

2019 THOMAS D'AQUINO LECTURE ON LEADERSHIP

CANADA ADRIFT IN A WORLD WITHOUT **LEADERS**



AN ADDRESS BY THE THE HONOURABLE PERRIN BEATTY, P.C., O.C.
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Canada Adrift in a World Without Leaders, an address by the Honourable Perrin Beatty, P.C., O.C. for the Thomas d'Aquino Lecture on Leadership

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THOMAS D'AQUINO

Chairman & Chief Executive
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Photo by Jean-Marc Carisse

Thomas d'Aquino is an entrepreneur, corporate director, educator and author. He is Chairman of Thomas d'Aquino Capital and Chief Executive of Intercounsel Ltd.

He has served as a Director of two of Canada's leading global enterprises: Manulife Financial Corporation and CGI Group Inc. He is a Director of Coril Holdings Ltd. and is Chairman of the National Gallery of Canada Foundation. He serves as Canada Chair of the North American Forum and as Honorary Professor at Western University's Ivey Business School. Earlier in his career, he served as Special Assistant to the Prime Minister of Canada, as an international management consultant in London and Paris, and as Adjunct Professor of Law at the University of Ottawa lecturing on the law of international trade and global business transactions. He has served as Special Counsel and Senior Counsel to two of Canada's leading law firms.

From 1981 to 2009, Mr. d'Aquino was Chief Executive and President of the Canadian Council of Chief Executives (CCCE), an organization composed of the chief executives of 150 of the country's leading enterprises and pre-eminent entrepreneurs. Mr. d'Aquino assumed

leadership of the Council in its formative stages. Upon his retirement from the CCCE as of December 31, 2009, member companies accounted for \$850 billion in annual revenues and \$4.5 trillion in assets. In recognition of his exemplary leadership, he was named by the Council's Board of Directors as a Distinguished Lifetime Member. The Council today is known as the Business Council of Canada.

A native of Nelson, British Columbia, Mr. d'Aquino was educated at the Universities of British Columbia, Queen's and London (University College and the London School of Economics). He holds B.A., J.D. (LL.B.), and LL.M. degrees, and an Honorary Degree of Doctor of Laws from Queen's University, from Wilfrid Laurier University, and Western University. He is the author of *Northern Edge: How Canadians Can Triumph in the Global Economy* and has addressed audiences in 40 countries and in more than 100 cities worldwide.

SHARON **HODGSON**

Dean
Ivey Business School



Canadians are fortunate to live in a free country with ample opportunities to grow and prosper. However, our country's leaders will certainly be tested as Canada, and countries around the world, face immense political, economic, and social challenges. The choices they make will determine Canada's role in this changing world.

To address these complex challenges, more than ever we need business and political leaders who are principled, authentic, and collaborative. These leaders must work together to build multilateral business-government relationships to deliver pragmatic solutions to these challenges and we must develop highly collaborative multi-lateral partnerships internationally.

The Honourable Perrin Beatty's message that bold leadership and collaboration will determine Canada's position on the global stage resonates well with Ivey's commitment to developing leaders of character.

At the core of all our programs – from undergraduate and post-graduate to our executive education – is an emphasis on building key character dimensions. We strive to build accountability, collaboration, and humanity into every student's makeup to ensure they are equipped to solve the world's challenges. We also promote the need for, and demonstrate through our cases, the importance of business and government working together in solving these challenges.

Instilling these skills in the leaders of today – and tomorrow – will help ensure they play an important role in making everyone's future brighter and more cooperative.

GERARD SEIJTS

Executive Director

Ian O. Ihnatowycz Institute for Leadership
Ivey Business School



It was a great pleasure for our Institute to host the 2019 Thomas d'Aquino Lecture on Leadership on its 13th anniversary. In his keynote address, the Honourable Perrin Beatty, BA'71, LLD'13, President and CEO of the Canadian Chamber of Commerce, challenged our students as well as a captive audience in Ottawa to consider Canada's current global standing, and our potential to provide leadership and exert influence in a world that is experiencing a dearth of quality leaders. His talk touched upon various themes: government and business collaboration, corporate social responsibility, sustainable economic development, Canada's position on climate change, and international trade.

The Institute for Leadership amplifies the mission of the Ivey Business School and contributes to cultivating strong business leaders for the 21st century through the development of leader character. Character is a key ingredient of leadership and yet the world is awash right now with examples of leadership that lacks character – in politics, in business, in sports and other segments of society.

It is no longer just an understatement to say that the world craves better leadership, but a misstatement. As citizens, we no longer have the luxury of merely craving better leadership — the world requires it, we must demand it, we must reward it, we must vote for it, we must contribute to it, we must learn and become better leaders.

But whether the quality of leadership improves or not depends on the efforts of many stakeholders in all segments of society. As educators, we certainly have to do our part. The Institute has made research, student

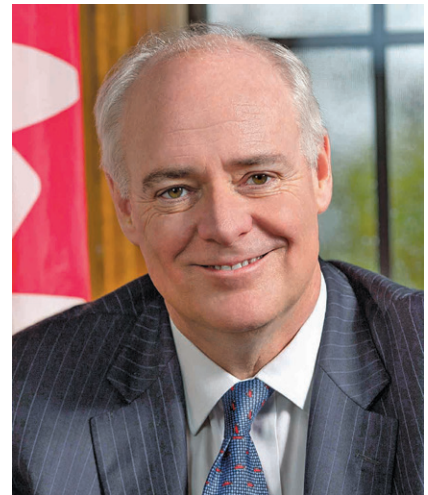
programming, and outreach on leader character its distinct differentiator in the vast leadership space at academic institutions. We are committed to developing global citizens who have strength of character, strive to make a difference, and contribute to the flourishing of teams, organizations, communities, and societies.

The Lecture on Leadership was established in 2006 to salute Tom d'Aquino's outstanding contributions to national and international business, public policy, and the voluntary sector – contributions that carry on to this day. This lecture serves an important purpose in our curriculum as the speaker alumni are all exemplars of character in leadership and represent some of Canada's most extraordinary achievers. They serve as role models for our students and other stakeholders.

We are deeply grateful to Tom who has contributed in significant ways to help build a world-class Institute for Leadership at Ivey. The support of our donors in research, teaching and outreach helps to ensure that our students will have their lives enriched by the opportunities their gifts create. And I have no doubt that the Institute for Leadership, the Ivey Business School, and Canada will grow in stature from their accomplishments.

As you read the 2019 Lecture on Leadership, I encourage you to reflect on the importance of character – in particular when the title of the presentation invites such reflection: Canada Adrift in a World Without Leaders. Think about how we can end the character deficit crisis we are witnessing all around us, and how each of us can 'raise the bar' in our respective organizations by recognizing, measuring and fostering leaders with good character.

PERRIN BEATTY P.C., O.C.
PRESIDENT AND CHIEF EXECUTIVE OFFICER
CANADIAN CHAMBER OF COMMERCE



The Honourable Perrin Beatty, PC, OC, is the President and Chief Executive Officer of the 200,000-member Canadian Chamber of Commerce, Canada's largest and most representative national business association. Before joining the Canadian Chamber in August 2007, Perrin held the same role at Canadian Manufacturers & Exporters (CME).

A descendant of one of Canada's most prominent manufacturing families, he grew up in Fergus, Ontario and graduated from the University of Western Ontario in 1971. Perrin was first elected to the House of Commons as a Progressive Conservative in 1972. During his 21 years in Parliament, he served as Minister in seven different portfolios, including Treasury Board, National Revenue, Solicitor General, Defence, National Health and Welfare, Communications and External Affairs.

In 1994, Perrin joined a number of private sector boards and worked as a consultant in communications. In addition, he was an Honorary Visiting Professor in

Western University's Department of Political Science. From 1995 to 1999, he served as President and Chief Executive Officer of the Canadian Broadcasting Corporation.

In keeping with his long-standing interest in education, Perrin served as Chancellor of the University of Ontario Institute of Technology from 2008 to 2015. He has received honorary degrees of Doctor of Laws from Western University, the University of Ontario Institute of Technology and Wilfrid Laurier University.

Perrin is currently a member of the board of directors of Mitsui Canada and in 2018, he was made an Officer of the Order of Canada "for his lifetime of public service and for his devotion to the development of our nation as a community leader and corporate visionary".



OTTAWA



The Honourable Perrin Beatty delivers the Thomas d'Aquino Lecture on Leadership at the National Gallery of Canada in Ottawa, Ontario on November 6, 2019.

CANADA ADRIFT IN A WORLD WITHOUT LEADERS

AN INTRODUCTION BY **JOE CLARK**

Former Prime Minister of Canada

Let me start with a word about cabinet-making – not that I have as much experience, as I would have preferred.

In the bright spring of 1979, I had the honour of forming a government. When you think of it, it was a strong cabinet: Flora MacDonald, John Crosbie, Michael Wilson, Don Mazankowski, Bob de Cotret, Lincoln Alexander, David MacDonald, David Crombie, Ray Hnatyshun, Ron Atkey, the formidable and under-valued Erik Nielsen—stars from a broad Canadian sky.

And the youngest of them was Perrin Beatty, who had turned 29, three days before he entered cabinet. Perrin and Julia's son Patrick once asked me why I'd chosen his dad, over other able colleagues. One reason is that our experience together, as young MPs, proved he is an instinctive parliamentarian—and, if he will allow this—an instinctive public servant: articulate, smart, cool under pressure, and, most critically, respectful of both the rules and the reason for the rules.

There was another motive, and it may not be as worthy. My view of Canada is that we are a community of communities, shaped by different experiences—whether in Fergus, or Hanoi, or La Rochelle—respecting those differences, and knowing that our interest is in working together.

In many cases—where we come from, and what we absorbed growing up, helps shape us—not as a stigma, and not as superior, but as one signal of who we are, and how we are likely to think and act. I am an Albertan, proud of where I come from, but aware of the limitations of that experience. Perrin is inextricably from Ontario, a Canadian from Ontario, and I needed his perspective. And, continue to prize it...

That speaks to who Perrin is. What he does, at its most important, is form and lead opinion, in both the private and the public sectors. His career reverses a common trend. Many people who succeed in business migrate to politics...with mixed results. Perrin, after an exemplary career in politics, has earned national and international respect in business—first as president and chief executive officer of Canadian Manufacturers and Exporters, and now in that same leadership role with the Canadian Chamber of Commerce.



The Right Honourable Joe Clark

That combined experience and perspective is more important now than ever because of two realities in this transforming global society. First, a growing number of business leaders now accept that the responsibility of their enterprises reaches well beyond a traditional bottom line; and in cases where they don't recognize that, their employees do, and change prevails.

Second, as businesses adapt to new global and social realities, they often demonstrate more creativity—and more capacity to change—than governments can. Often those innovations have impact well beyond the business, in effect they create models for public policy, which governments can adapt and apply.

To take one random example: the smartest resource companies are investing in renewables and electrification and artificial intelligence as an instrument of innovation. An advantage, of course, is that business can also cancel a product line to finance an innovation while it is risky for governments to even talk about that. But this emerging circumstance creates a partnership, where the perspectives of “private” and “public” can come together, as they do forcefully in the example of Perrin Beatty.



The Right Honourable Joe Clark and the Honourable Perrin Beatty

THE THOMAS D'AQUINO LECTURE ON LEADERSHIP

CANADA ADRIFT IN A WORLD WITHOUT LEADERS

by THE HONOURABLE PERRIN BEATTY

When Tom d'Aquino invited me to give this year's lecture on leadership, I was both honoured and somewhat intimidated. I've known Tom for forty-five years as a friend, a visionary, a colleague and a fervent Canadian patriot, and I can't think of anyone more appropriate to organise a program around the theme of leadership. On the other hand, when he reminded me of the list of speakers who took part in the program in previous years, I felt I might have wandered into the wrong room.

With that disclaimer out of the way, let me start. I have entitled this lecture *Canada Adrift in a World without Leaders*. That title is somewhat misleading, however, because there is no shortage of leaders either in Canada or on the global stage. The issue is whether the quality of leadership we see is up to the existential challenges that confront humanity. I'll talk a bit about that, and I want to comment about the role Canada should play in the world, as well as offering some thoughts on the role of business.

Two weeks ago, Canadians chose a new Parliament. My last election as a candidate was 1993, when Kim Campbell was famously reported as saying "an election is no time to discuss serious issues." She did not actually say what was attributed to her, but perhaps she should have. Based on the election Canadians just endured, it would be fair to question whether modern federal campaigns are occasions to discuss important issues and compare contrasting visions or are more of a spectacle of pseudo-events, mock indignation and character attacks on political opponents.

Whether the parties and the news media choose to deal seriously with them or not, Canada does face critical issues that will shape the inheritance we leave the next generation. We could easily put together a list this evening. The short version would include climate change, our declining economic competitiveness, the need to build a 21st Century workforce, coping with an aging population, and the inadequacy of our infrastructure, among other topics.

These are all significant concerns, but perhaps the most pressing question for the new Parliament is what role we want to play— in diplomacy, security and business— in the global community. It's an issue where none of the parties has presented a coherent vision, where the



Gerard Seijts, Executive Director, Ian O. Ihnatowycz Institute for Leadership

questions are confusing and the stakes are high, and where the pace of events leaves little time for thoughtful study.

The world in which I came of age, and from which Canada has benefitted so much over the past three-quarters of a century, no longer exists. The assumptions on which we base our policy, the institutions designed to preserve international order and the rules that govern international business have all morphed beyond recognition and are continuing to change at an accelerating pace.

The challenge of finding our way in this new world is further complicated by the growing lack of trust in our institutions and our leaders. This distrust fuels a sense of futility among ordinary citizens while it energises the absolutists, conspiracy theorists, and demagogues who have risen to prominence in one country after another in the last few years. It recalls the poetry of W.B. Yeats, who warned of a time when, in his words:

**The best lack all conviction, while the worst
Are full of passionate intensity.**

We all view how the world is progressing based on our own experiences. My political consciousness was shaped during my time in high school and at university, but I received a close-up view of the world during my time in Cabinet in the 1980s and early 1990s.

Three characteristics stand out in particular. First, it was a period of tremendous hope. We watched as literally

hundreds of millions of people moved from dictatorship into freedom. This progress was most evident with the collapse of Soviet Communism, but it extended around the world. In our hemisphere, for example, almost all of the countries had governments that were popularly elected.

Second, Canada enjoyed a seat at the table when the most critical decisions were being made in the G7, NATO, NORAD, and on the Security Council of the United Nations. This was partly a legacy from our role in World War II and the subsequent post-war reconstruction, but it also reflected the personal relationships that existed between our Prime Minister and other key heads of government.

And Canada used that privileged position to make a difference. The personal and political relationship between Brian Mulroney and Ronald Reagan was strong, which allowed us to be direct in expressing our differences on issues like aid to the Nicaraguan contras and how to deal with apartheid in South Africa. I witnessed an example, first-hand, when President Reagan accepted the Prime Minister's invitation to speak to a joint session of Parliament in 1988. The Prime Minister hosted a luncheon at 24 Sussex Drive for about a dozen Canadian and US officials before the President was scheduled to deliver his speech. The conversation was informal and wide-ranging, and the Prime Minister raised the need to act forcefully to end apartheid in South Africa.



Thomas d'Aquino



The Honourable Perrin Beatty

He knew that Reagan distrusted Nelson Mandela but he offered a blunt assessment of the opponents to majority rule. He said, “Ron, these people are Nazis. They’re on their way out, and the United States has to be on the right side of history.”

President Reagan accepted this pointed advice without endorsing it, but also without any sense of offence. This conversation, which reflected Canada’s strong and very public campaign for a transition to majority rule in South Africa, was possible between two leaders who liked and trusted each other, but would have been very unlikely if their relationship had been only polite and formal.

The third difference between that period and today was the sense that the leaders were bigger than the issues. When Reagan, Thatcher, Kohl, Mitterrand and Mulroney met, we were confident that global issues would be resolved. In contrast, when the G7 met in Biarritz three months ago, success was defined by the fact that the talks did not break down.

The environment in which we operate has become infinitely more complex since my days in Cabinet. With the collapse of the Soviet Union, only one real superpower remained. The United States was by far the dominant military, diplomatic and economic power in the world. Even today, three US states -- California, Texas and New York -- each have nominal GDPs larger than Russia’s.

However, while no one country can yet match US economic, military, or diplomatic power, other countries

are closing the gap. China is projected to have the world’s largest GDP in coming years, and it increasingly possesses both the ability and the will to assert itself diplomatically and militarily. Similarly, Russia has demonstrated its international ambitions by interfering in foreign elections, seizing Crimea, strengthening its relationships with a NATO partner — Turkey — and successfully intervening to support the brutal Assad regime in Syria.

Even if you discount the advances of Russia and China, the world is becoming more multipolar, straining the consensus required to resolve international issues. Countries like India and Brazil will no longer quietly follow US and European leadership.

Many of our instruments for global governance and security, including the Bretton Woods institutions, NATO and the Security Council of the United Nations, are products of the post-World War II era. Their structures exclude many of the new players that have risen to much greater prominence in the intervening years. And new institutions like the G20 and the World Trade Organisation appear lost in a cacophony of competing voices.

Compounding this problem is the US shift away from multilateralism to a grumpy, mercantilist nativism that prefers having clients to allies. The Trump Administration’s trade, security and diplomatic policies have cost its friends while empowering its strongest opponents. As the United States pulls back from its

traditional allies, it has emboldened autocrats in Russia, China, Iran, Syria, Hungary, Brazil, the Philippines, Turkey and elsewhere, creating new uncertainty and reversing the advance of liberal democracy that seemed inexorable even ten or fifteen years ago. And the US government has turned against some of its own creations, including the World Trade Organisation. Long the primary promotor of and beneficiary from globalisation, it now uses the term as a pejorative.

If job one for the next government is Canada's role in the world, day one of job one starts in Washington, where Canada faces a sometimes hostile administration. Even before he almost served notice that he was abrogating NAFTA, the President had launched a series of trade actions against Canadian products and companies.

For many decades – and especially since the Canada-US Free Trade Agreement – Canadians believed the interests of our two countries were so symbiotic that neither would ever intentionally inflict damage on the other. That comfortable illusion ended with the President's mid-Pacific tirade following the G7 Summit in Charlevoix.

It's tempting to assume that this will be a one-term aberration and that things will return to normal after either the 2020 or 2024 Presidential elections, but we simply no longer have the luxury of quiet complacency that all will be for the best. Instead, we need to lessen our vulnerability to capricious actions by reducing our economic and diplomatic dependence. If the illegal duties on Canadian steel and aluminum didn't convince us that the US Administration won't be governed by the agreements to which it is a party, the threat to impose punishing tariffs on Mexico to force it to change its immigration policies notwithstanding both NAFTA and USMCA should remove any doubt. Although politics may have rendered the issue moot, I would even argue that building a pipeline to the Atlantic that would allow all Canadians to be served by Canadian energy has become a matter of national security.

Economic and political disorder is not confined to North America. Europe is consumed by its own internal problems. The tragicomedy of Brexit has led to a Parliamentary breakdown in Britain, while several other European countries suffer from their own crises of national leadership and from the rise of ugly nationalisms that threaten to turn them into closed societies. Even what should be an uncontentious matter like ratifying free trade with Canada is far less sure than it seemed just three or four years ago.

I believe that the great conflict today is not between left and right, but between open and closed societies. We are witnessing the rise of dangerous xenophobic movements that regard engagement with the world not as an opportunity, but as a threat. They are fueled by politicians who legitimise and exploit the worst instincts and fears of their followers.

Even the President of the world's most powerful nation sees political advantage in presenting his country as a victim of the rest of the world. In his speech to the United Nations General Assembly in September, he said, "the future does not belong to globalists. The future belongs to patriots." What he ignores is that governments best serve their own citizens when they work with others to solve problems that no one country can deal with alone. What goes on outside our national borders can directly affect the well-being of every citizen within them.

Looking beyond politics, disruptive technologies will continue to challenge the ability of traditional institutions, including governments, to respond. We have seen how technologies like those behind Facebook, Amazon, and Uber are reshaping global commerce and challenging some of our most basic assumptions about issues like personal privacy. They are merely harbingers of new systems that will arrive at an accelerating pace.

As has always been the case, repressive governments will take full advantage of technology to control their own



The Honourable Perrin Beatty



The Honourable Sheilah Martin



Goldy Hyder and General Jonathan Vance



High Commissioner Susan le Jeune d'Allergeershecque, Kristen Healy, Stephane le Jeune d'Allergeershecque

citizens and project power abroad. The measures that demonstrators in Hong Kong and even their supporters in Canada feel they need to employ to avoid Beijing's facial recognition capabilities demonstrates that reality.

Our response should not be to deny our citizens the benefits of technological advance, but to work with other democracies on frameworks to mitigate technological abuses. But we need to understand that, while the restrictions we place on technology will affect our governments and our citizens, they will not prevent repressive regimes from using it to serve their own purposes.

A final difference from how we expected the world to evolve thirty years ago is the challenge posed to western liberal values by competing systems of politics and ideology. It was possible three decades ago to believe that inside every oppressed person, there was a liberal democrat struggling to get out. The fall of the Berlin wall and the collapse of Soviet Communism seemed to symbolise precisely that. Nor did it seem unreasonable to think that bringing China into international organisations and encouraging partnerships with its government would advance human rights in that country. After all, we reasoned, free markets function best in a society of free people; once China's population had obtained the necessities of life, it would focus on building a quality of life. China's willingness and ability to transform itself along western lines seem much more uncertain today.

The events of the last three decades show that, while others may want to have what we have, they may well not want to be what we are. The forces that explicitly reject the basic tenets of western society – democracy, equality, human rights, individualism, tolerance and diversity – present a credible and, to many, an attractive alternative to a democracy they consider undisciplined, divided and weak.

So where do these developments leave us as we prepare for the new Parliament? What are our options, and what should be our priorities? And on what assumptions should we plan a new role for Canada in global affairs? Here is my assessment.

First, Canada is more alone today in the world than it has been at any previous period in our lifetimes. While the United States will continue to be our most important partner, customer and ally, we can no longer take our relationship for granted. And the remarkable silence from other Western countries during our disputes with Saudi

Arabia and China should disabuse us of the notion that we are so highly regarded in the world that others will rush to defend us. Both Saudi Arabia and China attacked Canada because they could. They understood that other countries would not be anxious to pay a price for supporting Canada.

Second, while our role as a middle-power country gives us a platform, it provides no guarantees that we can get our way in international affairs, particularly when we are dealing with much larger players. As a result, Canada's interest is ensuring that other countries play by the rules. That is why multilateral institutions like NATO, the United Nations, and the World Trade Organisation are essential to us.

And as the rise of other countries challenges US ascendancy, leadership means being pragmatic and recognising that Canada, which is only a tenth of our neighbour's size, will not automatically receive a place at the table either because of our contribution in World War II or because of our intrinsic niceness. We will need to fight for that seat and demonstrate why we deserve it, as Canada's uphill struggle to win election to the UN Security Council demonstrates. A starting point would be to give a clear explanation of what we hope to achieve if we are accepted.

Third, our actions need to be guided by a sense of modesty or, at least, by realism. We should avoid seeing ourselves as a moral superpower, allowing others to do the heavy lifting while affording them the benefit of our judgment of what they are doing wrong. Yes, we should speak clearly and work tirelessly in defence of human rights throughout the world, but we should avoid, for example, the naive belief that China will change its domestic policies to secure a trade agreement with a country whose population is modestly larger than Shanghai's. We need to engage all other countries, including those whose systems of government we find oppressive, just as we engaged with the Soviet Union at the height of the cold war, but we should do so with clear eyes, with a focused view of Canada's interests, and with an understanding that the game won't be won in the first period.

Fourth, we may be the world's second-largest country by geography, but we are number thirty-nine by population, possessing one-half of one percent of the world's population. This means that we need allies. Our new partnerships should be with countries that share our values and interests and that are not so large that they



Thomas d'Aquino and Assunta Di Lorenzo, Secretary to the Governor General and Herald Chancellor of Canada

believe they can go it alone. For me, the starting point is the other industrialised democracies, including the countries of the European Union and Scandinavia, Japan, Australia, New Zealand, Mexico and South Korea, to mention a few. Also, we should build relationships with fast-emerging nations in Asia, Africa, and Latin America that would welcome deeper ties with Canada.

I want to be very clear here. While the challenge of asserting Canada's leadership is more complex and difficult than in the past, we can exercise global influence well beyond what the size of our population or our GDP would suggest if we have a coherent view of what we want and a strategy to get us there.

In my view, Canada's diplomatic role should be what we have historically done very well: to engage, to convene, to present innovative ideas and to build consensus. Much of our success over the years derives from the fact that we come to the table with clean hands, that we don't seek to dominate others, and that we believe in genuine partnership. We were never a colonial power. We do not seek a millimetre of anyone else's territory. And we want for others what we want for ourselves: a chance to live in peace and prosperity with governments that are accountable to their citizens, and not the other way around.

Our aspirations need to reflect our capabilities. We do not have unlimited resources and friends, and Canadians need to know why our international engagement is so important here at home. Too often, foreign policy or the development aid we provide are perceived as esoteric or as costly vanity projects. That's why our aid budget became a target in the recent election. We need to pick the areas where our international involvement advances Canadian interests and explain to Canadians how what we do benefits them.



Sharon Hodgson, Dean, Ivey Business School

In the case of Canada's engagement with the developing world, for example, we need to speak, not in self-congratulatory terms about how high-minded we are, but about how it is in Canada's interests to stop pandemics before they reach our shores, about avoiding refugee crises that overwhelm international borders as millions flee failed governments, about resolving regional conflicts before they spiral into global wars, and about moving populations from bare subsistence to achieving living standards where they become our customers and suppliers.

On this latter point, we should not be shy about promoting Canada's commercial interests. Canada, as a trade-dependent nation, should act like one.

Our success in international markets requires a rules-based global trading system overseen by a reformed and renewed World Trade Organization, in addition to our bilateral trade agreements and membership in other global standard-setting bodies.

We must also identify Canada's comparative advantages and how we can best promote them. I would put forth four sectors as a start: agriculture and natural resources, financial services, infrastructure, and the intangibles economy. This latter area is of growing importance. We have already moved into the digitalised economy, and Canada has strengths that can be leveraged in areas like artificial intelligence. For example, the Japanese tech giant, Fujitsu, recently selected Canada as the site for its global AI hub. That is a major vote of confidence.

The next question is what tactics we should use to support our interests.

Our NAFTA, CETA and CPTPP memberships give us privileged access to key international markets. No doubt we should be looking at others as well, but any new negotiations should be based on commercial considerations, not photo-ops. We need to focus on where bold leadership can achieve the greatest benefit for Canada and resolve barriers to our companies' market access in areas like agriculture, industrial subsidies, and digital trade. And while trade agreements open doors into international markets, we need to concentrate much more on how to get Canadian businesses through them.

Closer collaboration between government and business is also a crucial ingredient for our country's success. Canadian businesses are among our country's most prominent brand ambassadors abroad. Think about Scotiabank in Latin America or Manulife in Asia. Roots has more bricks and mortars locations in Taiwan than they do Canada, and TD Bank has more branches in the US than Canada.

Businesses can also play a key role by promoting Canadian objectives in fora like the G7, G20, and OECD. Each of these groups has business advisory bodies that provide a platform for Canadian companies. The government should work closely with the private sector to coordinate Canadian priorities rather than having us row in separate directions.

Canadian business can also lead in promoting sustainable economic development among populations that are today crushed by poverty. Private sector investment dwarfs the ability of governments to provide aid, and it is the key to allowing societies to become self-sufficient. And I firmly believe that Canada's abundant natural resources and expertise in agriculture and marine science can contribute to rising living standards both abroad and here at home, just as affordable Canadian energy can replace unstable supplies from countries whose standards of governance and of environmental protection fall well below ours.

Let's take a moment to look a bit more closely at the role of business, which I believe needs to go far beyond its own commercial interests. It is part of the larger society and has an obligation to not only act within the law, but also to contribute to public well-being.

My grandfather, who remains a hero to me, built our family's manufacturing business into one of Canada's most successful companies. He believed that both the company and our family were part of a broader community that they had an obligation to serve. When the Depression struck, he attempted to keep one breadwinner from each family on the payroll, and he put his car on blocks in his garage, saying that he would not drive until the workers on the line could afford to do so. When two children drowned in the river that flowed through town, he built a swimming pool for the town and had the company subsidise its operations so families would have a safe place to swim. This wasn't the product of a public relations strategy, but flowed from a deeply-held conviction that the company's obligation went well beyond paying its taxes and providing wages.

Increasingly, in an era where trust in institutions continues to decline, both the customers of businesses and their employees want to feel that the companies with which they have a relationship look well beyond the balance sheet. This principle is particularly important for young people, whose skills and whose growing impact in the marketplace are becoming essential for business success.

Businesses leadership needs to be much more than self-serving virtue-signaling, or merely ticking a box on a corporate social responsibility checklist. Business leaders need to understand that an authentic commitment to putting something back into society is vital to their relationships with customers and the communities in which they operate.

Governments around the world act with good intentions in trying to solve today's problems. However, progress is slow, and their track record shows a gap that needs to be bridged. The comparative agility of the private sector means it can act with greater speed and flexibility.

I think this is perhaps nowhere more true than on the issue of climate change. I do not need to underscore to this audience the critical nature of this issue. We already see the disastrous effects of the increasing frequency of extreme weather events, climate-related dislocation, all linked to increasing greenhouse gas emissions.

Last month's demonstrations across Canada and around the world demonstrate that for billions of people combatting climate change is no longer an issue to be debated, but a value to be lived. They are frustrated by the inability of existing institutions, including both

government and business, to solve the problem. Business needs to demonstrate that it is an essential part of the solution.

Whether we win the fight against climate change will not be decided in Canada, but in the countries that are by far the most significant contributors to greenhouse gasses. However, we need to do our part to have any credibility in persuading others to change their behaviour. It will not come without sacrifice. That's why we need to have an open, honest and respectful discussion about the options open to us, the costs of each, and how those costs will be borne. That is yet another discussion that we, unfortunately, did not have in the election.



Sasha Suda, Director and CEO of the National Gallery of Canada

Today we are not on track to meet our current commitments, let alone the more aggressive targets promised during the campaign. Achieving those commitments will require both individuals and institutions to make changes. Here, again, business must provide solutions, including through the development of new technologies and practices that will allow us both to meet the rising global demand for energy and reduce emissions.

What is not often reported is that Canadian businesses have shown leadership and are in many ways in the vanguard of climate action. Last month, for example, I attended the National Resources Summit in Calgary

where MEG Energy and Canadian Natural Resources Ltd. committed their companies to achieving net-zero greenhouse gas emissions.

Similarly, Canada's largest energy company, Suncor Energy, recently announced a new \$1.4-billion power cogeneration plant to be built near Fort McMurray, Alberta. This new plant will allow Suncor to replace the intensely carbon-emitting coke-fired boilers it uses to power its oilsands-mining operations with cleaner-burning natural gas, reducing greenhouse-gas emissions by 2.5 megatons. That's equivalent to taking over half a million automobiles off the road. It's an example of how the business community can lead the way.

As the threat posed by climate change demonstrates, the problems Canada and the world face today are daunting, and principled, visionary leaders are in short supply. It would be very easy to simply descend into despair about

our ability to overcome them. Yet, this is far from the first time that we have had to confront threats that seemed existential. In the last century alone, we were forced to deal with a global depression, pandemics, two world wars, and a protracted struggle between nuclear-armed superpowers with the capacity to destroy every living organism on earth.

History provides no guarantees of our future success, but it does demonstrate that the gravest challenges often produce the most transformative leaders.

For all of our problems, we Canadians remain the most fortunate people on the planet. The challenge now is to ensure that our leaders have the vision, the principle and the strength of purpose to achieve that potential both here at home and in our relations with the rest of the world.



FRONT ROW (left to right): Dr. Fen Osler Hampson, Sasha Suda, Sharon Hodgson, Gerard Seijts, The Honourable Perrin Beatty, The Right Honourable Joe Clark, Jana Seijts, Kimberley Milani
SECOND ROW: The Honourable Sheilah Martin, Christine Sadler, Kerry Vance, General Jonathan Vance, Goldy Hyder, Thomas d'Aquino
THIRD ROW: The Honourable Peter Harder, Stephane le Jeune d'Allergeershecque, High Commissioner Susan le Jeune d'Allergeershecque, Susan Peterson d'Aquino, Maureen McTeer, Teresa Marques

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IAN O. IHNATOWYCZ INSTITUTE FOR LEADERSHIP

Since the inception of the Ian O. Ihnatowycz Institute for Leadership in September 2010, we have been at the centre of leadership thought, inquiry and education into what makes a better leader. Beginning with our multi-disciplinary examination of the leadership failures and successes relating to the global financial crisis of 2008-2009, we have made research, teaching and outreach on leader character our distinct differentiator in the vast leadership space.

MISSION

The Ian O. Ihnatowycz Institute for Leadership is at the forefront of knowledge creation in the leader character area. Our research is integrated into Ivey's degree and executive education programs so students are able to assess and increase their own leadership capacities and exercise character-based leadership. Through a wide range of outreach activities, the Institute exposes leaders in the public, private and not-for-profit sectors to our work, so they may enhance their effectiveness and weave leader character development into their organizations.

VISION

We aspire to have a deep impact on individuals, organizations and societies through the creation and application of new knowledge on leader character.

We aim to:

- Be recognized by researchers and practitioners as a globally leading Institute for research, teaching and outreach regarding the awareness, assessment and development of leader character.
- Elevate the importance of character alongside competence in the practice of leadership.
- Develop global citizens who have strength of character, strive to make a difference, and contribute to the flourishing of teams, organizations, communities, and societies.



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