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# Urban Economy and Society in Canada: Flows of People, Capital and Ideas

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# National Economic Competitiveness and Cities

- In a global economy, cities are **more**, not less, important as sites of production and innovation
- To understand why, it is useful to study the key sources of change -- i.e. flows:
  - flows of people (immigration; migration)
  - flows of capital (investment: domestic and foreign)
  - flows of ideas (innovation, learning)

[See: <http://www.isuma.net/> or Autumn 2001 issue of *Isuma*]



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# Economic competitiveness of our cities rests on their *social* character

- **Labour force:** ability to attract/generate/retain talent
- **Producers:** ability to interact with other individuals, firms, institutions around them (social learning leading to innovation)
- **Local economies:** social harmony, cohesion, inclusion and accommodation of diversity are essential ingredients (quality of life, *broadly* defined)



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# Economic competitiveness of our cities rests on their *social* character

- Highlights the key role of socially provided services – esp. public education
- Underscores importance of local governance mechanisms that offset income polarization trends, to ensure
  - Neighbourhood stability
  - Social and economic integration of diverse newcomers within existing communities

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# Connections between the economic and the social become especially clear when we adopt an urban perspective

- So too does the interconnected nature of social and economic problems/challenges
- Examples:
  - The ‘brain drain’ debate: less about tax rates and cost of living; more about the social, physical and environmental character of cities
  - Poverty: a very distinctive urban geography; spatially concentrated ‘community effects’ may compound disadvantage



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# Key question for Canadian communities – indeed, Canadian society

- How to achieve the right balance between *dynamism* and *stability*
- Dynamism:
  - necessary to ensure innovativeness, entrepreneurialism, creativity
  - Depends on *openness* to the three flows (people, capital, ideas)



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# Key question for Canadian communities – indeed, Canadian society

- Stability:
  - necessary to ensure social linkages, shared social knowledge, strong neighbourhoods
  - Depends on our willingness to reinvest in our urban services, infrastructure (physical and social)
  - Also depends on our success in fostering effective new processes for urban democracy, citizenship and inclusion



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# Key question for Canadian communities – indeed, Canadian society

- Question: are both dynamism (openness) and stability (social infrastructure) now *under threat*?
- Question: how well do our current institutions for urban governance respond to the challenges?
  - Managerial capability
  - Ability to support and nurture citizenship, democracy, engagement (vs. exclusion, autocracy, apathy)

