The economic price of electing Doug Ford

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When the United States elected Donald Trump, Canada was gifted a sizable competitive advantage. Global talent in the form of techies, entrepreneurs and international students began flooding into the nation’s main economic hubs. Ontario has seen a substantial surge in tech startups and venture capital investment, driven by growing political instability in the United States.

In May 2017, Uber declared that it was setting up its Advanced Technologies Group in Toronto. Five months later, Sidewalk Labs, Google’s urban innovation branch, announced its plan to build a 12-acre innovation district on the waterfront. Not long after, Toronto was selected as one of 20 finalists for Amazon’s second headquarters, or HQ2, alongside cities such as New York, Boston, Washington, Chicago and Los Angeles. Today, the Toronto-Waterloo innovation corridor ranks as one of the world’s leading startup ecosystems. At the same time, Canadian universities have seen a rise in foreign applicants since Mr. Trump was elected President. At the University of Toronto, where I teach, international student applications rose by 70 per cent in fall 2017 compared to the previous year.

Leading global tech companies and international investors have been drawn to the stability of Ontario and Canada as a whole, both of whose brands have looked like beacons of enlightenment in the wake of Mr. Trump’s election. Ontario’s recent economic success is the product of longer-run investments in universities, arts and
culture; advanced research in key fields like artificial intelligence; openness to immigrants; and a growing commitment to place-making and city-building.

This economic advantage will be significantly diminished if Doug Ford becomes premier of Ontario. Comparisons are already being made between Mr. Ford and Mr. Trump, as well as between Mr. Trump and Mr. Ford’s late younger brother, Rob, the original North American populist. All three positioned themselves as advocates for the “little guy,” slashing taxes and cutting back government. Like Mr. Trump, Doug Ford has even hired actors for campaign events.

Doug Ford is potentially far more damaging than his younger brother, simply because Ontario’s premier has far more power than Toronto’s mayor. From what we have already heard and seen, Mr. Ford’s populist policies will hit hard at the pillars of the province’s economic prosperity. To mollify his base, Mr. Ford will have every incentive to undermine the “elite” institutions on which Toronto’s and the province’s success depend. In the United States, populist politicians have slashed funding for public-research universities, which sit at the heart of innovation. One can expect Mr. Ford to do the same, inflicting real pain both on great universities such as the University of Toronto, the University of Waterloo, Queen’s, Western, McMaster and on the knowledge economy for which they serve as key hubs. The province could wind up like an American Red State, which disinvests in the key pillars of its knowledge economy and undermines its own economic advantage.

Instead of a tech-enabled, cutting-edge community on the waterfront, expect a return to the days of Ferris wheels and spectacle malls. As mayor, Rob Ford hindered Toronto’s urbanization by threatening to eradicate bike lanes, build downtown casinos and eliminate light rail transit. Efforts to build a denser, less congested region will also be halted as Doug Ford rekindles the debate over the war-on-the-car that sits at the core of Ford Nation’s appeal. To pay for his much-ballyhooed tax cuts, Doug Ford will likely tear apart Ontario’s vaunted social safety net, ushering in even more polarized and toxic politics and undermining the province’s image as a less divided and more enlightened place than the United States.

Mr. Ford’s divisive rhetoric – which identifies techies, knowledge workers, innovators, entrepreneurs and city-builders as self-aggrandizing “elites” who “look down on the average, common folk” and stresses that the province should “take care of its own first” before opening jobs and economic opportunity to immigrants – will send a strong signal that Ontario is no longer a welcoming place to talented and hard-working people from abroad.

Given the prevailing political winds in Canada and around the world, it’s not surprising that many Ontarians want change. But that is no reason to repeat our southern neighbours’ electoral tantrum by handing the reins to a fiery populist who threatens to undermine our long-term competitiveness and the short-term advantage Mr. Trump has handed us.