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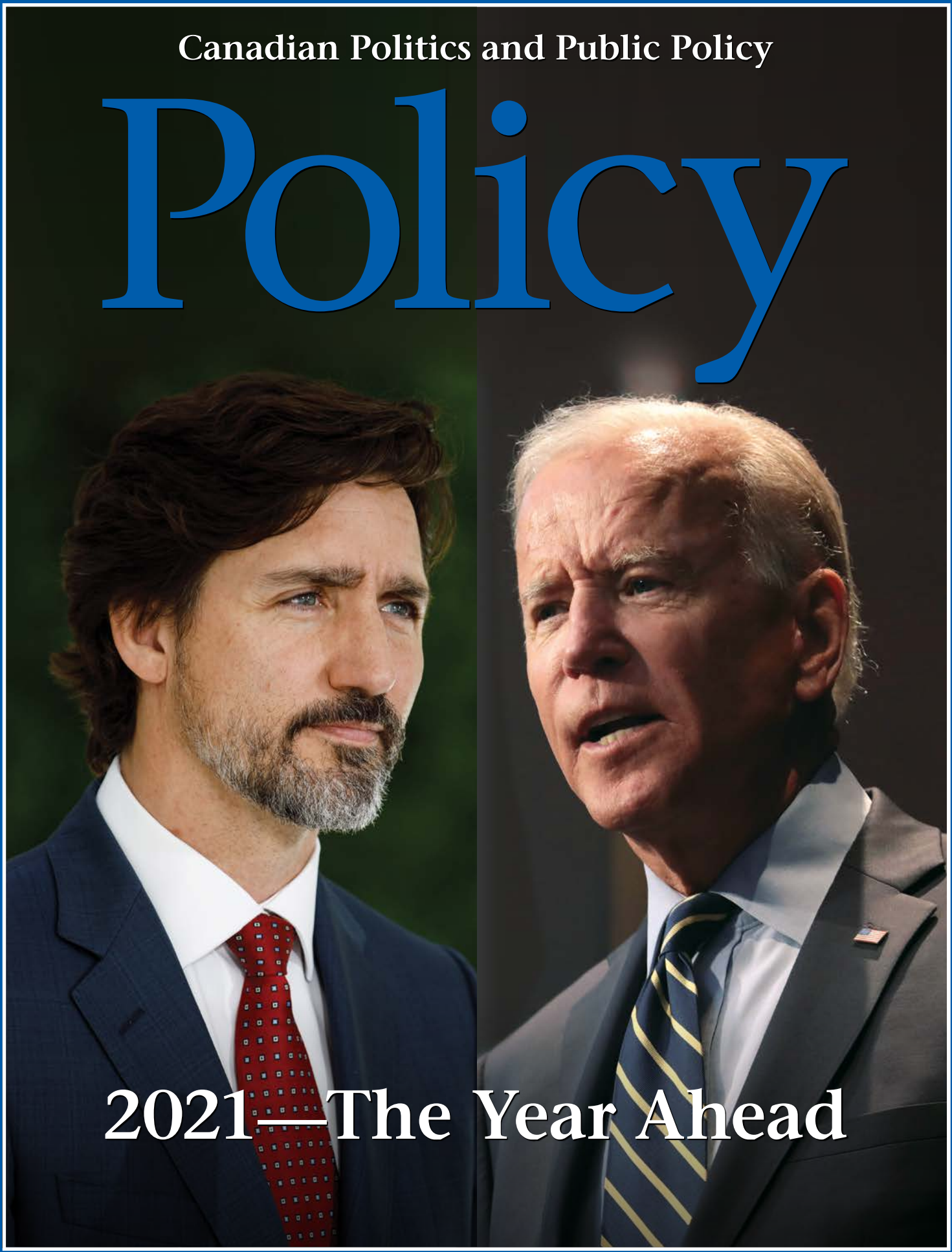
Canadian Politics and Public Policy

Policy



2021—The Year Ahead

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Jeffrey Bergthorson and Keena Trowell

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From the Editor / L. Ian MacDonald

2021—The Year Ahead

Welcome to our special issue, *2021—The Year Ahead*. For openers, and to state the obvious, it's impossible to look at the year just beginning without looking at the one we've recently completed: 2020—The Year of the Pandemic.

The year that changed everything. The year of the virus that swept ashore worldwide and killed over a million and a half people before Christmas.

The year that changed the way we live and the way we work. The year of the mask and social distancing, The year we discovered the difference between working from home and *having* to work from home. The year of the Zoom call. The year of the virtual school class. The year of postponed weddings, cancelled funerals and foregone grad dances. The year of exhausted health care workers and seniors abandoned in long-term care residences. The year, as it ended, with vaccines on the horizon.

And the year of government, present in our lives with emergency relief programs to help workers without work, businesses suddenly out of business, and families with no means of keeping a roof over their heads. The year fiscal frameworks became redundant, with record deficits and debts as a percentage of output.

And the year of the defeat of Donald Trump and his replacement by a normal person, Joe Biden.

Whatever the new normal may be, the year ahead may result in a different normal. And we've brought together a group of outstanding writers to help us think about it.

To begin, Kevin Lynch and Paul Deegan enumerate policy and social challenges confronting Canadians in 2021. As they write: "These will test our capacity for creative, collaborative longer-term thinking."

Foreign affairs writer Jeremy Kinsman was at the table in an era when Canada's voice as a middle power mattered in the world. He pointedly asks: "Do we still have the stuff, the will and ability to be a key player again?"

Pandemic or post-pandemic, climate change remains an even larger threat to the world's health, economy and environment. Dan Woynillowicz and Eric St. Pierre look at environmental issues between Canada and the US as well as the global conversation.

With 2021 considered a likely election year in Canada, we offer a package on the positioning and prospects of four parties, not from the perspective of pundits but from the vantage point of some of the most experienced operatives. John Delacourt looks back at the pandemic and the events of 2020 as a formative experience for the Liberals, who "can take stock and be hopeful." For the Conservatives, longtime strategists Geoff Norquay and Yaroslav Baran write of Erin O'Toole's need to lead a united party by sidelining some of the "SoCon" voices of intolerance, and making a home for moderate Progressive Conservatives.

On the NDP, onetime national director Robin Sears notes that for a freshman leader, Jagmeet Singh been an effective presence in a minority House. How he plays the balance of power card is a big question going into the budget. For the Greens, former leader Elizabeth May writes that the party made the right call in choosing Annamie Paul as her successor.

Looking at *America 2021*, former State Department officer Sarah Goldfeder writes that Team Biden will begin from a well-formed institutional outlook on the US global leadership role, and its relationship with Canada. Our own Associate Editor Lisa Van Dusen, herself an experienced Washington hand, looks at the challenges facing Joe Biden and Kamala Harris as they step into "the metaphorically ransacked Oval Office." And John Weekes, Canada's chief negotiator on the first NAFTA, points out that much of the Canada-US bilateral comes down to trade, trade, trade.

Back home, noted fiscal authority Kevin Page looks at the federal spending envelope going into Budget 2021. And McGill's Dr. Tim Evans, Executive Director of the federal health task force, weighs the challenges of getting vaccines into the arms of Canadians.

In *Canada and the World*, Stéphanie Chouinard writes of the Trudeau government's promise in its throne speech to update the 1969 Official Languages Act, noting it's not clear what that means for minority French and English-speaking communities.

Lori Turnbull writes of the game of parliamentary chicken going on between the Liberals and the opposition over the government falling on a non-confidence vote and contends it endangers the constitutional convention that the government either has the confidence of the House, or not.

And Conservative foreign affairs critic Michael Chong looks back at his parents, post-war immigrants to Canada from Hong Kong and the Netherlands, as an example of Canada as a beacon of hope and freedom.

And columnist Don Newman looks ahead to a Canadian election and predicts who's going to win and why.

Finally, in Book Reviews, Anthony Wilson-Smith reviews Margaret MacMillan's *War: How Conflict Shaped Us*. And Derek Burney looks at Peter Baker and Susan Glasser's *The Man Who Ran Washington* a bio of James A. Baker. P

Then Vice President Joe Biden, weeks before leaving office in 2016, with Justin Trudeau in the PM's former Centre Block office. Biden takes office as President in January 2021 with the US, Canada and the world in a very different place with the pandemic and a new post-Trump political era. *Adam Scotti photo*

Brace Yourselves: The Tests of 2021

Where 2020 was a year of shocks, 2021 will be a year of tests. Tests of international collaboration, of policy innovation, of systemic integrity and of societal resilience. We have experienced the previously unthinkable in so many negative ways recently, that if we can meet the challenges of the next year, our sense of the possible might just take a turn for the better.

Kevin Lynch and Paul Deegan

A year ago, most Canadians had never heard of a novel coronavirus. Yet, COVID-19, a particularly virulent virus, dominated our lives and livelihoods in 2020 and will continue to shape them throughout 2021. Its toll on public health, economies, government finances, businesses, and families will last for decades.

We had been warned. On May 15, 2017, the cover of *TIME* magazine blared, "**WARNING:** WE ARE NOT READY FOR THE NEXT PANDEMIC". A second "black swan" crisis in just two decades points to the need for better contingency planning and greater resiliency built into our core health, financial, and economic systems. We

should not forget these lessons as we look ahead. Canadian governments and Canadians face a number of must-tackle challenges in 2021. These will test our capacity for creative, collaborative, longer-term thinking, and whether we can raise our policy game to emerge stronger and more resilient in an uncertain and interconnected post-COVID world.

The first test for all governments is to control the COVID-19 pandemic. Without flattening the COVID curve, the recovery will be planked.

While newly developed vaccines hold the promise of controlling the virus, it is the execution of the vaccination program itself that holds the key to success—delivering a two-dose vaccination to 38 million Canadians, across immense geography and various jurisdictions, and in lockstep with other countries. Canada's less-than-stellar record to date with widespread rapid testing and contact tracing elicits concern on the execution front. Add to this the fact that the newly developed vaccines are neither licensed for production in Canada nor guaranteed for earliest delivery in the government's vaccine purchase arrangements, and the execution risks rise.

As Canada's plans to distribute these vaccines from American, British, and European producers to Canadians are firming up, we are experiencing a significant second wave of the pandemic, leading to renewed lockdowns in various parts of the country and increasing pressures on the health care system. The slower the execution of the vaccination program, the slower the economic recovery and the greater the economic and social costs. We should have been better prepared, particularly after Canada's experiences with SARS in 2003 and H1N1 in 2009.

> ***"Canadian governments and Canadians face a number of must-tackle challenges in 2021. These will test our capacity for creative, collaborative, longer-term thinking, and whether we can raise our policy game to emerge stronger and more resilient."***

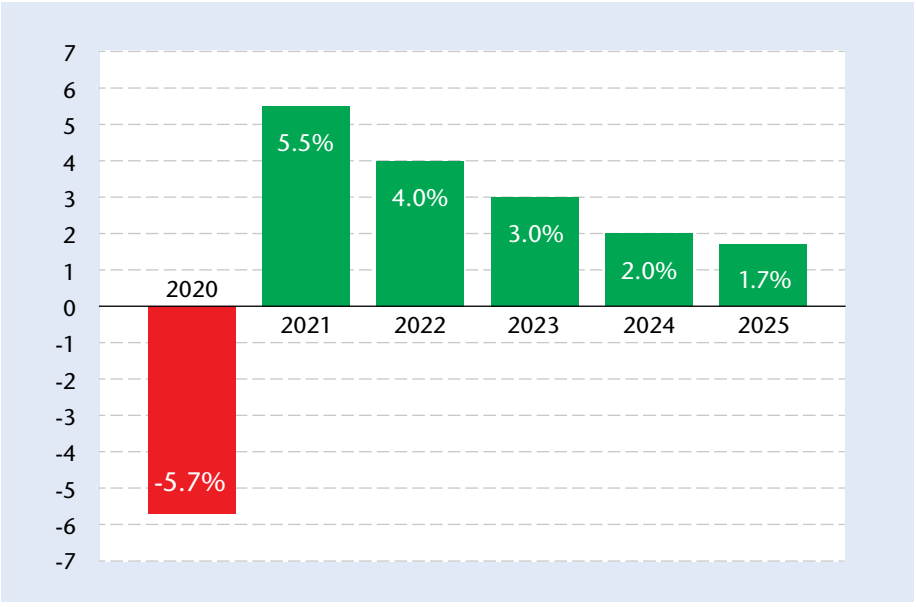
The second challenge is a growth strategy for the recovery and beyond. The economy will not return to pre-pandemic levels until 2022, and that assumes a vaccine-assisted rebound combined with a shift in government spending from income and liquidity support to growth- enhancing measures. Beyond the immediate challenge of recovery, which is to get back to pre-COVID levels, we also face a troubling drop in longer-term real growth to 1.2 percent according to Bank of Canada estimates, due to a wicked combination of poor productivity performance, weak capital investment, slow labour force growth and lasting scarring from the pandemic recession. That implies stagnant per capita incomes, or even worse for segments of the population. As former Senior Deputy Governor Carolyn Wilkins said recently, "Businesses are investing less because of the pandemic, and that puts a lid on how much potential the economy has to grow."

Rebuilding Canada's potential growth will require a clear plan to improve our competitiveness, encourage productive investments and create a Canadian global advantage. Governments cannot solve all problems, but they can help create the conditions to make the private sector more successful. We are at one of those pivotal moments.

A third challenge is the glaring absence of a fiscal anchor from the government's policy playbook. A fiscal anchor is not something that waits for better times—it is something that is a prerequisite for sustained better times. Federal debt will have risen an astounding 75 percent between last year and next year according to the Fall Economic Statement 2020. This debt burden, which future generations will bear, comes at both a cost and a risk.

The debt servicing cost is manageable while interest rates are at abnormally low levels because of the pandemic recession, but they will gradually rise as growth returns. The risk is that international financial markets begin to lose faith in our ability to manage our fiscal affairs—after all, how much confidence should they place on a fis-

Canadian Real GDP Forecast



Source: BMO Economics

cal projection of a drop in the deficit from nearly $400 billion this year to under $100 billion by 2022 without any fiscal constraints. To avoid this, and its caustic effects on growth and confidence, the government should articulate a credible fiscal anchor for these uncertain times.

A related challenge is fiscal federalism: provincial fiscal situations are not good, some are dire, and all believe that increased federal transfers are in order, particularly since the federal government has loudly argued it has unused fiscal firepower. The health system clearly has to be better prepared for future pandemics, and this will take money, partnerships and surge capacity. And, with the Liberal government signalling new policy ambitions in areas of provincial or shared jurisdiction, the price tags to encourage provincial buy-in will be lofty. This combination of provincial fiscal gaps and federal policy plans will only place more upward pressures on federal transfer spending, and reinforce the need for a fiscal anchor.

There is no question that we need to transition to a low carbon, greener economy. But, as Samantha Gross of the Brookings Institution has argued, "Those pushing to end fossil fuel production now are missing the point that fossil fuels will still be needed for some time in certain sectors." The reality is that energy is our biggest export earner, and a major source of value-added growth, well-paying jobs and tax revenues. The challenge is how to sustain a robust Canadian energy sector and make real progress on climate change. It is not an "either or" choice, it is about achieving both.

This is not just an Alberta problem, it is a pan-Canadian issue—both economically and politically. Why can't we reduce carbon dioxide emissions in the oil sands through the deployment of Generation IV Small Modular Nuclear Reactors to meet the steam and heat requirements of Alberta's heavy oil industry, which are currently met by carbon intensive fuels? This would dramatically limit greenhouse gas emissions from oil sands operations, allowing time for the province to diversify its economy and become a global clean energy leader. This is where new thinking and a new narrative is so desperately needed. As Gross argues, "Eliminating unpopular energy sources or technologies, like nuclear or carbon capture, from the conversation is short-sighted. Renewable electricity generation alone won't get us there—this is an all-technologies-on-deck problem."

Canada-US relations are a challenge that always looms large over Canada's foreign and trade policy priorities, and never more so than during the chaotic Trump presidency. While the Biden administration will be a welcome change for most Canadians, it will come with unresolved issues—including pipelines, Buy America, softwood lumber tariffs, Huawei involvement in 5G networks and national security exemptions—that will all continue to affect the Canadian economy.

Now is the time to reach out to the Biden administration, which will be struggling in the fraught political aftermath of the election, on how we can work together to solve common issues, not present a list of "asks" and concerns. This could include upgrading NORAD's 1980s-era North Warning System in the Arctic; ensuring that both countries have an adequate supply of critical goods ranging from personal protective equipment to pharmaceutical compounds; investing in next-generation North American energy grids and clean energy production; expanding environmental co-operation; and engaging China together, with allies, where we have common purpose.

The International Monetary Fund (IMF) has identified income inequality as an impediment to the recovery in most countries, including Canada. The challenge of inequality has risen significantly during the pandemic, with ongoing social, economic and political impacts. The IMF has highlighted that inequality is not just an income issue, it is an opportunity issue with unequal access to digital skills and broadband, and it is a health issue which the pandemic has laid bare. As Binyamin Applebaum of the *New York Times* has written, "The distribution of wealth and income has a meaningful influence on the distribution of opportunity, on the mechanics of the business cycle, and on the pace of innovation."

During the COVID crisis, many lower-wage workers were overrepresented in essential roles in the retail and health care sectors where working remotely is not an option. Women and minorities were overrepresented in service-sector job cuts due to the pandemic. Inequality is becoming as much a blocker to economic growth as it is an unacceptable social reality in advanced western economies. This is a challenge that Canada can lead on, both at home and abroad, but feel- good rhetorical bromides are not a plan.

There are decades where nothing happens and there are weeks where decades happen. This saying seems particularly apt to describe what has transpired during the pandemic. And we will continue to be tested, but the focus will shift from the immediate crisis to the recovery and beyond. The longer-term challenges before us in 2021 will also demand a much more innovative and cooperative approach to policy-making—both at home and with our allies.

Having been caught flat-footed, the questions we need to ask ourselves today are do we have the necessary strategic planning skills within government, the right incentives for private-sector expansion, and the collective will and wisdom to "build back better"? P

Contributing Writer Kevin Lynch was formerly Clerk of the Privy Council and Vice Chair of BMO Financial Group.

Contributing Writer Paul Deegan, CEO of Deegan Public Strategies, was a public affairs executive at BMO Financial Group and CN, and served in the Clinton White House.

The G7 in Toronto in 1988, when Canada was not only host, but an influential player at the table. (L to R) European Commission President Jacques Delors and G7 leaders Ciriaco De Mita; Margaret Thatcher; Ronald Reagan; Brian Mulroney; François Mitterrand; Noboru Takeshita and Helmut Kohl. *Colin McConnell, Toronto Star Photograph Archive, Courtesy of Toronto Public Library*

Global 2021: A Saner, Less Fragmented World

Canada has spent the past four years wedged between an unrecognizably belligerent United States and an unproductively belligerent China. Provided the economic damage from the COVID lockdown doesn't produce geopolitical consequences that make 2020 look good, a new US administration and a fresh appreciation of both democracy and multilateralism present a new opportunity for Canadian leadership in 2021.

Jeremy Kinsman

Donald Trump's exit from the White House wins our disrupted and divided world another chance to get its collective act together to meet existential global challenges.

Only 20 years ago, Canadian diplomacy was at the front end of the post-Cold War effort to design and anchor new inclusive norms for international governance. Do we still have the stuff, the will and ability, to be a key player again?

We have a stake in successful international cooperative outcomes. It needs

robust outreach diplomacy. Canada can't just fall into line behind Joe Biden's more congenial US leadership and hope for the best.

The world has vastly changed in 20 years. Optimistic assumptions were crushed by events whose residue still disrupts. The jihadist attacks of September 11, 2001 re-cast global priorities, fed enduring terrorism, and prompted the long Afghan war and the disastrous and divisive US/UK invasion of Iraq that spewed refugees into Europe. Borders stiffened and populist nationalism gained traction, bolstered by ubiquitous social networks that polarized publics. With the encouragement of Russia, nativist populists vilified globalization and liberal democracy. Meanwhile, China continued its remarkable and inexorable rise in economic stature, shifting the global balance of power, with an increasingly nationalist posture.

Barack Obama's election in 2008 had lifted hopes of a reprise of constructive internationalism. But the financial cataclysm he inherited laid bare an unfair system that privileged capital over ordinary people's welfare.

The world's mood trended to pessimism and identity-based nationalism, including in the UK. The US elected as president a disruptive nationalist who wrought carnage on international cooperation and institutions. Pledging to "no longer surrender the country to the false song of globalism," Trump tore up foundational agreements in the name of "America first," upending 75 years of US international leadership.

Just how scorched he left the institutional landscape was clear when the increasingly deadlocked G20 met virtually on November 21, under the inauspicious rotating chairmanship of Trump ally Saudi Arabia. Trump mocked hopes of concrete progress on the agenda, trashing the notion of global warming, and skipping the critical session on the global pandemic to play golf.

"We have a stake in successful international cooperative outcomes. It needs robust outreach diplomacy. Canada can't just fall into line behind Joe Biden's more congenial US leadership and hope for the best."

Most countries now impatiently endure an overlong and dysfunctional US transition, anticipating the remedial succession of Joe Biden, a welcome multilateralist.

But expectation of restoration comes with a hedge. Germany, as an important example, had since the war viewed the US as its key ally, protector, and democratic mentor before Trump turned the privileged relationship into what Germans came to call the US "catastrophe." The US reputation for can-do competence plummeted as the world witnessed with a "mixture of concern, disbelief, and *schadenfreude,*" a "leaderless America slip into a deep pandemic winter," per *CNN's* Brian Stelter. Chancellor Merkel's observation that "the times we could rely on the US are somewhat over" won't now be archived just because of a close election. Trump leaves behind a polarized US which could reverse direction again.

Even though the incoming Biden team is reassuringly experienced, positive, and outward-looking, it will face an obstinate partisan opposition, the overwhelming domestic priority to manage the pandemic and economic recovery, and the many unexpected things that land on the president's desk. US allies share German worries about the extent to which the new administration will have much room for range and transformative ambitions in foreign affairs. So, others need to maintain creative momentum to reform and reinforce international cooperation. Will Canada be in the front rank?

Princeton University international relations theorist John Ikenberry observes that "the world order has (so far) endured because it is in everybody's interest." But that general interest has to be translated into common purpose, and it doesn't come easily. Two decades ago, as the dean of G8 finance ministers, Paul Martin argued convincingly that the world needed a more inclusive forum to negotiate trade-offs on critical global challenges. It became the G20. But it isn't working. Notions that a democratic G7 enlarged to include India, South Korea, and Australia would provide a more inclusive but effective forum than either the G7 or the G20 begs how to engage China. The increasingly fractious rivalry between China and the US for economic primacy is apt to define our age.

A rare US bipartisan consensus concludes that China has gamed international trade rules, bullies neighbours, and represses human rights in Xinjiang and Hong Kong. Canada, other democracies, and China's neighbours agree. Incoming US Secretary of State Antony Blinken knows the resolution of key global issues needs agreement between the US and China. He has previewed the bilateral relationship as a composite of components that are adversarial, competitive, and also, where possible, cooperative, recognizing that on global warming and the pandemic, China is an essential factor. The US will resist calls to "de-couple" western economies from China's and won't endorse an allied Cold War "containment" strategy. But the Biden administration will move warily and firmly. Other countries need to engage China on multilateral issues. Canada needs a realistic and open-eyed approach only possi-

ble after resolution of our debilitating hostage dispute.

Of course, our main bilateral priority is our critical relationship with the US. Canada has, in the Biden administration, a partner on whom we can count for civil discussion and negotiation based on shared facts and evidence. But it will be no pleasure cruise: US political themes are inward and protection-ish. We need to remain in campaign communications mode toward all levels of the US, to temper impulses to "buy America," and to lift the US view of the benefits of the North American partnership.

Other regions are organizing. Asian countries including China, Japan and Australia, representing one-third of global GDP have created the tariff-cutting "Regional Comprehensive Economic Partnership." Canada must succeed in Asia. Looking ahead, our Comprehensive Economic and Trade Agreement with the EU could become the template for a comprehensive North Atlantic economic partnership between the European Union and North America as an expansion of NAFTA.

Canada needs to work every day abroad to strengthen opportunities from a diversity of partnerships, including to build support for global multilateral reform. Twenty years ago, Foreign Minister Lloyd Axworthy was the leading protagonist for "*human* security," a paradigm placing people at the centre of new norms of international behaviour and accountability. With like-minded middle-rank states and international NGOs we formed the Human Security Network to design and promote landmark initiatives to end the use of anti-personnel land mines, and to establish both a Responsibility to Protect (RTP) to prevent tragedies such as Rwanda and Srebrenica, and an International Criminal Court to apply principles of universal justice.

Today the United Nations system is bogged down by the fragmentations of our world. We badly need like-minded solidarity groups to galvanize institutional reform and positive outcomes for such essential UN activities as peacekeeping, humanitarian aid, poverty, migration, and public health, including immediately the COMAX coalition of over 100 countries to assure equitable affordable COVID-19 vaccine distribution, in which Canada should be a protagonist.

Ottawa has been working with like-minded internationalist countries to try to unlock some key multilateral issues. On trade, the Ottawa Group initiative of middle-power countries to revive and reform the World Trade Organization is making progress. But it will need a wider buy-in from the great powers. More broadly, then-Foreign Minister Chrystia Freeland encouraged the formation of the Multilateral Alliance group that brings together Canadian, German, French and other partners seeking ways to re-build trust and purpose in multilateral fora. One exemplary success stands out as a model of international governance—the Arctic Council, an innovative, bottom-up consensus-based organization of the eight circumpolar states and Indigenous peoples that guides the sustainable development and shared custody of the world's High North in line with the UN's international legal norms.

Joe Biden has pledged to convene a summit of democracies to address democracy's global recession and to restore a better example. It should reaffirm that universal human rights are democracy's building blocks and our commitment to have the backs of human rights defenders everywhere, consistently.

As to our creative policy capacity, the perception in the foreign affairs community is that it atrophied under recent top-down governments centralized in PMOs and leaders with narrower international aims, focused on signaling our virtues, absorbed by electoral politics.

But crisis response has been excellent, notably in procuring PPE, and evacuating Canadians during the pandemic. Work to save NAFTA and craft the ground-breaking CETA with the EU was outstanding.

> ***"As to our creative policy capacity, the perception in the foreign affairs community is that it atrophied under recent top-down governments centralized in PMOs and leaders with narrower international aims."***

We need to revive the creative capacities of the Foreign Service and re-energize our international public diplomacy. The world also sees "the other North America" through interacting with multitudes of Canadian scientists, entrepreneurs, scholars and students, artists, humanitarian workers, military, firefighters, and innumerable family ties. Including public consultation in the policy process is essential.

The pandemic makes it emphatically clear we are all in the same global boat. But it needs fixing to stay afloat. Canadians are globalists. That repair work is rightfully our brand. P

Contributing Writer Jeremy Kinsman is a former Canadian Ambassador to Moscow, former Ambassador to the European Union, and former High Commissioner to London. He is a Distinguished Fellow of the Canadian International Council.

How a New Bilateral Bromance Could Enhance Climate Action

There may be no issue that better illustrates the shared interests of Canada and our nearest neighbour than the need to address climate change. After four years during which an American president did everything in his power to reverse progress on global warming mitigation, Canada now has a partner it can work with.

Dan Woynillowicz and Eric St. Pierre

In the days following the American presidential election, you could sense a weary (and wary) relief settle in among most Canadians. It had been a challenging four years, to put it mildly, and now there was at least one reason to look forward with some optimism. This sentiment was even more acute among those Canadians concerned about climate change; there was even a sense of ebullience among those of us working to advance climate solutions.

Simply put, Donald Trump's presidency had been a train wreck for federal climate policy in the US, with the debris field sprawling northward into Canada. Trump had his team scouring for any and every opportunity to roll back and weaken environmental regulations. The result? According to a *New York Times* analysis, informed by research from Harvard Law School, Columbia Law School and other sources, the Trump administration reversed, revoked and rolled back more than 80 environmental rules and regulations, and 20 rollbacks were still in progress as of November.

Some of those had a direct impact on Canada, such as the weakening of vehicle emission regulations (which are harmonized between our two countries), while others, such as rules to reduce potent methane pollution from the oil and gas sector, bolstered opposition to regulating pollution in Canada on the grounds that it would impact competitiveness.

> ***Biden was a compromise candidate for the Democratic nomination. As the primary started heating up in early 2020, climate action emerged as a key issue among Democratic primary voters and the contenders jockeyed for position.***

With the arrival of a US administration that not only accepts the myriad threats posed by a changing climate—to health, the environment, the economy, and security—but aspires to find opportunity in addressing them, Canada once again has an ally and partner. Presuming, of course, that President Joe Biden is as committed to climate action as candidate Biden was.

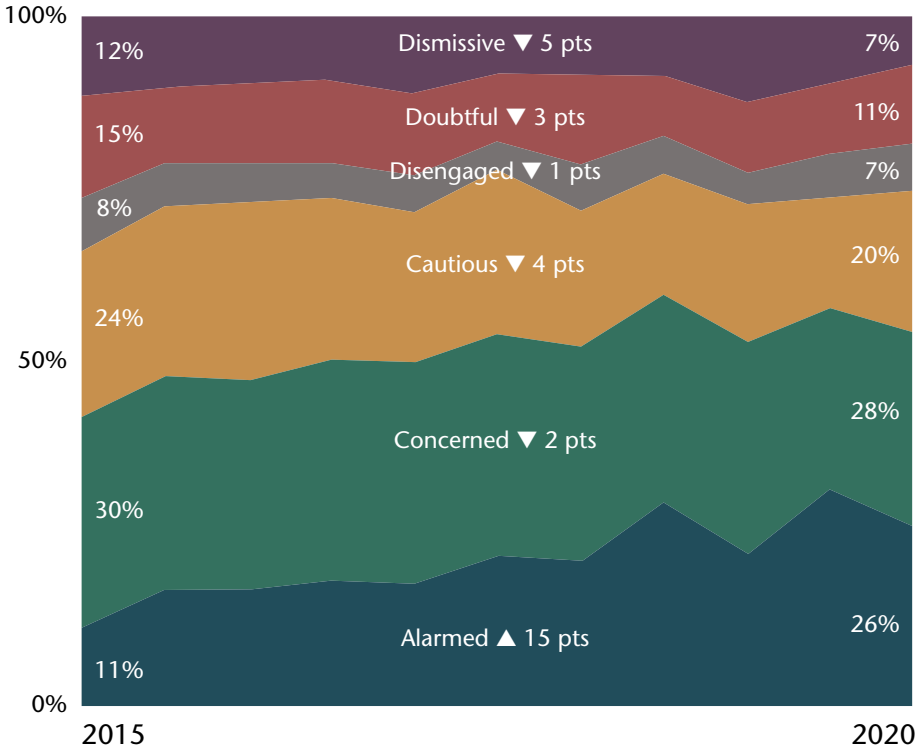
Biden was a compromise candidate for the Democratic nomination. As the primary started heating up in early 2020, climate action emerged as a key issue among Democratic primary voters and the contenders jockeyed for position. Based in part on his embrace of the Green New Deal, Bernie Sanders briefly topped the polls and took early leads in the Iowa caucuses, where he was edged out by Pete Buttigieg, and in New Hampshire, which he narrowly won. Meanwhile, Jay Inslee, the governor of Washington State, focused his run singularly on climate change, laying out the most comprehensive climate platform conceivable. Kamala Harris laid out a $10 trillion climate plan and played up her credentials as a prosecutor who would target big polluters.

Meanwhile Biden, the establishment candidate and frontrunner, laid out a moderate approach to climate change that was broadly perceived as a potential drag on his candidacy.

But as the primaries wore on, it became clear that climate change wasn't just going to be a significant issue for the Democratic base. Opinion research published in April by the Yale Program on Climate Communication, part of an ongoing study of views on climate change dating back to 2008, found a significant shift in public opinion: "Today, the Alarmed (26 percent) outnumber the Dismissive (7 percent) nearly 4 to 1. In 2014, they were tied at 1 to 1. That's a major shift in the political, social and cultural climate of climate change."

Similarly, research in May targeting "persuadable voters" conducted

Global Warming's Six Americas: Five-Year Trend



Data from 11 national surveys (*N*=13,609) from March 2015 to April 2020.
Sources: Yale Program on Climate Change Communication and George Mason University Centre for Climate Change Communication

by the Global Strategy Group found that, contrary to previous elections, climate change was not a liability but an advantage among swing voters. While not necessarily a top issue for all voters, it was found to be just that for the voters Biden would need to win over in November: young people and persuadable Trump voters.

As it became clear that Biden would be the Democratic nominee, he struck a Unity Task Force. Co-chaired by former Senator and Secretary of State John Kerry and Congresswoman Alexandra Ocasio-Cortez, it merged climate action recommendations from leading House and Senate Democrats, Biden's primary platform, and a cross-section of civil society climate change and environmental justice advocates, to inform Biden's platform for the general election.

This approach united his base, expanded his appeal, and informed a soundbite he would repeat numerous times throughout the campaign: "When I hear the words 'climate change' I hear another word: 'jobs.' We can solve our climate crisis and our economic crisis at the same time." It was a position that echoed the approach to the post-2008 financial crash recovery, when Biden, as Barack Obama's vice president, oversaw a recovery program that combined economic stimulus with clean energy innovation.

Biden's platform included two key planks that wove together his climate, energy and economic ambitions into a plan for a clean energy revolution, environmental justice, modern sustainable infrastructure and an equitable, clean-energy future. With a federal commitment of $2 trillion over four years, Biden laid out a vision and numerous goals, plans and programs to undo Trump's regulatory rollback spree, re-engage Washington in international climate diplomacy and set the US economy on a trajectory to achieve net zero emissions by 2050.

Polling commissioned by the *New York Times* just weeks before the vote seemed to prove-out the thesis that climate action could be a vote-winner: 66 percent of respondents were supportive of Biden's $2 trillion climate plan. In the weeks following the election, it became clear that young Americans had cast ballots in record numbers, playing a key role in handing a victory to Joe Biden, with early research suggesting climate change concerns were a major driver of this turnout.

As President-elect Biden began the transition process, it was abundantly clear he had won a clear climate mandate—and high expectations to go with it.

In the midst of the election the Biden campaign had signalled its interest in appointing a "climate czar" who would drive climate action from the White House. Experience from the Obama administration informed the Biden team of this imperative, and so Obama alumni teamed up with academic experts and former government officials to provide Biden's transition team with advice on how to deliver on his climate agenda using every department and agency. Unconventionally but wisely, the Climate 21 Project shied away from prescribing policy advice and instead focused on delivering "actionable advice for a rapid-start, whole-of-government climate response coordinated by the White House and accountable to the president," including memos with recommendations for 11 White House offices, federal departments, and federal agencies, as well as cross-cutting recommendations on personnel and hiring.

Appointments to date suggest that President-elect Biden got the message: John Kerry, who helped forge the Paris Agreement, has been appointed special presidential envoy for climate—now a cabinet-level appointment with a seat on the National Security Coun-

cil—and asked to help raise global ambition for action. Brian Deese, a brilliant former climate aide to President Obama, has been tapped to lead the National Economic Council. And Janet Yellen, who was chair of the Federal Reserve under President Obama, has been nominated Treasury Secretary, hot on the heels of a stint with former Bank of Canada and Bank of England governor and current UN envoy on climate finance Mark Carney leading the Group of 30, a think tank of former and current policy makers, academics and finance executives exploring how best to shift the global economy toward net zero emissions. It's clear that Biden means business.

At first blush, all of this is wonderful news for Canada and our climate ambitions, for the federal government especially. There's some hope that the brief 2015-2017 bromance enjoyed by Prime Minister Justin Trudeau and President Barack Obama could be rekindled with President Biden. After all, it was Vice President Biden who visited Canada in the waning days of the Obama administration to urge Trudeau to take up Obama's progressive torch and there is significant alignment between the two leaders' climate plans.

"It was Vice President Biden who visited Canada in the waning days of the Obama administration to urge Trudeau to take up Obama's progressive torch and there is significant alignment between the two leaders' climate plans."

But while there is undoubtedly plenty of scope for collaboration, there are also some warning signs that require prompt prioritization by the Trudeau government. All of those climate-action induced jobs and economic benefits Biden promised? He wants them in the US. From zero-emission vehicle manufacturing to producing the batteries that go in them, to advanced biofuels and clean-tech solutions, Biden has "Buy American" on his mind.

Last fall, Canada landed commitments from Ford and Fiat Chrysler Automobiles to re-tool their Canadian assembly plants to produce electric vehicles for the Canadian and American markets alike. We have the ability to produce and export a surplus of clean, renewable power that can help the US achieve its 2035 decarbonization goal. And we're home to a growing clean tech sector that punches above its weight and whose growth will be fueled by exports to, among other places, the US.

Domestic pipeline politics in general, and Keystone XL in particular, mean that the federal government will need to be seen to champion it with Biden, despite his commitment to rescind permits and cancel the project. But from both a diplomatic and practical perspective, it should hardly be "top of the agenda," as Foreign Affairs Minister François-Philippe Champagne has vowed it would be.

But we simply can't afford to get mired in a divisive, and now mostly symbolic, debate about pipelines. The economic and political winds have shifted, and clean energy collaboration and effective climate action must be the top priority.

There is, after all, precedent for doing so. In June 2016, President Obama, Prime Minister Trudeau and Mexican President Enrique Peña Nieto established the North American Climate, Clean Energy, and Environment Partnership. But by November 2016 Donald Trump was President-elect, and the partnership was effectively dead.

While it needs to be updated—to reflect the heightened ambition of new net zero targets and new opportunities to develop North American supply chains for batteries, zero emission vehicles and other clean technologies—and may not necessarily include Mexico this time around, this collaborative approach could be coupled with a commitment to keeping the borders open to free-flowing trade.

For the first time ever, we have federal leaders in Ottawa and Washington, DC who have been elected with clear mandates to take action to address the climate crisis. They also now share the challenge of doing so within the context of pandemic-ravaged economies, and, despite majority support, polarized electorates and regional divisions on matters of climate and energy policy.

Prime Minister Trudeau appears primed to this potential. His government's strengthened climate plan, released in December on the five-year anniversary of the Paris Agreement, noted "there is an opportunity to collaborate with the incoming United States Administration on strong cross-border climate action that can better position the North American economy, as well as Canadian workers and companies so that they can continue to be globally competitive."

While seizing this opportunity, and tackling this challenge, are better done in collaboration than isolation, the reality is that while President-elect Biden will be a much stronger ally for Canada than Trump was, his first priority will be Americans and the American economy. Canada has managed to carve out exceptions and partnerships to our advantage in the past, and the imperative is that Prime Minister Trudeau do so again—for our environment and our economy. P

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Eric St. Pierre is the Executive Director of the Trottier Family Foundation, which supports organizations that work towards the advancement of scientific inquiry, the promotion of education, fostering better health, protecting the environment and mitigating climate change.

Fiscal Policy and the Post-COVID Recovery

Governments around the world, including Canada's, have spent nearly a year re-orienting their fiscal calculations around the health and economic Catch-22 of a deadly pandemic that could only be contained by a self-induced economic coma. As COVID-19 vaccines begin to make their way into the bloodstreams of Canadians, the economic recovery could still take many shapes, writes former Parliamentary Budget Officer and Institute of Fiscal Studies and Democracy founder Kevin Page.

Kevin Page

Historians debate key turning points in history—*Pax Romana*; the birth of spiritual leaders like Jesus and Mohammed; the invention of the printing press; the renaissance; and many more. Will the 2020 global pandemic mark an inflection point, the beginning of a special moment in human history? Can global leaders imagine a new future? Can countries, public and private sectors and citizens work together to address challenges and opportunities?

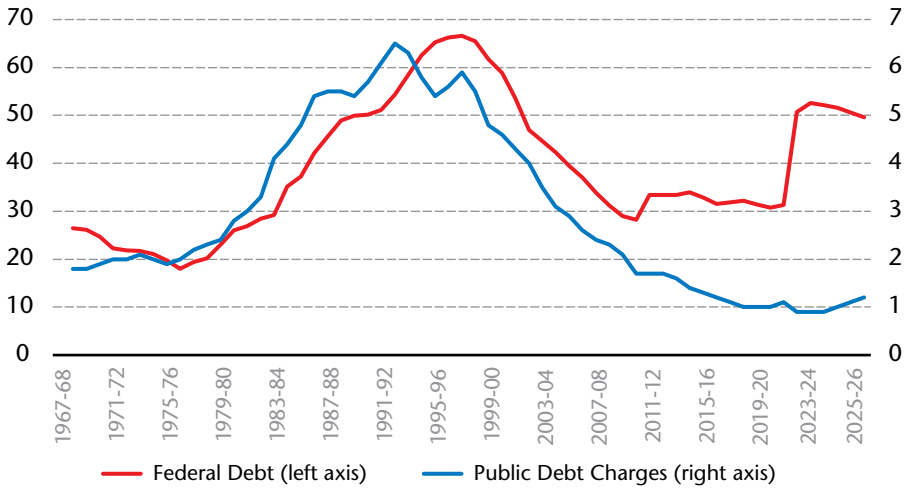
The year 2020 started with the spread of the COVID-19 virus around the world. It has ended with the roll-out of vaccines. The pandemic has taken its toll on human lives—1.6 million deaths globally; 13,000 deaths in Canada. In the Dave Matthew's song "Space Between", the singer/songwriter makes the case that life is about bridging the gaps that lie between people. The cooperation of international pharmaceutical efforts has highlighted the power of collaboration bridging gaps. Policymakers are now coalescing on agendas focused on sustainability, inclusion and resilience.

The International Monetary Fund (IMF) is calling for a global coordination of fiscal policy and continued. Continued monetary and fiscal policy support to help vulnerable people and businesses while the pandemic evolves—avoiding premature withdrawal. A synchronized global infrastructure investment push to support growth, limit recession after-effects (i.e., so-called scarring) and address climate goals. "'Build back better"' is now a global motto.

Fiscal policy is the use of government spending and revenues to promote growth and the provision of common goods. Economic channels include the allocation of resources, income distribution, savings and investment and aggregate demand. Fiscal policy can be used to stabilize an unstable economy through built-in stabilizers (e.g., unemployment benefits; progressive tax systems) and stimulus measures (i.e., deficit financed measures to strengthen demand). Fiscal policy was an important stabilizing influence in the 2008-09 global financial crisis.

Government capacity to use fiscal policy as an economic stabilizer depends on its fiscal room. The reduction in federal debt in Canada from 66 percent of GDP in 1995-96 to 28 percent of GDP in 2007-08 (corresponding reduction in public debt charges from 5.9 to 1.7 percent) gave the federal government of Canada much needed fiscal space to support the Canadian economy in both the 2008-9 finan-

Chart 1: Federal Debt and Interest Charges (% of GDP)



Source: Department of Finance Fiscal Reference Tables; *2020 Fall Economic Statement*

cial crisis and the 2020 pandemic. The fiscal advantage was supported by a AAA bond rating (i.e., highest investment grade) from the major agencies.

Canada unloaded fiscal firepower to support Canadian households and businesses to facilitate social distancing and slow the spread of the virus. Direct fiscal supports in 2020-21 are estimated at $275 billion (12.5 percent of GDP). Total federal-provincial-territorial multi-year supports including tax payment deferrals and credit supports are estimated near $600 billion.

How does the federal budgetary deficit go from $39.4 billion (1.7 percent of GDP) in 2019-20 to $381.6 billion in 2020-21 (17.5 percent of GDP)? Start with $381.6 billion. Take away $275 billion in direct fiscal supports. Take away a $76 billion drop in budgetary revenue from the Budget 2019 projection because of a deep recession. We are left with a deficit of $31 billion—a number that would not raise eyebrows in financial markets in normal times.

Olivier Blanchard, a former Chief Economist at the International Monetary Fund, makes the case that fiscal policy during the COVID19 crisis has three objectives: infection fighting; disaster relief; and support for aggregate demand.

How much fiscal stimulus will be needed to support demand in a post-pandemic economy is an open question. Canadian national accounts numbers for the first three quarters of 2020 show a deep dive, a strong bounce and an increase in savings. Blanchard's advice is for governments to be ready but should not commit to a specific level of fiscal expansion before the outlook becomes clearer.

There are downside and upside economic risks around the post-pandemic economic recovery. The key driver remains the evolution of the virus. A U-shaped recovery for GDP is linked to struggles controlling the virus and the cumulative impact of scarring on jobs and investment. A Z-shaped recovery is linked to successful global vaccination and the release of pent up consumer demand highlighted by recent increases in savings and the return of investor confidence.

International research on the potential impacts of fiscal stimulus has increased significantly since the 2008 financial crisis and introduction of record-low interest rates. Many factors are seen to influence the effectiveness of stimulus. These include the economic context, and the timing, size, composition and duration of the fiscal stimulus.

In the 2020 Fall Economic Statement, the government indicated an intention to use fiscal stimulus to strengthen the post COVID-19 recovery. Different economic scenarios were presented with stimulus values ranging in the $70 billion to $100 billion range over a three-year period starting in 2021. As well, the government indicated intention to use labour market indicators—employment rate, unemployment, hours worked—as guardrails to guide the shape of fiscal stimulus.

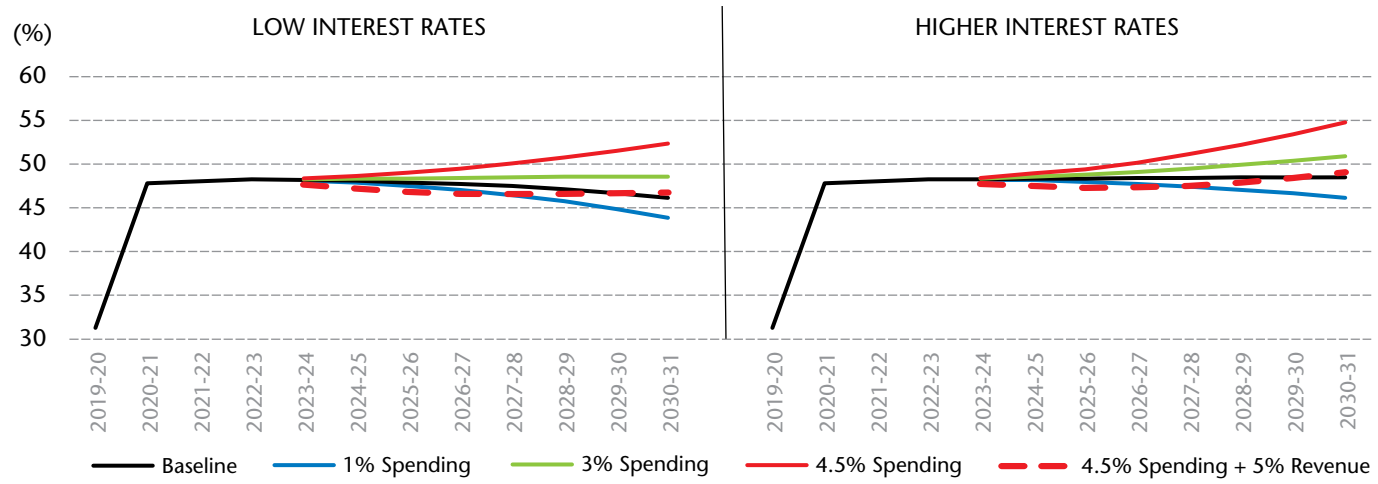
One of my favourite holiday movies is "Planes, Trains and Automobiles"'. In the 1987 film, the principal characters, including Jim Neal (played by Steve Martin) and Del Griffith (played by the late Canadian icon John Candy), struggle to get home for the holidays. By comparison, our new Finance Minister Chrystia Freeland and newly named Deputy Minister Michael Sabia will spend the holidays trying to get Canada back to fiscal normalcy. The Finance movie would be more akin to "Fiscal Anchors, Guardrails and Rules".

Table 1: Fall Economic Statement 2020 ($ billions)

	PROJECTION						
	2019-2020	**2020-2021**	**2021-2022**	**2022-2023**	**2023-2024**	**2024-2025**	**2025-2026**
Budgetary revenues	334.1	275.4	335.9	357.8	377.3	398.5	417.3
Total expenses, ex net actuarial losses	362.9	641.6	441.5	396.4	410.1	423.4	438.4
Net actuarial losses	-10.6	-15.4	-15.6	-12.1	-10.5	-6.0	-3.9
Budgetary Balance before stimulus	-39.4	-381.6	-121.2	-50.7	-43.3	-30.9	-24.9
Planned stimulus	$70 – to – $100 billion over 3 years						
Federal debt before planned stimulus	721.4	1,107.4	1,228.5	1,279.3	1,322.6	1,353.4	1,378.3
Percent of GDP before planned stimulus							
Budgetary Revenues	14.5	12.6	14.4	14.6	14.7	14.9	15.0
Program expenses	14.6	28.5	18.1	15.2	15.0	14.7	14.5
Public debt charges	1.1	0.9	0.9	0.9	1.0	1.1	1.2
Budgetary balance	-1.7	-17.5	-5.2	-2.1	-1.7	-1.2	-0.9
Federal debt	31.2	50.7	52.6	52.1	51.6	50.6	49.6

Source: Department of Finance, *2020 Fall Economic Statement*

Chart 2: Debt-to-GDP Ratio Under Discretionary Spending Alternative Scenarios



Source: IFSD calculations

There is a genuine intellectual debate around fiscal discipline in a post-pandemic environment.

On the one side, some argue that in a low-interest rate environment there is a "'get of jail free" card for running up large debt to support households and businesses during a lockdown to protect and support growth. Debt-to-GDP should fall with primary budget balances and interest rates lower than the growth in the economy.

On the other side, some argue that higher debt will eventually be paid by higher taxes. They argue it is voodoo economics to assume interest rates will stay low for long and that public investment will pay for itself. Higher debt will limit fiscal room for future generations and create economic instability risks. Fiscal consolidations are costly—a lesson learned in Canada in the 1990s.

Finance scenarios and work by IFSD suggest Canada is headed for a much higher debt-to-GDP ratio over the medium term—likely in the 50 to 55 percent range. This is well above the 30 percent debt-GDP ratio in the pre-pandemic period. On a positive note, these debt numbers are well below debt loads of most advanced countries. PBO analysis suggests this level of federal debt with the current fiscal structure (i.e., before initiatives highlighted in the 2020 Speech from the Throne) could be sustainable in face of aging demographics. On the other hand, provinces are not sustainable, largely because of assumptions regarding health care spending growth.

It is said that discipline is about knowing what needs to be done, even if you do not want to do it. Canada will need a fiscal planning framework with discipline or risk passing on higher unnecessary debt to future generations; not being able to support Canadians in the next recession; and potentially losing a hard-earned AAA credit rating.

There is lots of good advice on fiscal discipline from international organizations. Are we able to implement it?

1 Outline a fiscal strategy. How will fiscal policy be used to support economic recovery and long-term structural policy shifts (e.g. climate change)? How will corrective fiscal measures (e.g. spending restraints and tax increases) be introduced over the medium-term as economic conditions improve.

   a Investment spending should be defined. Non-investment initiatives should not be deficit-financed in a post pandemic period.

   b If fiscal stimulus is required, a performance framework should be established. Stimulus programming should not have a permanent impact on deficits. Fiscal analysis should accompany the setting of fiscal guardrails (e.g., estimates of the output gap, cyclically-adjusted budget balances, spending and tax multipliers)

   c Long fiscal sustainability analysis should be tabled with the budget.

2 Set a fiscal anchor. It should be a prudent level of debt relative to income.

3 Set fiscal rules. These are operational targets consistent with the fiscal anchor including primary balances (program spending, less revenues); discretionary spending growth; and public debt interest charges as a percent of GDP.

4 Establish escape clauses. Fiscal policy needs to adjust if assumptions are substantially altered.

5 Use the Parliamentary Budget Office to provide support for Parliament on the enforceability of the fiscal anchors, guardrails and rules. P

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Can the Delivery of COVID-19 Vaccines Match the Speed of their Discovery?

While it may be little consolation to those who've lost loved ones to the COVID-19 pandemic, one positive outcome of the crisis has been the stunning pace at which the immunization process—from sequencing the virus to vaccine discovery to delivery—has been telescoped by health and economic urgency. Dr. Tim Evans, the Executive Director of Canada's COVID-19 Immunity Task Force, explains.

Dr. Tim Evans

In the May 2020 issue of *Policy*, two months into the global pandemic of COVID-19, I outlined several areas of focus to strengthen Canada's pandemic response. These included: scaled-up testing; procurement of critical materials; the safety of care workers; attention to hot spots like long-term care; and investing in accelerated development of new technologies like vaccines. With indications the first wave was on the wane, there was optimism these measures would flatten the curve and accelerate the re-opening of the economy. Now, in the midst of a much-bigger-than-expected second wave and with a return to lockdowns, it is clear these countermeasures have fallen short. The singular exception relates to vaccine development, where rapid progress is raising hopes amid wider despair.

The world celebrated news of the first recipients of the Pfizer/BioNTech vaccine in the United Kingdom just one week after its regulatory approval. Health Canada has followed suit, approving the same vaccine this week, with a quarter of a million doses scheduled for delivery by year-end. Incredibly, the revving up of vaccine discovery and production has landed us with a 2021 public health challenge like no other in history: how can COVID-19 vaccines be delivered to the majority of the world's 7.5 billion people?

The story of how we arrived at this grand challenge on vaccine delivery deserves some reflection. As we enter the COVID-19 vaccine era, it is important to note just how meteoric and unprecedented their development has been. In the first 12 months of the pandemic, 12 vaccines have made it to Phase III clinical trials, the final stage of evaluation prior to regulatory approval. This contrasts with the normal industry standard of 10 years for getting a single vaccine to Phase III clinical trials. Within a year of the outbreak, three vaccine candidates are likely to receive regulatory approval, two of which have pioneered a novel approach to vaccination (via messenger RNA, or mRNA). Moreover, as this accelerated vaccine development was taking place, companies were building global production capacity for billions of vaccines. Never has the world witnessed such an abundant scientific harvest on so many fronts in such a short period of time.

While there are countless factors explaining this yield, a few deserve particular attention. First, the complete genetic sequencing of the SARS-CoV-2 virus and its placement in the public domain within 2 weeks of the outbreak allowed interested parties, globally, to begin working immediately on vaccine development. One would be hard pressed to imagine a stronger endorsement of the value of open science. As Jeremy Farrar, head of the Wellcome Trust in London tweeted "(this is a)…really important moment in global public health."

Second, the novel approach common to both of the Pfizer/BioNTech and Moderna vaccines emerges from decades of research on messenger RNA (mRNA). The results from the late-phase trials showing up to 95 percent success in preventing infection are rarely seen in vaccine development and the 50 percent threshold of regulatory bodies. Together with very good safety profiles, this breakthrough approach holds boundless promise for application to other infections.

Third, government treasuries took unprecedented risks in backing vaccine development with multi-billion dollar subsidies. In the face of the multi-trillion dollar cost of COVID-19 to the global economy, these subsidies represented an overwhelmingly positive return on investment. Smart

and scaled public financing not only removed financial barriers to vaccine research and development, but also guaranteed, through advance purchase agreements, global production capacity for billions of vaccines well before their regulatory approval.

The manufacturing at scale of unproven vaccines is unprecedented. The Canadian government negotiated these purchase agreements with seven vaccine manufacturers, guaranteeing procurement of more than 200 million vaccine doses for Canadians. These agreements will ensure an adequate market share of COVID-19 vaccines for Canadians in a competitive global market. Further, over-procurement hedges the risk that some of these vaccines will not meet regulatory standards.

Now comes the challenge of figuring out how to vaccinate the majority of Canadians as quickly as possible. The government of Canada has set the ambitious targets of vaccinating three million Canadians by March 2021 and the rest of Canadians by the end of the 2021. This 12-month delivery challenge is no less daunting than discovering and producing COVID-19 vaccines at scale within a year.

Encouragingly, the Public Health Agency of Canada has just issued a COVID-19 immunization plan. Grounded in clear principles with multi-jurisdictional engagement, the plan identifies seven action elements with the overall objective of enabling rapid immunization of Canadians with priority to high-risk populations. Several of these elements are already well underway, such as procurement arrangements for vaccines and their regulatory approval, and the prioritization of the elderly and care workers as the first to receive the vaccines. The recent announcement of "Operation Vector", enlists the military through a National Operations Centre to ensure timely and efficient distribution of vaccines to the provincial-territorial front lines. All of these elements to strengthen the delivery of vaccines hinge on the choice of individual Canadians to take them.

With politicians eschewing mandatory vaccination, this choice boils down to persuading and enabling those whose lives are on the line "to get in line" for vaccines. While surveys suggest about two thirds of Canadians are willing to get in line, vaccine hesitancy—the reluctance or refusal to be vaccinated—is widespread enough to require pro-active management. Hesitancy is actively fueled by anti-vaccine crusaders who are rampant on social media. Moreover, for informed and misinformed publics alike, hesitancy is refractory to old-style public health messaging of "these are the facts" or "don't listen to them". Tailored communication engaging diverse communities with trusted agents deploying an array of media is the way forward. However, generating these strategies rapidly and deploying them at scale requires tapping the best strategic communications minds, social media and community micro-influencers all at the same time.

Beyond effective communication and engagement strategies, the choice to be vaccinated relies on an individual's confidence that a vaccine is safe and effective. Even with rigorous regulatory approval, safety and effectiveness remain an ongoing concern as vaccines roll out. The early reports of allergic reactions to the vaccine in the UK underline the imperative for ongoing vigilance. Many questions require further study. For example, how long will vaccine protection last? Does vaccinating persons previously infected with COVID-19 pose any risks? Does vaccination prevent transmission of infection? And what about subgroups like infirm elderly, children and pregnant women on whom the vaccines have not been tested?

Answering these and other questions central to vaccine safety and efficacy requires a fit-for-purpose vaccine surveillance system. Ideally, a pan-Canadian vaccine registry in which every person vaccinated is followed-up over time would provide the best and simplest system. Unfortunately, with the delegated responsibility of health to provinces/territories, there is no such unified system in Canada. Instead, monitoring vaccine safety and effectiveness across the country will require aggregating across P/T systems and pulling together a diverse array of purpose-built networks—largely found within the Canadian Immunization Research Network. Repurposing, aligning and mobilizing this patchwork vaccine surveillance system to match the speed and scale of the vaccine roll-out is a tall order but must garner the requisite political and technical attention to sustain vaccine confidence.

The delivery challenge, however, goes well beyond securing public confidence in vaccine safety and effectiveness. COVID-19 vaccines are unlikely to have a significant impact on the trendline of SARS-CoV-2 cases and deaths for at least several months after roll-out begins. As such, good public behaviors such as physical distancing and mask wearing will need to be sustained in order to counter expectations that immunization permits an immediate return to "normal life". Without active management of these expectations with clear data, new COVID-19 cases during the roll-out may be misinterpreted as a failure of vaccines.

As we look forward to the COVID-19 New Year, therefore, the response must not only seize the opportunity of vaccine delivery but also surmount the second wave! On both of these fronts, the battle's most valuable resource will remain an informed and engaged public supported to make the best choices for their own and the nation's health. P

Dr. Tim Grant Evans is the Executive Director of the COVID-19 Immunity Task Force and Director and Associate Dean of the School of Population and Global Health at McGill University. He is former Senior Director, Health, Nutrition & Population at the World Bank.

Prime Minister Justin Trudeau with the media under cover of an open air tent at the PM's residence at Rideau Cottage, for months the main venue of news announcements on the pandemic. What will 2021 bring? In a world of social distancing and virtual campaigning, perhaps more of the same, plus vaccine news and updates. *Adam Scotti photo*

An End to the *Annus Horribilis*? Team Trudeau's Year Ahead

Among the oddities of a pandemic combined with a lockdown is that the most indelible image of the year 2020 in Canadian history will be of a young-ish prime minister with a salt-and-pepper beard standing in front of a Victorian house in Ottawa, addressing his fellow citizens through the lens of a television camera. How that inextricable association with deadliest, costliest crisis ever to hit the world in peacetime will play out in Justin Trudeau's political fortunes will depend on may factors, writes veteran Liberal strategist and H+K Vice President John Delacourt.

John Delacourt

The year 2020 has been defined for Canada's Liberal minority government by variations on tragedy and crisis response. As a high-ranking Conservative put it to me, Prime Minister Justin Trudeau has earned the grey in his beard. How many ways can events converge to break the spirit of a country? Air tragedy, mass murder in a small community, the insistent drumbeat of our most vulnerable claimed by a raging pandemic? It's a checklist from hell.

More to the point, from how many fronts can the Liberal government's mettle be tested? Let's add the

threats of a refreshed Conservative brand with a new leader, the slow-drip depletion of the Liberals' hard-won political capital with the WE charity controversy and, oh yes, the departure of a finance minister before any kind of budget could begin to be drafted. If the plot points were formulated by a fiction writer, one would say the 2020 narrative for the Liberals had an over-determined tragic arc.

Except the real arc was a curve of COVID-19 cases that rose in the third act of this year with surprising momentum. When emailing anyone inside Trudeau's government about what the year ahead might look like, you were likely to read a response like "2021? Let's talk about next week instead. Or better yet tomorrow." In all seriousness. Because serious is not a mood, it's room tone now. And that's not likely to change anytime soon.

This despite the prospect of something like crisis resolution with the long-awaited distribution of COVID vaccines. All talk of decision points and what can be expected for the year ahead—the budget, the likely election—is, for the time being, subsumed by the massive logistical undertaking required over the next few months.

This major mobilization is being aptly compared to a war effort, and not simply because it is being led by a former NATO commander in Iraq, Major General Dany Fortin, with a staff of 28 seasoned planners of ground operations in international hot zones. The official line is that this is a "whole of nation" approach to preparing for the known unknowns, and so much of it is further complicated by the unique factors of COVID vaccine production, storage and distribution that will weigh heavier on resources and timelines in, say, Nunavut than it will in downtown Ottawa, where Fortin's team is based. Calling in the military was once viewed as an admission of planning or negotiation failure in the face of emergency, be it snowstorms or blockades, but that's so last century now. The country is under attack and a few days lost to crisis mismanagement means thousands of lives are suddenly at risk.

> *"Election readiness activities—the selection of candidates, fundraising and even a little virtual meet-and-greeting—continue apace but more as contingency planning. There is much more work ahead on what's keeping many potential Liberal voters up at night."*

So, it may be no surprise that, given where the focus is, talk of confidence votes in the House and a possible spring election can seem like considerations currently in the periphery. Election readiness activities—the selection of candidates, fundraising and even a little virtual meet-and-greeting—continue apace but more as contingency planning. There is much more work ahead on what's keeping many potential Liberal voters up at night. The vision for economic recovery first signaled in the Speech from the Throne acknowledged that the pandemic had pulled the curtain back on some troubling systemic inequities. Building back better for the Liberals means that advancements in national pharmacare, affordable housing and clean technologies—the policies first introduced with the 2019 campaign platform—will remain in the foreground. But there is a new urgency in responding to the social injustices that a summer of Black Lives Matter protests gave voice to with the gravity of a persistent injustice that knows no borders in North America. The continuing work of reconciliation with First Nations is another vital component of this renewed commitment to historical redress. To add to this, the two glaring challenges for governments the pandemic has amplified are the struggles with adequate childcare and seniors care that many Canadian families are facing. Any campaign platform the Liberals are currently sketching out will assuredly emphasize these as priorities.

So, with all of this in mind, 2021 is unlikely to bring any surprises in terms of policy announcements; day-to-day crisis management contains as much of the unpredictable as anyone can bear right now.

What Finance Minister Chrystia Freeland is likely to affirm, whether an election is in the offing or not, is that there can be no recovery that doesn't put the health and wellbeing of Canadians first above all thoughts of opening up the economy once again. She remains poised to defend this approach from the Conservatives' attacks in the House, which center on how open-ended deficit spending continues to be.

Will this approach bring the Liberals back in power? Perhaps it is owing to a state of collective exhaustion, but there is a blasé tone that sets in when you talk of the next election campaign with anyone who'll have to take the Liberal vision on the road (or on the Zoom tour, coming to a computer screen in front of you). It's the new legacy of crisis response; a government that has, but for a brief interlude in the summer months, been constantly communicating, announcing stimulus measures rolled out in record time, then extending, adapting and expanding upon all the support it initially put in place. So much of any nascent campaign platform feels like it's already been put through its paces in the scrums from the Prime Minister's front yard each day.

And with many of the commitments to prop up struggling businesses,

Vice President Joe Biden and Prime Minister Justin Trudeau have a private stroll down the corridor of the National Art Gallery in Ottawa in late 2016, only weeks before the Obama administration left office. The next time Biden visits Ottawa it will be as President of the United States. *Adam Scotti photo*

there have simply been fewer options to consider, too. Take, for example, the restaurant sector. When a report from the Canadian Chamber of Commerce states that as many as 60 percent of them will be out of business by the end of the year, what government, be it Conservative or Liberal, would not be compelled to act, taking on some more debt so those business owners will not have to? Perhaps the wartime analogy obtains once again; who would want to campaign against the most aggressive measures possible taken against an enemy threatening a way of life?

When the smoke on the health and economic battlefield clears, the Liberals will shift focus to non-pandemic relations beyond our borders, where an imminent Joe Biden presidency shares some features with the advent of available vaccines.

Biden's inauguration will mark the conclusion of the most volatile phase ever of bilateral issues management. There are no guarantees that things will return to what was once considered normal; Biden is unlikely to disavow some of the policies that could be considered economically nationalist, given how acutely economic decline continues to afflict the rust belt states, not to mention the states that are the major agricultural producers. But as one senior Liberal adviser put it to me, there will be a coherence, a consistency, something close to predictability in trade relations. There will be known unknowns to contend with once again.

An American president who believes in the value of multilateralism and diplomacy also bodes well for an alliance to combat the worst effects of illiberal populism, be it found in former Soviet satellite nations, India, Latin America or China. And this too gives this Liberal government cause to hope that the coarsening of foreign policy may no longer be trending for the worst. The new geopolitics may ultimately be about digital infrastructures, defined by their standards of cybersecurity and regulatory environments, but much of this dialogue will require the oldest tools of diplomacy: an open mind and a firm hand on national self-interest. A seasoned diplomat in the White House bodes well for congenial relations and new partnerships in the coming months.

> ***"Trudeau's team can be forgiven a little confidence—even when it's easily spun as arrogance by an Opposition restive for a campaign—for saying 'bring on the budget vote, there's a lot of work to be done to get the country back on its feet'."***

And so, even with the prospect of an election in the spring, the Liberals can console themselves that 2021 will at least be more predictable, and their messaging has been tested every day for much of a year. What is a six-week battle after you've just waged a twelve-month war? Trudeau's team can be forgiven a little confidence—even when it's easily spun as arrogance by an Opposition restive for a campaign—for saying "bring on the budget vote, there's a lot of work to be done to get the country back on its feet". And if the provincial elections in New Brunswick and British Columbia are any indication, attempts to politicize those efforts at economic recovery by forcing Canadians to the polls may be met with a stronger rebuke than the Opposition imagined.

So, Liberals, going into 2021, can legitimately take stock and be hopeful. Not only that the worst has passed but that they may even aspire to a strong showing in the House after the votes are counted in the next election. P

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Conservative Leader Erin O'Toole needs a united party for a busy year ahead. *André Forget, CPC photo*

Erin O'Toole's 2021 To-Do List: Broaden the Base

While Canadians may not have greeted Erin O'Toole's August election as leader of the federal Conservative Party with an outpouring of Erinmania, they did have a few other things on their minds. Since then, O'Toole has been defining himself as an alternative to Justin Trudeau in anticipation of an election that could come any time. Two of the shrewdest Conservative strategists in Canada, Earnscliffe's Geoff Norquay and Yaroslav Baran, lay out the perils and potential for O'Toole as the new year dawns.

Geoff Norquay and Yaroslav Baran

It is a truism of electoral politics in Canada's four-party system that governments get elected when they reach the 36 to 38 percent threshold in the popular vote. With the Liberals lately averaging roughly 36 per cent in support, the Conservatives constantly at around a third of the vote and the NDP at 17 percent—give or take a point or two—elections are, more often than not, decided by which party has the more "gettable votes" or room to grow in the margins beyond those bases.

These prevailing trends in popular support usually leave the Conser-

vatives with two choices: hope and pray for a strong NDP to siphon centre/left votes away from the Liberals, or expand their base. Newly elected Conservative Leader Erin O'Toole is beginning to address this perennial challenge through a series of initiatives to broaden the number of Canadians who are willing to give the Conservative party a chance.

As 2021 begins, these efforts are a work in progress, hastened by a loudly ticking clock. Depending on a timely and successful rollout of the vaccines that will stem the tide of the COVID-19 pandemic's second wave, Canada could well be in an election shortly after the spring budget, either because the Liberals want one, or the opposition parties see the opportunity of electoral gains at the Liberals' expense.

The boldest of O'Toole's outreach efforts is to working class and lower middle-class Canadians. The strategy is based on recent trends observed in the United States and the United Kingdom that have seen working-class voters increasingly abandon traditional voting patterns and cross from the left to support the right. This is not a pie-in-the sky gambit. In 2016, Donald Trump's appeal to the "left-behinds" living in "fly-over states" fuelled his presidential victory. In 2019, Boris Johnson won a majority by breaching Labour's "red wall" stronghold in Britain's north with a successful appeal to working-class voters.

The new Conservative leader has begun courting private sector labour unions in the services and the skilled trades to build bridges, describing them as an "essential part of the balance between what was good for business and what was good for employees" in a recent speech. This labour outreach is not without challenges. O'Toole has to live down something Harper got wrong in courting these voters: legislation designed to undermine and weaken unions under federal jurisdiction. O'Toole's own promise to party faithful during the recent leadership campaign to be Unifor President "Jerry Dias's worst nightmare" may not be helpful.

"Canada could well be in an election shortly after the spring budget, either because the Liberals want one, or the opposition parties see the opportunity of electoral gains at the Liberals' expense."

Perhaps to keep faith with the party's more "regular folk" supporters, O'Toole's appeal at times has a distinctly populist tinge. In his October Canadian Club speech, he claimed that "middle class Canada has been betrayed by the "elites" pursuing "unchecked globalization." While the current pandemic has reminded us all of the value of national self-sufficiency, and he will need to be careful not to stoke the rage of the radical individualists. We have just had a four-year lesson to the south on where "know-nothing" populism leads, and Canadians will not buy that approach.

O'Toole understands that the nativist backlash to globalization has its origins not only in the loss of skilled jobs but also in the inability of governments to respond to growing economic insecurity, complicated by elite contempt for its victims. (Think Liberals pushing for thousands of clean-tech jobs for people who would gladly displace thousands of Albertan energy workers—a group barely tolerated through gritted teeth and forced smiles—without addressing the bridges needed to ease such a transition.)

Indeed, it can be argued that the most valuable lesson of the recent global rise of populism is that, while the decades of globalization have resulted in prosperity, they also had a fundamental blind spot: a singular focus on statistics rather than people. What matters, however, isn't just the two million net new jobs resulting from a particular policy initiative, but how we got there. If a million workers were displaced to create a new industry for three million, then it's a problem. American Author J.D. Vance captured well the social consequences of entire industries, classes and regions being squeezed out to make room for newer sources and regions of prosperity in his bestseller *Hillbilly Elegy*. Every political leader on either side of the border would do well to read the book.

The best response to these challenges is not to ignore or patronize real anxieties, but to respond with detailed policies that prove the Conservative Party fully understands the aspirations and needs of gig workers, Uber drivers, redundant petroleum engineers, and factory workers worried about their jobs.

The road to expanding the Conservatives' potential base runs directly through energy and climate policy. O'Toole's predecessor, Andrew Scheer, was unable to convince Canadians that he understood climate change or took it seriously; consequently, he paid a price at the polls. A September Leger poll for Canadians for Clean Prosperity found that 67 per cent of potential Conservative voters living in Ontario's "905 region" were not prepared to vote for a party that doesn't have a credible climate plan, and an equal number also said a carbon tax and rebate should be a priority.

O'Toole has opposed a carbon tax, but has also been open to provinces adopting other approaches to carbon pricing or other market mechanisms; he also favours the recent federal announcement of energy retrofits for homes and businesses. He

has said he supports policies that "reduce emissions without undermining productivity." That's a start, but the party will have to reconcile the instinctive fears of a carbon tax among Albertans and Saskatchewanians in the oil sector, with the expectations of Quebecers and Ontarians who don't think twice about the petroleum industry and for whom a strong emission-reduction plan is electoral table stakes.

While a full platform is under construction by the leader and caucus, O'Toole has made some good starts in other policy areas.

With Canada-China relations in the deep-freeze courtesy of the Meng Wanzhou extradition case, which provoked the arbitrary detention of two Canadians by China, the Conservatives have been scoring significant points on the government's lack of response to China's increasingly aggressive foreign policy.

Indeed, a China policy most resonating with regular Canadians is built on three Michaels: Michael Kovrig and Michael Spavor—whose abduction by Beijing sparked a broad Canadian distaste for their state captors—and Michael Chong—O'Toole's unassailable foreign affairs point man. Chong has been Parliament's most vocal critic of the growing influence of Chinese agents in Canada, the genocide against Uyghurs in China, and the crackdown on democratic rights in Hong Kong. O'Toole has been equally critical of the Trudeau government's "endless indecision" on Huawei's involvement in building Canada's 5G network.

Recent polling suggests Canadian public opinion supports what O'Toole is saying. In October, Pew Research reported that seventy-three per cent of Canadians now hold an unfavourable view of China. O'Toole links concerns about China's growing influence to a tweaked Conservative trade policy: "I want working families to know our focus is on their well-being by seeking better trade deals and opening new markets as we re-balance trade away from China." This is a departure from Canadian trade policy under Prime Minister Trudeau, and it is resonating with the public.

> ***"O'Toole will also have a challenge in managing the more extreme social conservatives in his camp—not the pragmatists who happen to be socially conservative, but the ideologues like former leadership hopeful Derek Sloan."***

Perhaps the most profound tests for Erin O'Toole in the year ahead will be his ability to deal with political traps laid for him by the Liberals. They have already attempted to bait him on social policy such as new federal legislation on conversion therapy and medical assistance in dying. The Tory leader has managed both files smartly—supporting the objectives in principle, and working to fine-tune the bills rather than opposing them. The coming year will hold more traps from a government that is expert at laying them. This could include "poison pills" in the federal budget designed to force the Conservatives to vote against a package that contains other popular and needed COVID recovery measures. While such tactics are hardly new, dealing with them requires nimble political skill and shrewd political messaging. To his credit, O'Toole has brought in some of the best advisers his party has on offer to help on both counts.

O'Toole will also have a challenge in managing the more extreme social conservatives in his camp—not the pragmatists who happen to be socially conservative, but the ideologues like former leadership hopeful Derek Sloan, who wears it on his sleeve and for whom public provocation appears to be the primary objective. The latter has also become a poster child for anti-vaxxers—a group O'Toole would not want anywhere near his party, particularly at such a sensitive time.

O'Toole is a fighter. And given his background and varied career history, he has greater credibility potential than either of his predecessors. His childhood was split between his hometown of Montreal, Quebec, and Bowmanville, Ontario. First an Airforce Captain, and later a lawyer, GTA's autoworkers were his neighbours. There is something in Erin O'Toole with which most Canadians will be able to relate. His "real people" background should serve him well in contrast to an opponent born into privilege. He also lacks his opponent's proclivity for political gaffes and lapses of judgment, yet trails Trudeau in dynamism and political charisma.

A second truism in Canadian politics is that opposition leaders do not defeat governments—governments defeat themselves. This means O'Toole's job is largely to be the next credible person ready to take up the mantle when the time comes (and possibly hasten the process a bit, if he can). Erin O'Toole is already taking important steps to be that natural successor when the government changes. He's off to a good start, and he has to stay on a path that includes boldly challenging some canonical tenets of his party, and renewing them into a more modern Canadian conservatism. It won't be easy, but it will ultimately be his path to electoral success. P

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Canada's 2021 Political Forecast:
LESS TRUMP NOISE, MORE SABRE RATTLING

The global health and economic exigencies of the COVID-19 pandemic have redefined our political context for nearly a year. In the same way that world wars have been a test of domestic political leadership, Canadian leaders will be defined by what they did in the war on this pandemic. As veteran political strategist Robin Sears writes, those definitions, and the crisis itself, may have to clarify before a federal election can be fought.

Robin V. Sears

It's usually unwise to choose an untested personality as a party leader. There are occasional exceptions that prove the rule—Rachel Notley, Barack Obama. Then there is the much larger club: Andrew Scheer, Michael Ignatieff, Boris Johnson, Brian Pallister. One might have put Jagmeet Singh in the bigger group if Justin Trudeau had not handed him a racist springboard from which to soar in 2019. Today, Singh has had a solid minority opposition party leader performance.

After the bruising and bizarre year 2020 fades into mostly unhappy memory, the three national political parties face an almost equally challenging one ahead. On the pandemic journey, we have a complex set of issues to manage about vaccine distribution, schools and economic recovery.

First—following Chrystia Freeland's economic statement, and the subsequent response to it in a minority House—comes Budget 2021, expected in February or March. Do the Liberals use it as a launching pad for a campaign, or has their window of opportunity begun to close as the pandemic lingers? For the Tories, do they try to force an early election as the Liberals appear to be losing their COVID cover? Or will that be seen as staggeringly irresponsible if the pandemic is still raging, and deep problems about vaccine access have continued to grow?

Does the impressive launch by their new leader, Erin O'Toole, get strengthened by more social equality and green policy foundations, or does the passage of time merely leave his caucus opponents—and the occasional anti-vaxxer idiots, notably Derek Sloan, in his caucus—to energize opposition to his more centrist Progressive Conservative approach to platform development?

For the New Democrats, who were still deeply in debt in the fall, dodging an election was strategically essential. That debt will be gone in short months, and they plan to have a set a goal of 240 candidates selected in the first quarter, with very few caucus members retiring. They appear closer to formulating a powerful message on social justice, challenging the Liberals' failure to deliver from the left, while O'Toole attacks from the centre-right. Jack Layton had an awful first two campaigns, then found his voice in 2011—only to be so tragically silenced just weeks later. Singh increasingly sounds like he has found his political voice.

The traditional clichés about the fall of minority governments—smaller party loses, governing party peels votes from both sides by appealing for a majority—are only partially true this time. Canada being Canada, each party has widely varying challenges province by province.

Will Alberta's and Jason Kenney's bungling of COVID see disgruntled Tories stay home, leaving some room in Edmonton and Calgary for both the orange and red teams? Does Brian Pallister's wasted summer and fall disaster, notably his public meltdown in early December over COVID, mean Tory losses in Manitoba? Do the impressive pandemic management and strong new majority of British Columbia's New Democrat premier, John Horgan, assist his federal party in seat-rich B.C.?

The party facing the greatest challenges this time is clearly the Liberals. They will have been in power for six years this November, with a decidedly mixed legacy on policy delivery versus theatrical performance.

They face a broadly appealing leader and a financially secure challenger on their right, for the first time since Brian Mulroney showed up nearly four decades ago. On their left, they face an increasingly seasoned and confident NDP leader who has managed his political position well in this pandemic. For the first time ever, they face an impressive newcomer in Green Leader Annamie Paul, who will no doubt challenge them in Ontario, Quebec and B.C., among women and younger voters.

All of which is causing some seasoned Liberals to hold up a caution sign about an early election call—still reportedly Justin Trudeau's imprudent

preference. Why not wait until the pandemic has been truly defeated and the economy is on a sound path to recovery? What is the benefit of going early, when neither the health nor the economic ballot questions can yet be answered? Why not a fall or even spring 2022 campaign, when Liberals can claim victories on both fronts with much less risk of contradiction?

For New Democrats, a further timing complication is Ontario. Until recently, the Ford team was preparing for a campaign in the first half of 2021. But then things went south in their management of the second surge of the pandemic. Now the fervour is cooling even among the hawks. Andrea Horwath and the NDP team are not only out of debt and building a good war chest—the only one of the provincial parties who can make that claim—they are increasingly confident about their ability to challenge the new Liberal leader, Stephen Del Duca, whose timid and tepid launch has even many Ontario Liberals scratching their heads. The Liberal base is still deeply vulnerable—so battered in the previous election it was not only banished from government to opposition, but denied even third-party status being one seat short of recognized party standing in the Legislature. It is not clear their federal cousins will show much interest in offering the kind of assistance they showered on the Kathleen Wynne campaign in 2018.

Del Duca will presumably find his feet, not to mention a seat in the Legislature over time, but the temptation of a summer/fall campaign for the Ford team remains strong as they believe they will have an easier campaign in a one front war with the New Democrats. The timing and outcome of the Ontario and federal election will be determined by one question and one question only: Do the Ford and Trudeau governments deserve to be punished for their shaky pandemic management of the second wave? And there won't be federal and provincial campaigns in the same political season in Ontario.

NDP Leader Jagmeet Singh in October 2020, after a solid first year for a new leader in a contentious minority House. *NDP B.C. photo*

Quebec is a puzzle for all five federal parties who will contest the federal election there. Will the Bloc Québécois be able to defend their surprising 2019 comeback, or will history repeat itself with a slow secular slide. Jean-François Blanchet, another untested leader, had a good campaign performance but has been decidedly unimpressive in the House.

Will the fluently bilingual Ms. Paul be able to recruit a small group of young Green stars in Montreal to upheave all three of the national parties' strongholds? Will Trudeau get the largest share of the blame from Quebecers for their terrible pandemic experience? Can O'Toole's shift to the centre help rebuild the *bleu* coalition of nationalists, and small town, small business, farm and elderly voters—the coalition that shot John Diefenbaker and Brian Mulroney to stunning majorities in 1958 and 1984?

For the New Democrats, the Quebec decision forks are fewer and more obvious. This will not be an Orange Wave election in Quebec. There is no Jack Layton, the favourite son and the man with the cane. It will be a rebuild-slowly campaign, protecting the lone incumbent, André Boulerice, recruiting a few stars, and focusing on a small list of urban ridings.

If the vaccine rollout wobbles—which now seems more likely than not—if the second wave does not slow before the snow melts, and if angry anti-lockdown, anti-vax sentiment mounts and voters begin to seethe "Punish them!" neither the Ontario Tories nor the federal Liberals are going to call an early election. If the assessment is mixed, one or the other seems likely to want to revive their mandates in the year ahead. In the unlikely event that they each get ringing endorsements for how they have juggled the pandemic issues of health, vaccination, education and economic recovery, we'll probably see them both go before the fall. I wouldn't bet the rent on strong pandemic reviews, however.

Erin O'Toole clearly wants to broaden the Tories' base to include some older white urban working-class voters, adding to the more SoCon, small town/small business base that Stephen Harper built. Keeping his SoCons in line will require some fancy footwork, but he appears to have concluded they have nowhere to go, so he needs to bend to them only rhetorically.

If there is pandemic finger-pointing, the federal Liberals will get attacked on all sides by Teams Orange, Blue and Green. Jagmeet Singh has flagged one likely barrage: linking vaccine bungling to broader public health mismanagement and the need for pharmacare protection. He will be tempted to oust the Liberals at a time of his choosing on the issue, as a social justice icon.

Now that we no longer need to obsess over a madman to the south, we'll be paying closer attention to Canadian political leaders and their pre-election sabre-rattling. It will be a high-stakes year for all—especially if we do not enter next summer proud to say we beat the most serious public health challenge in our history. P

Contributing Writer Robin V. Sears, also a Sunday columnist with The Toronto Star*, is a former national director of the NDP during the Broadbent years.*

The Greens' Annamie Paul—Ready to Make History, Again

Whenever the next federal election comes, voters will immediately notice a change in the fight card from 2019, with one new white male candidate and one new Black, female Jewish candidate. After 13 years as leader and four national elections, Elizabeth May will be replaced in the federal leaders' lineup by Annamie Paul. May writes here about why that's good for the party.

Elizabeth May

Having just lived through 2020, it feels an act of hubris to predict anything about the coming year, as no one could have predicted 2020.

It has been a year of health and economic crisis colliding with previously unthinkable politics to form an avoidable catastrophe. Among its other lessons, we are still a species crowding unwanted into habitats not our own. We are living in our own petri dish for other viruses, other pandemics.

Still, we have reason to hope that with the availability of vaccines, we can imagine a more normal life ahead. With the re-opening of our businesses, we can imagine economic recovery.

The economic impacts of COVID-19 were so unlike anything we have known before. It was an economic disaster, but household income of Canadians went up because of government programs. Levels of personal debt are down. The real estate market is hot. The forestry sector did well, as did construction. Tourism is in terrible shape. The oil and gas sector was hit hard. The energy mix is moving sharply toward renewable energy.

Some changes are likely to become permanent. The oil sands are not coming back as a growth sector. They are shrinking. New energy sectors are growing in solar and geo-thermal. Our working life will likely change as more businesses see benefits in remote working. And that will impact the service sector in our downtown cores.

The impacts are uneven. People are returning to work, but less so women. Finance Canada is worried about childcare in a way it has never been before. Income inequality, always visible before, has been rendered far more obvious in all of its impacts and implications by COVID.

Government finances are challenged, but interest rates are at all-time lows and our federal debt is increasingly locking in at low interest rates. While the C.D. Howe Institute worries about quantitative easing and the risk of inflation, most messages from the Governor of the Bank of Canada suggest deflation is a much bigger risk than inflation. The federal government provided 80 percent of all the COVID relief for Canadian individuals and businesses. No wonder the federal debt has skyrocketed and the deficit ballooned.

Those things needed to be done. Just as stimulus spending is still needed. The uncertainties of our economic recovery remain, and uncertainties generally abound.

One thing about which there is no uncertainty is that we cannot ignore the climate emergency.

As the year came to a close U.N. Secretary General António Guterres issued a stark warning: "Humanity is waging war on nature. This is suicidal. Nature always strikes back—and it is already doing so with growing force and fury."

Amid the pandemic in 2020, the world experienced over one hundred climate events that killed over 400,000 people. No one can forget the horrors of the fires that swept through the Western United States, producing smoke that choked us in British Columbia. The worsening intensity of hurricanes, the extreme drought in some regions and extreme flooding in others, heat waves in Siberia and fires in rain forests, massive loss of Arctic ice and rising seas—these are no longer future events, but daily headlines.

Governments around the world must make the transition away from fossil fuels a priority. The fate of the world improved with the election of Joe Biden as president of the United States. Biden, who'll be sworn in on January 20, 2021, has committed to immediately rejoin the Paris Agreement. He has appointed a cabinet-level envoy, John Kerry, himself thoroughly committed to meaningful climate action. With China having significantly improved its commitments to net zero earlier this fall, there is reason for optimism.

But we need to make up for lost time. In 2020, key climate goals were missed. We were supposed to in-

crease our target, our Nationally Determined Contribution (NDC) in 2020. We were supposed to have a plan in place for reducing emissions. No matter how much the Liberals claim otherwise with Bill C-12, the government's net-zero emissions legislation, they do not have a plan. Nor have we met the terms of our commitment in Paris to improve our 2030 target in 2020.

With great fanfare, on December 11, the day before the United Nations summit to mark five years since Paris, the prime minister announced we have a plan. Well, we do not. We have some new and welcome initiatives, such as increases in the carbon price and a whack of new green promises. But, once again, Trudeau ignored the pledge to improve our target. He offered that with more work with provinces we might get to 32-40% below 2005 levels by 2030; not officially a new target and far short of the cuts required to hold to 1.5 degrees.

Enthusiasm for the $15 billion in new green initiatives is somewhat muted by the Parliamentary Budget Officer's report from days earlier that government spending on the TMX pipeline is now cresting toward $17 billion. The sad reality is that Canada ranks near the bottom of the pack among industrialized countries on climate action.

We were hoping for more. We would rather congratulate Liberals for meaningful climate action, than blast them in a coming election.

And that brings me to another place of uncertainty. When will this minority government decide it's time to try for a majority and take Canadians into an election?

Just as I always did as leader of the Canadian Greens, so too does our new leader, Annamie Paul, keep principle at the forefront.

Annamie (pronounced Anna-Me) has already made history—being elected the first Black leader of a federal political party. And obviously tripling the "firsts" as the first Black Jewish woman leader of any federal party. A lawyer with serious international diplomatic experience and a global policy perspective, she brings the combination of breadth of vision and intelligence required to address the problems people want solved when they vote for us.

Green Leader Annamie Paul. Her predecessor Elizabeth May thinks the party made the right leadership choice, and the campaign will prove it. *Green Party of Canada photo*

After a vigorous competitive leadership race, Annamie's competence and principle in speaking to a vast array of issues has already assured Green Party members that we made the right choice.

Together, our caucus of three Green MPs works by consensus with our new leader to press issues that matter to Canadians in Parliament. With our members and volunteers, we are organizing for the next election campaign. The party commissioned an independent review of the 2019 election campaign.

The review, conducted by three noted academics (professors Kimberly Spears of the University of Victoria, Matto Mildenberger of University of California Santa Barbara and Janice Harvey of University of New Brunswick), found that our culture of grassroots democracy has led to barriers to our success. The structural and cultural barriers created by the Greens' anti-hierarchal philosophy can be changed without changes to make the leader the boss. The structural re-alignment means we will be more effective and coordinated to obtain better results. This is the election in which, with a fresh new face and voice at the helm, the Green Party will, I predict, significantly grow our vote—and our seat count.

Clearly, the post-pandemic desires of many Canadians resonate with key societal changes we Greens have been advocating for a generation—Guaranteed Livable Income, pharmacare, a post-carbon economy, early learning and child care and greater and more effective protection of nature.

As Annamie Paul has said from the moment she was elected leader on October 3rd, the Green Party is exactly suited to the times. "The policies that have mattered the most and the policies that have been spoken about the most are not our environmental or climate policies at the moment," Paul told CBC News.

"It has been our social policies—our role in championing and leading the way on Guaranteed Livable Income or universal pharmacare or reform to our long-term care system. People in Canada are starting to see all of the dimensions of the Green Party."

The more Canadians hear from Ms. Paul, the more likely they will be to want more Green MPs in the House.

In uncertain times, Canadians want to hear from thoughtful people who seek to inspire hope, rejecting fear-mongering and partisan sniping. The more they get to know Annamie, the more they will want to hear. And the more they will sign up to help Annamie make history again.

2021 will be our year. P

Contributing Writer Elizabeth May, former Leader of the Green Party of Canada, is the MP for Saanich-Gulf Islands.

IN BETWEEN WHAT WAS AND WHAT COULD BE
America on the World Stage

The four years of the Trump presidency were uncharted territory in American foreign policy. President-elect Joe Biden and his foreign policy team will prepare their path forward as of January 20. Former US career diplomat, now Ottawa-based expat Sarah Goldfeder assesses that transition from up here.

Sarah Goldfeder

Since the very beginning, foreign policy experts have disagreed on the proper and balanced role of the United States of America on the world stage. For the first 35 years of America's democracy, foreign policy was simple. It was focused on protecting and nurturing established alliances and ensuring access to trade routes. The notion of entanglements in the affairs of others was rejected as being particularly imperial, and exactly what the American colonies had rejected in the policies of King George.

It wasn't until the 1820s and the heated debate on the Monroe Doctrine that the United States articulated a fully-developed foreign policy. It took generations to get from there to the post-Second World War assertion of the Marshall Plan and the entrenchment of American diplomacy and military power around the world.

Throughout its history, Americans have argued among ourselves about the rightness and efficiency of our global involvement, and with the evolution of the intelligence community from war-time capacity to fixture of the everyday diplomatic relationship, many have questioned the why, the how, and the what.

Americans believe in democracy and freedom, in "life, liberty, and the pursuit of happiness." But we struggle with the reality that some democracies and some pursuits will not align with our understanding or experience. Our ability to see the world from the point of view of others is limited. The lack of personal interactions with foreign perspectives has much to do with the same geography that allows us to escape the immediate consequences of war and famine. It protects us, in more ways than one. The distrust of mainstream media reporting, official government reports, and the prevalence of propaganda dispersed by social media has only aggravated that disconnect.

Donald Trump operated with an overt philosophy that international involvement should only come with immediate benefits for the United States, based on his definition of "benefit". He reached out to dictators and global bad actors and pushed away America's traditional allies, including Canada. He has dispatched his second secretary of state, Mike Pompeo, his former CIA director and an evangelical Christian who has long blended religion and policy into his understanding of the national interest, to secure these immediate benefits.

The results have included a strengthening of Israel's alliances in the Middle East in the form of the Abraham Accords, which even Democrats, however unconvinced of the tactics, applaud. Speaker Pelosi and then-candidate Biden lauded the deal to deepen the strategic relationships between Israel, the UAE, and Bahrain. Other results have been less well-received, especially by globalists both in and out of government—from the deepening of the trade rift between the United States and China and the resulting increasing hostility between the two great powers to the ineffectual strategies employed against Iran and North Korea. In addition, the empowering of Israel, the endorsement of Israel's annexation of the West Bank settlements, and the assassination of Iran's lead nuclear physicist may leave an unwelcome inheritance for the incoming administration.

Canada and others could be forgiven for feeling that in the past four years the United States was not only turning away from the rest of the world, but lashing out at it. But if we want to gaze into the foreign policy crystal ball and ask what will a Biden administration will bring, we need to understand the past four years in the context of generational change.

The world should not want a return to a hegemonic, however benevolent, United States of America. Somewhere in between what we were and what we've become will be a necessary compromise. There are, of course, the arguments that the world itself has changed, has become more complicated, that our enemies are no longer nation-states that are subject to international standards of behavior and norms, but non-state actors. In the depth of these debates, academics and pundits inevitably sound nostalgic for other times. The reality is that every moment in America's past has contained uncertainty and instability, just as now. Non-state actors have been around since the beginning of state-to-state diplomacy and have always been

complicated as well as often ruthless and violent. The United States has, for decades, been an active participant in dialogues with non-state actors, sometimes openly and sometimes not, manipulating the ebbs and flows of these players for its own national interests.

The immediate renewal of the engine that powers American diplomacy will be the first order of business for the Biden national security team, including incoming Secretary of State Antony Blinken. The US Department of State, long the standard-bearer for the global diplomatic corps, has been hollowed out and demoralized in the past four years. The care and feeding of America's diplomatic, intelligence, and international development communities will be a priority. The Blinken era will be one of rebuilding and buttressing of the human capital that makes diplomacy happen. Colin Powell entered into his tenure as secretary recognizing the importance of taking care of the country's first line of defense in ways that only a general could thoroughly appreciate. Tony Blinken will similarly need to focus on building the intellectual and strategic personnel assets that the country will need to reestablish itself as a trusted actor on the global stage.

This national security team will also need to address fundamental issues that have long been ignored, and not just in the administrations of the immediate past. Americans need to be able to see how a global footprint is important, that what happens around the world matters to them at home. Putting a national interest test on foreign policy, trade, and development policy is already something openly being discussed—how to measure and understand how these policy actions impact middle and working-class Americans must be part of the process, similar to how Gender-Based Analysis (GBA+) is now entrenched in policy making in Canada.

The result may well be a less activist America, one that looks to the rest of like-minded nations to carry more water. This national security team will likely look to NATO allies and others, including Canada, and not only applaud the additional leadership they have taken in these past four years, but look to them to take on more.

Antony Blinken as US Under Secretary of State with Vice President Biden in 2016. As SecState under President Biden, Blinken begins with institutional knowledge of issues, including Canada-US files, that was conspicuously lacking under the previous Trump administration. *US Air Force Flickr photo*

The challenge for the Biden Administration will be navigating a world where trust in diplomatic institutions that form the foundation of this possibility has been eroded and networks frayed. They will have to not just convince the world that America is a willing partner, but Americans that the world stage is an important place to be.

Canada and the rest of the world understand that there's no snapback to how the world was before Donald J. Trump became president. But the real question is whether the world understands that the United States, in ways unique to it, has been failing its foreign policy infrastructure by failing the American people. There is every indication that the Biden team understands that one of the most challenging aspects of their foreign policy plan is domestic politics. Demonstrating the value of international entanglements to the American public will be both a priority and a challenge for Blinken and team.

The good news for Canada is that Americans understand the requirement for strong strategic relationships on the North American continent. If there is any country that is consistently understood to be a valuable and unconditional partner by Americans, it is Canada. The challenges for the relationship will continue to be the traditional 'condominium issues' that Condoleezza Rice described. Transactional and compartmentalized, these are largely trade-based, but also include burden-sharing at NATO and alignment on national security issues such as 5G network participation by Huawei.

Both Canada and the United States have long benefited from the asymmetry in the relationship, and there will be the expectation that the continued leverage of Canada's global relationships will work for the good of the continent. In diplomacy, sometimes the mouse is better deployed than the elephant. And now, at least for a little while, the elephant's behaviour should be more predictable. That said, expect the next four years to be about rebuilding the relationship between the American people and American foreign policy more than restoring American dominance to a world that is looking for a more multilateral approach to global leadership. Especially in a world post-COVID, with precious little funding on the table for investment diplomacy akin to the Chinese Belt and Road Intitiative, the United States will have to carefully choose its methods and spheres of influence.

Canada should stand ready to continue the pathway it has been on these past four years. Engagement, multilateralism, and leadership in areas of strength will remain important. The biggest change will be that instead of looking over its shoulder, Canada can look across the table at its neighbour and know that its contributions are valued and will be rewarded, not punished. **P**

Contributing Writer Sarah Goldfeder, a career State Department officer, was an adviser to two American ambassadors to Canada. She is now a Principal of the Earnscliffe Strategy Group in Ottawa.

Joe Biden's New Role: Humanist-in-Chief

The first two decades of a century transformed by the Fourth Industrial Revolution have been characterized by the gradual siphoning of power away from the public good toward a narrow group of interests that would once have been described as special, but who might now be more practically thought of as harmoniously corrupt. The new American president can begin to change that, writes longtime Washington columnist and Policy Associate Editor Lisa Van Dusen.

Lisa Van Dusen

More than any incumbent since Franklin Delano Roosevelt took office in 1933 amid the Great Depression, Joe Biden will have an epic checklist of immediate, medium-term and long-term priorities and promises to get through as 46th president of the United States.

When Biden took office as Barack Obama's vice president in 2009, the same was said about the global financial cataclysm that was both the urgent crisis management challenge and, potentially, the economic embolization that could choke their governing agenda. The Obama administration responded by combining economic recovery with progress on its policy priorities, including $90 billion in clean energy jobs and manufacturing.

So, Biden is no stranger to the hair-raising, white-knuckle transition briefing. But this time is different because the damage that he, Vice President Kamala Harris and their team face in the metaphorically ransacked Oval Office that Biden will be stepping back into will have been perpetrated and/or rationalized entirely by his predecessor. That list includes, first and foremost, a tragically avoidable death toll from a pandemic that should have been contained and whose contagion was amplified, accelerated and mocked by the president of the United States. It also includes the corruption and degradation of democracy that same president has undertaken, from his role as a one-man disinformation geyser to his threats against democratic norms, institutions and processes to his ongoing, at this writing, refusal to participate in the peaceful transfer of power that has distinguished every change in administration since John Adams succeeded George Washington in 1797. It also includes a pro-active campaign to deplete American influence worldwide, the emboldening of America's geopolitical rivals and the negative outcomes that have been produced as a result of both. More practically, it includes the sabotage of American governance from the inside, partly catalogued in the Michael Lewis book *The Fifth Risk*, that has defined a parade of public incompetence and corruption and gutting of public service bodies from the State Department to the Environmental Protection Agency.

Meanwhile, the hourly distraction and diversion, the sheer unbelievable lunacy of the reality-show rampage of the past four years has served another purpose. It has obscured the most urgent reality-based policy challenges that any normal presidency would have been compelled not only to focus on but, in a healthy democracy, deal with publicly.

There is no shortage of such challenges, from climate change to economic inequality. But two decades into the transformative impact of the Fourth Industrial Revolution, the public policy challenge that has been most impactfully obscured by the chaos of the past four years is the future of work, which is simply a less melodramatic way of labeling the future of human beings.

In his International Monetary Fund Richard Goode Lecture on Dec. 4, 2020, MIT economist Daron Acemoglu, co-author with James A. Robinson of *Why Nations Fail and The Narrow Corridor: States, Societies and the Fate of Liberty*, outlined how technological change over the past two decades has combined with the decline in labour demand, the decline in wages and earnings and the internet-surged rise of artificial intelligence (AI) to produce the societal reckoning we're now facing between the enormous profits of AI-enhanced automation and the value of human endeavour. "What we view as the right approach to AI is shaped by the same companies that are profiting from it," Acemoglu noted of Big Tech's influence on this evolution. "When you look at the vision of companies that… want to get rid of humans and make algorithms more capable, of course they are not going to spearhead technological change that puts humans back into the picture. We are putting all of our eggs in the automation basket because we have relinquished technological leadership as a society to a handful of companies led by a handful of people."

Joe Biden and Sen. Kamala Harris on the primary campaign trail in March 2020. They became the Democratic ticket and swept the popular vote by 7 million votes, and won the Electoral College by a decisive margin of 306-232. The College confirmed their election as President and Vice President on December 14. *Joe Biden Flickr photo*

The core question at the heart of this reckoning isn't whether Artificial General Intelligence (AGI) will have the capacity to learn any intellectual task that human beings can perform—that has essentially been answered. It's whether AGI will be able to replace humans across a broad range of production, and whether the prioritization of profit over people will allow that to happen. The implications of that question have not yet been the subject of serious public debate at national, international or multilateral levels, though they have been pondered for some time by Silicon Valley, intelligence agencies, academic specialists and the interests who stand to gain the most in power and profit from automation.

"If we just bumble into this unprepared, it will probably be the biggest mistake in human history," MIT physicist Max Tegmark says of the public intelligence vacuum on AI. "It could enable brutal global dictatorship with unprecedented inequality, surveillance, suffering and maybe even human extinction." That view is echoed by Tesla and SpaceX CEO Elon Musk, who, as the developer of an AI neuro-implant, knows something about AI's disruptive potential, and who has described it as humanity's "biggest existential threat."

The obvious bulwark against that Hobbesian nightmare in which human beings literally become more trouble than they're worth—with their costly health care needs and endless demands for food, water, freedom, agency and fun—is democracy. Lately, democracy has been as besieged as truth, normalcy, public integrity and human rights, most overtly by Donald Trump's antics and by China's leveraging of its economic heft to undermine democracy worldwide and of technology to prototype surveillance state authoritarianism at home and, increasingly, in Hong Kong.

The COVID-19 pandemic has accelerated AI trends that would be unbridled by the absence of democracy by several orders of magnitude. "If you ask tech companies, they think this is a great period for further automation," Acemoglu said. "Seventy-five percent of the companies in the United States say they are taking further steps no for further automation." The World Economic Forum says that the next wave of automation in 2025—accelerated by the pandemic—will disrupt 85 million jobs globally. In September, the Federal Reserve Bank of Philadelphia produced the study Forced Automation by COVID-19? Early Trends from Current Population Survey Data outlining the process by which time and lockdown attrition are already producing the permanent automation of human jobs.

On Dec. 4, the same day Acemoglu delivered his virtual IMF lecture, the Montreal inaugural plenary of the Global Partnership on Artificial Intelligence was wrapping up two days of meetings convened by Prime Minister Justin Trudeau and President Emmanuel Macron of France. The group, which also includes the United States, Australia, Germany, India, Italy, Japan, Mexico, New Zealand, the Republic of Korea, Singapore, Slovenia, the United Kingdom, and the European Union, represents the first, best example of a multilateral response to the challenge that holds the broader public interest at the core of its mission.

That may help the Biden administration begin to address at least one of three phenomena that have intertwined into one unsettling trend. The degradation of democracy, the economic marginalization of human capital and the avoidably amplified morbidity and mortality of the COVID-19 pandemic have produced the sort of devaluation of human beings and their interests that, history has shown, can be epically catastrophic.

The resistance to correcting what some interests see not as damage but as progress will be significant. But the arrival of a president whose profile includes the attribute of being authentically, empathetically human could bring exponential value to the process of reversing dehumanization. Joe Biden's job may be to build back better, but his role may be much larger. P

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Canada's Goal: Re-engaging the World on Trade

If the COVID-19 pandemic has reminded the world of how biologically and economically borderless our most wicked problems are, the presidency of Donald Trump was an object lesson in the importance of trade as a bilateral barometer and multilateral operating system. Veteran trade negotiator and former Canadian Ambassador to the World Trade Organization John Weekes looks ahead to the 2021 trade horizon.

John Weekes

The top trade priority for Canada in 2021 must be building an effective working relationship with the incoming Biden Administration in Washington. The reasons are simple. The United States remains by far our most important bilateral partner and working with the US will enhance the prospects for achieving Canada's objectives for global trade reform.

During the transition, President-elect Biden made clear that his focus will be on the pandemic, economic recovery, climate change, and healing a fractured country. Trade is not near the top of his priority list.

However, Biden will find it hard to avoid dealing with a number of trade issues because trade considerations will permeate many aspects of his domestic policy priorities.

Biden's trade policy will be more measured than Donald Trump's—less erratic, but still focused very much on what is best for American interests. Very importantly, it will be tempered by a belief that the rule of law in international trade relations is good for Americans. However, Biden's approach may still pose significant challenges for Canadian interests.

Any serious discussion of the future trade agenda will need to take account of the fact that the legislative framework empowering the president to negotiate trade agreements—Trade Promotion Authority or TPA, also known as "fast-track authority"—was last renewed in 2015 and expires on July 1 2021.

The pursuit of a number of Biden's top policy priorities will generate trade impacts in other countries. For example, addressing economic recovery through an infrastructure program with "Buy American" features, or addressing climate change by rescinding the presidential permit for the Keystone XL project, will adversely impact Canadian interests. At least, that's the consensus view of the Canadian energy sector and trade policy community. Even though this latter action would achieve no reduction of emissions in the US or globally, it would offer a political win for Biden's progressive supporters, led by his climate change czar, John Kerry, who as Secretary of State in the Obama Administration revoked the Keystone permit in the first place. On the hopeful side, the American Recovery and Reinvestment Act over which Biden presided following the 2008-09 financial crash included "Buy American" provisions to which Canada obtained key exemptions.

Several other trade matters will be hard to avoid. These include dealing with China, the crisis at the World Trade Organization (WTO), foreign discrimination against American goods, and ongoing trade negotiations, notably with the UK.

Biden has been clear that he views China as a "competitor" and not an "enemy" and that he wants to work with allies in bringing China more effectively into the rules-based system. He will also need to decide what to do about the tariffs his predecessor applied to China.

As a supporter of traditional American multilateral diplomacy, the Biden administration will want to show American support for the WTO. In particular, it will want to engage constructively in appointing a new director general, revitalizing the organization's negotiating function, and in finding a solution to the impasse largely created by the Trump administration over the Appellate Body. Biden will want to use the WTO and its dispute settlement system as part of his China strategy. There will be significant opportunities for Canada to work with the new administration in pursuit of Canadian objectives for WTO reform.

Unlike Canada and several other countries, the US does not have a free trade agreement with the European Union (EU) and is not part of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

Trade negotiations between the US and the UK are well-advanced; an agreement may be seen as attractive to the US which would like to help define the UK's post Brexit trade policy. In addition, the Trump administration has completed so-called Phase I agreements with China and Japan and it intended to pursue more comprehensive agreements at an early date.

As the new administration takes stock of the trade files, it may well conclude

Historical context on NAFTA 2.0 begins in Texas in October 1992. President Carlos Salinas, President George H.W. Bush, and Prime Minister Brian Mulroney watch as their trade ministers, Jaime Serra Puce, Carla Hills and Michael Wilson sign the first NAFTA deal. John Weekes was Canada's Chief Negotiator in the talks. *George Bush Presidential Library photo*

that trade needs to move up the policy priority list.

Canadians should not forget that, while Canada will be focused primarily on the Canada-US bilateral, the US will be focused on the world. Canada can maximize its influence in Washington by demonstrating how it be can be a helpful partner, with useful ideas. Working with the Biden team on global challenges will also improve prospects for successfully managing bilateral disputes.

To be successful in its US engagement, Canada needs to have a clear sense of its objectives and goals—the key elements of trade reform and trade disciplines needed to bolster Canadian trade competitiveness. This work will also pay dividends in furthering wider cooperation, for example with Mexico in working toward the smooth implementation of the Canada-US-Mexico Agreement (CUSMA) known as NAFTA 2.0.

Of course, Canada must also be prepared to firmly defend its interests if the United States, or any other country, takes unjustified action against Canadian exports that may require retaliation.

The digital economy is the most dynamic factor in international economic relations. Improved trade rules are needed to foster its contribution to growth in the global marketplace. Much groundwork has been done including in the CUSMA, but more is needed in part to prevent splitting the world into two digital universes as a result of damaging friction between China and the US.

Governments will emerge from the pandemic heavily indebted; this offers an excellent opportunity to improve WTO disciplines aimed at reducing the use of trade distorting subsidies. Before the pandemic, the US, the EU and Japan were already discussing how to engage in such negotiations with China. For Canada, heavily dependent on the export of primary commodities that are often subsidized by foreign governments, this is a unique opportunity.

The pandemic has illustrated the fragility of supply chains for medical products and underlined the need for a more resilient system to manage a future pandemic more effectively. Canada is already promoting new approaches through the Ottawa Group.

Beyond the US, Canada needs to redouble its efforts to ensure Canadians can sell their goods and services into fast-growing markets in other parts of the world. The Comprehensive Economic and Trade Agreement (CETA) with Europe and the CPTPP offer Canadians a chance to succeed in these markets because the United States does not have free trade agreements with these countries.

In the Pacific, Canada should be encouraging other countries in Southeast Asia to join the CPTPP if they are willing to accept its high standards. Doing so took on new importance in November when 15 countries signed the Regional Comprehensive Economic Partnership (RCEP). This deal, eight years in the making, links the 10 members of the Association of Southeast Asian Nations (ASEAN) with China, Japan, South Korea, Australia and New Zealand. Although it is not of the same quality as the CPTPP it is nonetheless expected to have significant trade-generating effects.

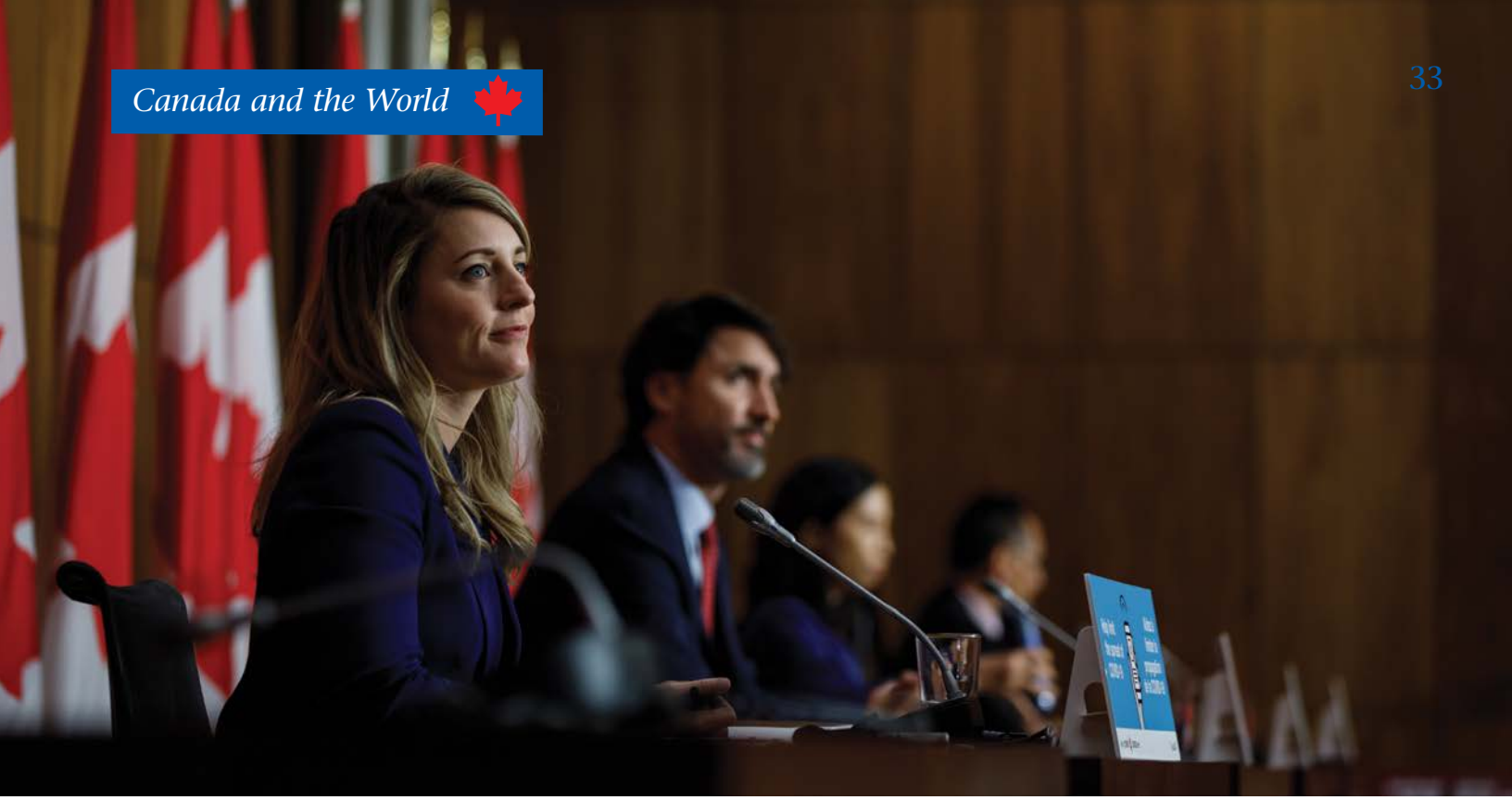
The Canadian government has already concluded a trade continuity agreement with the UK, to ensure the two countries continue to apply CETA-like conditions to each other when the UK completes its transition out of the EU on December 31.

In both the EU and the Pacific, the government needs to make a further effort to encourage and assist Canadian businesses to take advantage of these new trade agreements.

Finally, the government should develop a long-term strategy for strengthening trade relations with China. China is simply too big to ignore. By some measures it already has the world's largest economy and is growing at a much faster rate than any of our other partners. Despite the current political difficulties in the bilateral relationship, Canada's merchandise exports to China in September 2020 were 12.5 percent greater than a year earlier—this, while Canada's total merchandise exports dropped 7.4 percent and exports to the US were down 9.1 percent.

While there is no doubt about the tightening that has taken place under the Xi Jinping regime, at some point, if China's history is a guide, those favouring opening up and greater reform will once again be in the ascendancy. Canada needs to lay the ground now to prepare for that opportunity. P

John Weekes, a senior business advisor at Bennett Jones, was Canada's chief negotiator for the original NAFTA and served as ambassador to the WTO.



Official Languages Minister Mélanie Joly and PM Trudeau at a press conference in late 2020. In the Throne Speech, the Liberals promised a renewal of the Official Languages Act, but it's not clear what that means. *Adam Scotti photo*

Revising the Official Languages Act: Will History Repeat Itself?

Canada's Official Languages Act was made law in 1969, was substantially amended in 1988 and is now overdue for an overhaul. As the issue of language rights re-emerged in the final weeks of 2020, it was obvious that many elements of the debate have changed since 1988, but, as Royal Military College professor Stéphanie Chouinard writes, the politics at all levels remain remarkably consistent.

Stéphanie Chouinard

It has been several years since official languages have been as hotly debated in the House of Commons as they were in the last few weeks of 2020. Indeed, parliamentarians have recently focused on the status of both official languages, as well as whether, and if so, when, the government would present its plans for a new-and-improved Official Languages Act (OLA)—a promise the Liberals made during the 2019 electoral campaign and reiterated in last September's Speech from the Throne.

The OLA turned 50 in 2019; its present iteration was adopted in 1988. To say this legislation needs a revision is an understatement. Some of its elements are painfully outdated. For example, while Part IV of the Act outlines the federal govern-

ment's obligation to use both official languages in communications with the Canadian public, it is devoid of any mention of now-ubiquitous electronic communications or of social media. Other weaknesses in the Act, such as the Official Languages Commissioner (OLC)'s mandate, or Part VII of the Act (outlining the federal government's commitment to the enhancement of official language communities' vitality, which was gutted by the Federal Court in 2018), are also in dire need of a major facelift.

Generally speaking, it is good practice to revisit legislation of such importance as the OLA once every few decades to ensure its continued usefulness and relevance. However, debates on this legislative overhaul are taking place in a country that looks very different today from the Canada of 1988.

Firstly, Canada's demographics have changed drastically since then. Our population has grown by a third in the past three decades, and much of that growth can be attributed to immigration. As of today, two out of five Canadians were not born in this country. While our immigration system favours speakers of both official languages, knowledge of English far outweighs knowledge of French among newcomers, which was spoken by only 2.82 percent of Canada's immigration intake in 2019.

As a result, while the number of French speakers in Canada is rising, their weight relative to the total population is slowly decreasing. We have now reached the symbolically critical point where there are more allophones (individuals whose mother tongue is neither English nor French) in Canada than there are French-as-mother-tongue individuals. These statistics do not fail to be mobilized by detractors of official languages, who often argue that French should not be getting special treatment in this country – forgetting a history of linguistic of accommodation and compromise between French and English that predates Confederation itself.

“As of today, two out of five Canadians were not born in this country. While our immigration system favours speakers of both official languages, knowledge of English far outweighs knowledge of French among newcomers.”

Second, Indigenous peoples mark another change in our society, not only from a demographic perspective, as they are the fastest growing segment of the population, but also because Canadians are paying more attention to their issues than ever before, and the protection and revitalization of their languages is an urgent issue.

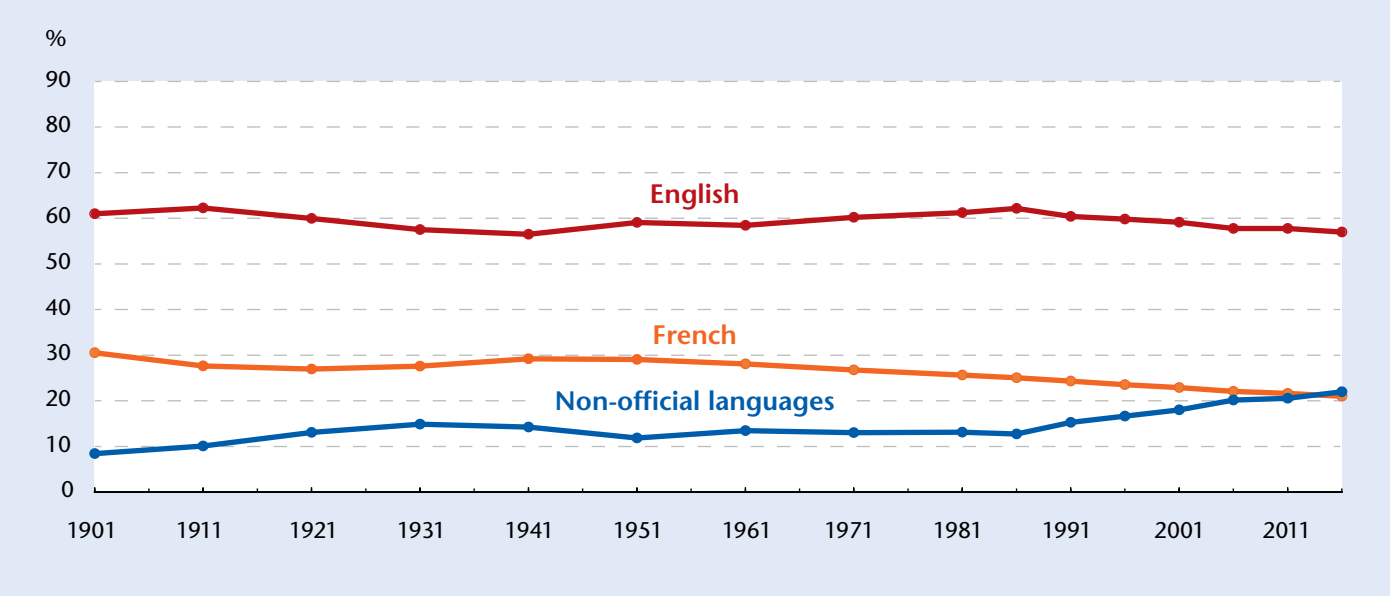
Of the more than 70 indigenous languages that are spoken in Canada today, only three are considered to be in a relatively safe position, a sufficient number of speakers preventing their disappearance: Cree, Inuktitut, and Ojibway. All others are endangered or on the verge of extinction—a direct result of Canada's attempts at assimilation through colonial policies such as residential schools. In 2019, the federal government adopted the *Indigenous Languages Act*. While this was a first step in the right direction, the act does not live up to some Indigenous peoples' expectations. For example, the Inuit made it clear that they wished for more than a recognition of their languages' existence but also for the development of government services in their language (to which they are entitled at the territorial, but not at the federal, level).

The powers of the newly created Indigenous Languages Commissioner's office (the holder of this office is not yet named) are only a shadow of the OLC's. An eventual revision of the OLA will once again address the comparative inaction of the federal government towards the protection and enhancement of Indigenous languages.

At least one element has remained unchanged since the OLA was last amended: the omnipresence of Quebec in Canada's language debates. One needs to remember that in 1988, the Meech Lake Accord, Prime Minister Brian Mulroney's attempt to “bring Quebec back into the Canadian fold” by granting it status as a “distinct society”, was still being debated in the country's provincial legislatures. The new OLA was a way to signal to Quebec a willingness to reinforce French as an official language in Canada, while calming official-language minorities (namely, Anglo-Quebecers and Francophones outside Quebec) who, understandably, feared being forgotten in the constitutional debates.

Just over 30 years later, it appears not much has changed on this front. Despite organizations such as the Fédération des communautés francophones et acadienne (FCFA) and Quebec Community Groups Network (QCGN) tirelessly calling on the federal government to modernize the OLA for years, the safety of French in Quebec is what has sparked the latest political debate on official languages. In mid-November, St-Laurent Liberal MP Emmanuella Lambropoulos questioned the veracity of the decline of the use of French by Montreal merchants in a parliamentary committee meeting with the OLC. Her questions elicited a political storm; several debates in the House of Commons have since been devoted to the protection of French in Quebec. This issue now ap-

Evolution of the Population by Mother Tongue, as a Percentage of the Total Population, 1901 to 2016, Canada



Source: Statistics Canada, *Census of the Population*.

pears to be the main concern in the revision of the OLA.

The different parties' position on this file is revealing. The Bloc Québécois has, unsurprisingly, adopted the position of the Legault government that all institutions under federal jurisdiction in Quebec should be subjected to Bill 101, rather than the OLA.

This would create a dangerous precedent whereby other provinces could push for similar exemptions. Outside New Brunswick, Canada's only officially bilingual province, and Ontario's "designated regions" as per the *French Language Services Act*, federal institutions could function in English only. This would in practice render both Part IV (pertaining to communications with the public) and Part V (pertaining to federal civil servants' right to work in the official language of their choice) of the OLA meaningless. During the fall sitting of the House, the federal Conservative Party was pressuring the government to table a new OLA by the end of the year. It has also begun referring to official languages as "national languages" in a nod to the "two founding peoples" of this country.

While this ideological turn does not intrinsically deny the existence of Francophones and Acadians outside Quebec, this rhetoric rather seems an attempt at seducing right-wing nationalists in Quebec, a province where the Conservative vote is notoriously weak, and potential electoral gains plentiful. This Conservative rhetoric also overlooks Indigenous peoples and their languages. Meanwhile, the NDP, which was a force to contend with in Quebec less than a decade ago, and which traditionally had a strong official-languages "champion" (former Acadie-Bathurst MP Yvon Godin, for instance, tabled several bills on mandatory bilingualism for Supreme Court justices), is missing in action in this debate.

Late in November, Official Languages Minister Mélanie Joly announced an upcoming white paper on the future of official languages, which should be presented to Parliament early in 2021. The choice of a white paper as a policy tool is not uninteresting, empowering her to go beyond the scope of the OLA and to propose changes to other critical legislation and regulations impacting official languages. However, Joly has already conducted wide-ranging consultations with minority community stakeholders on the OLA, and they have made their requests clear. Moreover, the only provincial counterpart with whom she appears to be in discussions over the revision of the act is Quebec minister Simon Jolin-Barrette. The white paper announcement is hardly coincidental in terms of electoral politics, especially in a minority House that could move into election mode at any time.

Just as the concern for Quebec was top of mind for legislators in the revision of the OLA in 1988, the last weeks of 2020 have set the stage for history to be repeating itself in the new year. Let's hope the parties' appetite for electoral gains in that province won't eclipse the necessity of strengthening this act so it meets today's challenges and the needs of all Canadians—including official-language minorities—who have until now driven the discussion on the new OLA, and who depend on it most. P

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Maintaining Confidence in the Convention of Confidence

In Canada's parliamentary system, the confidence convention is not written into any statute or standing order of the House, but without it the system lacks democratic legitimacy. The confidence convention gives Parliament the power to hold government to account. In the context of a deadly pandemic, opposition parties who might otherwise have an incentive to bring down the government are trying to have it both ways: they tell us they have no confidence in the government but they allow it to continue to hold office, all to avoid an election. The Trudeau government, for its part, has been misusing the Prime Minister's prerogative to deem any vote as a matter of confidence as a tool to avoid government accountability in Parliament.

Lori Turnbull

On November 30, 2020, Deputy Prime Minister and Minister of Finance Chrystia Freeland delivered a long-awaited fiscal update to a skeptical House of Commons. In her statement, she proposed a range of measures aimed at economic stabilization and recovery in the short, medium, and long terms, including $100 billion in stimulus spending, extensions of the wage and rent subsidies, and support for the tourism and hospitality industries.

The government survived the confidence votes related to the fiscal update, but expressions of confidence in this government have been hollow and tentative. Opposition leaders have made public statements to the effect that, while they do not have confidence in the government, they allow legislation to pass in order to avoid an unwanted election. For its part, the government has not shied away from using the confidence convention as a political tool to avoid parliamentary accountability. The actions of both the government and the opposition set a dangerous precedent that could contribute to the erosion of the confidence convention.

The Liberal government is in a minority position, which means that its survival of confidence votes is not a foregone conclusion. Though public approval ratings regarding the federal government's handling of the pandemic have been high, the government's claim to holding the confidence of the House of Commons has been shaky, specifically in the second half of 2020.

The fierce political rhetoric has suggested that opposition parties have serious concerns about both the competence and the integrity of the government but, paradoxically, the government has survived successive tests of confidence. This pandemic period has shone a closer light on a wide range of systemic problems and weaknesses, among them the vulnerability of the confidence convention—a foundational piece of our constitution—to political agendas.

In the early days of the first wave of the pandemic, as emergency circumstances took over and the country braced itself for an indefinite period of hardship, the spirit on Parliament Hill was more cooperative and collegial than we are used to. The partisan bickering that has become typical in Canadian politics was temporarily softened, and all federal parties eventually came together (after some jostling) in support of an $82 billion aid package. But, in the months that followed, this détente was replaced by a climate of partisanship that can be described as particularly nasty even by Canadian standards.

The political drama started in earnest back in June with the discovery that the WE Charity, an organization known for its closeness to the Trudeau family, was chosen to administer the Canada Student Service Grant program. Cabinet ministers, high-ranking civil servants, representatives from the WE Charity, and the prime minister himself appeared before the Standing Committee on Finance and the Standing Committee on Access to Information, Privacy and Ethics. The program was cancelled and Minister of Finance Bill Morneau, himself the subject of a WE-related investigation by the Conflict of Interest and Ethics Commissioner, resigned.

Though the WE story no longer dominates headlines, it has had a lasting effect on political discourse and on the relationships between political parties. Opposition parties have regularly accused Prime Minister Trudeau and his government of corruption, favouritism, entitlement, and incompetence. For example, in a press conference following the announcement that Minister Freeland would take over the Finance portfolio, Conservative MP Pierre Poilievre accused the

Finance Minister Chrystia Freeland at her Fall Economic Statement. As a money measure it was a confidence vote the government easily survived. But the constitutional convention isn't always so clear, and in this minority Parliament, Lori Turnbull writes, that could be a problem.
Adam Scotti photo

Prime Minister of "corruption and chaos." Media pressed Poilievre on the harshness of his words, suggesting that if he and his party believe the government to be corrupt, then surely efforts should be made to defeat it. But this has not happened.

This begs questions around what, if anything, confidence or lack thereof means, if parties are willing to tolerate a government that they believe to be rotting from the inside out. The NDP has been the Liberal government's partner since the minority government was elected. They have protected the Liberals from losing confidence votes, even as leader Jagmeet Singh complains of years of broken promises on childcare and other important files.

Perhaps the most concerning display of the fragility of the confidence convention, not to mention the breakdown in civility between the parties, occurred in October when the Conservatives introduced a motion to create a special committee to investigate government ethics and spending. The Liberals immediately announced that the motion would be treated as a confidence measure, which was the political equivalent to the government saying: "Over my dead body."

Apparently, the government would have preferred to throw the country into an election during a global pandemic, as the second wave commenced in earnest, rather than face committee investigation. On the other hand, the Liberals suggested that the Conservatives were the ones playing politics. Liberal House Leader Pablo Rodriguez made the point that the Conservative motion was "extremely serious. They go over the limits. It's irresponsible. It was about paralyzing the government in the middle of pandemic when we need to be there working for Canadians, working for our seniors, working for our families, helping those who have lost their jobs."

The NDP voted with the Liberals against this motion, which achieved the dual objective of keeping the government alive and allowing it to avoid the scrutiny of a new committee. However, afterwards, Singh refused to confirm his confidence in the government. For his part, Conservative Leader Erin O'Toole has said publicly that he does not have confidence in the government. Bloc Québécois leader Yves Blanchet has said that the government is not "worthy" of the public's trust and has called on the Prime Minister to resign. If none of the parties has confidence in the Liberal minority government, what is it still doing here? A legitimate government is one that holds the confidence of the House. If opposition leaders are to be believed, there is no confidence here.

The key challenge lies in the fact that, in minority government circumstances, the expression of "no confidence" and the decision to go to election are conflated. Ideally, these would be two separate transactions. Under the current conditions, opposition parties are keen to spend their political capital on efforts to drain our confidence in the government, but they do not want to be responsible for an early election in the middle of a deadly pandemic (particularly if they don't have the money to fight one). The government knows this and is not shy to use a snap election as a threat to avoid losing a confidence vote.

The "constructive confidence" vote, a familiar practice in other Westminster systems, would be a game changer. This convention would require that, if Parliament wanted to defeat a government, it would have to namethe new Prime Minister in the very same moment. This would allow governments to lose votes without losing confidence. It would take away any incentive to pass laws in order to avoid an election. And it would allow Parliament, rather than the Prime Minister, to determine whether confidence is at stake. Canada might consider this route in order to avoid situations like the one that has boiled over at the present time. In the meantime,parties on both sides of the House need to stand behind their rhetoric: don't use the word "confidence", either in the positive or negative sense, unless you really mean it. **P**

Contributing Writer Lori Turnbull is an Associate Professor and Director of the School of Public Administration at Dalhousie University. She has been a co-winner of the Donner Prize.

Canada as a Sentinel of Freedom, Then and Now

Michael Chong's parents were among those who came to Canada, grateful to their new home for its role in liberating their people—Hong Kongers and the Dutch—in the Second World War. The Conservative foreign affairs critic finds our country doesn't step up today in freedom missions as it did then, and offers examples of Canada coming up short.

Michael Chong

My family knows first-hand that foreign policy matters.

At the start of the Second World War, a young Chinese boy and his family were among the Hong Kongers living in fear of an attack. They were defended by two regiments of Canadian soldiers, some two thousand in all. In the ensuing battle, half were killed or wounded. The surviving Canadians were taken as prisoners of war, suffering under horrific conditions for four long years. Their families back home had no word on what happened to them—they simply disappeared.

At the end of the war, an infant Dutch girl and her family were among the millions in the Netherlands liberated by Canadian soldiers, some 7,500 of whom never returned home, perishing in the canals, fields and villages of Holland. That Dutch girl and that Chinese boy from Hong Kong were my parents.

Like millions after the war, they came to Canada to build a new life. He was a Queen's University med student at Hotel Dieu Hospital in Kingston, and she was a nurse. They met, got married and raised a family. They raised us to believe in Canada and what it stood for. They taught us to remember the price of freedom.

That generation of Canadians and their parents who fought in the war—the greatest generation—understood all too well the price paid to defend our interests and values. Thankfully, we no longer live in an era of war between great powers. May it remain that way.

That generation understood something we have forgotten. They understood that foreign policy is more than just words. They understood that what Canada says on the world stage must be matched with action. They understood Canada's word must be its bond.

If we are to defend our interests—our citizens, our economy, our sovereignty—our words must be matched with action. So, too, if we are to project our values—a belief in democratic institutions, human rights and freedoms, the rule of law—in places like Ukraine and Belarus, and in solidarity with peoples such as the Uyghurs and Tibetans in China.

Unfortunately, that has not been the case in recent years, and there is plenty of blame to go around. Canadians believe their government generous in foreign aid. The facts say otherwise. For decades, Canada has not come close to meeting its official development assistance (ODA) target to spend 0.70 percent of Gross National Income (GNI) on foreign aid. The closest Canada has ever come to meeting this target was 0.49 percent, during the government of Prime Minister Brian Mulroney.

The current government came to office saying it was going to make Canada a global leader in helping the poorest around the world. Under the current government, ODA has averaged 0.27 percent, a 10 percent decline from the 0.30 percent averaged by the previous government.

Bob Rae called out the government on this failure. About Canada's ODA target number, he wrote in a report submitted to the government, "Canada has never come close to that number, and if our rate this year looks slightly better than last year's, it is only because the GNI number is stagnant, if not declining. Despite this record, Canadians think of their country as generous, and deeply engaged on the international front."

Canada has failed to live up to our military commitments to the NATO alliance. We have a longstanding pledge to spend 2 percent of GDP on our military. That commitment has not been met since the 1980s. Currently, Canada spends only half that, ranking 20th out of 29 NATO members.

Many Canadians cherish the idea of Canada as a peacekeeping nation. The current government played to that sentiment with a big commitment in the 2015 election to resurrect Canadian peacekeeping.

It sent hundreds of peacekeepers to Mali. As in other matters with this government, these efforts were made for a short time, barely a year. The government then lost interest and the mission ended. One year later there was a coup and the Malian government replaced by a military junta. The Liberal government has offered little but bromides.

Paul Wing-Nien Chong and Cornelia de Haan at their wedding in Drachten, the Netherlands on October 1, 1969. He was a Chinese kid from Hong Kong defended by Canadians in its capture by Japan in 1941 and she was a baby in Holland when the Canadians liberated her country in 1944. When they grew up, both emigrated to Canada where they met and fell in love. *Photo courtesy Michael Chong*

In the 1980s, Canada provided more than a tenth of all UN peacekeeping forces deployed throughout the world. Currently, that number has declined to less than 0.1 percent. Perhaps the world has changed, and the traditional model of peacekeeping that once so engaged Canada no longer exists—but the larger context suggests a failure to live up to our commitments.

On climate change, Canada has missed every target in every international agreement to which it is a signatory—unlike our record decades ago on acid rain and the ozone layer. We missed the target set out in the Kyoto Protocol. We missed the target set out in the Copenhagen Accord. And we are on track to missing the target set out in the Paris Accord. According to Climate Transparency, a coalition of international climate groups, Canada's per capita greenhouse gas emissions are the highest in the G20, higher than even the United States.

The current government came to office with loud denunciations of the previous government's record on climate change, promising to do much better. The facts say otherwise. In 2016, the first full year the current government was in office, emissions were 708 megatonnes. In 2018, the last year for which we have data, emissions jumped to 729 megatonnes. Canada's emissions are increasing, yet the government said in last September's throne speech it will not only meet the Paris target, it will exceed it. Canada's emissions may decline in 2020 because of the pandemic's economic fallout. But to paraphrase Bob Rae, just as declining national income is no way to meet our ODA commitments, it is also no way to meet our climate change targets. Where once Canada met its commitments—to NATO, to the environment—it no longer does. While no country is perfect, a clear pattern emerges from our recent record on foreign aid, military, peacekeeping and climate change.

The world is taking note of the disconnect between our words and our deeds. Canada lost the vote for the UN Security Council seat last June. It got 108 votes, six fewer than it got a decade ago. That is six fewer countries in the world today that see Canada as a leader on the world stage. That is a quantitative indictment of the government's foreign policy. Our failure to meet our commitments means we are not taken as seriously as we once were. Canada is becoming a pawn in the global chess match between great power rivals, who have concluded that there is little consequence to threatening Canadian interests and undermining our values.

Meeting our commitments takes resources. Foreign policy costs money. It costs money to meet ODA commitments. It costs money to meet our military and security commitments. It costs money to have diplomatic missions around the world and a presence on the ground. To pay for all of this requires a robust economic plan. In a different way, former Foreign Affairs Minister Chrystia Freeland acknowledged the link between foreign policy and the economy in her June 2017 speech in the House of Commons. She cited the rise of populism and its distrust of the global economy as one of the two big challenges in foreign policy. She pointed to the government's economic plan as the solution. After five years in power, we can judge the record.

The Canadian economy was in trouble before the pandemic hit. Our productivity, the only long-term determinant of prosperity, had been lagging for years. Per capita GDP was flat, if not declining, in the quarters before the pandemic hit. Canadian households had some of the highest debt levels in the world. The economic fallout of the pandemic has only made things worse. The OECD and the IMF predict that Canada will have a deeper recession and a slower recovery than our economic peers.

All this makes for a sobering reality check. If we are going to do better in defending Canada's interests and promoting our values around the world, we have to have a clear-eyed and accurate assessment of our record. And we have to have an ambitious and robust plan to create the prosperity that will pay for a projection of Canadian values and a defence of Canadian interests.

That generation who defended and liberated my parents understood that Canada's word must be its bond. They also understood that words must be matched with action. Lest we forget. P

Michael Chong, the Conservative Foreign Affairs critic, is the MP for Wellington-Halton Hills.

Column / Don Newman

Playing the Prediction Game: An Election in 2021

When Don Newman couches his predictions with qualifiers about how predictions are for suckers, we advise readers to recall that he predicted that Donald J. Trump would win the 2016 election.

With all due respect to the theme of this issue of Policy, predicting the year ahead can be a mug's game. One year ago, who could have foreseen that COVID-19 would transform life as we know it—not just in Canada but across the world?

But as we bid farewell to 2020, there is an optimism in the air that one or more of the vaccines either just starting to be distributed or still in trial will provide protection for most people as they are rolled out and 2021 unfolds. So with that hope in mind, and the promise that as 2021 progresses things are actually going to get better, it is time to make what surely will be a rather safe prediction: That the New Year will be an election year in Canada.

By April, when the minority Liberal government will be a year and a half into their second year, Prime Minister Justin Trudeau and his team will be looking for the ideal time to try for an election that will provide them with a majority. With a commitment to distribute vaccines efficiently and effectively and promises of virtually unlimited spending of borrowed money to restart the pandemic-stricken economy, the Liberals should be in a good place to make a run at the extra seats they need to govern uninterrupted for another four years.

There will be a budget in March confirming the Liberals' spending plans that will also serve as the party's election platform. The decisive variable on the timing of an election call is not the huge amount of spending or the size of the deficit but the availability of the COVID-19 vaccine and the distribution of it across the country. If that goes well—if some Canadians have been vaccinated and most others can see they too will be soon—the timing will be right for the Liberals to invite Canadians to make a trip to the polls.

When the election is called, the Liberals should be in a strong position. They will run on the myriad programs the government rolled out as COVID-19 hit and the stability they helped to maintain as the economy collapsed. And now the Liberals claim to have a plan to restore the economy through massive investment in environmentally friendly infrastructure development, plus investments in education, high tech and artificial intelligence. And they have a new sherpa to guide the transition. Michael Sabia, the former head of the Caisse de Dépôt pension investment fund in Quebec, who was also in a series of C-suite positions at Canadian National, BCE, the Canada Infrastructure Bank and, earlier in his career, the federal public service, has been parachuted back to Finance as deputy minister to run the post-pandemic recovery.

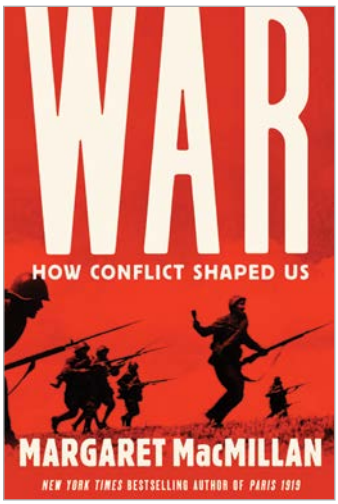
As usual, the Conservatives will be the only viable national opposition to the Liberals. But they will have to explain what programs they would cancel, which spending they would not make to restart the economy, and how a party with people in it who oppose vaccinations will be able to conquer COVID-19. On their right flank they will also face a challenge on the prairies from the Mustang party, a western separatist group that formed after the last election when voters in Alberta and Saskatchewan excluded themselves from representation in the Liberal government. Now they want to separate their landlocked provinces from Canada, a dubious proposition at best. While they are unlikely to win any seats, they will take votes from Conservative candidates.

Three other parties will win seats in an election this year: The New Democrats, the Greens and the Bloc Québécois. The most important of these is the Bloc. How many seats the Bloc wins will determine whether there is a majority or minority government. The New Democrats have been in decline for the last two elections and the Greens remain a special-interest party with just three seats in the House of Commons.

As I said, forecasting what will happen in the coming year is a mug's game, but somebody has to play it. I predict that in 2021, the Liberals will again be elected to be the government of Canada. Only some failure of the vaccines to combat COVID-19 might prevent that. You can take it to the bank. P

Columnist Don Newman, Executive Vice President of Rubicon Strategies in Ottawa, is a lifetime member of Parliamentary Press Gallery, and author of the bestselling memoir, Welcome to the Broadcast.

Book Reviews



A Historian 'At the Height of Her Literary Powers'

Margaret MacMillan

War: How Conflict Shaped Us.

Penguin-Random House Canada/ October 2020

Review by Anthony Wilson-Smith

War, the iconic 19th century Prussian military theorist Carl von Clausewitz famously observed, "is a continuation of politics by other means." Or, if you prefer the same sentiment differently phrased, consider Mao Tse-Tung: "Politics is war without blood, while war is politics with blood."

Either way, the point is the same: while we like to think of taking up weapons as an unnatural step, doing so has been as much a part of human behaviour as other, more peaceful means for as long as we have been on this earth.

The reality, as the internationally renowned Canadian historian Margaret MacMillan observed recently, is that very often the act of going to war 'is calculating, not impulsive.' That is one of the hard truths underlying *War: How Conflict Shaped Us*, MacMillan's concise, vividly compelling analysis of humankind's ambivalent relationship with war—and why, despite enormous pain and cost, we continue to fight each other.

This is a remarkable book that MacMillan, who divides her time as a historian and scholar between the University of Toronto and Oxford (always defining herself as Canadian), is uniquely qualified to write.

It grew out of an invitation to give the BBC's prestigious Reith Lectures series in London two years ago. But in many ways, it has been percolating through close to two decades during which she has produced five internationally successful, critically-acclaimed books, almost all of which deal with some aspect of conflict.

The publication in 2003 of *Paris 1919*—her extraordinarily detailed rendering of the people, circumstances, strategies and motivations driving the peace talks at the end of the First World War—first showed her ability to mix deft, deeply researched storytelling with shrewd, well-reasoned insights. Now, in *War*, (recently chosen as one of the *New York Times'* 10 best Books of 2020) MacMillan effectively draws together all the lessons and information she has absorbed in her many years of studying the subject. Brimming with supporting anecdotes and insights, she makes the case that the wish to fight is hard-wired into human nature. And, as MacMillan observes, war "brings both destruction and creation"—even as we choose to ignore the latter because it's an inconvenient truth. Canada, despite a terrible human toll, emerged with more autonomy from Great Britain at the end of the First World War; and came out of the Second World War more prosperous, industrially advanced and with a whole new set of social programs. War has also led to enormous technological and medical advances. Among them: penicillin, blood transfusions, jet engines, and computers—alongside, of course, the creation of fearsome weaponry, including the atomic bomb.

MacMillan outlines, with extraordinary sweep and scope, the many strategic uses, calculations and outcomes of war throughout history. Some of the leaders she cites include Alexander the Great, Roman general Fabius Maximus, Napoleon, Louis XIV, and Vladimir Ilyich Lenin. With equal facility, she draws from campaigns including the Peloponnesian War, the seminal Battle of Kosovo of 1389, the Franco-Prussian War, the Spanish-American War, and, of course, the First and Second World Wars.

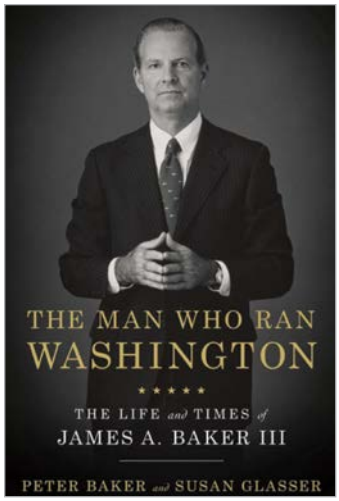
None of this is to suggest that MacMillan is anything less than appalled by war. Rather, she believes that the best way to prevent—or at least limit the scope of—future wars is to regard them as a continuing danger rather than the happenstance result of an unlikely confluence of events.

The relative peace that Western countries and some others have enjoyed since the end of the Second World War in 1945 has, she suggests, led to the dangerous belief that this is the norm, and war the exception, which leads to complacency. "With new and terrifying weapons, the growing importance of artificial intelligence, automated killing machines and cyber war, we face the prospect of the end of humanity itself," she writes.

Despite such justifiably gloomy prose, this is a hard book to put down. While I can't claim to be an acquaintance of MacMillan's, I've been at a number of small social occasions over the years where she has been a featured guest. In person, she is crisp, engaged, engaging in her opinions, but always looking to absorb information and opinions from others. Her writing reflects those qualities. Just turning 77 (on December 23), MacMillan is, if anything, only now at the height of her literary powers.

"It is not," she concludes, "the time to avert our eyes from something we may find abhorrent. We must, more than ever, think about war." Few people are better able to deliver that message—or more convincing in doing so. P

Contributing Writer Anthony Wilson-Smith, President and CEO of Historica Canada, is also a former editor in chief of Maclean's.



Iron Fist in a Velvet Glove

Peter Baker and Susan Glasser

The Man Who Ran Washington: The Life and Times of James A. Baker III.

Doubleday/Penguin Random House, September 2020

Review by Derek H. Burney

Based on a seven-year marathon of prodigious research and interviews, *New York Times* columnist Peter Baker (no relation to the subject) and his spouse, Susan Glasser of the New Yorker, have compiled a long overdue biography of James A. Baker—*The Man Who Ran Washington*—that is rich in insights and lessons about how the "indispensable man" made government in Washington work.

Baker set the gold standard for what was then viewed by insiders as the second most-powerful job in Washington when he served as Ronald Reagan's first chief of staff, establishing order in what was initially a chaotic White House and focus and discipline across the administration. He cleverly sidelined or outfoxed internal rivals and rapidly became the go-to man in Washington.

As secretary of state, Baker and president George H.W. Bush "managed the most tumultuous period in international politics since World War II," leading the western alliance peacefully and cohesively through the cataclysmic events of the early 1990s—the fall of the Berlin Wall, the collapse of the Soviet Union and the unification of Germany. They also gained unique support from the United Nations to drive Saddam Hussein out of Kuwait with a multinational coalition that included Canada.

Baker and Bush Sr. were very close friends, but also competitors, a friendly rivalry nurtured through years of spirited tennis matches. When they differed, Bush was known to quip "If you're so smart, how come you're not the president?"

Baker believed that "the point of holding power is to get things done," a view that was the "currency of the realm in the Washington of Baker's era." His strong suit was deal-making. He also had a knack to recruit top-flight, highly talented and steadfastly loyal lieutenants to support his objectives. He knew how to get results domestically and globally, which is no doubt why Barack Obama's national security advisor, Tom Donilon, described him as "the most important unelected (American) official since WWII."

While his career was not without high-stakes drama, Baker's personal life had the makings of a book all its own. In 1973, three years after his beloved first wife, Mary Stuart, died of cancer, Baker and her best friend, Susan, married. The scene of Susan letting Jim Baker know where his late wife had left a parting letter for him, the details of that letter, and the partnership Jim and Susan Baker forged in the decades since—having added a daughter of their own to his four children and her three—help to humanize a man known more for his head than his heart.

I had two memorable engagements with Jim Baker. When he was designated by President Reagan to salvage the free trade negotiations that had been suspended in September 1987, I was given the same responsibility by Prime Minister Brian Mulroney. Along with our teams, we negotiated intensely over three days in Washington just before the administration's fast-track authority to conclude the trade negotiation was due to expire at midnight, October 3rd. At one point, when I explained carefully why Canada needed an exemption for culture, Baker interjected in his inimitable Texan twang "Derek, in Texas we call shugah (sugar) cultcha (culture)!"

The sticking point for Canada was a binding dispute settlement mechanism. We had signaled firmly that we would not conclude an agreement without it. Ultimately, and literally at the eleventh hour, and after receiving a direct phone call from Prime Minister Mulroney, Baker burst into the small office next to his at Treasury where the core Canadian group was assembled. He flung a piece of paper at me and, as the authors recount, declared "There is your goddamn dispute settlement mechanism. Now can I send our report to Congress?" After quickly scanning his terse note, we gave it a thumbs up.

The second engagement came when I served as Ambassador in Washington from 1989-93 and Baker was secretary of state. The Bush administration had announced that it intended to negotiate a free trade agreement with Mexico. Alarm bells rang in Ottawa given the threat this could pose to the preferential status we had just established with the United States. Despite some free trade fatigue in Ottawa, including around the cabinet table, I was instructed to request formally that Canada be included in what became NAFTA. I did so directly with Baker, invoking the close personal ties between President Bush and Prime Minister Mulroney. Ultimately, Baker and President Bush agreed.

The Baker-Glasser book chronicles how Baker used networking, tactical prowess, a streak of crafty, determined negotiating skills and a little luck to advance American interests. The unique skills of Jim Baker were essential in delivering great things for America and for two very different presidents. P

Policy Magazine *Contributing Writer Derek H. Burney was chief of staff to Prime Minister Brian Mulroney during the negotiation of the Canada-US Free Trade Agreement in 1987, and Canadian ambassador to the United States during the NAFTA negotiations of 1991-92.*


Kelly Sikkema, *Unsplash photo*


1st Lt. Lauren Warner, *Flickr photo*

Please Support Canada's Charities—an Open Letter to All Members of Parliament

Dear Members of Parliament,

I'm writing to encourage you to provide additional funding for thousands of charities across the country and the millions of Canadians whom they serve.

The removal of the capital gains tax on donations of private company shares and real estate to registered charities would create continuous benefits. The cost to the federal treasury would be literally a drop in the bucket, and the benefits would be positive many times over.

Long advocated by the charitable sector, this would cost the government only a foregone $50 million a year, while stimulating at least $200 million a year in donations to healthcare, educational, arts and cultural, religious and community organizations, creating hope and help where it is much needed and, not least, creating many new jobs along the way.

Good work and good works would be the result; good work being the jobs created and good works being the social and economic benefits to Canadians in need of help.

Thousands of charities and millions of Canadians need help more than ever during the pandemic. They'll need help even more later on during the recovery. This isn't about a tax break for the rich. It's about enabling Canadian charities to hire thousands of Canadians and help millions of their fellow Canadians in need.

As the new year begins, the best opportunity for the government to help will come with the spring budget.

I hope this letter is helpful in encouraging you to support the removal of the capital gains tax on such gifts. **It would be good public policy for an entirely non-partisan purpose, and good for all Canadians**.

Thank you for taking the time to consider this.

And many thanks for your service to your province and our country.

Yours sincerely,

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

Director, Toronto General & Western Hospital Foundation
Chair, Vision Campaign, Toronto Western Hospital
Member, Advisory Board, Ivey Business School, Western University
Chairman Emeritus & Director, Business / Arts
Member, 2020 Major Individual Giving Cabinet, United Way Greater Toronto

Cost of eliminating the capital gains tax

$50

MILLION PER YEAR

Benefit to Canadians in need

$200

MILLION PER YEAR

Create hope and help where it is much needed, and

Jobs

IN THE CHARITABLE SECTOR