## Banff

March 16, 2008

Original link



When you step off the plane in Calgary, there are, rather improbably, men in cowboy hats. Albertans consistently refer to their province as "the Texas of Canada" and apparently its largest city has taken the notion to heart.

I take a ride with a man who appears to have spent his life preparing to be the consummate businessman. His handshake is firm, his knowledge of geopolitics impeccable. He is a master of the telling anecdote, the commanding voice, the comprehensive but guarded answer. He has built planes, been in bands, managed corporate strategy, and now he is on assignment in Mexico, where he must staff up a factory to build planes for a Canadian business that is wary of such "offshoring".

He has gone, he explains, from a life in which he researches technicalities for position papers on corporate strategy to one life in which he gets up every morning, drives to a factory, locks the doors (to punish latecomers), walks the line, and tries to figure out how to get airplanes built and delivered.

As we drive, he demonstrates his radio contact to the folks back home in Mexico. Right now they are trying to figure out how to get a plane body they have built from Mexico to Canada in time for additional construction to begin on Monday morning without breaking any laws in the complicated patchwork of trucking regulations.

I feel endlessly inferior to this confident man of business, until I discover he knows very little about technology or copyright law. He does understand, however, that Google must be very popular, as he visits it "at least two or three times a day". I try to contribute something back by attempting to explain some things about the subject, although I talk too fast and don't explain enough, so I'm not sure much was clear.

It is a long drive past a short skyline to Banff, a city that literally resides inside a national park, one which requires a permit to enter and in which no new construction is permitted.

Tourism most certainly is, however, and the city is dotted with hotels and conference centers nestled into the sides of imposing mountains, with glorious vistas in all directions. The hotel I am staying at is almost comically opulent, with a Roaring 20s theme of sparkling black gowns amidst weak white art deco lights. My room is huge.



At check in I am given my badge and binder and hat and vest. There is a party that night at the bar. I want to soak up the discussions, to see how the

elite live and what they discuss, but I am too shy to barge into any of the conversations. It is just like any other party: I sit against the wall and try to remain inconspicuous.

The next morning I am scheduled to give a brief talk to this self-described group of "young leaders" of Canada. Taking the stage after the platitudes of a high-ranking Albertan government official, I find myself on a panel on "the Internet and Mass Collaboration" (the one technology panel at the conference) and am asked to give five minutes of provocative thoughts. In a bright red t-shirt amongst a sea of suits, I approach the podium:

I suppose I'm here to be the brash young person from San Francisco. I'll try my best to fill that role. For years I've been a user and a builder of these technologies. Most recently, I co-founded Reddit, a democratic news site which was purchased by the magazine publisher Condé Nast, and I am now working on Open Library, an attempt to create a Wikipedia for books. [...]

There's a lot of talk, here and elsewhere, about how Internet collaboration is going to revolutionize business and politics. Just add some Internet collaboration, they say, and your business will suddenly start working better and smarter—and cheaper, as well. But the Internet is not this magic pixie dust you can sprinkle on anything. In the States, the back of every ketchup bottle now has a notice explaining that you can now create your own advertisements for the ketchup company. In return, well, in return they might use your ad. This is magic pixie dust thinking at work: people are not going to suddenly start designing your ad campaigns for you just because you asked them to.

We have to remember that these things are done by real people, not magical abstractions. The rhetoric often suggests that some magical force of "peer production" or "mass collaboration" has written an encyclopedia or created a video library. Such forces do not exist; instead there are only individual people, the same kind of people who drive everything else.

The power is that these people are collaborating. But they are collaborating because they have come together to form a community. And a community works because it has shared values. But here's the thing: these shared values are profoundly anti-business. [Laughs from the audience.] I mean, look at Wikipedia. This is a group who wakes up every day and tries to put the encyclopedia publishers out of business by providing a collection of world knowledge they can give away to everyone for free.

If you want someone to do your company's work for you, finding a well-organized online community with strong anti-business values seems like a bad idea. [Laughs.]

So what do you do? I have a friend who is even more brash than I am and when anyone asks her for business advice she tells them simply: Well, in the future, your servants are going to rise up and eat you. So, invest in toothpicks.

I quickly scurry back to my seat, afraid this crowd will rise up and eat me for such brazen aggressiveness. But instead, I am cheered with laughter and applause. Nobody ever addresses my toothpicks comment. For the next hour, me and the rest of the panel answer questions from the audience, and I comfortably talk about everything from the gender gap in technology (which, I assure them, is worse than in any other field and a result of the most disgusting discrimination and misogyny) to the future of news (freelancers and aggregators, not institutions).

Afterward, and for the next few days, dozens of people come up to compliment me on my talk. "So you do this sort of thing a lot then?" they all say. I receive three more speaking invitations before lunch and people repeatedly request to sit next to me at meals.



I spend a great deal of time with Michael Geist and his family. Geist is invariably referred to as "the Lawrence Lessig of Canada". A law professor in the country's capital, he writes a weekly column and gives frequent speeches on technology policy (copyright law, net neutrality, open spectrum, etc.). But unlike Lessig, who has an otherworldly aura of fame about him, Geist is entirely down-to-earth, continually expressing genuine shock at how boneheaded and awful his opponents in industry and government are. While I spend most of the rest of the time explaining things to people, I have to work hard to avoid doing that with Geist — he either knows intimately or has actually worked on every relevant thing I can think to mention.

After our panel is a panel on work-life balance, mostly dominated by James Milway, director of the Institute for Competiveness and Prosperity. There are two other women on the panel to balance him, but Milway speaks with such booming confidence and authority that the other panelists comments seem to just disappear. Milway says everything you'd expect a right-wing economist to say: Canadians aren't working hard enough, they're not working long enough, they keep spending time doing silly things like increasing the minimum wage and engaging in rent control which are just obviously wrong. Increasing vacation time will just lead to fewer workers getting hired. This is all clear in our regressions. Europe's economies are dying; workers there are far unhappier. And so on.

Afterwards I go up to him to argue with his economics. "You're using the standard economic assumption that the demand curve for labor slopes downard," I say. (This is economese for the concept that as you raise the cost of hiring someone, people hire less.) "But every study on this subject — from Card and Krueger to Michael Manning — finds that this simply isn't the case. Manning's monsopony model, in which you take into account that there are significant costs to changing jobs, finds that all of your results no longer follow."

Milway is a fast speaker and has boundless energy and he tries to talk right over me. "Every—every—hold on there—every—almost all—there's a strong consensus in economics that raising the minimum wage is a bad idea," he finally gets out. "Sure," I say, "but they're wrong — when you actually look at the studies that's just not true." "No, there's a strong body of studies—even in our regressions we find that." We argue for a while about the validity of the Card and Krueger work and he finally asks, "What's the argument for the opposite case? Why would employers do that?" I try to explain the Manning model but halfway through realize I don't fully understand it. So I switch tacks.

"Look at what Card found when he was doing his research — employers were happy to raise non-wage benefits to get employees but just refused to raise wages, even when more employees would have made them more money. They weren't being economically rational." "Well, there you go," he says, as if he's won the argument. "If you don't think people behave rationally then we're done."

"But of course people don't behave rationally!" I squealed. "Look at all the

research in behavioral economics — it's blatantly obvious people don't behave rationally." "Well then, you might as well throw away the whole field of economics!" he shouted. "Precisely. I'm glad you agree — economics is bogus." He just laughed and stormed off, but not before giving me a working paper from his institute.

We ended up sitting near each other at lunch. He was explaining that his institute was completely funded by the Ontario government but remained strictly independent. "So how'd you get the government to fund a right-wing think tank?" I asked. He laughed. "Well, normally I'd say we're more middle-of-theroad, but I guess you're right, we are pretty right-wing. I don't know. Harris [the previous major premier of Ontario] started us but [the current one] loves us too."

That night there was a talk by Rory Stewart, the other person I got to know and enjoy at the conference. Stewart is an amazing fellow. An incredibly handsome man, with a perfect British accent and the most well-tailored suits, he nonetheless has the look of something otherworldly about him. His face is pulled back and marked as if he's seen things no one in a suit that nice was meant to see. I adored him from the first.

He somehow got it in his head to walk across Afghanistan and his talk consisted of photos and descriptions of this incredible journey. he begun in a major city and walked for years, depending almost entirely on the hospitality of strangers in each town to keep him alive and moving. He walked every day, through deserts and snowstorms, with company and without. And what he found was an incredibly kind people, living in terribly poor conditions in autonomous villages, with a passionate faith in their religion (including such rules as keeping women out of site).

Stewart now runs an NGO in Kabul, which is doing the work that the coalition forces in the country found too "low-priority" to do: clear seven feet of garbage from the streets, build thriving businesses and shops in the downtown district, and prepare commercial products for import and export. Stewart spoke bluntly about the military mission and the government, suggesting it was unlikely to do much good.

It was 11pm by the time the discussion was over, so I went straight to bed.

The next morning was dedicated to addressing the most pressing issue in foreign policy, perhaps overall: whether we should bring the troops home instead of continuing to lose their lives maintaining an increasingly violent occupation in a country we originally invaded under the guise of fighting terrorism but in which



Figure 1: Rory Stewart

we now remain because we fear it will fall apart if we will leave. This being Canada, that country is Afghanistan.

The day started with a passionate speech by the Afghanistan Minister for Education, who pleaded for us to let the country take control of its own affairs and to ensure "its greedy neighbors" (widely agreed to be a euphemism for Pakistan) didn't destroy it.



Then there was a star-studded panel, including Rory Stewart, an Afghani PR officer, an Afghani citizen, the head of the entire Canadian Army, the ambassador from Afghanistan, and the head of a Canadian government development agency. (I don't have the list in front of me, but I believe that's correct.) It was pretty impressive to see the head of the Canadian Army and he was a pretty impressive fellow, equally fluent in literature and philosophy as politics and warfare. But he steadfastly refused to take a position on whether the army should remain in Afghanistan, insisting that was a question for the population through their government. Stewart cleverly began the panel by saying that everyone in it had vested interests, including him, and that we should work hard to try to derive the truth from their statements.

At lunch we hear the most amazing presentation. It's a pitch for, I am not making this up "Development-In-A-Box(TM)" — a system that (again, I am not making this up), uses "preconfigured solutions ... embedded in business

processes ... automating compliance ... [with] fully automated ... wireframes." (And that's just the part I managed to record — the rest of it was far worse.) The presentation was complete with completely absurd PowerPoint clip art: a cargo crate flying to world hotspots, a hammer and sickle flying over a tank riding over an AK-47 pointed at a pile of Chinese-made goods, all above a 3D banner reading "Less Clausewitz, More Sun-Tzu".

Adding to the sense of unreality, the speaker sounded like a broken animatronic Abe Lincoln, placing bizarre emphasis on random words and constantly speaking in a faux-upbeat tone.

The gist of the proposal was this: come up with a bunch of computer programs and simple rules that can be followed in any country, no matter how badly destroyed, to get its economy up and running so that investors can come in and start taking advantage of it. It was a reasonable idea, he explained, to get the economy started before a democratic government was because that was how history had usually proceeded — after all, "the US only let everyone vote like fifty years ago."

I swear, I would have been convinced the talk was given by the Yes Men if it wasn't quite so bad. Even so, we were half-convinced it was some kind of prank. At least now I understand why businessmen kept falling for the Yes Men's pranks. (To be fair, there was a bunch of pushback. Not the least of which came from Rory Stewart, who pointed out that entering a wide variety of countries with pre-written rules might not be spectacularly effective.)

There was also a group photo in the mountains and some scheduled trips around town, but I neglected to bring a jacket so I mostly stayed inside the hotel, luxuriating in my oversized room and using my overpriced Internet connection. But soon enough it was time to catch the bus back to Calgary, and then to gritty, working-class San Francisco and the literal view from the ground, not the metaphorical one they need up in the mountains.

