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# Policy

A World in Turmoil



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# Policy

## Canadian Politics and Public Policy

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## Policy

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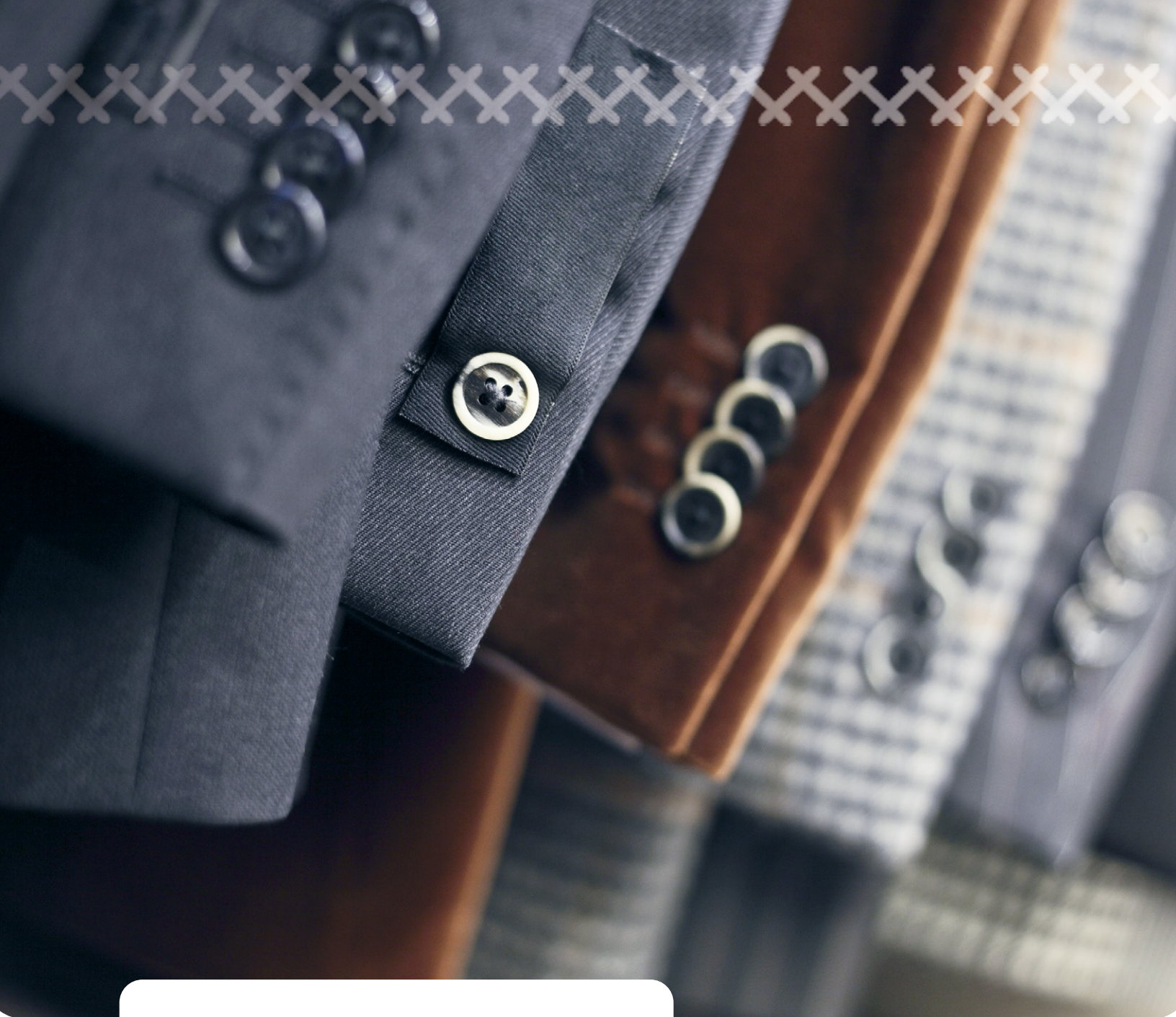
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From the Editor / L. Ian MacDonald

## A World in Turmoil

Welcome to our issue on A World in Turmoil, in which we look at some of the recent global issues—from China to Iran to climate change—facing us all. For Canada, as always, the question is about our place, and role, in the world. From the end of the Second World War 75 years ago, to the end of the Cold War nearly half a century later, Canada's place was with its allies and its role was as a middle power in the struggle of democracy against tyranny, and of free markets versus state economies.

The fall of the Berlin Wall in 1989 and the demise of Soviet communism, were supposed to herald a geopolitical realignment, an era of peace and prosperity led by the United States, with Canada in its customary role as an honest broker. Now, the post-Cold War New World Order that seemed inevitable in 1989 has been usurped by a different New World Order, one with decidedly different values.

There's no better guide for this *tour d'horizon* than our own lead foreign affairs writer and former senior diplomat Jeremy Kinsman. "Our foreign policy belief system, the mantra of co-operative liberal internationalism," he writes, "is being challenged, especially in our own neighbourhood." But it isn't just Donald Trump. There are other actors, in China, Russia, Iran and elsewhere pushing the world away from democracy.

Our Robin Sears knows Asia and China like his own backyard, having worked as Ontario's Tokyo-based representative, and later in the private sector in Hong Kong. Our cover image speaks volumes, with Hong Kong residents taking to the streets in late 2019 to protest an extradition bill pushed by Beijing. Sears writes that China's obdurate "refusal to give an inch towards reconciliation in Hong Kong, is now matched

by its almost hysterical reaction to the January 11 re-election of President Tsai Ing-wen in Taiwan."

When it comes to the Middle East and Gulf states, the credentials of Dennis Horak, former head of mission in Iran and later ambassador to Saudi Arabia, are as solid as they come. On the shooting-down of Ukraine Airlines Flight 752, which claimed the lives of 57 Canadians and 29 permanent Canadian residents, Horak sees it as the tragic outcome of decades of hostility between Washington and Tehran, with Canada caught in the crossfire. "Future incidents," Horak writes, "are a near certainty."

The world's most important annual conference of ideas is held by the World Economic Forum every January in Davos, featuring a strong Canadian contingent led by the likes of Suzanne Fortier, Principal and Vice-Chancellor of McGill. Fortier is currently Chair of the WEF's Global University Leaders' Forum, and shares her impressions from this year's WEF. She was struck by two Davos reports, *Jobs of Tomorrow* and *Schools of the Future*. She concludes: "I hope to give members of the McGill community the opportunity to be local and global shapers."

On the heels of her excellent reporting from the Madrid COP25 in our last issue, former Green Party leader Elizabeth May delivers her take on the Australia bushfires as just one factor making Australia ground zero of climate politics. "We are operating in a fog," she concludes, "or maybe it's just the smoke."

Closer to home, we're now in the spring of the Conservative leadership race, marked in the early going by the successive standing-down of first-tier candidates. Usually, the opposition leader is viewed by the party as a prime minister in waiting, especially in a minority Parliament. Tell that to Jean Charest,

Rona Ambrose, Pierre Poilievre and John Baird, all of whom said "Thanks, but no thanks". That left former Progressive Conservative Leader Peter MacKay the default frontrunner and MP Erin O'Toole, for the moment, a distant second. Veteran Conservative strategist Yaroslav Baran looks at the road to the Toronto convention, while Geoff Norquay considers the players. In terms of process, Brian Topp looks across from the NDP gallery and suggests party members should have a greater say than a preferential on-line ballot, as is the case with the Conservatives. And Don Newman handicaps the race in his column.

Elsewhere, Kevin Page previews Budget 2020, with the collaboration of several of his students from the Institute for Fiscal Studies and Democracy while IFSD Director of Governance Helaina Gaspard and research assistant Emily Woolner look to a better world of budget transparency and vision. Meanwhile, pollster Shachi Kurl offers a timely look at the mood of Canada on rail blockades, pipelines and reconciliation with Indigenous peoples.

On the Canadian book industry, Philip Cercone of McGill-Queen's University Press looks at Canadian publishing, acclaimed internationally for writers such as Margaret Atwood, but struggling to grow market share at home.

Finally, I was privileged to work with Sen. Leo Kolber on his best-selling 2003 memoir *Leo: A Life*, and offer a tribute on his recent passing, at 90.

And we offer three reviews of important Canadian books—Lori Turnbull on Beverley McLachlin's memoir, *Truth Be Told*, a judge's fascinating life; Anthony Wilson-Smith on Tim Cook's *The Fight for History*, on Canada and the Second World War, and Daniel Béland on Donald Savoie's *Democracy in Canada*.

All must-reads. Enjoy. **P**



# Canada's Role in a World of Turmoil

*After the end of the Second World War in 1945 and following the fall of the Berlin Wall in 1989, Canada played an important middle power role in the post-war and post-Cold War spread of democratic values and free market economies. But that's not the shape or direction of today's emerging world of turbulence. Our lead foreign affairs writer Jeremy Kinsman asks the pertinent Canadian question: what is Canada's role in this new world of turmoil?*

## Jeremy Kinsman

After 75 years, our foreign policy belief system, the mantra of cooperative liberal internationalism, is being challenged, especially in our own neighbourhood.

A contagion of competitive nationalistic illiberalism and misremembered nostalgia is pushing back against the forces of globalization and change. Borne on the winds of populist slogans—"Make America Great Again," or (Brexit's) "Take Back Control"—it venerates old identities, status, and values.

Change happens. Its impact on world rankings has created an increasingly fierce U.S. resistance to China's challenge to U.S. primacy, catching Canada in the middle.

Confidence and turbulent change have always interacted in contrary global cycles.

Upheaval in the 1970s had left many older Americans reeling, and longing for times gone by. Ed Koch, the ebullient mayor of New York, continuously checked their pulse asking,

"How am I doing?"

One day an older lady pleaded, "Mayor! Please make it like it was...Make it like it used to be."

"Lady," he said, "It was never as good as we think it was...But I'll try."

**“Of course, today's turmoil roiling the world shows a drastic change in mood from the internationalist optimism that accompanied the Berlin Wall's fall in 1989. That ignited a decade when we assumed more open and cooperative societies would be *de rigueur*.”**

Of course, today's turmoil roiling the world shows a drastic change in mood from the internationalist optimism that accom-

panied the Berlin Wall's fall in 1989. That ignited a decade when we assumed more open and cooperative societies would be *de rigueur*. It seemed inevitable that national impulses and expectations would be mediated through universal cooperative international rules and institutions.

So it goes. Our national interest is as vested as ever in cooperative rules-based internationalism, but we can't hang on to old international institutions, habits of thought, and world rankings that are overtaken by new realities.

But we are stuck with our geography. Still, we needn't bow to Montesquieu's dictum that geography is all that drives our fate. It's also our leverage.

We shall always be emphatically North American, though our geographic self-concept is enlarging as we add our sense of our North, as in "From Sea to Sea to Sea."

Canada's outward view is thematically very different from that of the Trump White House. We need to stay unapologetically globalists, and continue energetically to strengthen ties with like-minded internationalists as "the other North America." We need to work together to reboot the world's belief in liberal internationalism.

It's worth reflecting on how it lost ground.

It happened the way Hemingway described in *The Sun Also Rises*, how bankruptcy happens: at first, "gradually. Then suddenly."

The nineties had a golden surface. Western stock markets boomed, propelled by new tech. China and India





U.S. President George H.W. Bush and Soviet President Mikhail Gorbachev during a press conference at the Helsinki Summit on September 9, 1990. *Wikimedia photo*

began their accelerated ascension to the world Premier Economic League, lifting hundreds of millions into the middle class.

**W**e celebrated the end of the Cold War, an outcome enabled by Mikhail Gorbachev. But we were naive to think that it was bound to be welcomed as win-win for everybody. Despite George H.W. Bush's thoughtful advice, American triumphalism began to make resentful Russians feel like losers. U.S. neo-conservatives dismissed grievance over NATO expansion to Russia's borders. "We won. Get over it." So, Vladimir Putin's recovering Russia went rogue.

On 9/11, 2001, the roof fell in on complacent Western narcissism. Jihadist terrorism became a new global scourge. Borders hardened, including our own with the U.S. Societies re-prioritized for a new kind of war.

Unfortunately, in 2003, the U.S. and U.K. rushed to an unnecessary invasion of Iraq that catastrophically turned the Middle East into the world's first failed region. Jean Chrétien made the right call, to stay out of what presidential candidate Barack Obama would later term "this stupid war."

**“ Moreover, while Canada embraced Obama's internationalism, democracy-averse China and Russia, even India, chose to pump up nationalist pride and purpose. ”**

In 2008, the evidence of endemic financial fraud in Western financial

services devastated the reputation of the capitalist system in the eyes of millions. But again, Canadians defied the crisis. Our prudent financial regulations kept us on dry land from the flood of bankruptcies that affected ordinary people almost everywhere else.

Obama won office just as the still underestimated 2008 financial crisis was unfolding. His distinct preference for multilateralism renewed the hopes of internationalists. Moreover, his belief that "yes, we can," helped to fuel the Arab Spring of protests and uprisings against authoritarian governments in the Islamic world.

Except for Tunisia's, they failed.

**M**oreover, while Canada embraced Obama's internationalism, democracy-averse China and Russia, even India, chose to pump up nationalist pride and purpose. To some extent, they gamed the international economic system which they regarded as serving the interests of the established economic powers who designed it. The World Trade Organization staggered into increasing irrelevance.

Rising countries resented the assumption they should just imitate Western liberal ways. On the other hand, many of the best and brightest in the post-communist countries of Europe emigrated to the West. This depletion by emigration induced phobic antipathy to phantom immigration, especially Muslim, as the grotesque Syrian civil war and conflict with ISIS spewed millions of refugees across porous European borders (though paradoxically, not to the post-communist countries in question).

Populist nationalist leaders exploited the fever of resentment, contesting liberal Western values. Demagogues marshalled nationalist, ethnic, and sectarian majorities against pluralism, change, and established "elites" at home and abroad. They also began to disassemble the checks and balances of democracy in favour of authoritarian power. The contagion



of nationalist populism metastasized to Western democracies where “left-behind” workers blamed “globalization” and the remorseless energy of change for the export of their jobs and the hollowing-out of their communities.

Amplified by errant and irresponsible monetized social media, political polarization eviscerated the centre, where compromise can live. As William Butler Yeats put it in *The Second Coming* a century ago,

“Things fall apart; the centre cannot hold. ....  
The best lack all conviction, while the worst  
Are full of passionate intensity.”

Thus, “America First!” became a winning presidential slogan in 2016, supplanting Obama’s internationalist leadership. Tariffs and sanctions were weaponized against partners who resisted the systematic undoing of international agreements to tame humanity’s greatest threats, nuclear weapons, and global warming.

First gradually, then suddenly, internationalist Canada was mugged by the increasingly dominant nationalist reality. Yet, we managed a defensive save of our most important relationship by negotiating an upgrade of NAFTA. We completed a comprehensive 21st century economic cooperation agreement with the EU. But with the other of the three great economic powers, China, it went sour.

The emerging U.S./China rivalry blindsided us into entrapping Huawei’s Meng Wanzhou at YVR on behalf of a vindictive U.S. Department of Justice. The U.S. sought to hobble China’s principal competitor for global telecommunications primacy with an indictment for Iranian sanctions-busting that had nothing to do with Canada.

This isn’t the place to re-litigate the argument that Meng Wanzhou certainly did not commit a crime that would merit at least a year’s imprisonment in Canada that the extra-

“Our Canada-U.S. working levels function day-to-day pretty well in mutual functional interest. Basic friendships endure and sooner or later will again prevail in defining the bilateral relationship.”

dition treaty stipulates for extradition. Yet, for decades, Canada has opposed the extraterritorial application of U.S. law to foreigners, and abroad. It is baffling why Canadian Justice officials who, according to the treaty, represent the U.S. case in Vancouver court hearings continue to present over-the-top arguments that Canada should extradite the ambushed Huawei executive.

In a cynical and deplorable reprisal, the furious Chinese jailed two innocent Canadians. It was a very harsh warning to all and sundry that China has real red lines at stake in this new era of all-out competition with the U.S. Unfortunately, it prompted a phobic wave of anti-Chinese reporting in Canadian print media, and calls for counter-reprisals against the Chinese. We resisted those, but clearly, the rosy lens which for some time had blurred the real nature of new China’s old-style communist leadership needed an updated prescription. With wary eyes wide open, we need that relationship.

China’s profound crisis over the coronavirus epidemic has been a chastening experience, jarring their enormously successful top-down national development narrative. But it has permitted Canadian and Chinese officials to connect and cooperate. It may have increased mutual confidence so that we can resolve our shared hostage problem.

Meanwhile, the old U.S. neo-conservative security blob is pumping up the necessity of a new Cold War against China, along with hard-line solidarity against other enemies, notably Russia, and Iran. Hopefully, the Trudeau

government will keep its composure and accept that we have to navigate the world on terms that suit our interests. Lining up behind the Trump administration in an adversarial G-2 contest is not the way to go.

Trump’s ascent wasn’t an accident. America today is what it is, polarized, dysfunctional, and unreliable at the top. As Lester Pearson once said, we shouldn’t shy from giving the Americans a kick in the shins every so often. Our Canada-U.S. working levels function day-to-day pretty well in mutual interest. Basic friendships endure and sooner or later will again prevail in defining the bilateral relationship.

In the meantime, our national interests call for determined defence of international cooperation, and resistance to nationalist populism. The most effective promotion of democracy is by the vivid example of inclusive and responsive governance at home that works. The crisis over the Wet’suwet’en territory is a test. Resilience and capacity to navigate deftly challenging surprise “events” like the Iranian plane catastrophe and our breakdown with China also test us.

There will always be combative Canadian political voices condemning a smile for the Iranian or Chinese foreign minister as inappropriate, who judge that reaching out to communicate is a sign of weakness.

But it never is. **P**

*Contributing Writer Jeremy Kinsman is a former Canadian Ambassador to Russia and the European Union, and High Commissioner to the U.K. He is a Distinguished Fellow with the Canadian International Council.*





Protesters in Hong Kong demanding democratic reform, October, 2019. Former Hong Kong resident Robin Sears writes that Beijing's intractability on Hong Kong is now matched by its fixation on Taiwan's newly re-elected government. Wikimedia photo

## A China Reality Check

*As the “peaceful rise” China’s leaders promised amid the country’s stunning socioeconomic progress has proven to be bumpier than anticipated, the tension between Beijing’s global ambitions and the rules-based international order have escalated. Veteran political strategist Robin Sears, who spent six years as Ontario’s agent general for Asia and a further six in the private sector in Hong Kong, writes that now more than ever, Canada must proceed with caution.*

**Robin V. Sears**

This was to have been a year of celebration of the half-century anniversary of Canada’s landmark recognition, in 1970, of the People’s Republic of China. Instead, we are close to a state of paralysis in government-to-government relations. The bilateral dynamic has not been this bad since the global outrage over the People’s Liberation Army crack-down on protesters in Tiananmen Square in 1989. Some China watchers say things have never been this chilly.

Canada is not alone in facing a more unpredictable and obdurate China. Not only is the United States entering round two of a potentially disastrous trade war; Australia, Germany, Sweden and many other nations are



all experiencing the consequences of a China too easily offended and too often over-reacting to perceived slights. China appears to be drifting toward the brink of confrontation on several fronts.

We need to recognize that our commercial interests in this relationship, while of strategic importance to us more than to China, cannot always take precedence over maintaining the post-war consensus on the rules governing members of the international community. We have made these choices before. We supported—albeit, too late—tough sanctions on apartheid South Africa at some commercial cost to Canadian business.

**T**he Chinese refusal to give an inch toward reconciliation in Hong Kong is now matched by an almost hysterical reaction to the January 11 re-election of President Tsai Ing-wen in Taiwan. Taiwan is the most emotionally charged file in China's relations with the world. China's claim on Taiwan as an integral part of the nation goes back to the 19th century. Chiang Kai-Shek's flight to Taiwan and his successful bloody seizure of the island, cheated the PLA of their final victory over their hated enemy, his Kuomintang army.

Since the creation of the People's Republic of China (PRC) in 1949, the Chinese Communist Party (CCP) has been obsessed by 'unity' with Taiwan. They reconciled with one faction of the Kuomintang (KMT) in the 70s, only to be enraged by the creation of a successful political competitor in Ms. Tsai's party, the Democratic Progressive Party (DPP). In the unending ironies of Chinese history, the CCP and the rump of the KMT are now allies, but in today's KMT, the CCP has a very weakened ally. Beijing has been blocked at every turn by an increasingly independent nation of citizens, many of whom identify as Taiwanese first and Chinese second.

Evidence of this obsession was revealed by the PLA Air Force a few months ago when they released a pop video titled, *My War Eagles Are Circling*

**“The Chinese refusal to give an inch toward reconciliation in Hong Kong is now matched by an almost hysterical reaction to the January 11 re-election of President Tsai Ing-wen in Taiwan. Taiwan is the most emotionally charged file in China's relations with the world.”**

*the Treasure Island* featuring video of fighters circling Taiwan. At the same time, in the real world, the Chinese air force broke a three-decade old convention and flew fighter jets across the line in the Taiwan Strait separating the island from the mainland. One of China's two aircraft carriers (two more are currently under construction) made two passes in the Taiwan Strait in less than two months; again, a first. In a bombastic reaction to the landslide re-election of President Tsai, the official Chinese response called the result a “fluke,” said her victory had been achieved through massive “cheating,” and declared the winner “evil.”

The world has never been here before. Today in China the world faces a rich and increasingly powerful authoritarian state, integral to the global economy. The Soviet Union by contrast may not have been “Bangladesh with ballistic missiles,” in the dismissive words of American super-hawk Richard Perle, but neither was it a true global superpower. Strategies to counter Soviet power and influence when the world was easily bifurcated into capitalism and communism will not apply here. China today is not simply integrated into the economy in ways the USSR never was, it is absolutely crucial to it. Cold War era policies of isolation cannot apply here.

**O**n Taiwan, we may be approaching a dangerous precipice. Chinese military capacity is reaching the level at which a “successful” invasion could be contemplated. According to some military observers in Taiwan and Washington, China already has the capability to render blind and useless

American, Japanese and Taiwanese command and control systems in targeted cyber-attacks. A military offensive or targeted cyberattack against Taiwan's economy, energy grid or other infrastructure could draw the U.S. and the West into an unprecedented, status-testing escalation.

Former U.S. Secretary of State and China expert Henry Kissinger, who more than any other has defined and defended the West's efforts to find a way to work with China, has pleaded for an understanding of our long-term goals and the time required to achieve them. Kissinger draws on the similarities today with World War One. He points out that every statesman in the spring of 1914 would have behaved very differently if they could have seen what horrific consequences would unfold as a result of their choices that summer. They did not have that ability, but we have no such excuse.

The Communist Party of China's foreign policy, until Deng Xiaoping, echoing that of centuries of Chinese emperors, had one centre of gravity: the defence of the motherland. China never attempted to occupy distant foreign territories, only those on its borders. Foreign imperial adventures simply did not contribute to the defence of Chinese territory. Mao and even Deng would probably have been deeply skeptical about the PLA Navy setting up a provocative naval base on the Horn of Africa, for example. The massive Chinese Djibouti base is literally beside even larger U.S., French and other military bases and assets along that vital shipping corridor.

What makes this situation unique, and in no way vulnerable to the



“Thucydides trap” whereby when one great power rises to displace another, war is the result, is this: China, unlike Sparta, or Carthage, or even Germany, is already a superpower—militarily and economically—woven deeply into the fabric of the global economy. There is no realistic economic decoupling possible, except at a cost of trillions and decades of destructive effort.

**“China, unlike Sparta, or Carthage, or even Germany, is already a superpower—militarily and economically—woven deeply into the fabric of the global economy. There is no realistic economic decoupling possible.”**

Here is an indication of the challenge: General Motors already sells far more cars in China than it does in the U.S. Does anyone believe those ratios will be reversed in a market 1.4 billion of still mostly car-less buyers vs. the declining U.S. market? The core of China’s drive toward technological self-sufficiency is the ability to manufacture leading-edge semiconductor chips. Most experts suggest that they are at least a decade away from catching up with today’s chips. A leader in that sector, is ironically, Taiwan.

We face a multi-layered complexity in today’s strategic puzzle, with one layer being economic, another military, and a third managing China’s global ambitions. Seen through the eyes of a hardline PLA general, China’s strategic position is one of a nation dangerously encircled by increasingly well-armed neighbours who treat the motherland with disrespect. After all, Korea, Japan, Taiwan, Mongolia, Kazakhstan, India, Burma, Malaysia, Singapore, Vietnam, Indonesia, and the Philippines all regard China with increasing suspicion.

Seen from the perspective of the United States and the West however, China’s efforts to buy influence across vast swathes of territory beyond its borders with the Belt and Road infrastructure initiative, its efforts to threaten access to the South China Sea, its complete rejection of international legal decisions about free passage, its rapidly expanding blue water navy, and its rising rhetorical aggression towards its neighbours, paint a picture of a sobering new strategic threat.

China has, according to some intelligence observers the largest and most capable network of spy agencies in the world. There’s an emerging consensus that it is at least coming to be America’s equal in this domain.

Yet no vision is sufficient to understanding China’s sometimes baffling behavior without the inclusion of a final layer: China and the CCP are, and always have been, deeply insecure about their place in the world and their legitimacy in power. The Chinese Communist Party has not had as deeply insecure as Xi Jinping since its first. Mao’s feared class enemies “swarmed like flies” around him at all times. That Xi is in power at the same moment as America’s most deeply insecure president in memory doesn’t enhance global stability.

Deep insecurity is common among Chinese leaders, and understandable. After all, there have been very few changes of emperor in Chinese history—over three millennia—that have not been violent. The history of the CCP itself is one of regular, often bloody factional battles. The years between Deng Xiaoping’s death and Xi’s installation for life, only a few decades, are the only exception in a century, delivering smooth changes of leadership.

The response to the Wuhan coronavirus is another example of an insecure state’s management of a crisis: first denial and concealment, then partial disclosure, followed by massive over-reaction. Locking down 56 million of your citizens and then bringing much of your economy to a standstill are

hardly rational responses to a public health crisis. They reflect the ambiguity of Chinese leaders’ thinking about the use of state power in a crisis.

Two threads of Chinese history—the justifiable angst of its rulers about their domestic survival and a suspicion of the non-Chinese world—still form part of the culture of the leadership of the CCP today.

A secure party in power does not invite international opprobrium and waste billions of dollars building “re-education” camps for its citizens. A secure leader does not regularly proclaim the unshakeable future of his rule—unless he worries that that may not be the case. In finding the right balance, therefore, in a strategic analysis of China’s intentions and likely future choices, each factor deserves weight.

It is true that China often presents itself on the global stage with a provocative arrogance. There is no monolithic ‘China Inc.’ but across many of its institutions, one can hear the tension in their leaders’ public statements, veering between overweening confidence and a hesitation revealing an underlying uncertainty. And there is the impact of history in other ways. A popular aphorism used by Chinese leaders to explain their differences to western critics is “Remember, we are the second generation in all the years of the Chinese history that does not have to worry about starvation or war...that changes one’s perspective somewhat on what’s important, and how fast one can move.”

In stark contrast to the authoritarian angst above them is the surging confidence and creative optimism of more affluent, well-educated young Chinese citizens than ever in the country’s history. As you listen to young Chinese business leaders brag about their plans to compete with the world ... to compete with the best, be victorious in sports, electronic gaming, AI and on and on, one cannot but be impressed by their dynamism.



They study abroad in the hundreds of thousands and then maintain the international friendships and networks they develop there. They are proud Chinese nationalists in many cases, but equally at home in the world. It will be interesting to watch the inevitable culture clash between their ebullient international confidence and the xenophobic suspicions of today's party leaders.

Canada has a long and deep connection with the Chinese people, beginning with doctors like Norman Bethune and missionaries devoting their lives to medical care and education—and a mostly unsuccessful religious conversion project. The relationship grew through massive wheat sales begun by John Diefenbaker during some very hard years in China. It continued through Pierre Trudeau's courageous step in granting diplomatic recognition to China half a century ago. We have had prime ministers from Pierre Trudeau to Brian Mulroney and Jean Chrétien who made themselves globally respected interlocutors with the Chinese leadership. We dropped the ball badly under Stephen Harper, recovered briefly with Justin Trudeau, and are today at a deeper and more challenging impasse than ever.

**A**s we learned in dealing with the equally insecure Leonid Brezhnev and his successors, leaders worried about their survival do not respond well to public threats. Pressure must be applied, but most effectively in private and with predictable regularity and determination. All reports suggest that that is exactly the path our new ambassador, Dominic Barton, is pursuing today as he struggles to find a path that could lead to the release of Michael Kovring and Michael Spavor in the face of the continuing legal battles surrounding Huawei CFO Meng Wanzhou—quiet, relentless pressure.

While public opinion in China on the captivity of the two Canadians and the ongoing conflict over Ms. Wanzhou may be impossible to discern accurately, views of China among Canadians have changed. An Angus Reid

Institute survey published late last year showed unfavourable views of the country had risen to 66 percent from 51 percent in 2018. The data also reveal an increasing number of Canadians—70 percent—saying human rights should be more important than trade opportunities in Canada's dealings with China.

**“ We have had prime ministers from Pierre Trudeau to Brian Mulroney and Jean Chrétien who made themselves globally respected interlocutors with the Chinese leadership. We dropped the ball badly under Stephen Harper, recovered briefly with Justin Trudeau, and are today at a deeper and more challenging impasse than ever. ”**

As intractable as the gap may seem between Beijing's sabre rattling and Canadian diplomacy, threatening to punish China through sanctions or visa restrictions will not move Chinese thinking. We need allies, not volume. Setting rules, establishing proportionate consequences for breaking them, especially when they happen in Canada, or to Canadians, is a must. We should learn from the Australians' sad experience in this regard.

Canada must wrestle with three kinds of policy conundrum. In each case, whatever choices are made, they will only be effective if their tools and goals are supported by a network of like-minded nations. We have our national interests, we have our commercial interests and we have the defense of the values of the international community, of which we are a respected leader. The Chinese are attempting, however maladroitly, to change the post-war consensus on international values and law—most egregiously with respect to honouring inter-

national standards on basic human rights. With our allies, this requires constant and vigorous pushback.

We must continue to press for the release of our two hostages but resist the temptation to tie their fate to China-U.S. relations, or China's overall human rights record. As one of the nations determined to maintain an international order of agreed rules, we may not always be able to take stands that serve immediate Canadian commercial interests in China. Ensuring the safe return of the two Michaels is one of those occasions.

**F**or Canada now, our challenge is to encourage China to move back from the brink. To persuade Beijing that its interests will always be better served absent confrontation, and that the costs of confrontation would probably be fatal for the future of the CCP in power if they played out militarily. Laying out these benefits to the reputation and status of China is not “going soft on China.” It's what is required to avoid what Kissinger somberly intones as “making the 21st century as tragic and bloody as the one before.”

In all our years of nimbly balancing our relationship with the Soviets, the Chinese and other authoritarian regimes, we know three things to be true: quiet diplomacy can work, megaphones can't; that we need to offer proof of the benefits that will flow from the path we offer, as opposed to the dramatically higher costs of confrontation; and finally, that we speak with one voice along with our many powerful allies.

Canada has shown great skill in building coalitions to win peace and avoid conflict, even if it is only a violence-free frozen peace, in Suez, in Cyprus, in South Africa and elsewhere. As China and the West move closer to confrontation, it's again time we put those special skills to use. **P**

*Contributing Writer Robin V. Sears, a principal of Earncliffe Strategy Group in Ottawa, lived and worked in Tokyo as Ontario's Agent General for Asia for six years, and later in the private sector in Hong Kong for a further six years.*





The bodies of Ukrainian victims of the Iranian downing of Ukraine Airlines Flight 752 arriving at Kiev airport on January 19, 11 days after the tragedy also took the lives of 57 Canadian citizens and 29 permanent residents of Canada. *The Presidential Office of Ukraine photo*

## U.S.-Iran Relations: Lessons for Canada From the Ukraine Airlines Tragedy

*The shoot-down of a Ukraine airlines flight that killed 57 Canadians in January was the latest chapter in a decades-long legacy of U.S.-Iran tensions marked by tragedy. Canadians paid the heaviest price this time, but it highlighted the need for Canada to fully re-engage in the Persian Gulf, however difficult that might be. Dennis Horak, former Canadian head of mission in Tehran and later ambassador to Saudi Arabia, shares exceptional insights into the region and Canada's role there.*

**Dennis Horak**

The shoot-down of a Ukrainian airlines flight outside Tehran in January was a reminder of how quickly and unpredictably tensions with Iran can tragically escalate. Simmering hostilities between the United States and Iran were ignited, took the region to the brink and the outcome could have been catastrophic. The incident didn't begin with the assassination of Iranian General Qassem Soleimani; nor are tensions likely to end with the subsequent walk-back from the edge.

This is a decades-long conflict that shows no sign of being resolved. Both sides are driven by fundamen-



tally different conceptions of each other's goals and motivations. That is unlikely to change. For Canada, the incident underscored the reality that what happens in the Persian Gulf can reverberate globally and highlighted the need to be better equipped to address those regional eventualities.

Iran's missile launch against a civilian airliner in January was a tragedy with historic roots. The U.S.-Iran tensions that created the conditions for the attack have been a fact of life in the Gulf for decades. For Tehran, the story tracks back to Washington's role in the overthrow of their elected Prime Minister, Mohammad Mosaddegh, in 1953. For the Americans, the genesis was the hostage crisis in 1979-80. But whatever the origins, the U.S.-Iran conflict has produced a long and grim legacy marked by successive catastrophes (including a previous shootdown of an Iranian civilian airliner by the U.S. in 1988) and sustained regional instability.

The latest chapter actually began in the summer of 2019, with the Iranian bombing of two oil tankers in the Persian Gulf and an attack on a Saudi oil refinery. But it was the attack on an Iraqi military base that killed an American contractor and wounded several U.S. service personnel that set the key events in motion. Iran was widely held responsible for these incidents.

The death of an American was clearly a red line for the U.S. and they responded with an unprecedented assassination of a senior regime official—Soleimani. While the Iranian leadership promised a harsh response, their retaliation—missile strikes on two U.S. air bases in Iraq—was sufficiently measured to allow both sides to claim victory and climb back from the edge. Ironically, it was the citizens of a third country, Canada, who suffered the most from the confrontation when Iran shot down the Ukraine International Airlines flight on January 8, killing 57 Canadians. The relatively quiet pause in hostilities between Washington and Tehran since then is likely only a temporary lull. It's hard to predict where or how



Prime Minister Justin Trudeau shakes hands with Iranian Foreign Minister Mohammad Javad Zarif on February 14 on the margins of the Munich Security Conference. Trudeau said they discussed compensation for victims' surviving families back in Canada. *Tehran Times photo*

the next flare-up will occur—and the January incidents may even have restored some level of deterrence—but future incidents are a near certainty.

**“It's hard to predict where or how the next flare-up will occur—and the January incidents may even have restored some level of deterrence—but future incidents are a near certainty.”**

The proximate cause of the spike in violent incidents over the past several months can be traced back to the Trump administration's decision in May 2018 to walk away from the Joint Comprehensive Plan of Action (JCPOA), commonly known as the Iran nuclear agreement. Signed in 2015, the deal essentially traded restrictions on Iran's nuclear program for limited sanctions relief. The agreement was widely lauded for putting the Iran nuclear problem on the back burner, but it had its critics, particularly among U.S. Republicans.

By all accounts, Iran was verifiably complying with the terms of the agreement when Donald Trump decided to pull the plug. But for the administration, that was beside the point. The deal, in its view, was conceptually flawed. Its scope was too limited and one-sided in Iran's favour. The administration's decision to withdraw and apply “maximum pressure” (which included enhanced sanctions) was aimed at forcing a weakened Iran back to the table to reopen and expand the agreement. Iran rejected U.S. demands immediately. It relaunched previously restricted elements of its nuclear program and stepped up its kinetic actions in the region. The violent events in the Gulf last summer were intended as a message: If Iran could not sell its oil, they had the ability prevent others from doing so, too.

While Trump's withdrawal from the JCPOA was clearly a spark for the recent flare-up, the JCPOA was never a launchpad for an era of U.S.-Iran détente and reconciliation. The JCPOA was not meant to be a panacea. It was a limited agreement tied narrowly to one specific item on a rather long list of Iran-related grievances. U.S. and regional concerns about Iran are driven as much by Tehran's support for terrorism, its increasingly sophisticated missile program and, especial-



ly, its destabilizing actions across the Middle East as they were by the nuclear program. Iran's actions on these other files was uninterrupted during the JCPOA period. Its decisive and bloody intervention in Syria, its sustained manipulation of Iraqi politics for sectarian advantage, its continued support for Hezbollah and Hamas, its backing of the Houthis in Yemen and its unrelenting hostility to Israel were unaffected by the nuclear agreement. Washington's provocative withdrawal from the JCPOA and Iran's reaction to it added a dangerous layer of complexity to an already volatile region, but it was not the source of the problem.

**T**he underlying issues run deeper. At their core, U.S.-Iran tensions reflect entrenched perceptions of their respective goals and motivations. For the U.S., the Islamic Republic is an inherently destabilizing and malevolent force in the Middle East; ideologically driven to undermine U.S. interests and influence. In their view, Iran's desire to dominate the region through support for sectarian proxies and terrorist groups is a threat to U.S. assets and allies that must be countered. It is a perspective widely shared in the region.

For Tehran, the U.S. is a hostile power that is determined to overturn the Islamic Revolution (as it has been from the start) and restore the dominant role it had under the Shah. Opposition and resistance to the U.S. was (and remains) a pillar of the Revolution and it informs the views of the Supreme Leader, Ayatollah Khomeini (the only person in the country whose views really matter). For the regime, Iran's cultivation of regional allies and influence and its efforts to confront Washington's regional "puppets" and, ultimately, drive the U.S. from the region are defensive measures designed to safeguard the Revolution and Iranian security.

Finding a way around these perceptions and the behaviours they generate will be tough. They are self-reinforcing. Containing Iran does make

sense; it is a destabilizing influence in a fragile region. But pressure tactics aimed at curtailing Iran's regional activities or gutting its missile defences, while fomenting domestic unrest to create bottom-up pressure on the leadership, only inflame irredentist fears and spawn Iranian responses that can, as we have seen, quickly spiral out of control. There are no easy answers and the differences may, in fact, be irreconcilable.

**“The government managed the consular crisis stemming from the shoot-down as well as could be expected under the circumstances. But the absence of a Canadian diplomatic presence undeniably complicated an already tragic and stressful situation for the families.”**

So, where does Canada fit-in in all this? The short answer is, nowhere, really. Ottawa has been blind to what's happening in Iran since the Embassy was closed in 2012 and it has been playing short-handed in Saudi Arabia since the “tweet-storm” in 2018 upended the bilateral relationship. These are the two key players (with the U.S.) in the region and Canada has no relations with one and strained links with the other. But the tragic events in January vividly underscored the fact that Canada can no longer afford to pretend that what happens in the Gulf stays in the Gulf. The Gulf matters and it can come up and bite you in ways you can't always imagine. The government managed the consular crisis stemming from the shoot-down as well as could be expected under the circumstances. But the absence of a Canadian diplomatic presence undeniably complicated an already tragic and stressful situation for the families.

**O**ttawa needs to learn from the crisis and realize that Canadian interests are best served by maintaining relations—even uncomfortable ones—to be ready to respond when things go badly. This is especially true in a region as volatile and as populated with Canadians as the Gulf. There are important obstacles to reopening in Iran, with the Justice for Victims of Terrorism Act being the principal barrier. It would be irresponsible to return Canadian diplomats to Tehran with the threat of further seizures of Iranian property in Canada under the Act hanging over the relationship. The risk of Iranian retaliation would be high given Tehran's historical disrespect for diplomatic immunity. Repairing ties with Saudi Arabia should be easier. It will require face-saving measures for both sides, but that is what diplomats do—when they have the requisite political backing.

Both moves will be challenging (and some distance from the shootdown will be needed to move forward with Iran). Neither country is popular and opposition to “rewarding” Riyadh and Tehran by normalizing ties will be fierce in some quarters. But it is worth the effort.

The Gulf is a difficult and often frustrating region. U.S.-Iran tensions (fed by and involving regional players like Saudi Arabia) will remain, but the international community has an obligation to try and moderate or manage them. As the January events demonstrated, the brink is never far off and the impact of tumbling over it will reverberate widely and, likely, tragically. If Canada fancy's itself as an important international player—worthy of G7, G20 and, even UN Security Council membership—it would do well to position itself to act the part in a region with such broad and challenging risks. **P**

*Dennis Horak was Canada's ambassador to Saudi Arabia from 2015-18 and head of mission/chargé d'affaires in Iran from 2009-12. He retired in 2018 after a 31-year diplomatic career.*

# Letter From Davos:

## A POWERFUL TELESCOPE INTO THE FUTURE

*Every year, when the world's most politically and economically engaged leaders gather in Davos for the annual World Economic Forum meeting, there is a Canadian contingent working the hallways and gracing the panels. Since 2016, Suzanne Fortier, Principal and Vice-Chancellor of McGill University, has been part of that contingent. She shares her experience and takeaways from the 2020 event.*

### Suzanne Fortier

As head of an international university, I am privileged to have stimulating conversations every day, whether with students, researchers, partners, or colleagues from around the world. The discussions held at the World Economic Forum (WEF) Annual Meeting in Davos are ones I especially look forward to, as I believe that this gathering of global stakeholders is a powerful telescope into the future.

I first began attending the WEF Annual Davos Meetings back in 2016, and while every meeting is thought-provoking, they are also very different from one year to the next, reflecting the main agenda items on the global scene.

The 2020 Annual Meeting was the 50th anniversary of the establishment of the WEF and capped off a year that was marked by social, economic, and geopolitical turmoil with rapidly shifting realities. We saw flare-ups in foreign relations, civil uprisings and clashes with governments, uncertainty about the future of the planet, and, most recently, the spread of a life-threatening health epidemic.

Some wise advice I received before attending my first WEF annual

meeting was to carve my own Davos. The meeting's program, with its rich and diverse choice of sessions, gives each participant the opportunity to have a unique "personalized" Davos experience.

My Davos journey this year included topics that piqued my interest such as listening to Yo-Yo Ma talk about the power of narratives, the annual session on the *Global Economic Outlook* and a presentation on the recent claim of quantum supremacy. The majority of my time, however, was devoted to topics that are much discussed at McGill. I had the chance to participate on panels that covered important subjects such as education, of course, but also addressed mental health issues, steps for increasing social inclusion, and the future of work.

Most would agree that climate change was at the forefront of discussions at Davos. Very few attendees, if any, denied that this was a pressing and urgent issue concerning us all. But what was most interesting was to hear voices from so many different roles and perspectives all gathered in one place.

We heard the voices of activists, from Greta Thunberg to Jane Goodall, two people featured on *TIME*'s 2019 list of the most influential people—separat-

ed by several decades in age, but united by their determination and commitment to save our planet.

The objective of creating a carbon neutral future was discussed in a session that reported the disturbing statistic that only 33 percent of primary energy is converted into useful energy for transport, industry and buildings. Industry leaders on the panel not only validated the figure but also promoted realizing greater efficiency, particularly given that technologies required to do so are already available.

**“A greater recognition among investors that climate risk is investment risk was evident, as was their anticipation of a fundamental reshaping of finance.”**

The release of BlackRock's annual letter to CEOs, a few weeks ahead of the meeting, and its observations on climate change resonated throughout the meeting. A greater recognition among investors that climate risk is investment risk was evident, as was their anticipation of a fundamental reshaping of finance.

The *Striking a Green "New Deal"* session brought together politicians who discussed "new deal" agreements that link goals to combat climate change, social justice reforms and economic development. They acknowledged the challenge of bringing people on board in the transition to a greener future. While there may be buy-in on the importance of addressing cli-





McGill Principal and Vice-Chancellor Suzanne Fortier at the World Economic Forum in January. A member of the Canadian contingent at Davos since 2016, she's now also Chair of the WEF's Global University Leaders' Forum, a role she says enhances McGill's learning environment as one that "responds to the needs of our world." *World Economic Forum photo*

mate change, it is far more difficult to achieve agreement on solutions that require important lifestyle changes.

Two other topics that have been recurring at Davos since I began attending are education and the future of jobs. What stood out this year, in particular, was their close integration with social inclusion through the common *Platform for Shaping the Future of the New Economy and Society*. In fact, one of the seven themes for this year's meeting was Investing in Human Capital for Inclusive Societies. Two reports were released during the annual meeting, which were of particular importance to me: *Jobs of Tomorrow* and *Schools of the Future*, both rethinking the future within the context of the Fourth Industrial Revolution. The *Jobs of Tomorrow* report looks at what professions might emerge in the future, and what skills will be required to successfully fill them, while the *Schools of the Future* looks at how education systems need to realign with the realities and needs of evolving societies, and stresses the need for new education models. Lifelong learning and the opportunities for reskilling and upskilling are now seen as an essential element of

**“ Lifelong learning and the opportunities for reskilling and upskilling are now seen as an essential element of social inclusion, as is giving children from the earliest stages of life learning content and experiences geared toward the needs of the future. ”**

social inclusion, as is giving children from the earliest stages of life learning content and experiences geared toward the needs of the future. Learning 4.0 was brought to life through highlighting examples of 16 innovative schools, systems and initiatives from around the world, while the launch of the WEF Reskilling Revolution Platform, bringing stakeholders together around the ambitious goal to “provide better jobs, education, and skills to 1 billion people in the next 10 years,” set the path to lifelong learning.

The theme of *Investing in Human Capital for Inclusive Societies* discussed sever-

al issues that have prevented people in the past from fully participating in society. Sessions such as *The Big Picture on Mental Health*, *The Future of Good Work*, *The Reality of Racial Bias*, *Free to Be (LGBTI)* and *Disability Inclusion* are good examples of the deep connections between the WEF and the key issues of today's world, and its commitment to promoting social inclusion.

While the annual meeting certainly does not disappoint when it comes to the different offerings within the official program, conversations outside of the session are equally interesting.

Davos brings together thousands of people who each contribute their different views, experiences, and ideas. For me, the ones who always stand out at the meetings are the participants from the Global Shapers Community. Their creativity, talent and commitment, as well as their boundless energy, give me confidence that they are well equipped to take on the challenges we are facing now and will face in the future. They truly represent the WEF's motto to be “*Committed to Improving the State of the World.*”

What happens now that the meeting has come to a close and the Alpine town has regained its tranquility? As someone who has the privilege of being part of the WEF stakeholder community, I have reflected on this question. Having access to this great “telescope into the future,” how can each of us use it for the benefit of our own community? For me, it starts with using what I learn at Davos at my own university and in my own community to build a learning environment that responds to the needs of our world, and equips learners to shape its future and take on the challenges we face, whether climate change, health crises or other issues that may await. Using the words of the WEF, I hope to give members of the McGill community the opportunity to be local and global shapers. **P**

*Professor Suzanne Fortier is the Principal and Vice-Chancellor of McGill University. In 2016, she was appointed to the World Economic Forum's Global University Leaders Forum (GULF). She was appointed Chair of GULF in 2019.*

# Australia: Ground Zero of Climate Politics

*At a time when the toll of climate change is becoming increasingly apparent in both human and economic costs, recent events have also revealed the role corruption plays in the policy intractability around the issue. In Australia, where unprecedented bushfires have galvanized attention on the issue, the revolving door from fossil fuel lobbying to politics and back to the industry rewards denial and stymies progress.*

## Elizabeth May

The Australian bushfire storms may yet prove to be a tipping point in global climate consciousness. Or, like the images of Hurricane Katrina (when we thought that changed everything), or the satellite images of disappearing Arctic ice, the modern human family may just turn the page to the next big story. As I write this, that next big story is the coronavirus.

But it is worth considering: the koala bears and their burned paws, the silhouette of the leaping kangaroo with a backdrop of the inferno, the tornado cloud made of flame—these images might just save us.

We are perilously near other “tipping points”—the real and irreversible ones that represent an atmospheric point of no return. Still, our climate discourse is remarkably soporific and sophomoric. Politicians around the world (at least, those who claim to want climate action) talk of “meeting our Paris targets,” without knowing what they are or understanding what they would mean. And, of course, global bullies like Brazilian President Jair Bolsonaro and U.S. President

Donald Trump make even those climate pretenders look good.

We really do need to understand just a little basic climate science. Beyond the confusing political babble of percentage cuts and shifting base years, there are some absolutes, things we know with certainty. We know (thanks to the analysis of air bubbles in Antarctic ice cores) that over nearly the last million years atmospheric CO<sub>2</sub> never exceeded 280 parts per million. We know that atmospheric concentrations of carbon dioxide are now well above 400 ppm. We know that we’ve forced these changes—slowly since the beginning of the Industrial Revolution and rapidly in the last half of the 20th century.

In cold periods, the ice ages, there was far less carbon dioxide inside the little bubble of our atmosphere (Carl Sagan once compared it to a layer of saran wrap around a basketball), but there were trace amounts, enough to keep the planet warm enough for human life to take hold. But even in the warmest periods, of tropical jungles at the poles, it never went above 280 ppm. When one considers that narrow band of atmospheric CO<sub>2</sub> over a million years of earth’s history, the

force of going from 280ppm to over 400ppm in a cosmic blink of an eye should get peoples’ attention.

No scientist will hazard a guess as to when “too late” really is. But we do know with certainty that with every increase in the concentrations of CO<sub>2</sub>, we are worsening the odds that human civilization will remain functional to the end of this century. We are gambling. We won’t beat the house.

The big danger is unleashing something referred to as “hot house Earth” or runaway global warming. The risk is from “positive feedback loops.” The carbon we put into the atmosphere sets in motion natural events which themselves put more carbon into the atmosphere, and so we accelerate the whole process.

**“No scientist will hazard a guess as to when “too late” really is. But we do know with certainty that with every increase in the concentrations of CO<sub>2</sub>, we are worsening the odds that human civilization will remain functional to the end of this century. We are gambling. We won’t beat the house.”**

Positive feedback loops come, for example, from melting permafrost that releases methane that warms the at-





Fires and smoke engulf Southeastern Australia, January 4, 2020. NASA Earth Observatory image by Joshua Stevens.

mosphere that melts the permafrost and so on, from forest fires releasing CO<sub>2</sub> that warms the atmosphere that dries the forest, and so on; from Arctic ice melting away and reflecting less sunlight and making the oceans warmer and melting more ice, and so on. And so, on and on. The big tipping point is unleashing self-accelerating, unstoppable warming.

**B**ritish Columbia's forests offer a key example of economic loss and damage from two positive feedback loop events. The first, the pine beetle epidemic, killed an area of forest as large as New England. Before the climate crisis, a cold snap in winter would have knocked out burgeoning beetle populations. So, a warming world led to the epidemic, which itself left standing dead trees—which in positive feedback loop fashion released more carbon one year than all human activity in B.C.

Feedback loop zinger-number-two was that the dead trees became standing and fallen fuel. Hot dry summers led to the tinder dry conditions for the extraordinary fire seasons that re-

leased massively more carbon dioxide, while leading to Beijing-like air quality in Victoria—far from the fires.

The fires in Australia in the 2019-2020 season were also caused by the hot dry conditions. Australian scientists have been warning of more forest fires due to global warming for years. Leading Australian scientist Dr. Tim Flannery, author of the global 2005 best-seller *The Weather Makers*, wrote recently:

"The first scientific report warning of an increase in dangerous fires was published in 1985. Australia's Climate Council (for which I'm the chief councillor) has published eleven reports over the past six years warning of the increasing danger of bushfires as fire intensity strengthens and the fire season gets longer," he wrote in the mid-January issue of the bi-weekly *New York Review of Books*.

This year's fires have emitted more than 250 megatonnes of carbon to the atmosphere, roughly half of the total amount of Australia's emissions in 2018. And, of course, they killed at least 24 people and millions of ani-

mals, destroyed 2,000 homes, burned 18 million acres, and hit the Australian economy hard.

Yet, Australia, like Canada, is one of the world's worst performers in climate action. Australia, Canada, Saudi Arabia and the United States are ranked the lowest in the industrialized world in terms of real climate action.

I have to believe—because I refuse to accept an unlivable world for my grandchildren—that humanity is on the verge of a massive economic shift to reject fossil fuels. So, it is sobering to read what Tim Flannery thinks Australia's political leadership will do, again in the *New York Review of Books*:

"A significant minority of federal conservative politicians are climate change deniers, as well as part of the 'revolving door' system of Australian politics—whereby politicians enter as lobbyists for the fossil-fuel industry, emerge as government ministers, and then exit politics to become directors of fossil-fuel companies.

"I'm fairly certain that Australia's bushfire crisis will not change this system. The next federal election is two and a half years away, and there's just too much self-interest—too much money to be made pandering to the fossil-fuel industry—even if the cost of it is to send the country up in smoke."

Similarly, most Canadian media pundits see nothing wrong with the prospect of the Trudeau administration spending billions in public funds to build a new pipeline. The new price tag on the Trans Mountain Expansion (TMX) is over \$12.6 billion, up from \$5.4 billion, in addition to the \$4.5 billion Ottawa paid in 2018 to acquire the existing pipeline and route from Kinder Morgan.

We are operating in a fog. Or maybe it's just the smoke. Perhaps the light from the fires of Australia may finally help us see things clearly. **P**

*Contributing Writer Elizabeth May, MP, is leader of the Green Parliamentary Caucus.*

# The Road to Toronto: Pathway to Power

*Once the Conservative Party picks a new leader in Toronto on June 27, it will need a plan to leverage that individual's strengths to make inroads in the Greater Toronto Area if it aims to seriously contest the next election. As longtime Conservative strategist Yaroslav Baran writes, Toronto likes to vote for nationally viable contenders who have a plausible Quebec strategy.*

## Yaroslav Baran

**T**he Conservative Party of Canada is in the midst of a leadership campaign. That is Act One. But selecting a leader is not the only critical job at hand. Act Two is establishing a tactical roadmap for the federal Tories to finally crack Toronto and mine its wealth of seats to build a caucus large enough to form government. While no prescriptions are absolute in politics, on a practical level it is ultimately not feasible for the Conservatives to win government without Fortress Toronto.

Some federal Conservative tacticians try to write the region off, seeing it as a political dead zone for the party, arguing campaign resources are better spent squeezing out the remaining isolated swing ridings that still went Red last year in more fertile regions of the country. How do you do that? Concentrate on a combination of demographic microtargeting (to boost Conservative votes) and “opposition research” (to suppress Liberal votes). That means more small-fry boutique policy and more negative campaigning.

Yet we want our politics to be more than this.

One of the great ironies of the 2019 election is that the Ontario provincial election a year earlier proved Toronto is winnable for the Blues: the provincial PCs took half the seats in “416”—the City of Toronto itself—with 11 of 25 seats, and nearly swept the urban “905 belt” that arcs around the city proper with another 21 out of 25 seats. Torontonians are capable of voting Conservative.

**I**n contrast, the federal Tories won no seats in the City of Toronto in 2019, and lost seats in the 905. Yet, Andrew Scheer should have had the additional advantage of *not being Doug Ford*—he didn’t carry the personal baggage of a sometimes bombastic premier whose numbers have slumped in the last year. So, Toronto is possible; there’s no excuse for not doing better; but the question remains: how?

In 2005, when the newly-reunited Conservative Party of Canada held its first policy convention, the single biggest issue of contention in the party constitutional debates was a stand-

off over the succession formula for future leadership elections. Many from the Reform side of the family argued for one-member-one-vote, with the idea that party members should be treated equally, and nobody should be either under- or over-franchised because of where in the country they live. Most from the PC side favoured a one-riding-one-vote system, fearing that mile-deep support in just a few areas—say, a combination of Calgary, Surrey and Brampton—could control the fate of the entire party. (For perspective, at the time, MP Art Hanger had more party members in his riding of Calgary North-East than all of Atlantic Canada combined.)

The latter approach won out. Interestingly, the primary champion of the *riding* equality formula was Peter MacKay—perhaps in prescient anticipation of his present challenge.

MacKay’s rationale for this formula was not just a fear of one faction of the party swamping the rest, but also, importantly, a conviction that a party striving for stable and long-term winnability must appeal to all parts of Canada.

Indeed, the difference between a national party and a regional party is made precisely of this stuff. To be clear, *regional* parties *are* capable of a quick and aggressive rise to prominence, but history shows they tend also to be short-lived. Long-term viability resides with national parties that seek to represent the entire country.

**S**o, how to crack Toronto for the federal Conservatives? For starters, demographics matter. While no longer completely fair, the stereotype of the Tory politician is distinct-



ly old, rural, born here, and white. In contrast, the profile of the successful Ontario Tories in 2018 reflected the face of today's Toronto: young, urban and diverse. Consequently, so was its voter base.

Aggressive outreach to these communities will also be critical. The notable difference between the 2008 and the 2011 federal elections (which saw the Conservatives make the transition from minority to majority government) was the maturation of a thorough and earnest cultural outreach campaign, largely headed up by now-Alberta Premier Jason Kenney. In the 2011 election the road to a Conservative majority ran right through the Greater Toronto Area, with the Tories winning 21 of 22 seats in 905, and nine out of 23 in 416.

Quebec is also something of a back door to Toronto. Toronto voters, at the federal level, tend to be far more likely to cast a ballot for a party if they see it as Quebec-friendly. In an interesting quirk of history, Ontarians—and predominantly Torontonians and Ottawans—have come to see themselves as the arbiters of what is “acceptable” from a vantage point of national unity. Any political option seen as anti-Quebec, Toronto will reject as unviable. That means strong Quebec candidates, a new leader who quickly masters *l'autre langue officielle*, and a significant focus on Quebec during the election period.

Then there is the overall question of party policy and the next election platform. To penetrate not only Toronto, but also Vancouver and Montreal, the policy must be a retooled and modernized expression of 21st-century conservatism.

As table-stakes advice, the party needs to continue to steer clear of the allure of populism that has lured other countries' conservative movements into its short-term-gain embrace. In most cases, populist conservatism brings with it an ugly underbelly of intolerance. Canada's conservative culture is a rare strain that has avoided the populist trap, and we should keep it that way.



Frontrunner Peter MacKay brings strong moderate credentials that matter in the Greater Toronto Area, which holds the keys to the kingdom of power for the Conservatives.  
*Korona Lacasse Flickr photo*

A strong climate policy is a must. Urban voters, young voters, will reject a party that either ignores or pays mere lip-service to one of the most urgent issues of our age. The Tories' next climate policy must not only be solid, it must be *talked about* by the party—not a box ticked (“Yep, we have a climate policy! Next?”), but an important feature of the platform.

Environmental policy, writ large, offers an enormous opportunity for the Tories. Conservative governments have a strong legacy of achievement in air, land and water protection and remediation. You can look this up under “Mulroney, Brian”.

Justice policy can be discussed from a conservative perspective, and need not have a hang-em-high connotation. How will we deal with impaired driving in a legalized cannabis world? How will we deal with gangs and guns in Toronto? How do we apply preventive measures in the policy mix, to avoid having to deal with individuals through the criminal justice system? These questions, on the forefront of Toronto voters' minds, are natural winners for Conservatives—provided the policy is sufficiently sophisticated, and the communication sufficiently articulate.

Similarly, economic policy needs to be reimagined. Sophisticated voters will need a smarter message than simply, “Never met a tax that done nothin' good!” We need to see an industrial development policy that addresses the post-heavy-manufacturing economy, that bolsters the knowledge economy, that works to retain skilled workers and attract the brightest minds from around the globe, that promotes and fosters patent commercialization and start-up success here at home, and that attracts foreign direct investment. And then there are critical urban issues like transit infrastructure, congestion and home affordability. Urban voters are yearning to hear solutions.

Finally, critically, the bugbears that plagued the 2019 Scheer election must be strenuously avoided. Any hint of unease with LGBTQ rights will be noticed and will go over like a lead balloon with the voters of Canada's metropolis. Similarly, there can be no signal that abortion policy will be reopened, either directly or indirectly. The bar is high for Conservatives in this policy space, and the new leader will need to send a clear signal that these matters are closed.

It is almost certain that the victor of the leadership race will be someone who already resides in the GTA. That's a start. But that leader will have to *lead*—to actively demonstrate that federal Conservatives are not political aliens to the sensibilities and realities of Canada's largest, most diverse and fastest-growing city.

This means a new and modern vision of conservatism for Canada—one that looks, sounds and cares like the city it wants to win over, one that is true to its core principles, but has adapted them to an urban Canada of the 21st century. **P**

*Contributing Writer Yaroslav Baran, Managing Principal of the Earnscliffe Strategy Group in Ottawa, was communications director of Stephen Harper's 2004 leadership campaign, and ran party communications in the next three elections.*

# The Conservative Leadership: Waiting for Content

*There was a time when being the leader of one of Canada's two alternating governing parties was seen as a gig desirable enough to obsess the otherwise rational and foment epic, Shakespearean rivalries. Now, it seems, many qualified candidates are finding better things to do. Veteran Conservative strategist and Earnscliffe Principal Geoff Norquay looks at a field eerily absent of presumed contenders and analyzes the state of play.*

## Geoff Norquay

As the Conservative leadership race kicked off over the first month of 2020, the party produced a close approximation to the proverbial dog that catches the car and doesn't know what to do with it. In the wake of last fall's disastrous election campaign, Conservatives were broadly agreed on the future of Andrew Scheer. As to who might run to succeed him, that was another question.

Initially, there was no end of "perfect" candidates topping the wish-lists of party members, but between January 21 and 23, three heavyweights, all with a decent chance of winning, demurred:

- Jean Charest was the first, noting that the party had changed significantly since his days of leading the Progressive Conservatives back from the debacle of 1993 and acknowledging he would face an uphill battle in reintroducing himself to today's Conservatives.
- Rona Ambrose, universally credited with being a brilliant interim leader after Stephen Harper resigned

following the 2015 election, was the next to say "no," citing contentment with her post-politics life back in Alberta.

- Pierre Poilievre, the youngest of the serious contenders and an accomplished question period warrior, gave the leadership a pass, too, in favour of his young family.

In a three-day period, the leadership race was deprived of: Charest's broad experience, leadership skills and knowledge of the federation; Ambrose's centrist appeal, sensitivity to the climate change file and bridge-building skills to Alberta; and Poilievre's youthful enthusiasm and hard edge.

There was likely another factor that helped scare candidates off. Politics at the level of leader has always been a brutal sport in Canada, but with the advent of social media and the prospect of subjecting one's family to its toxic abusers and trolls, fewer experienced people are willing to make the leadership leap. Who needs the aggravation? Not John Baird, who also stood down from consideration.

The slow start to the leadership race was upstaged by tragic and conten-

tious events in its early stages. The shooting down of Flight 752 on January 8 by Iran, killing all 176 aboard, including 57 Canadians, the worldwide coronavirus outbreak, the Wet'suet'en-inspired blockades of the rail system and Teck Resources Limited's withdrawal of the Pioneer mine proposal all provided cover for the sputtering beginning of the contest.

With the party's February 27 deadline for potential candidates to enter the race having been reached, the battle has been seriously joined by three main contenders.

**“Politics at the level of leader has always been a brutal sport in Canada, but with the advent of social media and the prospect of subjecting one's family to its toxic abusers and trolls, fewer experienced people are willing to make the leadership leap.”**

As leader of the Progressive Conservative Party in 2003, Peter MacKay played a pivotal role in creating the new Conservative Party of Canada. MacKay, and then-Canadian Alliance leader Stephen Harper, agreed that their two parties had reached a stalemate, and that as long as the "conservative family" was divided, the Liberals would continue to rule the country indefinitely. It took a signifi-



cant amount of courage on MacKay's part to lead his party into the merger, particularly since it inevitably cost him the leadership. In the Harper government, MacKay served in three key portfolios: Foreign Affairs, National Defence and Justice. Since 2016, he has been a partner in the Toronto law firm of Baker McKenzie.

**“For a party that desperately needs to offer a new take on a host of policies, the race so far has been uninspiring; in fact, it's been little more than a contest of small differences.”**

Erin O'Toole was first elected to the House of Commons in the southern Ontario riding of Durham in a by-election in November 2012. Prior to politics, he graduated from the Royal Military College and served 15 years in the Royal Canadian Air Force. Leaving the forces in 2000, he studied law at Dalhousie and then practised in Toronto before entering Parliament. In the Harper government, he served as Minister of Veterans' Affairs in 2015. In the 2017 leadership, he placed third behind Scheer and Maxime Bernier.

Before politics, Marilyn Gladu had a career as a chemical engineer with Dow Chemical, Suncor and the multinational consulting company WorleyParsons. She was first elected for Sarnia-Lambton in 2015 and re-elected in 2019. In 2016, Gladu was cited by *Maclean's* as the most collegial MP “who consistently works across party lines.”

Five additional candidates were given the green light by the party's Leadership Election Organizing Committee following the February 27th filing deadline:

- Jim Karahalios, an anti-carbon tax activist and a perennial critic of the Ontario PC party establishment;

- Derek Sloan, MP for the eastern Ontario riding of Hastings-Lennox and Addington, who was first elected in 2019;
- Rick Peterson, a Calgary venture capitalist who placed 12th in the 2017 leadership race;
- Leslyn Lewis, a Toronto lawyer and defeated candidate in Toronto's Scarborough-Rouge Park in the 2015 election; and
- Rudy Husny, a young Harper-era staffer who was Trade Minister Ed Fast's press secretary and ran twice against NDP leader Tom Mulcair in Outremont, in 2015 and 2019.

Richard Décarie, who earlier stirred controversy when he stated earlier that LGBTQ was a “Liberal term” and that being gay is a “choice,” was denied candidate status.

**F**or a party that desperately needs to offer a new take on a host of policies, the race so far has been uninspiring; in fact, it's been little more than a contest of small differences. The initial appeals of the candidates have been directed inward towards party members and largely aimed at establishing Conservative bona fides.

Reacting to the unexpected non-candidacy of Pierre Poilievre, Erin O'Toole has sought to position himself as the “true blue” conservative candidate in a play to cement the support of party members who were inclined towards Poilievre. O'Toole is also attempting to wedge MacKay, depicting him as too centrist. Marilyn Gladu has initially tried to position herself as the newcomer, able to build the party out and expand its base in directions that MacKay and O'Toole are unable to imagine. Hopefully, this is all pre-positioning and the candidates will soon turn to more substantive policy discussions.

The reality is that the events of the last month—the Indigenous protests, Teck's withdrawal of the proposal to build the Frontier project and the implosion of the Prime Minister's attempts to square resource develop-

ment with climate change action—are rapidly overtaking the tried and true policy positions of all parties. Each side in the resource development-climate change debate has contributed to an atmosphere of distrust between the federal government and Alberta.

When the federal government soon reveals its plan to take the economy to net-zero emissions by 2050, it will be easy for the Conservatives to criticize, but where are their alternatives? All that's been put in the window so far by the candidates is a doubling down on repealing the federal carbon pricing regime. But that positioning is *so 2019* and the issues facing the country today are much more fundamental. It was the lack of a credible climate change policy that resulted in the party being virtually shut out in the last election in southern Ontario and in most big cities across the country.

**“Each side in the resource development-climate change debate has contributed to an atmosphere of distrust between the federal government and Alberta.”**

The Prime Minister has failed to deliver on his promise to simultaneously restrain GHG emissions while allowing predictable resource development. With that middle-ground turned to quicksand, what better time for Conservatives to open a discussion on alternatives?

Perhaps the upcoming leadership debates in Toronto and Montreal in April will provide some answers. **P**

*Contributing Writer Geoff Norquay, a Principal of Earncliffe Strategy Group in Ottawa, was senior adviser on social policy to Prime Minister Mulroney and later communications director in the Official Opposition Leader's office of Stephen Harper.*

# Party Members Don't Pick Leaders, and They Should

*Leadership conventions in Canada were once a climactic, integral part of a political party's cyclical renewal and political zeitgeist footprint. They were sometimes bloodbaths and often left wounds that lasted a generation. The systems that replaced them have lessened the risks of internecine warfare but increased those of outsider hacking and the disenfranchisement of loyal supporters and elected representatives. Former New Democratic Party president Brian Topp has some solutions.*

## Brian Topp

**A**s I write, the Democratic caucuses in Iowa have just disintegrated into farce. And all across Canada, Canadians were no doubt thanking their lucky stars that our country does not labour under the dysfunctional mess-by-design that is U.S. presidential politics. But as on many other files, we should not be too smug. The Conservative Party of Canada's 2020 leadership race reminds us that our major political parties all struggle with leadership selection systems that also, in their own ways, disempower their party members and their elected parliamentary caucuses.

We can, I submit, do better.

First, let's discuss how we got here, and what I mean when I say that all our current systems disempower their members and elected representatives.

For the first century or so of Canada's history of responsible government, leadership elections were straightforward matters. MPs picked leaders from their own ranks. In light of what has followed, we might wonder whether it was wise to abandon this model. The revolving door of recent

Australian leadership arguably reassures us that Canadians made the right call in abandoning caucus leadership selection.

**“For the first century or so of Canada's history of responsible government, leadership elections were straightforward matters. MPs picked leaders from their own ranks.”**

As the regular defenestration of Australian leaders—even when they've recently won general elections—demonstrates, parties aren't governed well by leadership systems that are exclusively in the control of elected MPs. Senior front bench MPs want to be leader. If they are operating in a system in which they can simply plot among fellow MPs to replace the incumbent with themselves, they will. We probably don't need that kind of permanent instability here.

In 1919, the Liberals inaugurated leadership selection by delegated convention, electing Mackenzie King that way. Other parties soon copied this model. There is much to be said for this system. First, it was fun, providing several generations of Canadians with exciting political spectacles, such as the 1968 Liberal Trudeau convention and the 1983 Conservative Mulroney one. More important, as long as the delegates participating in these conventions were really “delegates”—i.e., well-respected local party members who had been elected by their fellow members to represent their views and then to use their best judgment—then those conventions were examples of party democracy working well.

**A** leadership convention could become a true deliberative assembly, in which the party's most engaged activists met to collectively discuss what kind of party they wanted to be and whom they wanted to incarnate it. We have seen this at work quite recently. The Ontario Liberal Party changed its mind after hearing out the candidates, set aside front-runner Sandra Pupatello, and named Kathleen Wynne as leader and premier of Ontario in 2013 because she impressed them more and spoke to their values better. However, delegated conventions in all parties drifted far away from this.

This occurred because well-funded and professionally-led leadership campaign teams reached around local party democracy and flooded the delegate-selection process with instant “members” and slates of candidates for delegate spots. Instead of a deliberative process, delegated conventions became local organizing and fundraising tests—still exciting and fun, but



destructive to the value of membership. Caucuses of MPs, meanwhile, became essentially irrelevant to the process—and were then handed a leader they might or might not wish to work with. One-member-one-vote voting systems—widely adopted by Canadian political parties in the 1990s and 2000s—were supposed to cure these problems. Members would be re-empowered by being given a direct vote.

This has not turned out to be the case under the model adopted by most Conservative parties, which weighs votes by riding. The idea here is that each riding is worth 100 points, and the members in that riding vote their 100 points—giving candidates a strong incentive, it is argued, to campaign across the country. What it actually does is give candidates a strong incentive to organize ridings where the party is weakest, since very small numbers of members have the same weight in this system as ridings with thousands of members. Medicine Hat might have 5,000 Tory members. Argenteuil might have, say, 25 members who happen to be regulated milk farmers and social conservative issue-voters. Both ridings are worth the same number of leadership votes in the CPC race.

Organizing weak ridings is how Christy Clark became leader of the B.C. Liberals, and how Doug Ford became leader of the Ontario Conservatives. You could aim a utilitarian argument at this—Clark and Ford played smart, and both then went on to win their elections. But party members and caucuses aren't at the heart of this system and that is, I submit, ultimately destructive to political parties.

Members also weren't re-empowered by the pure one-member-one-vote system widely adopted in the NDP. The merit of a pure one-member-one-vote system is that every member's vote is equal and equally valued. But as practised in the NDP, this model has simply reimported the worst problems of traditional delegate selection elections into one big vote. The ballot is wide-open to instant members, recruited—



Michael Wilson (R) and Peter Pocklington (C) together moved to Brian Mulroney after the first ballot at the Progressive Conservative leadership convention in Ottawa on June 11, 1983. It was a delegated convention, with Mulroney winning on the fourth ballot. Colin McConnell, *Toronto Star Photograph Archive*, Courtesy of Toronto Public Library

for one minute, while they vote—from outside of the party. That is, for example, how Ujjal Dosanjh won the leadership of the B.C. NDP, so that he could then preside over the annihilation of that party's caucus before becoming a Liberal.

***“The merit of a pure one-member-one-vote system is that every member's vote is equal and equally valued. But as practised in the NDP, this model has simply reimported the worst problems of traditional delegate selection elections into one big vote.”***

The benefit of this system was supposed to be that instant members re-

cruited for one minute in order to vote would stay, become full members, and thus grow the party's membership and fundraising base. But there is no evidence that this ever occurs. They don't stay, generally speaking, and they don't become contributors. So, the bargain—disempowering party members and the parliamentary caucus in return for growing the list of members and its financial resources—has failed and will probably continue to do so.

**S**o, what's the solution?

First, I suggest that leadership candidates should require nominations from elected federal MPs or provincial MLAs. That's how the British Labour Party does it (the U.K. Tories go a little further and use their caucus to narrow the ballot down to two finalists). In the result, what elected people think would matter again. The process of obtaining their support would provide some free publicity for leadership candidates, while putting elected caucuses at the heart of the leadership process. More of the time than currently, no-hope and distraction candidates would be screened out. And more of the time than currently, so would individuals known by their colleagues to have dysfunctional personalities or issues of conduct that make them poor candidates for leader, even if they speak well on television.

In federalized Canada, and in a first-past-the-post electoral system that often elects very modest numbers of federal NDP MPs with large gaps in its regional representation, I suggest that endorsements from 20 MPs or provincial MLAs be required. Arguably, you could go a step further, in the NDP, and add federal council members to this list of potential nominators. The Canadian Tories are currently trying to get to the same outcome with a \$300,000 entry fee. But Canadian political parties should get money and brute-force organizing out of leadership races. Let the elected caucuses do the initial political vetting with their best judgment, instead of leaving it to party bagpersons.

Secondly, to vote, members should have been a full member in good standing for at least 12 months—no exceptions. So, leadership races would not be about creating soap bubble membership lists at a party office. And they would not be about recruiting donors who in reality will never donate again. And they would not be invitations for professional campaign teams inside and outside of the party to flood its lists with temporary members in the style of an old delegate selection meeting.

Would this slam the door on ambitions to recruit tens of thousands of members who are women, racialized, First Nations, or other equity-seeking groups? I would argue that the last people you should rely on for this important work are organizers for leadership campaigns, looking for votes on a ballot for one minute. Building a strong, diverse, and real membership is 365-day-a-year work for party offices and riding associations. There aren't any shortcuts—certainly not during leadership campaigns.

Finally, leadership campaigns should



Brian and Mila Mulroney at the 1983 PC convention. While not as democratic as all party members casting preferential ballots online, delegated conventions were a lot of fun. Ron Bull, *Toronto Star Photograph Archive*, Courtesy of Toronto Public Library

last for 36 days—the minimum length of a federal election campaign. This leaves little time to game the contest but plenty of time for candidates to get their nominations

in, and then to join a cross-Canada tour to speak to members.

How would that look? Well, even in a short five-week campaign, a series of leadership town halls in each of the provinces and territories would take up only 13 evenings on the campaign trail, presumably building momentum and interest along the way. The result would be an informed membership, with the party presumably benefiting from earned media coverage.

Then at the end of the campaign, engaged members would vote in an online preferential ballot, results to be announced at a lovely unity event.

And finally, here is a piece of advice over the fence to Tories and anyone tempted to copy their system. Handing power to decide your leadership to your weakest ridings with the fewest members got you Andrew Scheer and got you the current premier of Ontario. Think about that. **P**

*Brian Topp is a former president and national campaign director for the New Democratic Party of Canada, and made it to the last ballot as a candidate for the NDP leadership in 2012.*

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Column / Don Newman

## Thanks, but No Thanks

**W**hat is wrong with the Conservative Party of Canada? With the Trudeau Liberals reduced to a minority government, with climate change, Indigenous and energy politics appearing hopelessly intertwined, and with foreign policy dilemmas with both the United States and particularly China, the prospects of a third Liberal election victory are—to put it mildly—not very bright.

Against that backdrop you would think the current race to lead the Conservative Party would be attracting the best and the brightest contenders. Because when the party crowns its new leader on June 27 replacing the hapless Andrew Scheer, that person should have at least a 50-50 chance of being the next prime minister. Perhaps by then, given winters like the one Justin Trudeau has been through, the odds could be even better.

Those odds should have brought big name, competent candidates lining up to announce they are running. But instead, the big names have bowed out. One after another, they have taken their names out of consideration. All have had their reasons, either stated publicly or not. But none would seem a barrier to running if a person really thought they could be the next PM.

Pierre Poilievre, the feisty Conservative finance critic from the last Parliament. Rona Ambrose, the Harper-era cabinet minister. She impressed many in the House during her time as interim leader after the party's defeat in the 2015 election and before Scheer was elected leader in 2017. John Baird, the highly competent cabinet minister in successive Harper cabinets who also served in the Ontario provincial government. And Jean Charest, who as a young MP 30 years ago served in the Progressive Conservative cabinet of Brian Mulroney, then became the

leader of the Quebec Liberal Party in 1998 and premier in 2003.

Some inched right up to the line before changing their minds. Poilievre had a launch announcement set before stepping back, saying he realized the toll it would take on his wife and baby daughter.

John Baird had been Poilievre's campaign manager. But as the prospective field collapsed, he was urged to become the candidate himself, to become the horse instead of the jockey. Baird now has a lucrative private sector career in Toronto, and a private life he enjoys. In the end he wasn't prepared to give either up.

Rona Ambrose became interim leader in 2015 after agreeing that she could not use that job to then try for the leadership in 2017. Three years later in 2020, her interest in becoming the permanent leader was somewhere between slim and non-existent. With a successful career and happy life with her husband, J.P. Veitch, returning to Ottawa from Calgary was never really in the cards.

**T**he circumstances surrounding Jean Charest not running are in some ways the most bizarre of all. Also, the most challenging both for Conservatives and more broadly for Canadian politics in general.

After leaving public life following his defeat in Quebec in 2012, Charest embarked on a very successful and lucrative career as an international lawyer with a prominent Canadian law firm.

But he still had the political itch. And he planned to scratch it by running for the Conservative leadership. Partly as a courtesy and partly to take the political temperature, Charest called former Prime Minister Stephen Harper before Christmas to tell him of his

plans. Not only was Harper not supportive, he said he would do everything he could to make sure that if Charest ran, he would not win.

Whatever his personal view of Charest, Harper did not want the Conservative Party moving from the right to the middle of the political spectrum. That key opposition, combined with a barrage of prohibitively negative news coverage, supplied a sense of what Charest and his family would be facing.

Whether Charest retains the political skill he once had was not clear. But the Conservative Party lost the 2019 election because of its inability to win seats in Ontario, Quebec and Atlantic Canada. Of all the potential candidates, Charest seemed the most likely to correct that deficiency.

So now the race is between two former cabinet ministers from the Harper era: Peter MacKay and Erin O'Toole. Others have signaled they want to run, but aside from Ontario MP Marilyn Gladu they are all no-hopers from the fringes of the party unlikely to meet the fundraising and membership requirements to be on the ballot.

MacKay is a former Foreign Affairs, Defence and Justice minister in the Harper government, while O'Toole was minister of Veterans Affairs. MacKay is the perceived front runner, but neither is lighting up the sky. Perhaps that will change as the vote draws near. But the absence of so many big names in the leadership race is not a good omen for the party.

And it leaves the question: What is wrong with the Conservative Party? **P**

*Columnist Don Newman, Executive Vice President of Rubicon Strategies in Ottawa, is a lifetime member of the Parliamentary Press Gallery.*

# Budget 2020: Managing Risk and Uncertainty

*Fiscal planning always contains an element of uncertainty. Budgetary policy at the federal level in Canada includes managing not just all the risks inherent in an economy subject to global trends—from capital flows to the coronavirus—but all that and the price of oil, too. Ahead of Budget 2020, former Parliamentary Budget Officer Kevin Page advises prudence.*

**Kevin Page**  
with **Kyra Carmichael,**  
**Nicholas Liban Dahir,**  
and **Hiba Khan**

Finance Minister Bill Morneau is expected to table his first budget of a new government mandate in late March, just before the current fiscal year draws to an end. It is an important budget. The government needs to demonstrate it can be a steady hand on the tiller in a period where the waters are likely to be choppy.

A ship's captain confronted with difficult weather must make choices. One, the captain can slow headway and put the bow into the wind—approaching waves at an angle so not to unbalance the ship. Two, the captain can adjust course and seek shelter.

The economic clouds on the horizon are real. They are global in nature—coronavirus, slumping world trade, geopolitical tensions related to a host of factors including Brexit, the U.S. election and relations with China and Iran.

While it is early going, there is a good chance that markets and analysts have underestimated the potential negative economic impacts of the spread of the coronavirus. Global supply chains have already been seriously disrupted. As the disease spreads, the impact on supply chains will grow. Whether we are facing a global growth slowdown or a recession will depend on the spread of the virus and the impact on business and consumer confidence.

This is all playing out in the wake of a loss of economic momentum. Growth in North America and Europe was below expectations at the end of 2019—virtually no growth in Europe in the fourth quarter.

So, what does this mean for Budget 2020 strategy? We think it means the prudent course is for the ship's captain, Finance Minister Morneau, to slow headway on platform implementation.

First and foremost, budgets are economic and fiscal plans. While the likelihood and timing of a global slowdown is uncertain (difficult to

predict), the risks around growing imbalances in output, regional economies, investment and household debt in the Canadian economy are real. Short- and long-term economic imbalances create risk to stability and growth.

- All the growth in the economy since fall 2018 has come from the service sector. Bank of Canada Governor Stephen Poloz expressed concerns earlier this year that weakness in the goods sector may adversely affect the service sector.
- Economic situations are much weaker in energy producing provinces like Alberta, Saskatchewan, and Newfoundland and Labrador.
- Household credit and mortgage liabilities relative to GDP sits at 165 percent in 2019, up from 100 percent in 2000. Debt service costs have risen significantly over the past two years.
- Real gross fixed capital formation has not grown since 2014.
- All the relative gains in income distribution (market income and after tax and transfer income) have gone to the top 10 percent over the last 30 years.

The textbooks on managing risks and uncertainty highlight two success factors—accommodate challenges (do not make decisions that ignore them) and build capacity to manage risks.

In rolling out 2019 election platform initiatives, the government needs to give priority to initiatives that reduce imbalances.



The Liberal platform proposed about \$57 billion in new deficit finance initiatives over four years. While the money was spread over close to 50 initiatives, the majority went to a broad-based tax cut, seniors, families, health care and education. The climate change agenda—the commitment to get to zero net carbon emissions was not costed. Over the next four years, the Liberal commitment was to raise some \$25 billion in new revenues or savings through reviews and tax increases on corporations and luxury goods.

**D**o we need to see all or some of these initiatives in Budget 2020? Maybe less is more and fiscal capacity is saved to help stabilize a potentially unstable economy.

Building trust on fiscal management is a challenge. Having a good track record is indispensable. In the 2015 and 2019 elections, the Liberal fiscal strategy was to run modest deficits and put the federal debt to GDP ratio on a downward path. Table 1 compares fiscal and economic projections for 2020-21 between the Fall 2019 Economic and Fiscal Update and their (first) Budget in 2016.

With respect to deficits and debt, the world has largely unfolded as planned

TABLE 1

**The Tale of Two (Liberal) Budgets: Economic and Fiscal Update 2019 vs Budget 2016. Year 2020-21 (% of GDP)**

	Budgetary Revenues	Program Spending	Public Debt Interest	Budgetary Balance	Debt
2019 E&F Update	14.7	14.8	1.0	-1.0	31.0
2016 Budget	14.5	13.6	1.5	-0.6	30.9

Notes\* Reference Economic Indicators 2020

	Nominal Gross Domestic Product (\$ millions)	3-Month Treasury Bill Rate (%)
2019 E&F Update	2388	1.5
2016 Budget	2368	2.7

Source: Department of Finance Fiscal Reference Tables; 2019 Economic and Fiscal Update

some four years ago. It is a fiscal management achievement that deserves to be noticed. What stands out, however, is that the Liberals have spent the economic dividend from lower than expected interest rates. There is a penchant to increase spending.

With the building of economic imbalances, it is worth considering how much room the government has to introduce new spending initiatives and cut taxes and how to use it. Unusually low interest rates have two upshots: first, governments can carry higher levels of debt without facing a

sustainability crunch. Second, monetary policy has less room to maneuver if a recession hits, which means that fiscal policy needs to be able to step up.

Currently, the Liberals' main fiscal sustainability objective is to keep the debt-to-GDP ratio declining, a goal that will be difficult to demonstrate in Budget 2020 without new savings measures. This target leaves important questions about appropriate planned limits on spending.

To build confidence and credibility, the Liberals could work on creating a more transparent, comprehensive, and clearly defined fiscal planning framework with a focus on long-run economic growth. To strengthen accountability, they could consider targets on spending and the budgetary balance (deficit) in addition to a medium-term debt to GDP rule. To promote intergenerational fairness, they could develop principles on the use of deficit finance. **P**

*Contributing Writer Kevin Page is founding President and CEO of the Institute for Fiscal Studies and Democracy at University of Ottawa. He previously served as Canada's first Parliamentary Budget Officer. He has been joined in preparing this Budget preview by students Kyra Carmichael, Nicholas Liban Dahir, and Hiba Khan.*

CHART 1

### Federal Debt-to-GDP Ratio



Source: Finance Canada, Fiscal Reference Tables/Economic and Fiscal Update



Prime Minister Jacinda Ardern, New Zealand's popular and progressive leader, at a 2018 Cabinet swearing-in. Her "Wellbeing Budget" is considered a landmark of transparent and forward-looking fiscal policy that Canada would do well to emulate. *Wikimedia photo*

## Budgeting for Well-Being

*The thread linking Bobby Kennedy's contention that GDP "measures everything but that which is worthwhile", Jacinda Ardern's "Wellbeing Budget" half a century later and all the efforts to humanize fiscal policy in between is well-known. What can Canada do to move closer to the quality-of-life budgeting model embraced by New Zealand and Scotland?*

**Helaina Gaspard  
and Emily Woolner**

**T**he pursuit of the good life has been contemplated by philosophers and debated by politicians. Fostering an environment in which individuals can pursue the best possible versions of themselves can be one conception of the good life, based on the well-being of individuals. Organizations such as the Organisation for Economic Cooperation and Development have attempted to capture this well-being through a series of indicators, by measuring quality of life and opportunity in countries and cities.

In his post-election mandate letters, Prime Minister Trudeau tasked newly minted Minister of Middle Class



Prosperity and Associate Minister of Finance Mona Fortier, to “better incorporate quality of life measurements into government decision-making and budgeting, drawing on lessons from other jurisdictions such as New Zealand and Scotland.”

The pursuit of well-being may not be new, but budgeting for well-being has the potential to be a strategic shift in how money is used by placing results and accountability for outcomes at the centre of decision-making. This approach—when done well—requires strategic alignment among policy approaches, expenditures, and measurement.

Consider New Zealand, which released “The Wellbeing Budget,” in 2019. The budget’s purpose was to focus on “five priority areas where evidence tells us there are the greatest opportunities to make real differences to the lives of New Zealanders.” These five priorities included: mental health, child well-being, supporting the aspirations of the Maori and Pasifika, enhancing productivity, and transforming the economy. Each of these action areas had associated programs to promote change.

Preceding New Zealand’s well-being budget was their Living Standards Framework, (LSF) developed by the Department of Treasury. Drawing on a variety of measures of physical health, social health, general life satisfaction and work-life balance, the LSF was intended to provide ministers with advice on how to promote well-being. Leveraging a variety of data points, the LSF dashboard provides a detailed overview of indicators, progress and trends to capture well-being from a variety of perspectives (as no single data point tells the full story).

**B**udgeting for well-being may seem indulgent to some and obvious to others. But consider for a moment that this government defined its policy priorities, aligned its expenditures and is attempting to measure the results, openly. As a citizen, it’s useful to have a clear understanding of a government’s concep-

tion of the good life and its potential implications for them. It just may promote better politics and policy development, too.

In its pursuit of well-being, Scotland adopted a National Performance Framework with desired “National Outcomes,” measured through 81 indicators ranging from children to economics to human rights and the environment. The framework is intended to guide budget and policy making by focusing on the country’s overall goals of a successful, inclusive, productive and happy country. To get a sense of progress overall or on any one indicator, the “Equality Evidence Finder” will generate graphs from a variety of data sources used for measurement.

What New Zealand and Scotland share in their approaches is a clear vision for well-being in their societies, means of working towards it, and tools for measuring progress. While not perfect, they represent transparent and verifiable approaches against which to measure government action or inaction on nationally defined priorities. This is different than internal horizontal results management frameworks or even mandate tracker dashboards. These visions may very well extend beyond their current governments and focus on long-term well-being.

Budgeting is about more than in-year deficits and surpluses; it defines priorities and actions. True public financial management encompasses sound fiscal discipline, with an alignment of spending to priorities, and a means of tracking results over time. None of this contravenes the realities of politics. In fact, it may represent a set of tools often unused to refocus action on national priorities.

**I**n Canada, a future budget focused on well-being would:

- 1) Define a vision of the good life;
- 2) Present a roadmap for working toward that vision in the short-, medium-, and long-terms;
- 3) Align goals to meaningful data

that help to assess progress transparently along the way.

Future attempts at budgeting for well-being would have to be gradual. The U.K.’s All Party Parliamentary Group on Wellbeing Economics released a report to the Chancellor of the Exchequer in May 2019. As a group of parliamentarians, their goal is to define a vision of well-being for the U.K. and to use that vision as a frame for policy decisions. Recognizing that targeted investments (approximately 8 billion GBP were proposed) are required in mental health, schools, continuing education, community facilities and justice, the group proposes a spending review focused on well-being to find the funds. The spending review would be an important tool to refocus priorities and align spending to desired outcomes.

**T**o obtain a full picture of how Canada allocates and spends public money for its programs and services, one must consult the budget (for in-year incremental spending), the appropriations (for a full portrait of spending) and the results reports (for a definition of program parameters and outcomes). Canada has the foundations to begin to rethink how government spends to focus investments on desired results for its citizens. Current spending can be reviewed and refocused, as was proposed in the U.K. With a defined vision, roadmap and measurable goals, Canada could feasibly work toward a well-being budget in the next fiscal year.

Imagine if Canada’s next budget looked beyond merely the deficit number, and started to treat money like a tool for long-term progress (yes, beyond the next election) to support the sustainable growth and development of this country and its people. Wouldn’t that make budget day even more exciting? **P**

*Contributing Writer Helaina Gaspard is Director of Governance and Institutions at the Institute for Fiscal Studies and Democracy (IFSD), at University of Ottawa, and Emily Woolner, a research assistant at IFSD, is a UofO graduate student.*



# A Canadian Divide Over Barricades, Pipelines and Indigenous Reconciliation

*The railway blockades over pipelines have deeply damaged the Reconciliation dialogue with Indigenous peoples, and undermined the economy as well as Justin Trudeau's leadership role as Prime Minister. Pollster Shachi Kurl shares timely Angus Reid data showing 80 percent of Canadians thought the winter crisis hurt reconciliation, 86 percent thought it harmed the economy, while 70 percent thought Trudeau did a bad job managing an admittedly difficult situation.*

## Shachi Kurl

It's as if this country was in the grips of some deep convulsion caused by our utter polarization on energy policy.

While the cycle of the erection and dismantling of anti-Coastal GasLink blockades that have clogged our ports, obstructed our rail freight and put the brakes on our passenger trains, the impact on public opinion struck a Canadian divide.

The implications for public policy discussion, and for economic outcomes, are also matters on which Canadians are sharply divided on how to handle the situation.

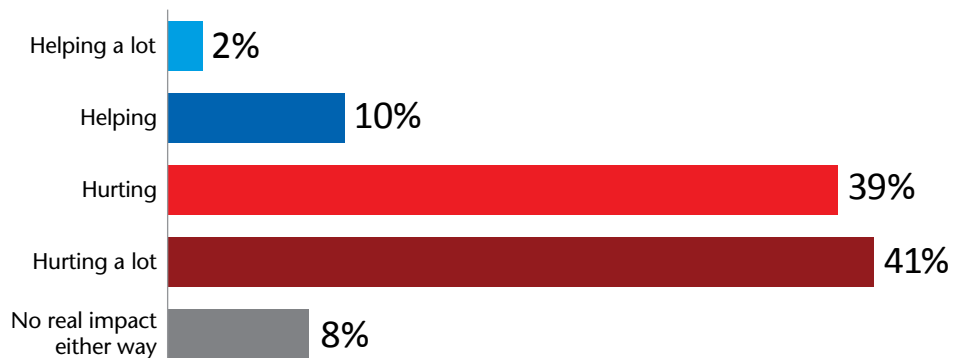
A new online survey by the Angus Reid Institute among 1,500 Canadians on February 25-26 found 53 percent of respondents said it was time to bring down the blockades of rail lines using force if necessary, while the other 47 percent thought patience and dialogue with pipeline opponents was the best way forward.

This was no longer just about how it all started with hereditary Wet'suwet'en chiefs opposing the Coastal GasLinks LNG pipeline project in Northeastern British Columbia, but about a nation-wide protest movement shutting down commercial and passenger rail service in large parts of the country.

## CHART 2

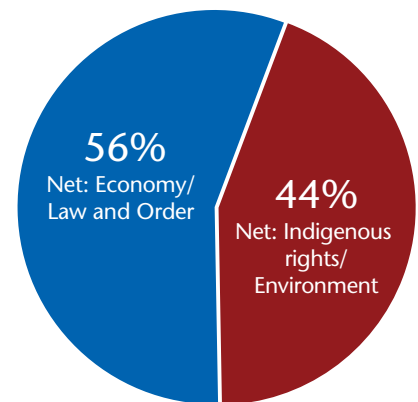
**Overall, are the blockades helping or hurting: Reconciliation and the overall relationship between Indigenous and other Canadians?**

(All respondents, n=1,501)



## CHART 1

**In thinking about this whole topic we've been talking about, what for you is the MOST important issue involved?**



These two perspectives were strongly linked to attitudinal data on what Canadians believed to be the most important aspect of the conflict—56



percent said it was the economy or the rule of law, while 44 percent said Indigenous or environmental issues were at the heart of it.

Whatever side they were on, Canadians generally did agree on one thing—that Justin Trudeau has not handled the crisis well.

Just one in five Canadians, 21 percent of respondents, thought the Prime Minister had done a good job, while 70 percent thought he had done a bad job.

Just as damaging to a leader who came to office saying that no cause was more important to him than healing with Indigenous peoples, a vast majority of Canadians thought the blockades were harmful to reconciliation.

Among our poll respondents, 39 percent thought the blockades were “hurting” reconciliation, and 41 percent found them “hurting a lot”, for a negative score of 80 percent.

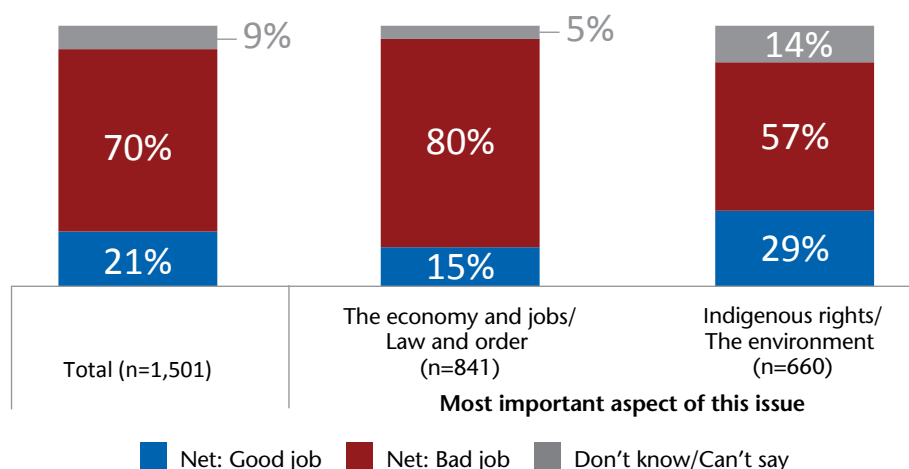
Only 10 percent of Canadians thought they were “helping”, while a negligible 2 percent thought they were “helping a lot”. Barely one Canadian in 10 thought the barricades were helpful to the cause of reconciliation.

Canadians were equally down on the impact of the barricades on the economy and investment.

Fully 86 percent of poll respondents

CHART 3

*Doing a good or bad job handling this whole issue regarding the Coastal GasLink project and the protest blockades against it? “Prime Minister Justin Trudeau”*



thought the barricades were “hurting the Canadian economy”, while only 5 percent thought they were helping.

The longer-term aspect of this, the impact on Canada’s reputation as a place to invest, is seen as harmful—78 percent thought the blockades were hurting, compared to just 6 percent who thought they were helping.

One positive result of the barricades for pipeline proponents is that support for the \$6.6 billion Coastal GasLink project increased as the tensions escalated. Only two weeks earlier in a mid-February poll by the Angus Reid Institute, national support for the pipeline stood at a slim majority of

51 percent. By month’s end, support across the country had increased to a solid 61 percent.

And that was before the Wet’suwet’en hereditary chiefs and federal and provincial ministers responsible for the file finally met on February 27, the same day as the release of this poll taken the two previous days, while the argument was still ongoing in Parliament, the B.C. Legislature and among Indigenous leaders.

It will be interesting where our next survey situates us all, not just in measuring public opinion, but in terms of the issue going forward and its impact on the future of our country.

We know and understand the impacts that increasing carbon emissions have on the physical environment. Few in this country totally reject the need to reduce them.

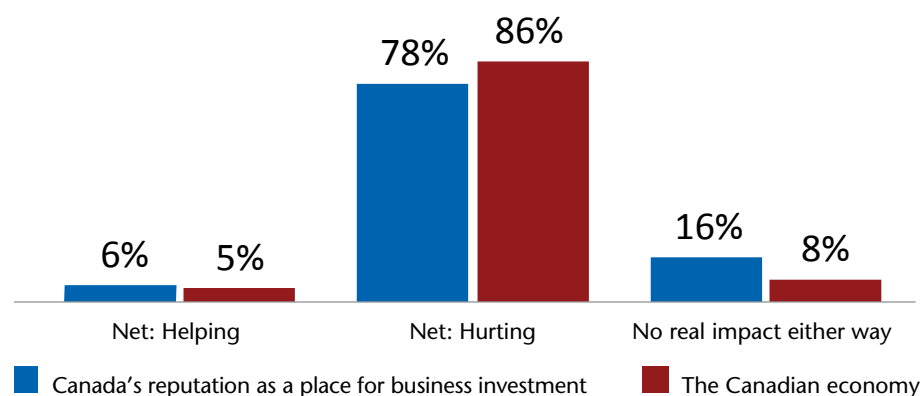
On our investment environment, it should be a no-brainer that Canada, with all it has going for it, from our people to our resources and access to global markets, is a great place to invest.

We’ll all be watching. **P**

*Contributing Writer Shachi Kurl is Executive Director of the Angus Reid Institute, a national not-for-profit public opinion research foundation based in Vancouver.*

CHART 4

*Overall, are the blockades helping or hurting?* (All respondents, n=1,501)



Source of all charts: Angus Reid



The ubiquitous best-selling Margaret Atwood on a book tour of Europe, doing her part to build the Canadian literary brand worldwide. A new and different world from the formative CanLit days, but also a challenging one for Canadian publishing in retail sales, even at home. *Chris Boland Flickr photo*

## Can'tLit? Complacency and Canadian Publishing Policy

*Canadian authors are having a pan-generational, meta-cultural moment. Led by the stratospheric, genre-jumping, late-career phenomenon of Margaret Atwood's ubiquity and boosted by internationally recognized writers from Michael Ondaatje to Esi Edugyan, Canadian literature today is not your grandmother's CanLit. But as McGill-Queen's University Press Executive Director Philip Cercone writes, beneath the Bookers and bonnets, publishers in a market this size still rely on government funding mechanisms, some of which contain fatal flaws.*

**Philip J. Cercone**

To outsiders, it appears that Canadian authors and publishers in English Canada are flourishing: some 3,500 trade titles are published each year, approximately 72 percent of these issued by over 100 Canadian-owned independent publishers, with Canadian branch plants of multinational publishers releasing the rest. To insiders, the view is that we are being inundated by a tidal wave of non-Canadian titles in bookstores, libraries (whether they be public or housed by a university, college, or classroom), and re-



views and media. Over the past few decades, the number of new titles has increased dramatically and, today, an educated guess is that over 700,000 titles in the English language are published worldwide each year, with some 60 percent of those published in the United States and 30 percent in the United Kingdom.

There are two major bodies of national scope that fund book publishing in Canada: the Department of Canadian Heritage and the Canada Council for the Arts. The latter is a federal Crown corporation accountable to Parliament through the minister of Canadian Heritage. Thanks to substantial funding from the Department of Canadian Heritage through the Canada Book Fund (CBF) and from the Canada Council for the Arts, and to a lesser extent from provincial programs and the Social Sciences and Humanities Research Council (SSHRC), the industry has managed to remain stable and slightly profitable. Without government support, a vibrant publishing industry in this country would not be viable as multinational publishers have captured the best-selling Canadian authors who were first nurtured and published by small independent Canadian publishers. But not since the government of Brian Mulroney, when the Baie Comeau policy was announced and the Canada Book Fund was created, has there been a willingness on the part of the federal government to promote and foster Canadian culture, of which the writing and book publishing industry forms a part.

**F**our recent government initiatives to support the industry are the doubling of the budget of the Canada Council over five years; the restoration of funding for culture to Canadian embassies around the world; the funding of Canada as a guest of honour at the 2020 Frankfurt Book Fair, where the Canadian publishing industry and its authors will be the epicentre of this singular cultural showcase as the world's largest annual trade book fair; and the investment in the Canada Book Fund of \$22.8 million over five years to

**“Not since the government of Brian Mulroney, when the Baie Comeau policy was announced and the Canada Book Fund was created, has there been a willingness on the part of the federal government to promote and foster Canadian culture, of which the writing and book publishing industry forms a part.”**

support accessible digital book production and distribution by Canadian independent publishers.

These initiatives on the part of the federal government are laudable and they will bolster the creative side of Canadian book writing and publishing, which is in good shape in all genres. Nevertheless, while supply is plentiful, awareness and readership have been in decline over the past decades. Further actions are needed.

**S**ince the founding of the Canada Council 63 years ago, promotion and support for the Canadian writing and publishing community has been a cornerstone of its mission. Publishers worked in tandem with budding writers and, as a result, Canadian writers such as Margaret Atwood, Alice Munro, Michael Ondaatje, Marshall McLuhan, and Margaret MacMillan are household names around the world. Together we punch above our weight. Nevertheless, publishing has not benefited from the Council's doubled budget as much as one would have thought.

Non-fiction has been downgraded and this puts some publishers at risk of their grants being frozen or not being funded at all if they do not attain the required minimum number of eligible titles. Indeed, some members of the publishing industry have been told directly by current senior Council leadership that it would prefer not to be funding publishers at all. Instead of expanding criteria to match its expanded resources, the Council has narrowed them, and it does not see some genres, specifically non-fiction, as contributing as significantly

as fiction does to Canadian culture. At the same time, in a departure from longstanding practice, significant industry input on the direction of publishing support by the Council is no longer a given. The industries, both anglophone and francophone, are united in asking the Canada Council to restore its support for non-fiction to the same degree that it supports the other genres—fiction and short stories, poetry, drama, children's and young adult literature, and graphic novels. Because the Council sees its mandate as “supporting the production of art works in the literary arts and the study of literature and the arts,” non-fiction publishing must be recognized as literary if it is to be supported.

**F**urther, if a writer's activity is funded at the research stage by the SSHRC, or if its publication is partially funded by SSHRC's Awards to Scholarly Publishing Program (ASPP), the resulting book is not eligible for core publishing support, for translation grants, or for non-fiction Governor General's Awards. The only Canada Council funding for which it remains eligible is Creating, Knowing and Sharing, the component that supports the arts and cultures of First Nations, Inuit, and Métis peoples. An art history book on the Group of Seven, for example, if the research was funded by SSHRC, would not be considered eligible. But if it were funded by other organizations, it would be. Where are the logic and justification for singling out SSHRC-funded projects? Should this decision not be based on the book's merits?

The Canada Council has always funded translations, but some eight years ago under the Harper government, it was given some additional \$800, 000 a year by the Department of Canadian Heritage to have a programme totalling \$1 million to fund translations from French to English or vice versa. Unfortunately, with its narrowing criteria, serious books of non-fiction, unless deemed literary, are no longer being funded for translation. Given this new departure at the Council, the Department of Canadian Heritage should redirect the \$800, 000 and administer that amount itself or through other cultural agencies.

Before SSHRC was founded in 1978, the humanities and social sciences formed a division of the Canada Council. Now it is more closely aligned with the policies of the Canadian Institutes of Health Research (CIHR) and the Natural Sciences and Engineering Research Council (NSERC). SSHRC funds some 180 publications through the arm's-length Awards to Scholarly Publications Program of the Canadian Federation for the Humanities and Social Sciences (CFHSS). This program, which has been in place for 80 years and preceded the Canada Council, now finds itself more aligned with

the hard sciences, where journal and open access (OA) publishing—online, free of charge, usually with less restrictive copyright and licensing barriers—are the norm. But books in the human sciences are not the same as journals in the hard sciences and do not follow the same conventions.

**“The industries, both anglophone and francophone, are united in asking the Canada Council to restore its support for non-fiction to the same degree that it supports the other genres—fiction and short stories, poetry, drama, children’ and young adult literature, and graphic novels.”**

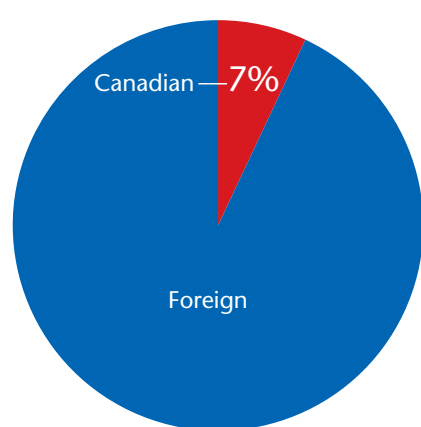
At a recent meeting, SSHRC and the CFHSS announced a significant change to the current operation of their flagship publication awards pro-

gram: they intend to transition the ASPP to a program that would require all awarded books to be published with open access. The exact implementation of this change has not yet been determined, but SSHRC has stated that it will not be accompanied by the additional funding such a move would require.

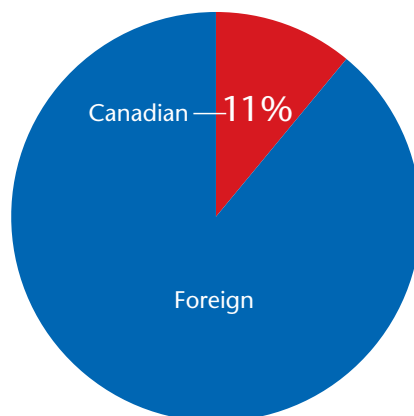
This policy shift will affect Canadian university presses, Canadian scholars, and the broader scholarly communications environment in significant ways. Most, if not all, of the 180 books a year the ASPP funds would never have been submitted to them under these conditions, because publishers cannot afford the loss of sales that would result from such a policy. In my view as executive director of McGill-Queen's University Press and former director of the ASPP, this destabilization would be disastrous for the Canadian scholarly publishing scene.

Scholarly publishers are not opposed to open access, but when it is elected or mandated it must also be adequately funded. Significant numbers of scholarly titles in Canada are funded by publishers' backlists, and with no backlist sales, OA books would need to be funded in the range of \$30,000–\$40,000 each. This

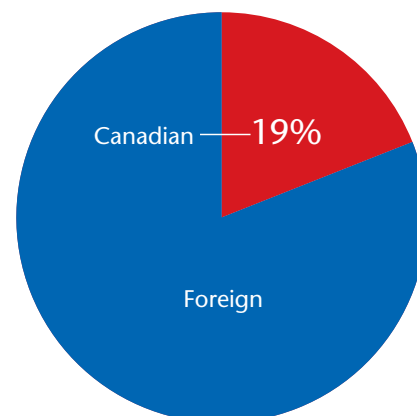
#### Presence in Canadian Book Distribution, January-May 2019



Canadian-authored book borrowing from public libraries, 2019



Canadian-authored book purchases from all book retailers, 2019



Canadian-authored book purchases from independent bookstores, 2019



model would also reduce publishers' Canada Book Fund grants, which are allotted based on sales revenue. Finally, OA would put Canadian university presses at a further disadvantage compared with U.S. university presses and with Cambridge and Oxford, which are not moving towards an OA model. Instead of adopting a full-blown OA policy, SSHRC should launch a pilot project to see how some of those 180 publications can be published in that form and evaluate the results after three years.

Unlike the other bodies mentioned above, the Department of Canadian Heritage has implemented some enlightened publishing policies. Recently the Canada Book Fund, established some 40 years ago, was re-evaluated and the report correctly read the pulse of the industry to identify some needed changes. It found that its main support mechanism, the CBF, remains relevant and is effective.

Between 2012 and 2017, \$175 million was allocated to publishers for the production, marketing, and distribution of Canadian-authored titles. The evaluation also identified some "unmet needs," such as discoverability in a "crowded marketplace" and the promotion of Canadian books in the digital age. What is needed is an increase in the CBF's budget, which has remained the same for decades, and funding to support the marketing of Canadian books in Canada. Canada being the 2020 host country at the Frankfurt Book Fair, where the publishing world shops, is highly laudable, but in 2021 we have to put more energy into ensuring that Canadian books are widely available in Canada.

Not identified in the report is succession planning, which is close to a crisis as the owners of about 20 percent of presses are nearing or past retirement age. We have to ensure that those companies survive and continue discovering and publishing new and established Canadian authors.

In December 2018, along with James

Lorimer of James Lorimer and Company and Formac Publishing and Jeff Miller of Irwin Law Inc., I co-authored a 180-page report titled *More Canada: Increasing Canadians' Awareness and Reading of Canadian Books*. The report is our distillation of the discussions of a task force we created to bring together 29 seasoned professionals with over 1,000 years of experience in publishing, book-selling, libraries, schools, and media, prompted by the disappearance of Canadian books from bookstores and library shelves across Canada. Unlike in Quebec, where provincial legislation regarding Canadian books protects their market share, in English Canada, while Canadian writers and publishers continue to account for large numbers of new books, their share of book sales has declined from 25 percent to 12 percent over the past 10 years.

**“In English Canada, while Canadian writers and publishers continue to account for large numbers of new books, their share of book sales has declined from 25 percent to 12 percent over the past 10 years.”**

The report has 68 policy recommendations, among which the eight most important are:

- Digital infrastructure that does not distinguish between Canadian and foreign books must be reworked.
- Financial support should be extended to independent bookstores, which do the best job of bringing Canadian books to the fore.
- Public libraries are doing a superb job of encouraging book reading, but their software and

their budgeting practices must be improved to help their users discover and borrow Canadian-authored books.

- Publishers must develop industry practices that give Canadian books a strong identity mark in the crowded marketplace.
- The industry must take action to support new independent English-language bookstores across the country, with a target of establishing 50 in the next five years.
- The Canada Book Fund should be expanded to support bookstore programming of events with Canadian authors, and to double public library spending on Canadian-authored books.
- Provincial governments need to implement accredited bookstore policies, adapted from a highly successful Quebec model that gives Canadian-authored and Canadian-published books great visibility and puts an independent bookstore in virtually every town and city in Quebec.
- New provincial support should be provided to expand the very popular "tree award" programs, which put new books by Canadian writers into the hands of tens of thousands of school-age kids every year.

Much has to be done to reinvigorate the English Canadian publishing world so that our culture is represented in all of its rich diversity. Industry leaders, government, and funding agencies need to do our part to ensure that we continue to create a literature we are proud to have in Canada and abroad. **P**

*Philip J. Cercone is Executive Director and Editor of McGill-Queen's University Press, Canada's premier academic and trade publisher, with offices in Montreal, Kingston, Toronto and Chicago. It is the only Canadian publisher with an editorial and marketing office in Great Britain.*

# Leo: A Life, Well-Lived



Leo Kolber, then Chair of the powerful Senate Banking Committee, at home in Montreal in 2003. He was a force to be reckoned with in business, philanthropy and politics. *Mosaic Design Photo*

## L. Ian MacDonald

Leo Kolber was famously punctual, as he once reminded me when I rang the doorbell of his house, five minutes late for a luncheon meeting about writing his memoir.

"If we are going to work together," he said as he answered the door, "you are going to have to learn to be on time." On leaving his full and eventful life early in the morning of January 9, Leo was a bit early—a week before his 91st birthday.

He lived on Summit Circle, at the top of Westmount in Montreal—a symbolic residential achievement for more than a few of Canada's captains of industry, entertainment and politics. How he got there as the *consigliere* of the Bronfman liquor and real estate empire was part of the story of

*Leo: A Life*, which became a national business bestseller in 2003.

Oh, the stories he told while we worked on that book, in his own words, and his own voice: from his birth in 1929 at the dawn of the Great Depression, to his retirement in 2003 as chair of the powerful Senate Banking Committee before his compulsory retirement from the Red Chamber itself the next year as he turned 75; from his role as chief fund raiser of the federal Liberal Party to champion of Israel and an array of non-profit causes.

Whether he was fundraising for McGill University, the Jewish General Hospital, Combined Jewish Appeal or the Montreal Symphony Orchestra, he knew how to get to "yes". No one said no to Leo.

It was quite a trip to the summit

for a kid who grew up as a dentist's son, 5 km down the mountain and due northeast in the storied Jewish neighbourhood around St. Urbain Street immortalized in Mordecai Richler's novels. His grandparents, Samuel and Naomi Kolber, had been immigrants from Austria and his grandfather, "a merchant and a moneylender," as Leo recalled, had a clothing store in a building he owned on St. Laurent—universally known as the Main, then the heart of the *shmatte* business—and lent people money for mortgages in places like Westmount.

Leo went to McGill as a 16-year-old undergraduate in 1945, and worked his way through law school, class of '52. "It was at McGill," he wrote, "that I met Charles Bronfman, who became my best friend for life."

Leo, who had been suffering from Alzheimer's, would have been deeply touched that Charles and his wife, Rita, flew to Montreal at the end to say farewell. Leo would have been equally moved by the eulogy offered by Charles at his funeral several days later.

"I'd give anything not to be here today," Charles began, speaking of his "friend of 70 years." Charles was one of two eulogists who was not a member of Leo's immediate family, but part of the larger one, the other being former prime minister Jean Chrétien, in high form as he spoke of Leo's recommendation for fixing the Liberal Party's books ("declare bankruptcy") and his love of Canada.

It was through Charles that Leo met the legendary patriarch Sam Bronfman, builder of Seagram's and Distiller's Corporation, the foundation of the family's iconic liquor brands and real estate investments. He was known as "Mr. Sam",



except to Leo, who loved him like a father and never called him anything other than Mr. Bronfman.

For his part, Charles told the audience at the Shaar Hashomayim Synagogue in Westmount, his father was not concerned that Kolber began “without money”, but saw him instead as someone “with his feet on the ground” so that if either of his own sons “went astray, he would keep us in check.”

Mr. Sam hired Leo to run Cemp Investments, the holding company named for his four children, Charles, Edgar, Minda and Phyllis. And from the Seagram castle on Peel Street, Leo was the driving force of Cadillac Fairview, which built Canada’s urban and suburban landmarks of the 1960s and 70s, from Fairview Pointe Claire on Montreal’s West Island to the famed Toronto-Dominion Centre, whose Bay Street black towers defined the modern Toronto skyline.

**A**t the urging of his daughter, Phyllis Lambert, whose passion for design later inspired her founding of the Canadian Centre for Architecture, Sam Bronfman had hired architect Ludwig Mies van der Rohe to design the Seagram Building, the acclaimed bronze landmark which opened on Park Avenue in New York in 1958. When it came to hiring an architect for the TD Centre in the 1960s, she told Kolber: “It has to be Mies.” And, so it was, for both the TD Centre and Montreal’s Westmount Square, the multiple black towers which are Phyllis and Leo’s Mies van der Rohe twins, an architectural legacy that has stood the test of time beautifully.

The other banks had no choice but to follow TD’s lead in building impressive head office towers, all within a few blocks in Toronto’s financial district. Decades later, when he flew into Toronto, Leo would often look down at the world class Toronto skyline, and think, “we did that.” As so they did, as well as the Eaton Centre, then the largest retail shopping space in Canada, 1.6 million square feet in the middle of downtown Toronto.

As Kolber would write in his memoir: “The TD Centre was the architectural statement that defined the essence of a great city coming of age.” The vision was partly Cadillac Fairview building a great Canadian and international brand. The rest was largely the relationships Kolber nurtured with the firm’s partners, none more so than Allen Lambert, chairman of the TD Bank in the 1960s and 70s. They built the TD Centre on a handshake, with each partner investing only \$6 million up front. (Cadillac Fairview walked away with \$500 million when Kolber sold at the top of the market in 1987.) When another bank pulled out of the Pacific Centre, a major development in Vancouver, Lambert told Kolber on the phone: “Count me in for a third. It’s a done deal.” Lambert would later say that the TD Centre transformed the bank from a regional to a national player. “Of the Big Five, we were the smallest bank,” he once recalled, saying the TD Centre gave the bank “a tremendous lift.”

Such was the relationship with Kolber that he was appointed a director of TD at the age of 42, a seat he retained for 28 years. A bank directorship had eluded Mr. Sam for decades, primarily because he was Jewish. Also unfulfilled was his fondest wish, appointment to the Senate. Leo Kolber, his protégé, attained both.

**“A bank directorship had eluded Mr. Sam for decades, primarily because he was Jewish. Also unfulfilled was his fondest wish, appointment to the Senate. Leo Kolber, his protégé, attained both.”**

**L**eo served as a Liberal senator for 20 years under Pierre Trudeau, John Turner and Jean Chrétien in the days before cam-

paign finance reform, when both leading parties appointed prominent fundraisers and few people blinked. After the scary one-point win by the No side in the 1995 Quebec referendum, the Chrétien Liberals were determined to make a statement in the 1997 election, and asked Kolber if he could raise an extra \$1.5 million in Quebec. Only if they gave him 24 Sussex, he replied, for seven nights of dinners for 10 with the PM. “Nobody turned down an invitation to dinner at 24 Sussex,” Kolber later wrote. He easily raised the extra \$1.5 million and the Liberals picked up seven seats in Quebec.

**“Leo was seriously interested in policy making, and played a leading role as chair of the Senate Banking Committee, then the best informed and most influential committee on the Hill. Most of its members had worked or served on boards in financial services, and knew what they were talking about.”**

Quite apart from being the Liberal bagman, Leo was seriously interested in policy making, and played a leading role as chair of the Senate Banking Committee, then the best informed and most influential committee on the Hill. Most of its members had worked or served on boards in financial services, and knew what they were talking about.

Within the Liberal caucus, he won the argument to cut the taxable portion of capital gains from 75 to 50 percent, with capital gains cuts typically re-invested rather than spent on household expenses. “I want you to listen to Leo on this, because he’s right,” Chrétien told the Liberal caucus. And they did.

On the sensitive issue of big bank mergers, not so much. Senate Banking produced a 2002 report unanimously recommending the approval of large bank mergers, provided the finance minister was on-side. It was a landmark study, produced within only two months, but the Liberals were spooked by the negative reaction of voters and opinion leaders alike, and nothing more ever came of it.

Aside from his involvement in business and politics, Leo maintained longstanding friendships with Hollywood legends like Frank Sinatra, Danny Kaye and Cary Grant whom he met through his major philanthropic work and service on corporate boards. His love of and support for Israel was the bond at the heart of his close friendship with the late prime minister and peace maker Shimon Peres.

Leo once organized a lunch in honour of Peres at the Mount Royal Club,

the business and social gathering place of Montreal's anglophone establishment on Sherbrooke Street. A leading member of the Jewish community reproached Kolber for not receiving the Israeli prime minister at the exclusively Jewish Montefiore Club. "Like hell," Kolber replied. "They discriminate against us. Do we have to discriminate against them?" It was one of the stories he recounted with delight in his memoir.

In his decades as an honorary Bronfman and the *éminence grise* known as the brains behind the family fortune, Leo straddled the line between respect for the dynasty and a desire for independence. Of everything he achieved, his success in balancing those allegiances may be his lasting legacy. He was both deeply loyal, and never not his own man.

And that began and ended with his family, his first wife Sandra who died of cancer in 2001, their children Jon-

athan and Lynne and their grandchildren. In recent years, he found love again with Roni Hirsch, who saw him through his final illness.

And at his passing, not just one prime minister, but two, came to Leo's final command performance—his funeral. Chrétien was there, as was Brian Mulroney. Not just any two prime ministers, but two who had run the country for nearly two decades with great success, one as a transformational leader and the other who represented continuity.

Both came from modest beginnings in small towns, and rose to the pinnacle of public life in a country where success is its own reward, and giving back is a high honour.

Leo understood that. It's how he lived his own remarkable life. *L'Chaim.* **P**

*L. Ian MacDonald, Editor and Publisher of Policy, was co-author of Leo: A Life, the bestselling memoir by Leo Kolber.*



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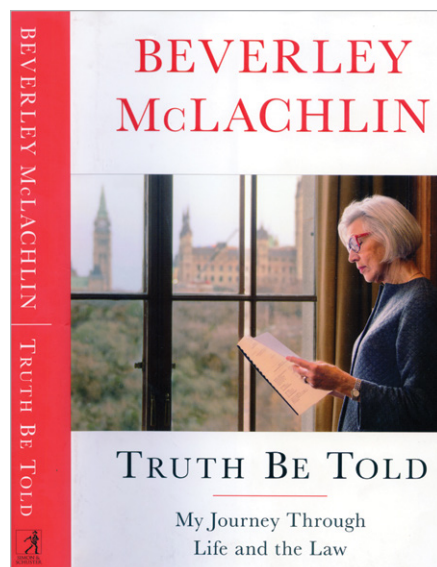
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# Book Reviews



## A Personal Pathway to the Pinnacle of Power

Beverley McLachlin

*Truth Be Told: My Journey Through Life and the Law.*  
Toronto: Simon & Schuster, 2019.

Review by Lori Turnbull

In the pages of *Truth Be Told*, retired Supreme Court Chief Justice Beverley McLachlin gives the reader an open and candid account of her life, from her childhood in Pincher Creek, Alberta, up until a post-retirement vacation in Tuscany. This book is not a chronology of her work as a judge. Instead, it is an opportunity to get to know her and to understand the personal, intellectual, and ethical motivations that have driven her life and career.

Studious, hardworking, and self-reflective from a young age, McLachlin takes nothing for granted. She is hopeful and optimistic by nature,

but she admits that she “never dared dream” of the life she came to know on both the personal and professional fronts. After carefully weighing the pros and cons, she left her tenured position at the University of British Columbia law school to accept an appointment as a judge in the County Court of Vancouver at just 37 years old. McLachlin was promoted to the Supreme Court of British Columbia just months later. She was appointed to the British Columbia Court of Appeal in 1985, was made the Chief Justice of the Supreme Court of British Columbia in 1988, and was nominated to the Supreme Court of Canada in 1989, where she became Chief Justice in 2000 and remained so until her retirement in 2017. Her nearly 40-year career as a judge made an impact on Canadian jurisprudence that is nothing short of profound.

Her approach to the law has been influenced by the work of American liberal philosopher John Rawls, whose central contribution was his thinking on “justice as fairness.” The law should afford maximum liberty to individuals so long as that liberty does not infringe upon that of another. This line of argument echoes the basic harm principle that John Stuart Mill articulated. Further to this, McLachlin believes that treating people as “equals” ought not be confused with treating people “the same.” True justice requires consideration of context and circumstances, and merely treating people as though they are “the same” amounts to wilful blindness to truth.

Throughout her life as a lawyer, law professor, and judge, McLachlin viewed the law as an equalizer and as a mechanism for fairness that is and ought to be available to all of us. About halfway through the book, she reveals her inner discourse around the concept of equality and its elusiveness for many people, including women. She demonstrates lifelong mindfulness of the struggles that women face, particularly those who bear the intersecting

burden of poverty. Justice McLachlin’s court helped to establish pay equity in Canada, including with the *Public Service Alliance of Canada v. Canada Post Corp.* decision in 2011 that awarded damages to a group of employees after a claim was originally filed against Canada Post in 1983.

McLachlin sat on the Supreme Court for many of the most pivotal Charter cases in the country’s history. Her decisions have had definitive effects on key aspects of constitutional law, including the aforementioned pay equity issue, the scope of free speech, the right to a doctor-assisted death, the role and reform of the Senate, and Indigenous rights.

“*Truth Be Told adds welcome texture to the significant legacy of a Canadian policy leader. Beverley McLachlin’s forthright, generous style allows the reader to understand more not only about her, but about the judicial decisions that have shaped Canada’s law and Constitution in the post-Charter era.*”

One of McLachlin’s early decisions on the Supreme Court addressed a matter we grapple with frequently today: the prevalence of fake news and the state’s role in protecting us from it. In *R. v. Zundel* (1991), the question at stake was the constitutionality of section 181 of the Criminal Code, which was the “false news law” that prohibited spreading “a statement, tale or news” that a person knows to be false and is likely to cause “injury or mischief to a public interest.” McLachlin penned the majority decision that struck down the law for its

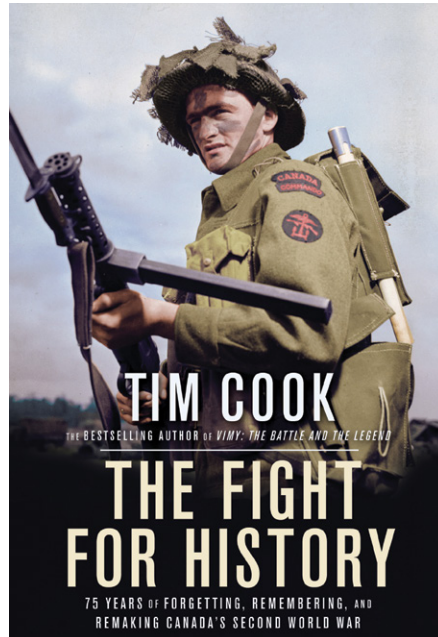
vagueness and, in her memoir, writes that the Zundel decision, when considered together with the earlier Keegstra decision that upheld the law prohibiting the wilful promotion of hatred against an identifiable group, struck a balance between the right to free speech and the protection of minorities from harm.

Throughout her career, Justice McLachlin has been known and respected not only for her decisions but also the straightforward, accessible style in which she wrote them. Not one for using jargon, which is an exclusionary, elitist tactic designed to leave people out of conversations rather than draw them in, McLachlin was committed to writing decisions in plain language and she encouraged her peers to do the same.

Given the daunting list of accomplishments that have defined her extraordinary career, McLachlin would have every right to publish a book that situates her, front and centre, as a brave pioneer and a key player in the evolution of the law in Canada, particularly with regard to equality and human rights. After all, she is that brave pioneer. But her tone is unwaveringly modest. She is refreshingly upfront about the times in her life that she has struggled. As she was building her career, she was also grieving the loss of her mother, and then her father, and then her husband. She found herself confronting unexpected sadness when her son was an infant. She knows the acute stress of trying to make ends meet. The richness of her own life experiences readied her as a judge and enabled her to bring empathy to the bench. She could relate genuinely to the people making cases before her.

*Truth Be Told* adds welcome texture to the significant legacy of a Canadian policy leader. Beverley McLachlin's forthright, generous style allows the reader to understand more not only about her, but about the judicial decisions that have shaped Canada's law and Constitution in the post-Charter era. **P**

*Contributing Writer Lori Turnbull, a co-winner of the Donner Prize, is Director of the School of Public Administration at Dalhousie University.*



## Canada's Second World War

Tim Cook

*The Fight for History: 75 Years of Forgetting, Remembering and Remaking Canada's Second World War.* Toronto: Penguin Random House Canada, 2020.

Review by  
Anthony Wilson-Smith

**"A**ll wars," the novelist Viet Thanh Nguyen once observed, "are fought twice—the first time on the battlefield, the second time in memory." Then there is Canada, where our unending interest in defining our identity means we relive wars many times over. We do so with attitudes ranging from indifference to willful ignorance to periodic pride and appreciation of both our achievements and losses.

With that in mind, the influential Canadian military historian Tim Cook, who has taken up the torch from Jack Granatstein and the late Desmond Morton as a new generation's pre-eminent voice in the field uses the quote as a framing device in his superb new book *The Fight for History: 75 years of Forgetting, Remem-*

*bering and Remaking Canada's Second World War.* As Cook notes, our relationship with our country's role in the Second World War is "complicated, complex and ever-shifting." That attitude is quite different from other Allied partners who fought the war to its bloody but successful close. In the United States, Cook writes, "the Second World War is the 'Good War' in which the Americans defeated their evil enemies."

In Great Britain, 'the dominant memory of the war is that of the lone island standing up against overwhelming Nazi forces', even though, he notes, more than half a billion people in the then-British Empire also pitched in. In Russia, they still speak proudly of 'The Great Patriotic War'—and a huge memorial en route from Moscow's Sheremetyevo Airport into the city marks how close the Germans came to capturing the capital.

But here, Cook argues convincingly, Canada's important wartime role and contributions have been largely downplayed, both by governments and the population at large. The reasons include timing, circumstance, realpolitik, societal and generational changes, and the traditional Canadian reluctance to applaud ourselves. Only in recent years, with the number of Second World War veterans dwindling, have we started to acknowledge the enormity of their achievements and sacrifices.

**T**he numbers give a powerful sense of the commitment of Canadians. When the Second World War began in 1939, Canada was a country of 11 million people. By 1945, 45,000 Canadians had been killed and 55,000 wounded. An untold number suffered from trauma that meant their lives and those of their families were never what they would have been. In the 1950s, one in three adult males were war veterans, along with 50,000 women. Canadian casualties are buried in 70 countries around the world.

Despite that, successive generations of Canadians, including, sometimes, participants, often found it convenient to push war memories aside. Cook quotes an editorial from the time in *The Regina Leader-Post* on



the returning soldiers: “The long trail which stretches behind them is strewn with memories, and the road ahead shines bright with hope.” By the 1950s, veterans and others were raising families at an unprecedented rate, and focused accordingly. The 1960s brought huge social change; anti-war sentiments, fed by the United States’ troubled engagement in Viet Nam, were also felt in Canada.

By the 1970s, interest in November 11—Remembrance Day—was so low that Brig. Willis Moogk lamented that many Canadians looked on it “as just another holiday, rather than a day of grateful and thoughtful remembrance.” By the 1980s, Second World War veterans, now in their 60s, were shuffling off centre stage. A 40th anniversary event in Normandy, France, commemorating the historic D-Day invasion, was notable for the low level of Canadian engagement.

**“In making his case, Cook’s many strengths are again evident. He writes fluidly, with a sharp eye for detail and the telling anecdote. His sympathies are with people on the ground rather than higher-ups—but he has a keen understanding of politics and how and why decisions are made.”**

By the early 1990s, teaching of Canada’s role in the war was near-absent from many schools, and what was available in the media focused inordinately on the occasional mistakes and failings of Canada’s military rather than its accomplishments. Cook focuses particularly on the three-part CBC series, *The Valour and the Horror*, which was harshly critical of Allied Bomber Command—including the Royal Canadian Air Force—as well as some decisions made during the D-Day invasion. A CBC review subsequently concluded that the series “is flawed and fails to measure up to

CBC’s demanding policies and standards”, so would not be re-broadcast. As well, Cook delivers a frank account of the many pressures and controversies surrounding the building of a new Canadian War Museum, which has since surmounted those and become a great success.

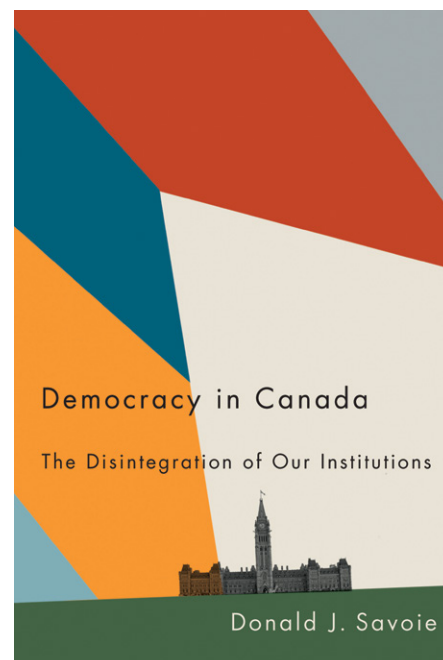
Those controversies marked a turning point. At the 50th anniversary of D-Day in Normandy in 1994, Prime Minister Jean Chrétien led a large delegation in ceremonies aired on all national networks and watched by millions of Canadians. (As a journalist covering the event, I recall seeing Chrétien, long after other dignitaries had returned to their hotels, chatting informally for more than an hour in the darkened cemetery with remaining veterans.)

In making his case, Cook’s many strengths are again evident. He writes fluidly, with a sharp eye for detail and the telling anecdote. His sympathies are with people on the ground rather than higher-ups—but he has a keen understanding of politics and how and why decisions are made. He highlights the complex challenges of war—for example, the anguished decision celebrated naval commander Harry deWolfe made when, after rescuing some men from a sinking vessel, had to abandon others to their death in order to escape nearby U-Boats. His descriptions of the mental challenges that soldiers faced after the war, drawn from letters, are heartbreaking.

And now, 2020 almost certainly marks the last major anniversary—the 75th anniversary of the end of the war—for which we will still have survivors with us to mark the occasion. We do so, as Cook laments, still “without a major, unifying Second World War memorial”—again unlike our Allies. In that absence, it becomes particularly important to remember the people who live among us still touched by the war’s direct hand. That includes not only the veterans, but surviving widows who lost husbands, the war-era children now grown old with scant memory of their fathers, and the ravaged small communities that lost the young people who would have forged their futures. After years of neglect, Cook

concludes, the Second World War “has been waiting for us to return to it.” As he explains so eloquently, it’s an invitation we need to accept. **P**

*Contributing Writer Anthony Wilson-Smith is President and CEO of Historica Canada.*



## Canada’s Democratic Deficit

Donald J. Savoie

*Democracy in Canada: The Disintegration of our Institutions.* Montreal and Kingston: McGill-Queen’s University Press, 2019.

Review by Daniel Béland

Donald Savoie is Canada’s best-known expert of public administration, and he has published many influential books over the years. His newest, *Democracy in Canada*, is the most ambitious of all, and Savoie makes it clear in the preface that he sees it as his “magnum opus.” Readers familiar with his work will recognize key themes he has worked on

extensively in his previous books. Yet, in *Democracy in Canada*, after evoking C.B. MacPherson and Alexis de Tocqueville, he revisits these issues by asking a very general question: “How healthy is Canadian democracy?” His answer is that it is deeply unhealthy and that a series of historical and institutional factors explain this dire situation.

Turning to historical institutionalism—a theoretical approach developed in the late 1980s and early 1990s—Savoie argues that “change in Canada is difficult because our political and administrative institutions were constructed from a British historical and cultural experience with no effort or desire to bring into the mix Canadian realities.” For him, the drawback that “none of our institutions are home grown” is especially obvious with regard to the Senate, which is primarily seen as a site of “sober second thought” rather than a tool for (intrastate) regional representation. Regarding this issue, Savoie refers to the situation of other countries, especially Australia and the United States, to shed light on the Canadian case.

Savoie thinks the example of the Senate points to a broader reality: the fact that, to quote the title of Chapter 6, “Everything Canadian is Regional, Except National Political Institutions.” In a country where Ontario and Quebec continue to dominate federal politics, it means that Atlantic and Western provinces struggle to have their voices heard, which weakens Canadian democracy. Savoie argues that this problem is exacerbated by the gradual centralization of power in the hands of the prime ministers and their courtiers, a trend associated with a sharp decline in the influence of the cabinet, which has traditionally featured strong regional voices.

Beyond this lack of regional representation, according to Savoie, Canadian democracy is facing other challenges, including the post-Charter rising influence of the courts, the de-institutionalization of the country’s media sector, and a public sector incapable of renewing itself to address profound managerial problems.

More generally, what Savoie depicts is a paradoxical mix of institutional disintegration and path dependence related to the incapacity of our political elite and system to bring about constitutional change. Although today the issue of a democratic deficit is widely debated all over the world, the book remains focused primarily on what is specific about the contemporary Canadian experience.

“The fact that the book is quite long and repetitive should not prevent scholars and practitioners from reading and engaging with this rich and ambitious work. Hopefully, it will encourage others to focus attention on the “big picture” and the challenges facing Canadian democracy today.”

What can we do to address a democratic deficit stemming largely from a lack of regional representation within the federal state? In the last chapter, Savoie puts a number of suggestions forward: reducing the power of the prime minister; re-empowering Cabinet, Parliament and backbenchers; ending omnibus bills; organizing the Senate along regional lines; making information about regional federal spending more easily accessible; reducing the staff of central agencies; and, improving public management.

Savoie believes none of these reforms requires constitutional change and he seems to place his hope in the “political will” of a prime minister eager to bring about change to fix Canadian democracy. The book thus ends on this call: “What is needed is a prime minister who is as firmly committed to fixing our political institutions as Pierre E. Trudeau was in patriating Canada’s Constitution.

Nothing less will succeed, as history demonstrates.”

This poignant call is also a desperate one, as it places the future of Canadian democracy in the hands of the prime minister, a figure whose growing power, for Savoie, incarnates one of the major problems plaguing our democratic institutions. After writing more than 360 pages on the path-dependent nature of institutions, he resorts to the vague concept of “political will” and the quasi-monarchic figure of the prime minister at the centre of contemporary “court government” (a concept Savoie popularized in his earlier work but does not deploy in this book) to rescue Canadian democracy. This approach points to the challenge facing historical institutionalism to account for change, which scholars like Jacob Hacker and Kathleen Thelen diagnosed more than 15 years ago.

Yet, instead of drawing on their work, Savoie places his hopes in a benevolent prime-ministerial saviour. Ironically, he does not seem to perceive citizens and their capacity to mobilize and bring about political change as potential sources of contemporary democratization. Considering the original meaning of the word democracy (rule of the people), this is problematic. Savoie’s vision of democratic and institutional change is elite-centric.

These critical comments and the fact that the book is quite long and repetitive should not prevent scholars and practitioners from reading and engaging with this rich and ambitious work. Hopefully, it will encourage others to focus attention on the “big picture” and the challenges facing Canadian democracy today. Grounded in Savoie’s deep institutional knowledge and practical experience, *Democracy in Canada* is a flawed book well worth reading. **P**

*Daniel Béland is Director of the McGill Institute for the Study of Canada and James McGill Professor in the Department of Political Science at McGill University.*



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# An Open Letter

To: The Right Honourable Justin Trudeau, P.C., M.P.  
*Prime Minister of Canada*

The Honourable Chrystia Freeland, P.C., M.P.  
*Deputy Prime Minister and Minister of Intergovernmental Affairs*

The Honourable William Morneau, P.C., M.P.  
*Minister of Finance*

Dear Prime Minister, Deputy Prime Minister and Minister of Finance,

## Re: It's Time for Some Good News in the 2020 Budget

With all the negative media coverage regarding the Coronavirus and protesters, the time is right to include some good news in the 2020 budget that will have the support of all the opposition parties. The removal of the capital gains tax on charitable donations of private company shares and real estate would stimulate an estimated \$200 million per annum in charitable donations, capitalizing on the success of the measure for gifts of listed securities, which has resulted in \$1 billion per annum in charitable donations. The foregone capital gains tax on such gifts is estimated at only \$50-\$60 million and the charitable donation tax credit is the same as for gifts of cash. This fiscal cost is immaterial when your government anticipates a \$20 billion deficit. There is no concern about valuation abuse because the asset must be sold to an arm's-length party before the cash is donated. It removes a barrier to charitable giving for people who wish to give back to their communities.

This measure will help unite our country and your relationship with each of the provinces and the municipalities. 2/3 of the fiscal cost is borne by the federal government and 1/3 by the provinces. Charities in each of the municipalities will receive additional funding and there is no fiscal cost, because municipalities derive their revenues from property taxes, not income taxes.

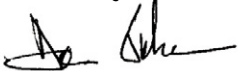
This measure addresses an inequity in the current Income Tax Act and provides the same tax treatment for donations of public company shares and private company shares. Furthermore, it levels the playing field for fundraising by Canadian charities compared to our U.S. counterparts and helps us compete for the best and brightest talent.

**Comments from the tax policy professionals in the Department of Finance have been addressed with the above facts.**

Importantly, the Special Senate Committee on the Charitable Sector recommended **"INCENTIVIZING THE DONATION OF REAL ESTATE AND PRIVATE COMPANY SHARES"** in Section 3 of its June 2019 report.

Now is the time to demonstrate leadership and make a public policy decision that would benefit all of our charities and the millions of Canadians who are served by our hospitals, social service agencies, universities and arts and cultural organizations.

Yours truly,



Donald K. Johnson, O.C., LL.D.

cc: Mr. Andrew Scheer, *Leader of the Conservative Party of Canada*  
Mr. Jagmeet Singh, *Leader of the New Democratic Party of Canada*  
M. Yves-François Blanchet, *Chef du Bloc Québécois*  
Ms. Jo-Ann Roberts, *Interim Leader of the Green Party of Canada*

## HEALTHCARE



Mother's Day Run and Walk in support of Stollery Children's Hospital Foundation.  
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