

We should recognize that, as the world was changing, so was Canada, and we are in a position to be almost uniquely well-served by modern developments. As superpowers diminish, medium powers become more important. As ideology recedes, practicality becomes more prized. As nations reduce their arsenals, peace-makers become more important, and nations which earn reputations as moderates now have more opportunities to put moderation to work. Our tradition as a free society, and our growing reputation as a working multicultural society, provide models which will become more and more useful. There are great opportunities for Canadians.

The challenge now is not to resist change, but to manage it, to turn it to our purposes. That is very much your business.

A number of these modern issues put municipal government in the front lines. That is certainly true in times of trade and economic growth. The remarkable expansion of communications and trade has greatly widened the choice available to new industries of where to establish. They are tending, more and more, to choose sites that offer attractive lifestyles, superior services, pools of skilled labour, good education, and suitable neighbouring industries.

These are basic elements of the comparative advantage for Canada in the era of the new technological revolution, and most of them depend directly on capable and imaginative civic management. Federal trade policy can help open new doors for Canadian trade, but the decision to locate or the decision to expand will often depend on factors in your direct control. And, as you know, our ability to pay for other services we might want depends directly on our economic growth.

In 1900 about one-tenth of the world's population lived in cities - by 2000 it will be one-half. By 2000 there will be 600 cities of over one million, several of them containing more people than Canada does today. Do we have any volunteers to run a city of 30 million? Can it even be done?

This trend is particularly striking in the Third World. Of those 600 cities of over a million, 500 will be in the Third World. Every year Mexico City grows by over twice the population of Halifax-Dartmouth. They are growing because of high birth rates in the cities and because millions of rural migrants think cities must be better than what they have.

That growth is far too rapid to be managed.

Tens of millions, perhaps hundreds of millions of people are living in Third World cities that have been able to make few preparations for their arrival. They live crowded into squalid, ramshackle huts of cardboard and tin, lacking water, sewage, electricity, streets, police, firefighters. They squat on swampland subject to floods, and on hillsides subject to landslides. For them, Hobbes was right. Their life is nasty, brutish and short.