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It's time to get moving!

Challenges for the nuclear generation

by Deborah Coyne

Several months ago, the cover story in Time Magazine was "Baby Boomers Turn Forty". It is a popular topic. People are finally beginning to focus on the generation that is now coming of political age. It is this generation that must begin to establish a bold strategy to turn around the Canadian destiny, to pursue a new vision of the kind of world and country we want ourselves and our children to live in.

It is time to recognize that we must overcome two challenges that no other generation before us has faced. These are the threat of nuclear holocaust and the suffocating deficit. We did not create either of these burdens, but we must now deal with them and understand how each fits into our vision of the future.

We need to challenge the basis for the so-called nuclear stalemate. We should ask ourselves why each side has created such an elaborate structure of defensive military alliances and accumulated massive amounts of lethal weapons in the name of containing the other's aggressive intentions. Why do both sides insist on linking local disputes, whether in Africa, Southeast Asia or Central America, with the great power rivalry?

Why, in 1986 will we spent over \$1000 billion, globally, on military purposes (NATO and the Warsaw Pact countries accounting for three-quarters of that sum), when development aid as measured by international organizations, totals less than 5% of that sum? Why do we allow our world expenditures on armaments to exceed the total cumulative developing country debt of over \$800 billion and when, as Willy Brandt points out, the cost of one modern tank could improve storage facilities for 100,000 tonnes of rice, so that annual wastage of 4000 tonnes or more would be avoided -- a day's ration for eight million people? Can we morally defend the price of a new nuclear submarine that is equivalent to the education budgets of 23 developing countries with 160 million children of school age?



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Our leaders are still playing out scenarios for an international system that no longer exists -- an international system that did admittedly produce the likes of Hitler, and one in which the international power structure was much simpler and easier to manipulate by way of conventional warfare. But our world is very different.

We need to recognize, as Geoffrey Pearson, the executive director of the Canadian Institute for International Peace and Security recently asserted, that the enemy is nuclear war itself, not the Soviets. As Pearson and other opinion leaders in such increasingly influential think tanks as the Canadian Centre for Arms Control and Disarmament indicate, Canada should use the Atlantic alliance, and the strategic importance of our territory to the United States, as a vehicle for the expression of Canadian priorities and perspectives on strategic arms reduction and for influencing the strategic environment. We have to speak up more constructively in reaction to Soviet and U.S. arms-control proposals, especially those affecting bomber and cruise missile issues, and not always defer to the American judgment. But equally we should realize, as Pearson points out for example, that "refuse the cruise" contributes little to East-West relations. "But we would not be testing the air launched cruise missile (ALCM) if such weapons had been banned. The cruise missile issue was formerly on the table at Geneva and could be put there again."

Finally, we should build on Pierre Trudeau's peace initiative. Such third party diplomacy is clearly legitimate when global interests in international security and survival are at stake, and the arms control process is so evidently stalemated. As Trudeau observed on accepting the Albert Einstein peace prize in November 1984, "(The) time is right for the involvement of government leaders in the politics of peace . . . A climate of trust will not replace suspicion without a vast (politically inspired) reassessment of the principles guiding East-West relations."

The challenge of the deficit

In a similar way, we have to strike out along new paths in controlling the deficit. It is not simply a question of more cutbacks and tax increases, and spurring economic growth and productivity. Expanding the economic pie is of course critical, and we have not emphasized it enough in the past. But the more fundamental question to be answered is: production and growth for what?

The production and pursuit of wealth and power should not be an end in itself. Nor should our policies for controlling the deficit and the national debt be dominated by, for example, the pursuit of a chimerical credit rating in the international financial markets.

We need to seriously question the prevailing assumptions underlining our current fiscal and monetary policies. For example, in assessing the means to correct our fiscal imbalance, we ought to focus much more on the private sector surplus that is the counterpart to the deficit, and on the role of the private sector in overcoming the fiscal crisis. We must also analyze our public expenditures in a much more discriminating way, and recognize that many of the services provided by the government, and indeed to the private sector, are indispensable, and contribute to society's productivity for years to come. These involve long-term investments in such areas as public education, health, pollution controls and community infrastructure.

We should also change our monetarist, high interest rate approach to controlling inflation and other economic ills. High interest rates have seriously distorted the distribution of national income in favour of so-called paper entrepreneurs. They have also significantly increased the share of unproductive interest income in GNP, at the expense of the legitimate business profits that fuel those valuable entrepreneurs who *do* employ people, take risks and produce goods and services. Most importantly, although our monetarist policies have indeed brought down inflation, this has been at the price of high and unacceptable levels of unemployment.

Poverty and unemployment

Other challenges that must be overcome are those of poverty and unemployment and finding more effective means of pursuing greater social justice in an increasingly technological age. To date, we have created an elaborate welfare bureaucracy and a whole hodge-podge of social programs and related tax exemptions. But although we spend billions of dollars on our social programs and social services, and despite over four decades of the welfare state, we have done little to improve the relative position of poorer Canadians, or to eliminate poverty and unemployment. And when the tough times arrived, our present government in particular has been quick to express concern about the amount of spending on social programs.

The recent poverty statistics are profoundly disturbing. Poverty has been on the rise in the 1980s by whatever measurement. According to a recent report of the National Council of Welfare, 4.35 million Canadians now live below the Statscan poverty line -- an increase of 874,000 in the last four years. One in five Canadian children is living in poverty, as are over one million Canadian families, and the incidence of homelessness is staggering.

At the same time, over the last four years, the income gap between more affluent and poorer Canadians has been widening. The three lowest income groups comprising 60% of the population saw their share of the national income in fact decline over the last four years. Who benefited? Primarily the Canadians in the top 20% income bracket.

Moreover, our supposedly progressive tax system has done little to address the situation. For example, in 1983, the income of the poorest 20% of the unattached individuals in Canada accounted for 4.8% of the national income. The tax system, in its complex, and almost incomprehensible way, increased this share by a mere 0.8% to a grand total of 5.6% of national income.

We now face the very real possibility of intensified class tensions within Canadian society. And a dissatisfied lower class presents a serious potential problem for Canadians. Yet we have allowed this appalling situation to emerge while all the time protesting that we were acting in the name of social and economic justice.

To the greatest extent possible, everyone should have the opportunity to engage in meaningful and fulfilling work. For the opportunity to work is still the primary means in our society through which individuals flourish and reach their full potential. But in today's fast-moving competitive, information-based electronic society, this goal takes on a very special meaning. There is evidence that the new technologies may be exacerbating class divisions among Canadian workers. The Economic Council of Canada recently identified what it called "technonobility" with the information and skills to control the new production processes, while the "technopeasants" are those whose lives are moulded and directed by them.

What this means is that we have to make major changes in the nature and organization of the work place. We would first identify those mind-dulling, mechanical jobs such as word processing in a sterile office environment or pushing a cash register button marked "Big-Mac" in a fast food restaurant. Then, we could change the job descriptions to combine such automaton-like work with other, more stimulating and fulfilling responsibilities. For example, as the traditional category of secretary disappears, lawyers should consider hiring not a "word processor" but rather, an assistant who would combine word processing abilities with duties of an administrative, executive and para-legal nature.

Similarly, with particular reference to the desperate need for more employment opportunities for our youth, employers must be encouraged to allow their employees to combine mechanical work such as cleaning floors and running a photocopy machine, with exciting and stimulating training for other types of employment.

At the same time as undertaking a serious

restructuring of the work place, we must seek new ways to ensure the redistribution of work opportunities. In terms of our pursuit of the fair and equitable society, this is as important, if not more important, than our traditional focus on the redistribution of income.

We are moving towards more and more flexible part-time work schedules, work sharing, flexible retirement -- both up and down, multiple career shifts and so forth. We might implement the concept of the "share economy" which accepts work-sharing as the basic norm, and focusses on linking employee remuneration to profits and performance.

In addition to initiatives to fundamentally alter the nature of work and the work place, urgent steps are required to improve the quality of primary and secondary school education across Canada, and to eliminate illiteracy. Only by equipping all Canadians with the basic skills to find and maintain meaningful employment will we make progress toward greater social justice.

Towards a strategy for the 90s

As we rapidly approach the final decade of the 20th century, Canada is facing a watershed in its social and economic development. We have already entered what Walt Rostow refers to as a new and little understood phase of economic growth -- one in which collaboration among science, business, government and labor is essential to the technological and economic development needed to maintain the West's well-being.

The signposts are by now all too familiar -- the electronic society and the disturbing phenomenon of jobless growth; the increasing importance of the service sector and the need to create more information-intensive products and services that demand higher skills; the concomitant decline in the importance of primary resources and certain traditional manufacturing sectors. Finally, there is the desperate need to invest in our human resources -- in the knowledge, creativity, skill and motivation of individual Canadians -- clearly the most critical input without which our future technological and economic progress will founder.

Yet most of our current political and business leaders remain overcome by intellectual paralysis. No one seems capable of really addressing the technological revolution that is taking place on a global scale. Our political discourse is stuck in the outdated mould of the 1950s and 1960s with conservatives stressing the need to protect the private sector as the engine for economic growth, and the liberals stressing the need to remember equity and fairness.

Our leaders have yet to articulate a national strategy that will ensure that Canada will remain in the front ranks of the developed world notwithstanding the intense global rivalry generated by the technological revolution. No one has yet conveyed to Canadians the urgency of the situation and the critical need for an unprecedented degree

of collaboration among all sectors and society. No one has yet clearly proposed a set of priorities and how these will further our ideals of social and economic progress and justice.

An essential step is the development of a national science and technology policy -- one which will involve a symbiotic relationship between the government and the various segments of the private sector, but one in which our elected leaders clearly articulate the public interest and the strategy that will then be implemented by the other players on the stage.

Progress will be impeded by the fact that the corporate sector in Canada reflects an extremely high degree of concentrated ownership and, in addition, remains excessively attached to our resource base. This means that a relatively small number of corporate actors continue to wield a great deal of power in Canadian society, whether in respect of the nature of employment, the opportunities for investment, or the allocation of scarce resources. They also have a disproportionate influence on the policy agenda of the current federal government in particular -- a government that seems content to respond to the private sector and rely passively on glitzy initiatives like free trade, rather than to take firm initiatives and provide the critical leadership that we should expect of our political leaders.

The government has to take steps to ensure that, as management expert Peter Drucker observes, our business leaders recognize that the enterprise does not exist exclusively for the stake of the shareholders but plays an important role as employer, as a citizen of the community, as a customer and as a supplier. Severe restrictions on hostile takeovers and "paper entrepreneurship", together with requirements for outside independent directors representing different segments of society would be a beginning.

We should abandon our placid but self-destructive acceptance of a falling dollar as the solution to our competitive difficulties -- a policy that, as Lester Thurow observes, leads ineluctably to a shift of the nation's industry towards those low-productivity, labor-intensive products, where low wages are important, and away from high technology products where innovation and efficiency are important.

As David Crane succinctly outlined in a recent series of articles, we need to take immediate steps to reverse the dismal Canadian record in using new technology, designing new products and services, upgrading education and skills, improving labor-management relations, pursuing new markets and raising the quality of Canadian business executives.

An activist state

In devising practical strategies and new approaches, we must not shrink from an activist role for the state. As

Mario Cuomo recently observed: "We believe in only the government we need, but we insist on all the government we need".

It is not a zero sum question of more or less government. The key goal is *more responsive* government. But this does not mean the ill-conceived and ill-executed cosmetic "consultation process" set in motion by the current government in 1984. It means meaningful public participation in the policy-making process at the earliest stages.

This can be achieved in a number of ways. One way is to enhance the position of our elected representatives through major parliamentary reforms that will open up the parliamentary committee system, even more so than under the current procedural reforms. An elected senate and electoral reform should also be longer-term goals. Related initiatives involve a more open appointments process, the on-going enforcement of a credible conflict of interest regime, and greatly improved access to information mechanisms, all of which would go far to reassure a cynical public about the value of our political process.

In addition, we need to open up to public participation such obscure sets of intergovernmental negotiations as the quinquennial review of federal-provincial fiscal relations. At the moment, these are conducted largely by "professionals" with the result that important interests are ignored. For example, the renegotiation of the Canada Assistance Plan to permit more day-care facilities possibly on a universal basis, and to provide greater assistance to the working poor, involves issues that require a constructive public debate. Similarly, negotiations to amend the public pension plans to address such issues as homemakers' pensions and pensions for part-time workers require greater and more visible public input. Canadians want and need to understand the major public policy issues of the day, if we are ever to build up the necessary consensus to support critical social and economic progress.

Finally, one concrete way in which the nuclear generation can articulate and communicate its priorities and infuse a healthy dose of dynamism into the political process, is to propose a major revamping of the structure of the federal government, and new mandates for the new departments.

We could have, for example, a Department of Peace, Security and International Development that would absorb the Department of National Defence. Its mandate would be to continue to take care of Canada's national security interests within such associations as NATO and NORAD. But its focus would be much more reflective of Canadian concerns to eliminate the threat of nuclear holocaust and promote international development. Its mission, and that of its minister, would be to build on the

antecedents of Pierre Trudeau's peace initiative and efforts in third world affairs, and draw on the valuable advice of such organizations as the Canadian Centre for Arms Control and Disarmament, the Canadian Institute for Peace and Security, and the North-South Institute.

Another organizational change that would reflect our priorities would involve the creation of a Department of Employment and Human Resource Development. The senior minister would have particular substantive responsibilities such as for employment equity initiatives, in addition to a role in co-ordinating the activities of a number of second-tier ministers. These ministers could be concerned with, respectively, education and skill development, social assistance and social services, child care, employer-employee relations, and health care and pensions. This two-tiered ministerial structure would be part of a more general re-organization of cabinet, and accompanied by significant parliamentary reforms involving a much greater role for parliamentary committees. For example, there should be a Standing Committee on Human Resource Development and Employment Equity to which the Canadian Human Rights Commission would directly report.

The mandates of these second-tier ministers would clearly reflect new realities and priorities. They might include such new initiatives as a government-sponsored, employer-employee Share Plan Agency to promote innovative work and gain-sharing schemes, and possibly an incomes policy, which would fall under the jurisdiction of the minister in charge of employee-employer relations. The minister responsible for social assistance and social services would have responsibility for implementing the guaranteed annual income scheme and spearheading the initiative to integrate our tax and transfer systems. The minister responsible for child care would focus on priorities such as quality day care, the needs of single parent families, young offenders, and a whole range of issues affecting the well-being of young Canadians. Finally, the minister responsible for education and skills development would have responsibility, among other things, for post-secondary education, cooperative education initiatives, on-going training programs and promoting the federal role in enhancing the quality of our primary and secondary school education such as with the establishment of a National Institute for Quality in Education.

Yet another major organizational change would be the creation of a Department of Science, Technology, and Economic Development. This would signal clearly the priority attached to the need to adjust to the "next" economy and the technological, electronic age. It would also be responsible for the creation of a body similar to the high-profile Technology Council recently established by the Premier of Ontario, which brings together educators, high technology proponents and futurists in a constructive attempt to determine what Ontario is suited for in the high technology world of the future.

Other areas for priority organizational change cannot be detailed here but would involve a major change in the Department of Consumer and Corporate Affairs to permit an integration of our mechanisms for dealing with corporate concentration (the competition tribunal) and foreign investment; a much more aggressive role for the Department of the Environment to deal with the serious ecological crisis that we face; and perhaps new departments of Communications and Culture, and Urban Affairs.

There are innumerable interesting and exciting ways in which the nuclear generation can reshape our socio-economic destiny. We need only be convinced that particular policies, programs or strategies will help us advance social and economic justice and create a more compassionate society. Implementation will then require a strong dose of determination, particularly in the face of the vested interests who will resist changes to the status quo, together with an assessment of the practical steps necessary to achieve our objectives.

We should never lose sight of our vision of Canada as a nation -- a united Canada that is more than a sum of its parts. We are not well-served, for example, by the current government's patchwork of *ad hoc* energy accords with different regions (the Atlantic and Western Accords); a housing policy aimed at decentralizing major chunks of federal responsibility; an open door foreign investment policy; no science and technology strategy; and an unhealthy fixation on bilateral relations with the U.S. that will inevitably constrain Canadian policy options in a whole range of critical areas. Indeed, at this rate, with no sense of national purpose evident in the policy agenda, we may suddenly find several years from now that we no longer recognize the national community we once knew, and that we have become the low wage economy of the western world.

The time is long overdue for action. At the very least, we must build on the legacy of the Charter. We have not even begun to realize how profoundly the Charter has altered the relationship between the individual and the state and the political and socio-economic fabric of the country. The Charter articulates the key fundamental values common to all of us which define ourselves and our concept of the Canadian federation. These include provisions for mobility, language and minority education rights, broad guarantees of equality, and our commitment to multiculturalism. In addition, the Constitution now entrenches the principle of equalization and the affirmative commitment of all governments to promote equal opportunities for the well-being of Canadians.

It is up to all of us, but particularly the nuclear generation coming of political age, to pursue a clear vision of Canada as a viable and dynamic nation in an interdependent world; to begin immediately the process of building a solid social and political consensus around our key objectives. We must establish now a concrete

strategy for meeting the challenges of eliminating the threat of nuclear holocaust, controlling the deficit, eliminating poverty and unemployment, easing the transition to the technological-electronic age, and creating a fairer, more equitable and compassionate society. Failure to do so will amount to abdicating our responsibility to guide the Canadian destiny for our children and future generations.

Résumé

Avec la prise en main progressive des leviers politiques par la génération d'après-guerre, au négativisme de celle-ci doit succéder un exercice lucide de définition des objectifs qui tienne compte d'une double contrainte: l'équation nucléaire et le déficit de l'Etat. L'atome, ayant chambardé les règles traditionnelles du jeu stratégique, le Canada, de par sa position continentale, est pleinement justifié de vouloir jouer un rôle de médiation entre les blocs, comme en témoigne l'initiative de paix de P.E. Trudeau. Quant au rôle économique de l'Etat, aux compressions budgétaires, remède simpliste à la prétendue faillite de l'Etat providence, il faut préférer à l'étatisation de la solidarité sociale une réévaluation des conditions de la justice sociale.

Des taux d'intérêt élevés pour soutenir notre monnaie et la stabilité relative de l'indice des prix, ne sont pas en soi des indices de prospérité si ce monétarisme s'accompagne d'un chômage anormalement élevé. Seule une politique de plein emploi est justifiée. C'est pourquoi l'heure d'une refonte de la fiscalité et de l'aide sociale a sonné et, avec elle, une redéfinition du marché du travail. D'une part, il faut encourager l'entreprenariat (et décourager les prises de contrôle); d'autre part la solidarité sociale exige de déployer tout l'arsenal des techniques de gestion de la main-d'oeuvre: formation permanente, recyclage, horaires flexibles, travail partagé, afin de multiplier les points d'entrée dans le marché de l'emploi.

La révolution technologique mondiale entraîne des conséquences majeures en matière de productivité et de compétitivité. Toute stratégie de développement économique devra privilégier la Recherche et le Développement et favoriser l'ajustement des secteurs 'mous'; le protectionnisme n'est pas une solution viable.

L'Etat a un rôle à jouer: guider les agents économiques vers l'idéal de justice sociale. Cette justice sociale doit traduire, à son tour, un consensus social fruit d'une concertation à large échelle. Tout comme les institutions, l'appareil gouvernemental devra, dans ses structures, refléter ces nouvelles lignes de force dans l'élaboration et la mise en oeuvre des politiques.