

**Transcript of remarks by Special Guest Angus S. King, Jr.,
former Governor of Maine,
to The Celtic Tiger Dinner
AIMS 10th Anniversary celebrations in New Brunswick
May 31st, 2005**

First, I want to say it's an absolute joy to be here. And before I do anything else, I should say that in my eight years as Governor of Maine, I had the occasion to work with political figures all over the place, all over the United States, in Canada, abroad. I took trips to Germany and England and Japan, Taiwan, Hong Kong, other places. And I'm not saying this just because I'm here, but absolutely two of the very top public figures that I met and became friends with during that time were two premiers of this province, Bernard Lord and Frank McKenna. I don't know what it is you have in the water up here, but you should export it around the world. Bernard, it's wonderful to see you.



Former Maine Governor Angus S. King tells 'tales out of school' as he regales the audience at AIMS' Celtic Tiger Dinner in Saint John, NB with comparisons of life as Governor and life as a private citizen.

Now I can tell you that there is life after politics. There are advantages to being a former governor. There are also disadvantages. The biggest disadvantage is the loss of the parking that you get. I'm sure the Premier has enjoyed the fact that the car comes right up in the front and he gets to go to the event. The only problem is I find since I left office, I'm perennially late. And it's because I walk out of my house in the morning, get in the passenger seat of the car and the damn thing doesn't go anywhere. But there are some advantages. When I'm on the street in Maine and people wave at me, they use all their fingers now, which is a good thing. I kind of like that.

I was here at an AIMS event in 1998; actually, not here. I was in Halifax at an AIMS event in 1998 and it's really great to be back. And I want to say to second what Brian said from the point of view of a practising public policy person, and that is "Ideas aren't just important, ideas are the whole deal." Ideas are what we in the political sphere need in order to move public policy forward in order to help our people, which is why we're all in this business.

And I learned in my eight years that there was nothing more important than an idea not only to help the politicians come up with the policies but also to prepare the public for policy changes that are necessary. A group like AIMS can make such a difference simply by getting ideas out into the public that then allows the public opinion to move in such a way that you can do things that need doing. And so what AIMS is doing is absolutely wonderful.

I'm also delighted to be in Canada. I have a lot of close connections with Canada. My middle son, Duncan King, is a graduate of McGill University. In the '90s when I was Governor, whenever I didn't have anything else to do, I sent money to Montreal. And Duncan fell in love with and married a wonderful young woman from Toronto and they're about to have our first grandchild in a couple of months. So there's going to be that Canadian connection in our family for generations to come.

Mary and I, as a matter of fact, this summer just made reservations on Via Rail to take a trip that I've always wanted to take, take the train from Toronto to Vancouver, stopping off in Jasper. And I'm sure many of you in the room have done that. Those of you who have, I'm open to ideas and suggestions, for inns that maybe a little less expensive than the Chateau Lake Louise. But we're certainly looking forward to that trip. And, of course, I've said this before, in Canada, in the States, we know what a Canadian is. The definition of a Canadian is an unarmed North American with health insurance. So we have this kinship, you see.

I'm also delighted to be able to bring you greetings from the State of Maine unofficially as I'm not in office anymore. But, you know, when we're in this business, you want to see what you've accomplished and you want to have some feeling that you did something and that all that effort resulted in something that would make a difference in people's lives. And this is one of the few places where I can say without much fear of contradiction that the something we did in Maine during my tenure, which made a difference in all of your lives, was the rebuilding of Route 9 from Calais to Bangor.

But I can tell you that things like that don't happen by accident. That was a conscious and deliberate decision made in the cabinet room of my office with a group of people from Washington County and we said we are going to do this and we're going to get it done while we're still in office.

And, yes, we're working on the connection at the Brewer end to connect right in to 95 so that you don't have to meander through Hamden and Brewer. And, of course, there's a new bridge coming in Calais/St. Stephen and we're going to make those connections. But it's nice, Premier Lord, I'll tell you, it's really nice when it's all said and done to be able to say we did that, and to do something that, in fact, in the case of Maine literally made Calais a half hour closer to Bangor. It's as if Calais was picked up and moved 35 or 40 miles down the road. And it's made a huge difference in the lives of the people of Maine.



"Each morning on the plains of Africa, a gazelle awakens knowing that it must outrun the fastest lion or be killed. At the same time, a lion awakens. It knows it must run faster than the slowest gazelle or it will starve. So it doesn't matter whether you're a lion or a gazelle. When the sun comes up, start running." Former Governor Angus King talks about the world's new emerging markets.

Before introducing our guest, I want to talk a little bit, this is going to be a glorified book report. Okay? This book is called *The World is Flat* written by a guy named Tom Friedman. And if you haven't read or run across this book, buy it tomorrow. You should go to your book store, buy the book, and then go across the street to the pharmacy and buy a bottle of Advil. This is an incredibly powerful message.

Tom Friedman is the foreign affairs correspondent for The

New York Times and he writes about what has happened in the world literally in the last five or six years. The essence of the message is that three billion people are now playing in the world economic game that weren't there a dozen years ago. We're speaking, of course, of China and India. And I want to begin my presentation with a saying. "Each morning on the plains of Africa, a gazelle awakens knowing that it must outrun the fastest lion or be killed. At the same time, a lion awakens. It knows it must run faster than the slowest gazelle or it will starve. So it doesn't matter whether you're a lion or a gazelle. When the sun comes up, start running." That's the message!

Now what's happening in the world is absolutely extraordinary. What Tom Friedman is talking about with *The World is Flat*, he was visiting these people in India and China and various other places, Singapore, and the world, and they kept talking about, Mr. Friedman it is now a level playing field. And he thought, "My God, they're telling me the world is flat, a so-called level playing field."

I have direct T.V., so I can get the NFL ticket. And I had a problem a few weeks ago. I called 1-800-Direct-TV, got a very nice guy on the line. He said, "Give me your phone number." I gave him the phone number.

"Angus, what's the problem? Can I help you?" Yes I say and go into the details. He said, well, you do this, you do that, and get on the screen, and click on this and click on that, and everything. We became fast friends. His name was Jim. By the end of the conversation, he said, "Angus, is there anything else I can do for you?" I said, "Yes, tell me where you are." He said, "New Delhi."

Now I remember when I was Governor, we were recruiting call centres. Frank McKenna recruited a lot of call centres here in New Brunswick. And I thought this is something that can't be outsourced because this has got to be in English. Well, Friedman talks about classes in India where they are teaching Indian nationals to speak English with a mid-Western accent or a Southern accent or, God help us, a New York accent.

If you think about it, in my little town of Brunswick, Maine, I was talking about this and a friend of mine who works for the Brunswick Hospital came up afterwards. He said did you know that if you break your arm in Brunswick, Maine and go into the emergency room at night and have an x-ray, the x-ray is read by a radiologist in Australia? He explained that because there are not enough radiologists in a rural area to be on call 24 hours a day and it's cheaper to just send it over the internet for a radiologist in Australia to read.

I've concluded that there is no job safe from being sent somewhere else in the world except those jobs where the person actually touches you or something that you own, which basically leaves us with chiropractors and plumbers. That's about it.

Anything else can be sent abroad. So what do we do? Well, this is not all bad news. For example, this revolution of digitized information has made it so that small towns, whether they're in Maine or New Brunswick or Nova Scotia or Labrador or anywhere else are no longer disadvantaged relative to those with better access to information. Your desk goes with you.

This is Friedman, "Your desk goes with you wherever you are. All of a sudden, my business has phenomenal distribution. I don't care whether you're in Bangalore or Bangor." I love it that he used Bangor. "I can get to you and you can get to me."

That can be an enormous challenge to us. That's the Advil part, but it can also be an enormous advantage. We collectively, Atlantica, have been disadvantaged by our location in the upper northeast quadrant of North America. Transportation is not easy. Communication was not easy. Now, suddenly, we can compete with people all over the world. That's the good news.

The bad news is they can compete with us. And a lot of them, particularly at lower skilled jobs are willing to compete with us at a lot lower price. We are not going to compete with the world on labour rates. So that is the real challenge.

The other piece of good news is, well, these people have access to the tools of collaboration, the ability through search engines, the web, to access billions of pages. Just as was can. Just as Google searches every time you put in a name, like I did this afternoon, Garret FitzGerald, it searches eight billion pages of information, eight-and-a-half-billion pages of information.

That means innovation and creativity and knowledge can come from any corner of the world. The winners are going to be those who learn the habits, processes, and skills most quickly. This is urgent. This isn't a casual, "Oh, gee, we'll just do this in the next few years." It isn't something we can put off to eventually get around to, in terms of our educational processes. This is something that is urgent, who gets it most quickly. And there is nothing that guarantees it will be Americans or Western Europeans permanently leading the way, no guarantee at all.

The other piece of good news is these markets in these other countries are expanding exponentially to become our customers. There is now a 300 million person middle class in India. Many of us think of India as a large poor country, but 300 million is more than the population of the United States and Canada combined, roughly about that. That's a big middle class!

And I don't know if you saw it, but last Wednesday on the front page of the New York Times was a story about the two biggest malls in the world under construction in China. The Chinese have discovered shopping. This is good news, because this is turning into a market for us.

Every dollar opportunity that we lose to these places is actually going to come back, times ten, once the market in those countries is unleashed. There is Rashish Raoul who is a software developer in India, 300-million person middle class, larger than the size of the United States or Europe. But, he says, there is no time to rest. Jobs will go to that corner of the world where there is the least resistance and the most opportunity.



Former Governor King praises AIMS and its work on its High School Report Card saying, "Education is too important to be left strictly to educationalists. It's got to be a community concern. It's got to be a concern of some urgency. "

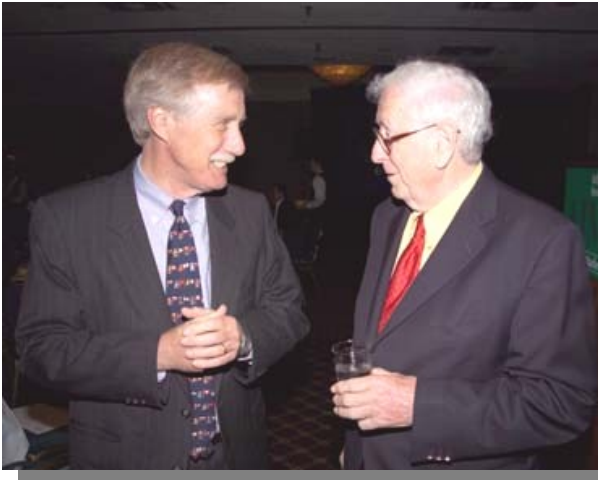
My message is that what's happening now is just the tip of the iceberg. Ladies and gentlemen, we are at the tip of an incredible world historic change. There is a freight train bearing down on us with the light right at us and we're right in the middle of the tracks.

We, in North America, have enjoyed an extraordinary period of economic conjuration over the last 60 years that isn't God given. It isn't necessarily going to continue. We have to wake up to the fact that there is a fundamental shift that's happening in the way that people are going to do business.

This is just a little quote I couldn't resist. Last year Indicus India, which is a software company, received one million applications from young Indians for 9000 technology jobs. Have a nice day.

The United States last year graduated 37,000 engineers. In India, I think it was like 275,000 engineers. That is the most frightening figure of all.

Now the wages of low skilled North American workers are certain to be depressed. Now if that's a fact, what do you do about it? The only thing you can do about it is to improve the skills of those people so they can compete at a higher level.



Governor King spends some time talking to guest speaker Dr. Garret FitzGerald, former Prime Minister of Ireland at AIMS Celtic Tiger Dinner.

People have to move vertically, not horizontally. They'll have to upgrade their education and upgrade their knowledge and skills which, in part, is exactly what Ireland did in the '80s and '90s. The only answer that I can come up with is education. The only answer that I can think of is education and innovation. It's got to be there and it's got to involve technology and it's got to be done on an urgent basis. That's why the AIMS report card on the high schools is so important.

Education is too important to be left strictly to educationalists. It's got to be a community concern. It's got to be a concern of some urgency. Our school year, for example, September to May, was invented in an agricultural age. The

whole reason kids are out of school in the summer is because they had to go home and help harvest the crops. Why are we still operating on that schedule in the 21st century? It is an enormous challenge and we don't have time to start little dinky things now and have it take 10 or 15 years to come to fruition. Plus, we've got to upgrade the skills of people who are currently in the workforce. We can't just talk about 18-year olds. We've got to talk about 40-year olds if we're going to be able to compete. "Each morning on the plains of Africa a gazelle awakens." So when the sun comes up, start running.



Governor King introduces guest speaker, Dr. Garret FitzGerald, the former Prime Minister of Ireland.

I have the privilege and the pleasure tonight to introduce Garret FitzGerald. How would you like to have this said about you, a quote, from Oliver Goldsmith? "And still they gazed and still the wonder grew that one small head could carry all he knew." That's one of Prime Minister FitzGerald's former students quoting Goldsmith about him as a professor.

He is almost certainly the most influential Irish political figure of his generation essentially for two reasons; one, he opened discussions with Margaret

Thatcher about the involvement of the Republic of Ireland with the troubles in Northern Ireland and the British Government. That was something that was new and it was incredibly important to laying the groundwork for what came later in the '90s in terms of the settlement which is still not all done, and still not final, and still somewhat fragile, but very important.

By the way, I have to share with the Prime Minister a story about our own wonderful Senator George Mitchell who went to Ireland to help negotiate and, really, mediate the peace process in the late '90s. And I heard this story from George, himself, that he sat at the table for the first two months of the meetings between the two sides and didn't say a word.

And everybody said, Mitchell is like the sphinx. He's so smart. He's just listening. He's absorbing. He's not making any comments. He's letting the parties get to know each other and discuss it. George told me the reason he didn't say anything was because he had no idea what they were saying. He couldn't understand either side. It took him two months to figure out what they were talking about.

The other important thing about Garret FitzGerald, Dr. FitzGerald's work, is that he really laid the fiscal groundwork for the emergence of Ireland as an economic powerhouse. When he took office, the country was almost out of business financially and fiscally. And he really spent virtually the entire period of the '80s putting the fiscal house in order which then allowed them to go forward and make the kinds of investment in tax policy changes and education and in other areas that really unleashed the power of the Celtic Tiger.

So it is a real honour and a pleasure for me to have an opportunity to bring to the podium tonight one of my political heroes and I think one of the great figures in world public policy and that is Dr. Garret FitzGerald, former Prime Minister of Ireland.