

Turning a social liability into an economic asset

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Paul Collier's prize-winning book, *The Bottom Billion*, should be read by every Canadian with an interest in the future of our aboriginal people and anyone looking for a way to turn a social liability into an economic asset.

Mr. Collier distinguishes two classes of poor nations – those that offer hope for a better life for the next generation and those that do not.

The poor nations that offer hope for the next generation are home to four billion people. They include China and India and many others. They have become effective players in the global economy, and are now creating opportunity for their citizens. But there are one billion people who live in “failed states.” These are states wherein the economy has been faltering for decades because they are caught in poverty traps – bad governance, civil conflict, landlocked geography with bad neighbours, or badly managed natural resource wealth.

“My argument is that this is a moment where both altruism and enlightened self-interest are aligned, in the longer-term sense,” he told Doug Saunders of *The Globe and Mail*. “If we don't get serious about getting the bottom billion to catch up ... then we're building a social nightmare for our children. Let's stop making symbolic gestures and do something that works.”

Mr. Collier argues that reform has to come from within these states, but that they will not be able to join the world economy unless world leaders adopt new approaches to international trade and aid, and make greater use of laws and international charters.

Canada, for its part, has to find new ways to support reform inside the desperately poor aboriginal communities that are not making it on their own. As in Mr. Collier's analysis, there are two classes of aboriginal communities in Canada.

Some do offer hope for the future for their young people. They are the ones where young people do not commit suicide. Professors Michael Chandler (University of British Columbia) and Christopher Lalonde (University of Victoria) studied 200 First Nations bands in B.C. They discovered that 90 per cent of youth suicides occur in less than 10 per cent of communities. Half of the bands have no suicides.

Suicide does not become an option, the authors say, when a community generates a sense of personal and cultural continuity – in other words, pride in one's past and hope for the future. In effect, these are communities that have taken responsibility for their collective well-being – they have some measure of self-government, a degree of local control over health, education, child welfare and policing services, and women are involved in band governance (50 per cent of the seats on the band council).

These community strengths plus the labour shortages created by the economic boom in Western Canada are already boosting aboriginal employment rates and their rates of work force participation. In defiance of the myth about aboriginals being unemployable, these men and women are demonstrating that they are ready, willing and able to be part of the West's economic future.

This prospective labour force is a growing asset for Saskatchewan, Manitoba and, to a lesser extent, Alberta and British Columbia. With the current aboriginal baby boom, Statistics Canada is projecting that by 2017, aboriginals will account for 30 per cent of young adults in Saskatchewan and 23 per cent in Manitoba.

But how can we create hope for the large numbers of children and young people living in communities that are failing?

Such communities cannot even provide a decent quality of basic education for their children: 43 per cent

of 20 to 24 year olds on reserves had not completed high school in 2001 and about 90 per cent of preschool children had no access to appropriate early childhood education. Yet education is the most promising instrument to help the next generation prosper.

If these young people are equipped with a decent education, they could be the generation that makes the big breakthrough to the good jobs and higher living standards created by the economic boom. If they are not, then these young people are condemned to live the same life as their parents. The social nightmare described by Mr. Collier could happen here.

In countries where basic public services such as primary education and health clinics are utterly failing, Mr. Collier suggests creating an “independent service authority” jointly run by the government, civil society and international donors using competitive delivery channels and high standards of transparency and evaluation.

The idea is already getting a trial run in Canada. The British Columbia First Nations Education Authority – established in 2007 by Ottawa, the province and the B.C. First Nations Steering Committee – will be based on the joint management principle, creating a marriage of higher standards and cultural sensitivity. The FNEA will function as a form of school board, providing teacher and school certification and setting standards for both curriculum and exams. The schools will be run by aboriginals.

It took more than seven years to negotiate this deal between the First Nations, the province and the federal government. We need more innovations of this sort – soon. And the West needs more workers.

Ignore this message at your peril. With the aboriginal baby boomers already entering their twenties, Canada does not have the luxury of time.

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