincing, central, alternate thesis which will capture their dissatisfaction and turn it into a plan for action. That is what they are missing, and that is what prevents them from speaking up in, very often, other than negative ways.

When public figures say, "People complain, the people don't know, etcetera," what they are referring to is the incapacity of the people to speak out because they do not have the discourse with which to speak out, and it is the job of people, people like you in this room, to think of the discourse -- the words, the language -- which can then be made available to people if they want to use it.

Language was invented in order to be stolen. That is the purpose of it. That is the purpose of writers, of intellectuals, of people who work as you do -- to come up with language. If it is good language, it will be whipped out of your hands in two seconds, and used to express what is already there, what people are already feeling, but cannot express because they are stuck with language which says, "The committee met at 9:30 a.m. and discussed shareholder and stock-holder and stakeholder relationships with..." etcetera, etcetera. Create a language for people to work with.

So let me just take a little step back, and say... A complete discourse is, of course, essentially philosophical, and I don't mean, by that, inaccessible. An argument that I have made in the past is that what we need to do is think of a discourse, a multi-faceted system of power, if you like, a multi-faceted system of human qualities which we can use, all at the same time.

I think there are about six human qualities that work anywhere, at any time, which are common sense, ethics, imagination, intuition, memory, and reason, and the idea is that they are of equal value and they can be used in different combinations.

And if you have some consciousness of the fact that you have different tools, different weapons -- intellectual weapons -- of equal importance, then you are, in a sense, freed from ideological traps, because the traps come from believing that we really only have one central quality which dominates and shapes everything.

The second point -- and some of you already know, because you have heard me say this before -- the second point that I will make is that our problem today, and the problem that you are wrestling with, that we are all wrestling with, is essentially the problem of reason. Reason, *real* reason, *true* reason, is conscious intellectual thought. That's what reason is. That's why we have common sense and ethics and imagination, intuition and memory.

Reason is conscious intellectual thought. Argument. And as a result, it is inapplicable -- it cannot be applied. Common sense can be applied; ethics can be applied; intuition can be applied. Reason *cannot* be applied. Once you apply it, you destroy it. You destroy what it's supposed to be, which is conscious intellectual argument and thought. It is not supposed to be the machinery of government. The machinery of government is common sense, its ethics, its intuition.

And the problem that we are faced with is essentially a confusion between *real* reason, which is this intellectual argument and thought, and what philosophers have called "instrumental reason," and instrumental reason is supposed to be applied reason. You can't apply thought. You do something else with it. You turn it into something else, so it's no longer reason at all.

The problem that you are dealing with is, in effect, that what you call reason is what philosophers call instrumental reason, and it does not exist. It simply does not exist. And by trying to pretend that you are acting rationally, the way people used to say they are acting religiously -- because you say, "Everything's got to be rational" -- by trying to pretend you are acting rationally, it makes it very difficult to escape from the paradigm that the Minister talked about, because it locks you into this false logic of something that does not even exist, which is instrumental reason.

It is a terrible contradiction that we have between thought and utilitarianism, and we are trying to pretend they are the same thing. Utilitarianism is not thought. And if you separate them out, you suddenly realize that you are remarkably free to re-think what you are doing.

This false reason, this instrumental reason, is the formal source of linearity, of our obsession with linear action, of "We can only go in a certain direction -- we have to follow certain logic." That comes from instrumental reason. That is what produces our narrow approaches, our *exclusive* approaches, as opposed to *inclusive* approaches.

That' is what produces the narrowness of professionalism. Professionalism does not have to be in silos. Of course, part of it has to be in silos. I mean, somebody in the room is going to know about the left ventricle, and somebody else is going to know about boats, and somebody else is going to know about airplanes. That's fine. But nowhere is it written down that professionalism has to be limited to the area of specialization.

Why is it limited this way? And being limited in this way, it makes it impossible for us to act in an integrated, inclusive manner, because

everybody is divided up into these silos. *Why* is it like that? Because it is all dependent on this false idea of a false reason.

If you walk away from that, you suddenly realize that 50 percent of the education of specialists could actually be lateral and inclusive, and then they would act in a different manner. The universities would have to radically change the way in which they educate doctors and engineers and so on, but that would be a *good* thing. Most of the people in universities *know* that there is a major problem with silo education, and that it is actually producing highly educated people who are problematic for society, because they can't see outside of their silos. They are *great* at the left ventricle -- *useless* at the human body.

And on top of that, to go further, you go into most medical schools around the world, and what's being said? "Oh, you don't want to be a general practitioner. You have got to be a left-ventricle person." Why? Because the smaller the specialty, the higher the class, whereas in reality, it is the exact opposite. The working class of medicine are the specialists. The aristocracy are the generalists. The sickness of our society is that we have it completely upside-down. Who would you rather have as your King Doctor? The person who knows what a body is? Or the person who knows what a left ventricle is?

I am trying to show you how the structure of thought, the structure of education, is what makes it so difficult for us to actually turn what you *know* needs to be done into a social reality.

And from the feeling that the narrow view is necessary - the silo view, the professionalism - again, comes out of mistaking utilitarianism for reason. The loss of control comes out of that. This is the source of "inevitability," the word which was used for the last 30 years more and more by people who said, "I am sorry, we are very smart and we are well educated, but there is nothing we can do because it is inevitable, because of economic forces, because of technology - it is inevitable that this is going to happen." And that is what you are struggling against all the time, is this belief of the inevitability of events, the inevitability of the leadership of technology -- all of that coming out of a false understanding of reason.

We have *never* had so many people educated, and yet, we have never, since the worst part of the Middle Ages, had such a strong discourse in favour of determinism. It is astonishing. This is an era where determinism is front and centre -- economic determinism, technical determinism, managerial determinism -- and that all comes out of this false rationality. If you believe in determinism, you can't reshape the central discourse. You have to walk away from determinism in order to do that, which is to say, walk away from a false idea of the dominance of

reason, which isn't even reason. That also is the source of exclusive approaches towards economics, social policy, and so on, as opposed to holistic or inclusive approaches.

In the West, the key has historically been, I think, the severing of the idea of civilization from the idea of the inclusive whole. That has been a wonderful strength of the West, because it sort of freed us to do all sorts of utilitarian things – but also a terrible *weakness* for the West, because it prevented us from understanding the context in which we were working. And we then turned around and tried to prevent *other* people from understanding the context in which they were working.

The source of inclusivity, I believe, is something which can be called many things, but I think, historically and linguistically, it is called animism. And animism is, quite simply, as I am sure most of you know, an idea of the world, of the planet, of the Earth, as a seamless web. Everything is one on the planet. Humans are part of the planet, as are animals. We all have different roles, we have different functions. Perhaps we are more powerful because we have a certain kind of memory, a certain kind of intuition, a certain kind of reason, but we are still part of the planet.

And the severing of the role of animism in the West, at the end of the Middle Ages, had certain advantages, but had certain terrible disadvantages. The last serious book written on animism in Western civilization was in about 1880, a two-volume book, but there was no follow-up to it, because people were terrified of the idea that somehow, we rational beings would be dragged down to the Earth and be part of it, as opposed to dominant and over it.

Severing *us*, in effect, from the idea of the Earth as a seamless whole is really what you are struggling with. It is what makes us think that human beings have rights, somehow, to change and alter the nature of the Earth, and to take non-precautionary risks -- to take those kinds of risks with things we do not actually know about, even though they may be dangerous. That is the sign that we are out of control because we are no longer linked to the Earth, because we have cut off the animistic from our ethical, moral, religious, intellectual way of life.

You have seen this amazing growth in the environmental movement over the last 30 to 40 years, but the weakness of the environmental movement has always been that, in order to succeed, at the end of the day in order to win the cause, it tends to buy into either a romantic view or a rational view. Seattle was a perfect example. And what is missing from the environmental movement is really that fundamental philosophical orientation which is animist, which would allow one, in a non-romantic way, to deal with the question differently.

But in order to do that, one has to re-introduce the idea of animism, which, I have to admit, having tried to do it for a couple of years, is pretty difficult. But I think it is important to be realistic about what works and what does not work.

As a result of having severed ourselves from the animistic, our philosophy has become increasingly cut off from any form of inclusive view. Our social sciences are the children of instrumental reason – they are actually central to the problem. I say this as somebody with several degrees in social sciences. We are actually part of the problem, because our whole theory is based on the denial of the animist, of inclusivity. We are conceptually part of the problem.

Our theories of governance are cut off and are frightened by the whole idea of inclusivity and lateral thought.

Our administrative methods are totally cut off from this. They are tied directly to instrumental, reasoned, rational approaches.

About the only working tool that European civilization has to rejoin, in a sense, the emotion, the understanding, the feelings of animism -- are the Greek tragedies, which is one of the reasons why these tragedies reappear every five or 10 years with enormous force. And I saw one recently in a village in Canada where nobody really knew what a Greek tragedy was. Yet people were weeping because it went right past the rational, and the false rational -- it went right past *everything*, and touched something in their core which they did not even know was there, but which they felt, without being able to express.

I have to say that I think that both Canada and Bhutan and some other countries have an advantage on this front. It is very interesting that you will find the animist presence in Buddhist temples in Bhutan. Officially, that could pose some problems, but it is also a very interesting link -- emotional, ethical, moral link, putting together the animist with the Buddhist, with whatever else.

And in Canada, we have this strange mixture of the Anglophone and the Francophone, but tied to the Aboriginal. We still have over a million aboriginal Canadians who have an unbroken link to the animist. And, thank god for Canada, this part of the population is becoming stronger every day. We are seeing the return of Aboriginals to a central role in Canada, a central role which they were guaranteed at the beginning, and that return may be the thing that will actually -- if I could be dramatic -- save Canada, as a civilization. I think it is actually the *key* to Canada's future.

At the graduation ceremony of the lawyers in Iqaluit, Sandra Omik, a young woman who was one of the graduates, talked about how wonderful it was – they had heard about what university was like in the

South -- to be in this less competitive atmosphere, this more consensual atmosphere, because of course, animistic civilizations have a built-in understanding of consensus, as opposed to battle, opposition. And they are very clear in their own minds that what they want to do with law is make it much more about consensus, and much less about opposites, and battling opposites.

Claire L'Heureux-Dubé, who recently retired from the Supreme Court of Canada, one of our great Justices, was there to give a speech in the evening, and she talked about the importance of melding the ideas from traditional Inuit law with Canadian-European law. She talked about how difficult it would be, but how exciting it would be.

This is one of the most interesting things happening in Canada. If we can actually implode our law inwards, so that we get the Aboriginal into the core of it, consciously, we will be able to deal with justice in quite a different way in Canada. We are getting there, but it is very, very slow, and we are only at the early stages of it.

Now, the point of all of this is not to say, "Let's go back to the past." We aren't going back to the past. There are patterns in history, and one has to look at those patterns, because they do revolve in a Tolstoyan manner - there is no question about it. We are not going back to something that existed, but we can create a future out of the past, using the broken elements and the unbroken elements that are already there. We can take the bits and pieces from Judeo-Christianity, from other religions that are coming into Canada, other experiences, and we can put them together and make something new. But the animist is central to that.

I think that sustainable development and environmentalism would act as the proponents of it. The whole message of it would look, act, and sound differently if society, as a whole, had built back into its core this animistic, holistic idea, and I think that it is entirely possible, but it will have to happen in the larger sense, in order for the more precise approaches towards environmentalism to work.

Once you explain to people environmentalism or sustainable development, in a non-competitive manner -- in a civilization manner, in a holistic manner -- people understand immediately, and are supportive. As soon as you start explaining it in a "It is competitive too - it is not so expensive -- we can beat other people by doing this"... people just turn off, because they know that even if it is true, it does not matter because that is all it is really about.

As a writer, I led movements for years. We were told that the reason that there wasn't money for the arts was because the arts weren't really producing, and they weren't important to the economy. So we all went to

work and proved there were 600,000 jobs in the arts in Canada, and it was worth X billion dollars and we export \$2.4 billion... and all they did was turn the other way and change the subject, because of course, it wasn't about that. It was about power, and their concept of power.

In other words, I think the challenge is about breaking out of the theoretically rational prison, the rational economic prison, the fear, and the basic assumptions of exclusion.

What are the barriers to good governance? Well, the barriers to good governance are inertia, which comes with some of the things that I have been describing -- the inertia of structure, structural laziness (inertia produces laziness); the desire to protect your territory once you are in one of the structures; self-interest of all sorts, not just financial (but your own self-interest is encouraged); a concentration on the short term, which again comes out of all of this; an obsession with secrecy...

In a way, power in the current civilization comes from hoarding information. There are millions of secrets created every year. What are they? What could they possibly be? They are not secrets, they are pieces of power for the people who actually have the information, and manage to get it registered. A secret prevents change, prevents public discourse.

Another obstacle is the incapacity to share information, because sharing information is a loss of power; an incapacity to admit error, because if you admit error you are no longer a competent professional. You will lose power. Whereas everybody knows that the best way to get to the next stage is to admit quickly you have made a mistake, explain what the mistake was, and change what you are doing so you can move forward. Instead, we have constructed a society -- linear, instrumental -- in which the admission of error is to your *disadvantage*, and therefore, it slows down any real sense of progress.

And then, finally, a terrible confusion between leadership and management. If you examine how much money goes into producing managers in the world today, under the misapprehension that they are leaders... It is not the same thing. A manager manages; a leader leads.

A leader has a relationship with the population. Even a benign dictator has a relationship with the population. A manager does not. A manager is in charge of structure, and part of the problem of the inability to change things, to change the discourse, is tied to this terrible confusion between not heroism, but leadership and management. Management has its role, but it is not any kind of panacea or wonderful thing -- "If we just had more managers, things would be better." We've got too many managers. We don't need any more managers. We should shut down most of those management schools because they don't actually understand management anyway.

I would say that more harm has been done to the private sector by management schools than by any other part of society. Socialists haven't done *half* the harm that the management schools have done, because they don't understand risk, they don't understand public debate, and they don't understand ownership.

All of these barriers are the opposite from what you need for an inclusive approach. And I say all of this, knowing full well that most of the people who are guilty of these things are also of good will, are decent people, want to do well, want society to do well. It's the structure, and our acceptance of the structure, which makes it so difficult for people to change the way in which they act. They know that if they act out of context, they will lose their job, they won't get promoted, they won't be able to pay off their mortgages, and so on. So when you have a society which is structured to tie people down in that way, well-educated people, you have a very problematic situation.

And I will just give a simple example. Lyonpo Jigmi talked about the glaciers' melt-back in Bhutan. I have just come from flying over I don't know how many dozen glaciers in the Canadian Arctic. You can see them melting back -- it's very clear. In many cases, in Canada, it means they have melted back far enough that when they break off at the end, the icebergs fall on land, as opposed to in the water, so you are seeing a gradual disappearance, a reduction in the quantity of icebergs.

Now, is this being caused by global warming? Is this cyclical? Is this something else? We actually don't know. We know that there are very real reasons why it might be global warming. We also know that there are cycles. We also know there are other factors. But that is not the point. The point is that this is something animistic -- this is beyond our lifetimes. And the precautionary principle should apply, which is that even though we are not absolutely 100 percent certain -- because who is going to sit around at the bottom of a glacier and try and figure out, with 100 percent certainty, what the cause is? Even though we are not 100 percent sure, we don't have the right to take the risk, because if we get it wrong... If we get it wrong, the outcome is incalculable.

But that idea of the precautionary principle -- the reason it can't apply -- is because of linearity, because of false rationality, because of managerialism ... because of our failure to redefine the central discourse.

Let me add in, just as sort of as an aside, a little economic point which is not often made, to show you how far off course we are.

Virtually all of the dominant economic theories in place were invented in the late 18th century to the mid-19th century -- Smith, Ricardo, the whole rest of it -- and we have been feeding off this stuff ever since. They were all based on societies in scarcity -- agricultural,

industrial scarcity. And competition, as defined by them, was part of a race through technology towards surplus, and that is what got you fair prices and fair profits.

In virtually every area of production in the world today, we are now in surplus, *massive* surplus. That does not mean that everybody has access to it, but it is available, if it could be got to people in proper conditions. We are in surplus for shoes, ties, watches, radios, glasses -- everything. We are in surplus. Beef, wheat, rice, fruit -- everything is in surplus. And we are using economic theories based on scarcity, which is fundamentally why you are seeing a race to the bottom, in terms of prices, why competition doesn't work, why you are seeing certain kinds of protectionism inside large corporations taking place -- because we are using economic theories which actually don't apply to today's reality.

This is a very interesting opening for thinkers to invent a new economic discourse which applies to today's reality, as opposed to a reality of the 19th century and the early 20th century. And yet, there is almost no discussion going on inside our Economics departments, based on that idea of probably permanent surplus, or semi-permanent surplus, or surplus for the next 50 years.

I guess one of the things that follows from that -- and you heard it said in the introduction -- is that in any case, economics should not be the lens or the prism through which we are examining society. And this is one of the problems with many of the arguments about sustainable development. At the end of the day, when you pay it back, people arguing in favour of sustainable development are often using, as the foundation of their argument, economic assumptions coming out of the 19th century, as opposed to far broader and more inclusive social or ethical or justice or egalitarian assumptions. And this will make it very difficult to make sustainable development normal. Economics *cannot* be -- it is not that they *should* not be -- it *cannot* function properly as the lens or the prism of society.

The principle of justice -- not law but of justice -- is human dignity and egalitarianism together, and they really are the lens through which civilizations are built, *any* civilization. It doesn't matter whether it's Bhutan or Canada, whether it is China or India or Australia -- all civilizations. If you look at what Buddha said, if you look at what Mohammed said, look at Confucius, look at any major theorist, moral and ethical theorist -- they all talk about human dignity and egalitarianism in one way or another. Those are the lenses through which you can build society. You make economics *serve* human dignity and egalitarianism.

Claire L'Heureux-Dubé told the Inuit law graduates that "human dignity implies justice and compassion." Adam Smith wrote two books. One of them (his economic theory) is taught -- not read, by the way. None of the people who quote Adam Smith have ever read him, as far as I can make out, and not for the last 30 to 40 years. Otherwise, they wouldn't quote him the way they do. And that eco theory was a footnote to his big book, which was "Theory of Moral Sentiments," which was all about ethics and inclusion. He begins, in the first few pages, by talking about the difficulty of empathy, the difficulty of imagining the other, the suffering of the other -- in other words, human dignity and egalitarianism. The economics book was just a bit of utilitarian scribbling, which even then has whole sections in it about egalitarianism and human dignity. And of course, all of that is very close to Coady's idea, which is why Coady is so modern and so appropriate today.

The third semi-economic comment which is relevant today is about technology. Technology is fabulous. We have all done very well out of technology. But technology, treated the way we are treating it, becomes an uncontrollable linear force, and as a result, we lose a large part of the advantages of it.

Just think to yourself about the last 20 years. We were told that because of technology, we would save labour, and therefore have more free time. And in that same period of time, we have gone from one middle-class wage being sufficient for a middle-class family with three children, to requiring two wages for one-and-a-half children, even though there has been more consumption.

And how did that happen? How did we lose the value, the imaginative value, that we won through technology? We lost it because we didn't change the discourse. We allowed the one value to be inflated away, essentially -- a form of invisible inflation which is not even discussed -- whereas in fact technology is perfectly controllable, perfectly shape-able. I could give you dozens of examples of how technology can be shaped and limited, and slowed down so that it can be useful to our societies (speed is not a characteristic of civilization).

Let me give you another little example, a very simple strategic example. This is a country, as is Bhutan, with many isolated communities. We share, with Bhutan, communities that often don't have roads going to them, but ours are a lot further apart than yours.

We don't have any central energy theory for dealing with the needs of those communities. We ship in, by barges, once a year, fuel oil to Arctic communities. We fly fuel in to Aboriginal landlocked communities. Most of these communities are sun-baked for eight months of the year. Many of them are in windy spots. All of them have

the availability of burning waste. Many of them could have geothermal energy. Why aren't we doing it? All of these technologies exist. Why aren't we doing it?

Because the dominant discourse is that you need a big economically-based energy theory to solve these problems, as opposed to saying, "Well, you know, this community could have one windmill and 12 solar panels, and that would handle 90 percent of its needs. In that other community, it won't work, but they could do geothermal." In other words, a much more common-sense, down-to-earth, less romantic, less ideological approach towards energy. It could be had.

But instead, people say that wind could never get beyond 10 percent of our national needs. Who is talking about national needs? You see, that is the big ideological, linear, rational approach. Why not just say we have got 2,000 communities that you can't drive to, and they are very isolated. Just set up a group of people, go to them one by one, and figure out how you can do the energy, on a one-by-one basis, without some big theory.

What stops us? What stops us is, we have not redefined the central discourse. The central discourse is all about big theories.

Health care. We have a Ministry of Health – but the entire budget is spent on sickness. People *attempt* to talk about wellness and about prevention – but there is no money for wellness and prevention. There is only money for utilitarian, falsely rational activities. Of course I want the doctors there when I have a disease – but that is not the point. The point is that the way we got from an average life expectancy of 50, in 1900, to an average life expectancy of about 80 today, is by wellness -- by clean water, by sewage collection, and so on. And we are not doing that any more, because we are so locked into this minutia of managerialism, of false rationality, of linearity.

So what I am saying here is, I think this is a critical moment. I have been talking about negatives but actually, you can sense, underneath all these negatives, opportunity -- enormous opportunity. It is a critical moment because we have a critical mass of people involved. These people feel isolated.

But the only way to come positively out of this critical moment is by changing the discourse, the intellectual discourse, and the discourse of power. If you don't have the language, you can't do it. If you don't have the power, you can't change anything. If all you have is influence, then all you have is influence. You may get a few cookie crumbs, but you are not going to get the fundamental changes that you are after. So I think it is very important to differentiate between strategy and tactics, leadership and management, and so on.

Most NGOs were constructed as shadows of the thing they opposed, of the problem. The thing they oppose is a silo. And so, in a way, the structure of the NGOs, even though millions of people are involved, mirrors the structure of what it is trying to get rid off. And that is actually, intellectually speaking, a problem. One, no power, only influence; two, structured in a manner which mirrors what you oppose: in other words, a system which limits many people who want to change the world, limits tactics, and prevents them from getting a strategy.

Strategy is not a great big thing that takes on everything it wants. It's not the trenches of the First World War. That would be disastrous. Strategy is looking at the situation, and trying to figure out, what are the strategic points? What are the one or two or three major programs, major changes, major initiatives, that could be undertaken, which would, in a sense, shift the whole opposing side, shift the same situation?

A great general is somebody who looks at an army -- doesn't matter how big it is -- and pushes a pressure point, and the whole thing either falls apart or just swivels around. That's what strategy is.

And if you want to know what it means in practical terms, well, in Canadian terms and in Bhutanese terms: public education. This country was radically changed by public education. They didn't say, "We are going to change everything." They said, "Were going to produce public education for everybody, and *that* will change everything. And in the latter, we're going to produce health care for everybody, and *that* will change everything." Or, "We are going to ban the death penalty -- that will change the attitude towards justice." Those are strategic approaches, as opposed to ideological approaches. And if you succeed at the thing you concentrate on the rest will follow.

Right now, within the next month, there is a small possibility that the leaders of the Western World will cancel about \$40 billion worth of debt from the Third World. If that happens, in a reasonably clear manner, it will be a sign of a new political energy, leadership, a sense that you can change the direction of things.

If it is done, what it indicates is that there is movement afoot. We are into a new approach, a new self-confidence among political leaders. I don't know how much, I don't know how far. We will see whether it happens, we will see how clearly it happens -- how much influence the advisors and the technocrats have to stop it from happening, because they fear that it won't be "regular," to simply rip up the money. But it is a sign of an opportunity, which is an opportunity for all of you.

Let me finish by just saying, what are those areas, what are those strategies for renewing our society? That is not really my business but I could give you my opinion. I think micro-finance is a very important

area, particularly when it is aimed at women. I think that the co-op system, which had a great day, is crying out for re-invention, and that the co-op system could actually be the basis of micro-financing -- it could be a very powerful new tool, not only in Canada but in countries around the world. There are little initiatives, but it could be major.

I think there is an enormous need to redefine education so that, actually, we are not exporting education of one sort all over our country and all over the world. We have to really think about how education needs to be adapted to places, so that we are not simply producing mirrors of what already exists in a few large cities.

I think there is an easy opportunity to create cartels -- *positive* cartels, not negative cartels. In other words, to escape the commodities track, by actually consciously setting out to create international cartels. We are in a surplus situation. We need to reduce production. By reducing production, you bring prices up. By reducing production and bringing prices up, you don't have to use as many chemicals; you don't have to follow the industrial-agricultural method. By reducing the industrial-agricultural method, you actually get the price up, solidify employment, and get better produce... and help the marketplace, and get government out of subsidies. It would be a very interesting and easy area to work in.

Consensus politics in place of opposition politics -- I think there is more and more of a call for that, in various parts of the world, that we mustn't fool people into thinking that there is some dream, wonderful way of getting the truth through opposition, when in fact, the truth can just as easily, and perhaps more appropriately, be got through consensus.

Dealing with the disjunction between the amount of education women have, and how little power they have. Today in Canada, the majority of graduates from law schools and medical schools are women. You wouldn't know it when you look at the power structures. I think that could solve itself within 10 years. But if you allow it to solve itself, as opposed to saying, "In what way do women wish to take power?", we will have lost a great opportunity, just as we lost most of the investment value of women going into the workforce. I talked about the two-job incomes required -- it was inflated away. Are we also going to inflate away, or lose the direction that could be given, by having a majority of women in two of the most important professions?

It has to be consciously thought about. How would women take the leadership in these professions in order to see whether it could bring us around in an interesting direction?

And then, my last comment is quite simply this, and it goes back to almost my first comment. I have said this before, and I am going to say it until it happens. In the 1970s, many young people stopped going into

politics because they were told there was no point, because inevitable forces were at work around the world. After about 15 years of frustration, they started creating NGOs. We now have a higher percentage of people under 40 in public service than ever before in history, virtually none of them in elected politics... and elected politics is where changes are made. Influence is influence, power is power. If you don't have power, you can't change things in a radical way.

What do you have to do? You don't have to shut the NGOs down. There is nothing wrong with doing two things at once. I mean, it is quite an enjoyable way to live your life, actually. All you do is decide that you are willing to ruin your personal life by going into elected politics -- ruin your family life, make your children bitter, all the rest of it -- but nevertheless, serve the public good by creating political parties, going into political parties, engaging, getting power, and with power, serving the public good, and *that* is a strategy.
