

**Searching for the  
New Liberalism**

TORONTO • SEPTEMBER 27 - 29, 2002



## **Leadership Now**

**by Deborah Coyne**

What is Canada's purpose in the 21<sup>st</sup> century? Will we achieve great things as a country or will "Canada" simply refer to a geographic space, and little else but a semi-autonomous appendage to the United States in the attic of North America?

The 20<sup>th</sup> century witnessed the completion of Canada's transition from colony to nation. Our country has continued its evolution into a peaceful multicultural state with two official languages and a reasonably healthy tradition of respect for human rights, of openness to others' differences, and of the pursuit of social and economic justice, solidified in an entrenched *Charter of Rights and Freedoms*. As a result of our domestic accomplishments and despite our relatively small population, Canada became a respected voice in world affairs. Canada continues to participate in most significant international forums and is regarded by both developed and developing countries as having something meaningful to say on issues of peace and security, economic and social development, environmental protection, and worldwide migration. Our Charter has inspired constitution-building in a number of emerging liberal democracies such as South Africa.

Our hopes and dreams for the 21<sup>st</sup> century may not be as extravagant as those of Sir Wilfrid Laurier in 1900.<sup>1</sup> But Canadians would like to believe that we can provide an example for others to follow, as we maintain an open, peaceful, progressive society in the increasingly integrated global community of the 21<sup>st</sup> century.

We would like to believe that despite our relatively small size, we can continue to play a meaningful role in building effective international governance structures and a better, safer world for future generations. We would like to believe that even as we continue to draw closer to the

---

<sup>1</sup> Among other things, Laurier said that the 20<sup>th</sup> century would belong to Canada.

United States in a widening range of areas, we can maintain an adequate scope for public action, as well as a distinctive identity in the community of nations.

But will we be able to achieve any of this in the future? Despite clear signs of a resurgence in civic and local activism and volunteerism, our leaders are failing to mobilize this to build a greater common good, and articulate a clear ethical vision to guide our civic lives.

Public discourse, whether expressed by those in public life or through the filter of the media, rarely contributes to understanding the larger goal of citizenship and the mutual responsibilities that accompany the rights and privileges of citizenship. Instead, public discourse is dominated by clinical reports of the decline or disintegration of the instruments for maintaining an open, progressive society, most notably, good public education, adequate health care for all, and environmentally sound development. There is little analysis or constructive debate about the importance of public action in maintaining an open, progressive, just society.

We demand little of our leaders and they demand even less of us. Feel good? Don't worry; be happy! This is the predominant message. No one is challenging us to imagine the future, to devise ways to strengthen our sense of social responsibility for each other, and to maintain and expand our contribution to world affairs and the stewardship of the planet.

With the end of the Cold War, the world and Canada had a holiday from serious business. We were able to address trivial issues: who would win "Survivors" or "Who wants to be a Millionaire?" The nuclear generation now of political age – the first generation to grow up in the shadow of nuclear Armageddon – seemed content to live with the permanent threat of annihilation, as they and their children measured their achievements primarily by their level of consumption.

With a record low voter turnout in the 2000 federal election, the issue that aroused the liveliest public response was the poll by the brilliant satirists of "This Hour Has 22 Minutes" on whether to change Canadian Alliance leader Stockwell Day's name to Doris Day. Over half a million Canadians responded and punched out their ballot on the Internet. Governments and our elected representatives seem remote and unresponsive to genuine and deeply felt concerns of the electorate.

Even before the terrorist attacks in New York on September 11<sup>th</sup>, enormous pressures were building on democratic societies' commitment to respect individual rights and freedoms, and to articulate acceptable new limits to those rights and freedoms. This is because the complexities of globalization and technological advances require public action in a whole range of new areas. The scope for public action in areas where free markets or unfettered individual consumption have inequitable or unacceptable impacts has widened, and will continue to widen, especially as the potential for even greater terrorist threats, environmental disasters, unmanageable migration flows, and greater inequality of wealth and income intensifies. Public action will be required that, among other things, will: intrude even more on our privacy; limit our civil rights at least on an emergency basis; adjudicate delicate ethical issues such as abortion, euthanasia and socio-biological issues of genetic engineering; moderate consumption which degrades the environment and our quality of life; strongly encourage public and community service; and reduce the debilitating and growing gap in wealth and income.

Canadians are not alone in witnessing the emergence of a global economy and global society on a scale and complexity without real historical antecedent. As September 11<sup>th</sup> demonstrated, we are unprepared, both intellectually and materially, for the risks and new dangers as well as the great opportunities that lie ahead. We must have a clear idea of what we want and where we are going, or we risk being swept along with the tide towards an uncertain and turbulent future.

Our leadership is unprepared for a world in which Canada's representatives will be spending much, if not a majority, of their time participating in international forums where more and more decisions will be made that will affect every aspect of our daily lives: environmental, economic, trade, health, security. Unless we fully understand the world context within which we function and unless we encourage leaders with a global perspective, Canada may soon have no other "purpose" than to attempt to wall ourselves off from global challenges such as environmental disasters, new viruses and diseases, aggression by rogue states and terrorists, ethnic conflict, increasing global inequalities of income, and the migration of people trying to escape desperate conditions elsewhere. At the same time, we will be powerless to prevent at home the emergence of a neglected underclass, permanently

unemployed and living at the margins of an increasingly uncivil and unjust society.

All Canadians of conscience must boldly stake out new ground, and analyze the nature of the challenges that confront them. We must regenerate the power that resides in our sense of public purpose and public responsibility for bringing about enduring societal change. We must turn once again to public action and to public service as a means of advancing the democratic values of equality, freedom, social responsibility and concern for the general well-being of the people. We must think about, and articulate more precisely, what we expect our leaders and our governments to do, to ensure that we continue to evolve as an open, progressive, just society, and maintain meaningful influence internationally.

It is time to demand much more of our political leaders. They are the animators of the state, elected to positions of public trust. We need them to articulate and pursue the broader public interest and be much more than managers of a budget and brokers for special interests. We need them to be principled and genuinely committed to public service. We need them to be forward thinking and innovative, and above all able to project a clear ethical vision of our future as a political community. We need them to inspire the equally essential leadership required at all levels and in all sectors of society, whether individual, the community, business. The aim of this paper is to set out some of the specific challenges that they must undertake in order to merit our support and confidence in the years ahead.

- The first challenge for our leaders is to provide a clear ethical vision of our political community, and provide greater opportunity for the public expression of social solidarity, and our mutual responsibility for the well-being of our fellow citizens and the community as a whole. **Page 6.**
- A second challenge for our leaders is to respond more effectively to the needs and concerns of Canadians, and to find new tools with which to accomplish our social and economic goals: reducing the widening gap in income and wealth between more affluent and poorer Canadians; ensuring a good education and meaningful work for all; and to the greatest extent possible eliminating poverty, hunger and homelessness. **Page 14.**

- The third challenge for our leaders is to understand fully the international context within which we operate and to ensure a meaningful voice for Canada in international affairs. **Page 27.**
- A fourth challenge for our leaders is to ensure that Canada plays an active role in the pursuit of greater international peace and security. **Page 41.**
- The fifth challenge for our leaders will be to manage our increasingly close relationship with the United States, while continuing to pursue our own socio-economic goals as well as participating effectively in international affairs. **Page 48.**
- The final challenge for our leaders is to encourage the widest possible debate on public policy and allow much more space to individual citizens and citizens' groups to participate in and influence policy decisions. **Page 52.**

**1. The first challenge for our leaders is to provide a clear ethical vision of our political community, and provide greater opportunity for the public expression of social solidarity, and our mutual responsibility for the well-being of our fellow citizens and the community as a whole.**

Canadian society is today, and will be in the future, as diverse in terms of ethnic origin, nationality, and religion as global society itself. Even in our reasonably open Canadian society, we have to be vigilant to keep intolerance and bigotry at bay. We face growing inequality that is leading to a permanent underclass that may threaten our ability to live in peace and humanity. Yet too many Canadians seem indifferent to the disturbing developments.

We must build on our respect for human rights and freedoms, and strengthen our civil society by reminding Canadians of the responsibilities that must go along with the rights and privileges of citizenship.<sup>2</sup> Our leaders must articulate a clear ethical vision for our political community that transcends our different identities and backgrounds, to allow us to live together peacefully and build an open, progressive, just society.

Most citizens in liberal democracies need more than simply the opportunity to make a good living and lead a comfortable life. Canadians are no exception. We need the opportunity to express our social solidarity and mutual responsibility for the well-being of our fellow citizens and the community as a whole, in the pursuit of greater social and economic justice. Author and journalist Richard Gwyn refers to this sense of personal responsibility in terms of *civitas*. *Civitas*, “a sense of obligation to the community, not just in the now jaded sense of “caring and sharing” but also in that of a civic duty to give back to the community a part of what one has

---

<sup>2</sup> When we speak of the rights and responsibilities of citizens in our political community, this should refer to individual rights and individual responsibilities. Of course individual rights take into account community values and group identity. For example, individual members of minority language groups voluntarily coalesce in order to assure more effective enforcement of their rights and the preservation of a group identity. However, these protected rights do not belong to the organization or the collective itself. The individual must choose to join the group and the common endeavour voluntarily. Giving the rights to the collective itself elevates the group over the individual, and gives potentially arbitrary unaccountable power to politically unscrupulous leaders to determine the rules of membership, exclude some individuals and not others. Free and democratic societies are best able to protect minorities by giving rights to the individuals.

earned by living in it, is a higher value; today, it is a far more necessary one”.<sup>3</sup>

Unfortunately the current discourse of politics has done little to nourish or focus our sense of social solidarity – our mutual responsibility for our fellow citizens and our joint obligation to strengthen civil society and promote the common good. Take, for example, the recent United Nations Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance in Durban, South Africa in September 2001. Our leaders failed to ensure that the Canadian presence was coherent and constructive. We sent twice as many people as any other country. The government sponsored more than 60 diverse groups, including Black Inmates and Friends Assembly, Canadian Feminist Alliance for International Action, Filipino-Canadian Youth Alliance, and the Multicultural Association of Saskatchewan. This variety of participants (and the fact that our foreign minister did not attend) resulted in emphasizing our differences, rather than our ability to build a diverse yet dynamic, progressive society.<sup>4</sup> The conference agenda was ultimately hijacked by those wishing only to promote anti-Zionist, anti-Israel sentiments, and many of the rest of the wide variety of attendees resorted to unproductive accusations and squabbling. Yet Canada’s growing diversity and multicultural character is a great source of dynamism for Canadian society and, provided we continue to live and progress together in peace and humanity, we can provide a valuable example to the world.

Our leaders must focus more on what draws us together, rather than what divides us.<sup>5</sup> To illustrate the broad-ranging need for a new emphasis in public discourse and debate, consider three completely different policy areas: immigration policy, aboriginal affairs, and anti-terrorism initiatives. In each of these areas, our leaders must do much more to engage Canadians in thinking about how our policies and initiatives should contribute to

---

<sup>3</sup> Richard Gwyn, *Nationalism Without Walls: The Unbearable Lightness of Being Canadian*, McClelland & Stewart, 1995, pp. 285-86.

<sup>4</sup> See articles by Robert Fulford, “From Delusion to Destruction,” *National Post*, October 6, 2001, and Richard Gwyn, “Racism being Trivialized at Durban,” *The Toronto Star*, September 5, 2001.

<sup>5</sup> Author Neil Bissoondath argues that there should be much less public focus on our religious, social, ethnic and linguistic differences. Personal culture and ethnicity should be private matters. “Identity emerges from several sources, but belongs exclusively to the individual. Only when this is recognized will people begin to live together, sharing a common purpose, seeing each other not as exotics contained within separate mosaic tiles, but rather as fellow Canadians to whom they owe, and from whom they must expect, the full respect that is their due as human beings.” Neil Bissoondath, “Dreaming of Other Lands,” in Rudyard Griffiths ed., *Great Questions of Canada*, Stoddart Publishing Company, 2001. See also Neil Bissoondath, *Selling Illusions: The Cult of Multiculturalism in Canada*, Penguin Books, 1994.

strengthening our civil society and our shared responsibility for achieving greater social and economic justice.

Our immigration policies establish reasonably generous projections each year for so-called regular immigration, as opposed to refugees.<sup>6</sup> Yet we have established unduly restrictive requirements for successful immigrants. More specifically, we are unduly restricting potential immigrants who are not well established financially or who may not have extensive education or particular defined skills. It seems we have forgotten that such immigrants, provided they are self-reliant and committed to Canada (which is almost always the case), contribute more than their share to the Canadian economy and enrich our society. They may not be high-tech entrepreneurs but they provide critical employment and services, and it will be their children and children's children who will be the professionals, skilled workers and politicians.

Because of our tight rules, many of these potential immigrants then attempt to enter as refugees, arriving in unsanitary, desperate conditions in unseaworthy boats on Canada's coasts.<sup>7</sup> Selling their life savings and more to so-called "snakeheads" or thoroughly unscrupulous smugglers, and risking their lives, appears to be the price they are willing to pay to make a better life in Canada and try their luck in getting through the refugee system.

The time has come for the federal government to recognize that many economic migrants – who are effectively excluded from the regular immigration stream – are determined to try to come to Canada anyway. Economic migrants constitute the vast majority of our "refugees." A more honest and appropriate immigration policy would accept the need for such immigrants and open up the regular channels. The refugee system would then be reserved for the much smaller number of so-called "genuine refugees."

At the same time, Canada must speed up the refugee determination process. Contrary to public pronouncements, the Supreme Court of Canada did not interpret the Charter as requiring the cumbersome, inequitable and litigious system we now have. A hearing of the refugee claim at the earliest opportunity, even at ports of entry, with quasi-judicial hearing officers (hired

---

<sup>6</sup> Among other things, this is necessary given the ever-diminishing number of young people as the population ages and the national birthrate continues to fall.

<sup>7</sup> They pay more for their passage than those in the developed world pay for business class luxuries.

at arms-length from the government) and duty counsel and competent interpreters would be much fairer to potential refugees. Assuming a much quicker determination of the claim, social assistance should not be available until after the determination, something that will bring the system into sync with what is available to regular immigrants and thereby remove an incentive that brings the refugee system into disrepute.<sup>8</sup> In addition, we should expand the ability of churches and other credible groups to sponsor refugees from abroad. Not to undertake such reforms will simply foster further disillusionment with the refugee system and strengthen the inward-looking forces that would wall off Canada from such immigration and diminish our society commensurately.

Canada must also spearhead more effective international action to close down the pernicious smuggling operations. In this connection, a recent amendment to the *Immigration Act* creates the offence of “human trafficking.” This finally acknowledges that this is a fast-growing, lucrative and exploitative type of international crime. The recent Transnational Organized Crime Convention, whose implementation Canada has actively promoted, calls on all countries to provide themselves with the tools to prosecute and punish this crime.

More generally, our approach to the integration of newcomers to Canadian society must stress that persons who immigrate to Canada and accept the rights and privileges of citizenship must also accept the responsibility to maintain a civil society and political community that has outlawed the practice and advocacy of violence as an instrument of political expression. This means leaving behind the hatred, abuse and bigotry of their countries of origin and not funding or inciting acts of terror or violence outside Canada. As Michael Ignatieff notes so well: “Some emigrants feel guilty about departing and this guilt makes diaspora groups more violent and more extreme than those who live in the country where the oppression is taking place. Diaspora nationalism is a dangerous phenomenon because it is easier to hate from a distance: you do not have to live with the reprisals.”<sup>9</sup> Ignatieff points to the disturbing possibility that Canada is in fact now not an asylum from hatred but an incubator of hatred. More often than not, we have

---

<sup>8</sup> Currently, refugees are eligible for social assistance immediately after filing their claim, unlike other immigrants in the regular immigration stream. Unfortunately potential refugees seem all too knowledgeable about the availability of social assistance upon arrival, something that understandably breeds cynicism in the system.

<sup>9</sup> Michael Ignatieff, “The Hate Stops Here,” *The Globe & Mail*, October 25, 2001..

ignored the fact that some immigrants to Canada are a significant source of finance for terrorists abroad. September 11<sup>th</sup> must change all that. Those who support terrorizing and murdering civilians have no place in Canadian society.

Our leaders must engage Canadians in the kind of debate outlined above if we are to have immigration policies that contribute to building an open, tolerant society and effective political community. We will then maintain our credibility in international forums to contribute constructively to the building of a more just and equitable world order.

Similarly, aboriginal affairs should be discussed in the broader context of strengthening civil society and our shared responsibility for achieving greater social and economic justice. *All* Canadians need to address the poverty and social malaise among aboriginal Canadians, and to see this action as exercising our mutual responsibilities for each other's social, economic and political well-being.

Clearly, aboriginal Canadians have much to resent and great deal of distance to go to have an equal chance at a decent quality of life and future prospects with other Canadians. Yet to date, our policies, despite being reasonably well-intentioned, have permitted us to somehow tolerate the desperate living conditions and pathetic quality of life of over a million aboriginal Canadians. The time is long overdue for our leaders to overcome this indifference with more effective action.

The current overwhelming emphasis on "nation-to-nation" negotiations for self-government does not address this indifference. Nor does it address the most pressing needs and concerns of the growing numbers of urban aboriginal Canadians who do not live in a "third order of government." Even a recent Ekos poll of aboriginal Canadians living on reserves confirmed that better health and education were the top priorities, while self-government remained one of the lowest.

Professor Alan Cairns succinctly points out that "there has been a profound interpenetration of aboriginal and non-aboriginal cultures . . . .Intermarriage, urban living, the educational explosion among aboriginal Canadians, and pervasive globalization pressures produce overlapping commonalities of belief and behaviours. . . .Just as the Canadian identity itself is compatible with holding many values in common with Americans, so aboriginal

Canadian identity is compatible with a federal and provincial dimension. We all carry multiple identities that are constantly reshaped and co-exist. To proclaim only one identity is to cease to be a social being”<sup>10</sup> and is to diminish one’s involvement in and connection to the larger affairs of state – foreign policy, post-secondary education, economic policy. Professor Cairns suggests that the scholarly community (especially law faculties) turn the focus of their intellectual efforts from simply articulating the content of aboriginal rights, including self-government, “to the issue of how a multinational people, if that is where we are heading, can be more than an aggregation of separate nations who share indifference to each other, and enhance the compatibility between aboriginal nationhood and Canadian citizenship.”<sup>11</sup>

Past mistreatment such as that in residential schools must be addressed, but we must move beyond this small-scale redress. Dignity for aboriginal Canadians is enhanced just as much by their being able to make contributions to the larger Canadian society, as it is by self-government. Much more effort and resources must be put to addressing pressing needs by ensuring excellent elementary and secondary school education, decent healthcare and housing, and guaranteed access to post-secondary education. Dedicated seats in the House of Commons for aboriginal Canadians are also important. The day the prime minister appoints a qualified aboriginal Canadian as foreign minister or to an equally weighty cabinet post will signal our progress towards a concept of common citizenship and civic responsibility. Such an appointment would reflect a re-balancing away from ethnicity as an ordering principle for public action, toward our social solidarity and common endeavours as a political community to promote greater economic and social justice.

Finally, even the current initiatives undertaken to combat terrorism provide a good opportunity to engage in a debate about civic responsibility and strengthening civil society, in addition to the traditional debate about rights versus limits on those rights, or “liberty versus security”. Anti-terrorism laws – ranging from extended surveillance, extended powers of arrest, to new financial disclosure requirements – are necessary at the very least on an emergency basis. These measures must be able to be justified as reasonable steps to ensure the discharge of the individual responsibilities to maintain

---

<sup>10</sup> Alan Cairns, *Citizens Plus*, UBC Press, 2000, pp. 7, 107.

<sup>11</sup> *Ibid.*, p. 202.

peace and humanity, which correspond to our basic rights and freedoms, and not only as justifiable limits to those basic rights and freedoms.<sup>12</sup>

Of course, all public action to counter terrorism must be subject to the usual legal safeguards in a free and democratic society: careful drafting of definitions; sunset clauses where appropriate; prior judicial approval wherever possible for extended surveillance and wiretapping; narrow limits to preventive arrests; additional human rights training for police and security forces; and adequate powers for police disciplinary bodies and the security review agency.<sup>13</sup> We must not forget that “infringements of civil rights, if genuinely required, should be open to scrutiny, and considered a painful sacrifice, or a purely tactical retreat, not as the mere brushing aside of irritating legal technicalities.”<sup>14</sup> To this end, like most measures adopted to address a crisis or emergency, anti-terrorism legislation should be periodically reviewed, and removed or relaxed, as the security situation becomes more normal.

Take, for example, the new Canadian anti-terrorism legislation, Bill C-36. Surely we must be able to require all individuals to assume responsibility for not engaging in “terrorist activity” – defined, among other things, as violent action taken for political, religious or ideological purposes that threatens the public or national security by killing, seriously harming or endangering a person. No cause can justify murdering and terrorizing civilians. It is nevertheless essential to demand an in-depth analysis and review of the legislation to ensure that its scope is indeed limited to terrorist-related activity, and will not stifle legitimate political dissent.

The legislation also quite properly goes after fundraising for and the financing of terrorists, however indirect this may be. Some persons will of course claim that they were unaware of the fundraising objectives of a certain group or initiative. However, assuming an individual has a valid

---

<sup>12</sup> The Canadian Charter provides for such action in section 1 as follows: “The Canadian Charter of Rights and Freedoms guarantees the rights and freedoms set out in it subject only to such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society.”

<sup>13</sup> Member of Parliament and law professor, Irwin Cotler, has written a powerful defence of the Canadian anti-terrorism legislation focusing on its aim to promote the most fundamental of rights: the right to life, liberty and security of the person. Professor Cotler also rightly focused on the fact that Bill C-36 is effectively the domestic implementation of international law undertakings, including no less than 12 international, antiterrorism, issue-specific treaties and the undertakings mandated by the recent UN Security Council resolution. *The Globe & Mail*, November 20, 2001.

<sup>14</sup> *The Economist*, November 17, 2001, criticizing comments by British Home Secretary David Blunkett, sneering at opposition to the anti-terrorist measures as living in an “airy-fairy libertarian” world.

choice as to whether or not to support a particular group, he/she must also assume an individual responsibility to inform themselves of the purposes of a group, and then to leave and denounce the group if it pursues objectives inconsistent with enabling people to live together in peace and humanity, respectful of the right to life, liberty and security of the person. Acceptance of this responsibility is what distinguishes free and democratic societies from totalitarian ones, whether the latter are state-based such as Iraq, or non-state-based such as those dominated by religious extremists.

New legislative provisions to allow electronic and other communications to be intercepted, subject to certain safeguards, may be acceptable not simply as a justifiable infringement on a right to privacy, but also as the discharging of the individual's responsibility not to engage in activities that treat other individuals in inhumane ways. In any event, the so-called right to privacy is complex. Protecting privacy in liberal democracies is more about protecting choice, not protecting secrecy *per se*. Protecting privacy recognizes that some aspects of our personal identity are entitled to be private matters and must not enter the public domain without informed consent.<sup>15</sup> For example, persons should have the right not to reveal their sexual orientation should they so choose.

Likewise, more intrusive security searches in airports and at ports of entry to Canada may be acceptable because an individual has a responsibility not to carry objects that are designed to cause serious risk to the individual right to life. More intrusive financial disclosure and the seizure of assets may be acceptable because an individual has a responsibility not to stash money away in a numbered account in Liechtenstein with a view to committing crimes against humanity.

Of course, the foregoing examples are the easy cases in which to articulate the responsibility on the part of a citizen. It is important, however, that the rhetoric of responsibility in this context be properly applied and limited; otherwise, taken to its extreme, it could be used to legitimate a modern-day McCarthyism. For example, we do not want it considered a responsibility to snitch on your friends and neighbours.

The foregoing discussion has focused on the general challenge for our leaders to engage Canadians in an ongoing debate about the nature of our

---

<sup>15</sup> Donald Lenihan and Reg Alcock, "Privacy is No Secret," *The Ottawa Citizen*, October 24, 2001.

civil society and our civic responsibilities. The next challenge is more specific: focusing on the need for more responsive leadership as well as new tools to allow us to continue to build an open, progressive, just society.

**2. A second challenge for our leaders is to respond more effectively to the needs and concerns of Canadians, and to find new tools with which to accomplish our social and economic goals: reducing the widening gap in income and wealth between more affluent and poorer Canadians; ensuring a good education and meaningful work for all; and to the greatest extent possible eliminating poverty, hunger and homelessness.**

We entered the 21<sup>st</sup> century as a “society of strangers,” a concept presciently developed by Michael Ignatieff in 1985.<sup>16</sup> As we came to depend on anonymous state bureaucrats to redistribute income and take care of the most pressing manifestations of poverty and injustice, there was less opportunity for civic engagement.

The intermediation of the welfare state has resulted in our losing a critical connection with those in need, and in our treating of social problems as sterile issues of taxation and transfer payments. In a companion article, Ignatieff set out the danger as follows: “My taxes go up to help people I don’t know; their taxes go up to help me and they don’t know me. . . What’s come apart is people’s willingness to pay the way for strangers . . . If I start to think whether I get value for my money out of the civic bargain entirely on my own terms, logic will lead me to want to opt out eventually because, in fact, I pay for weapons systems, schools, etc., that I don’t want.” As Canadians find they must work longer and harder to maintain their standard of living, many are all too easily convinced that we cannot afford the expenditures on education, health care, social welfare or the environment, that we must downsize and decentralize the state apparatus.

With the severe cutbacks in social spending in the 1990s in particular, inequality in incomes and the gap between richer and poorer Canadians began to grow markedly. The Vanier Institute of the Family estimates that the share of total family income after taxes that went to the lowest fifth of families shrank from 7.6% to 7.1% between 1989 and 1998, while the

---

<sup>16</sup> *The Needs of Strangers: An Essay on Privacy, Solidarity and the Politics of Being Human*. Viking Press, 1985.

wealthiest fifth of families increased their income share from 37.0% to 39.8%.<sup>17</sup> Similarly, Statistics Canada estimates that the average income of the poorest fifth of families declined to \$17,334 by 1996. Meanwhile the richest fifth saw average inflation-adjusted incomes increase by 1.8% in 1996 to \$114,874.<sup>18</sup>

Unacceptable numbers of unemployed and under-employed people continue to live in poverty. Canadians are now, unfortunately, dependent on desperate stopgap measures such as the ubiquitous food banks and emergency shelters for the homeless.

Consumer-driven economic growth (measured by the Gross National Product) is no longer necessarily associated with improved quality of life. It is accompanied by unacceptable environmental degradation as well as “stressed-out” workers trying to maintain an unsustainable level of consumption.

Huge numbers of Canadians are in survival mode, overwhelmed with the day-to-day struggle of raising children increasingly disadvantaged by the declining quality of education and the environment, caring for aging parents, and holding full-time jobs. Even before the events of September 11<sup>th</sup> catapulted the risk of international terrorism to the top of the public agenda, we were worried about a long list of things: the possibility of losing our jobs, an environmental catastrophe, the declining quality of health care and education, pollution, the effects of toxins on our health, new epidemics with new viruses against which antibiotics are impotent.

Yet we find ourselves more likely than not in an adversarial position with our governments over health care reform, education reform, employment and training policies, labeling of genetically modified foods, environmental protection, to name just a few. Many people believe that these “public interest” issues and concerns are critical to our social and economic future as a mature democratic nation; however, they are too often treated as “special interests”, to be brokered along with competing corporate, private-sector interests. For example, those concerned with clean and safe water are placed more or less on a par with the toxic dump interests. Our leaders continue to

---

<sup>17</sup> Vanier Institute of the Family, *The Current State of Canadian Family Finances – 2000 Report*, Ottawa, 2001.

<sup>18</sup> Statistics Canada Yearbook 1997.

address a Walkerton crisis here, or education crisis there, as experts in “ad hoc-ery.”

A serious consequence of this disillusionment with politicians is that we have lost our sense of outrage. We too often sit back and let our leaders talk endlessly, without taking effective action, about the fate of desperately poor and disadvantaged aboriginal Canadians, about frustrated inhabitants living in poisoned environments near the Sidney tar ponds of Nova Scotia, about skyrocketing rates of asthma and lung damage in our increasingly polluted urban areas.

Expressions of outrage are something our leaders should welcome and to which they should react constructively. It is a sign of a vibrant civil society, a strong political community, and citizens who care about their fellow citizens and their quality of life. For example, when dangerous levels of toxins (lead and arsenic) are found in the oozing junk in basements near the Sidney tar ponds area in Nova Scotia, not to mention in the blood tests of the helpless residents of the area, public energy and action should not be wasted on further tests and analysis. We have an ethical obligation to our fellow citizens to allow them to live in reasonable health and safety. Given a chance, Canadians would agree that public money would be well spent on moving our fellow citizens and cleaning up the environmental mess.

Our political leaders must be much better prepared to react to such situations and correct the injustice. But this requires a new language of political discourse. Those in public life must persuade the securely affluent in society that they have a direct moral, and not merely material, stake in improving the quality of life for our fellow citizens and pursuing greater social justice. The securely affluent must feel that while they are valued as citizens, not only at work and at home, they will be even more valued if they are strongly committed to the political community. Generous tax breaks for those who wish to spend some years in public or community service might help to achieve this result.

More generally, the public debate must now produce a vision of Canada that focuses on the dignity, worth and advancement of the individual, not simply on the satisfaction of material needs. As much as taking specific legislative action, our leaders must emphasize their role in encouraging and creating incentives for people to define their own needs and to find their own solutions, and to recognize and discharge their responsibilities towards their

fellow citizens. Public action should then support those choices and the discharge of those responsibilities.

Those in public life must be prepared to think more innovatively and analyze public policy “horizontally” across traditional categories.<sup>19</sup> The goals which we, as a political community, pursue should be articulated in broad, simple terms, such as: a healthier population, safer communities, a better-educated population. All public action, whether direct or indirect, would have to be assessed against a particular goal and could be quite varied across jurisdictions, provided it achieved certain common “assured outcomes.”<sup>20</sup>

More coherent public action would also be possible if we focused on the concept of “social economy” given the vital link between our social and economic objectives and policies. Strong economic growth and wealth creation are essential to sustaining our network of social, education and health care programs and services and building a fairer, more compassionate society. Conversely, this network of programs and services is essential to improving our productivity and competitiveness and encouraging investment decisions that will strengthen our economy and increase employment. A very good education, for example, is essential to one’s ability to participate in the knowledge-based industries that generate a steadily increasing proportion of our wealth and employment.

We must devise new measures of social and economic well-being to guide our efforts. It is clear that indicators such as Gross National Product understate the scale of economic activity, because much of our leisure time (non-wage) work is productive, useful, and unquestionably enhances our collective standard of living. Instead, we should adopt other perhaps less statistically precise but infinitely more sensitive indicators of our well-being, such as: the degree of choice in terms of one’s occupation and amount of time worked; our skills, knowledge, and ability to work together; and the quality of work and the environment.<sup>21</sup>

---

<sup>19</sup> To assist in this critical public policy process, however, governments must recognize the critical importance of a dedicated public service and revitalize the sadly depleted current ranks.

<sup>20</sup> See the discussion in Carolyn Bennett, Don Lenihan, John Williams and William Young, *Measuring Quality of Life: The Use of Societal Outcomes by Parliamentarians*, Library of Parliament mimeo, 2001.

<sup>21</sup> See, for example, the Genuine Progress Indicator (GPI) discussed in “If GDP Is Up, Why Is America Down?”, *The Atlantic Monthly*, October 1995. See also Andrew Sharpe, “A Survey of Indicators of Economic and Social Well-being”, *Canadian Policy Research Networks Inc.*, 2000.

The necessary public action can take many forms. Although some of the traditional economic powers of states have atrophied in the face of relentless globalization, there can be no doubt that states still have significant powers to tax and to spend and use other legal instruments. Our leaders must be creative and use this clout with a view to both the current and long-term well-being of Canadians.

For example, in today's fast-paced knowledge economy, we may not be able to control foreign investment and international flows of capital and finance.<sup>22</sup> But government can take innovative steps to set certain rules of corporate governance for all corporations operating in Canada and promote the growing corporate social responsibility movement. We could mandate changes to the composition of boards of directors (and the liability of directors) and require not only employee representatives but also a variety of outside directors to ensure that a broader (e.g. consumer-, environmental-oriented) perspective is brought to bear on corporate decisions. We must also aim to gradually dissolve the network of interlocking directorships in Canada. This would go far to change the sometimes insular mentality of management, too often accountable only to itself, and would thereby encourage greater sensitivity to community and other concerns. Furthermore it would facilitate the pursuit of sustainable economic development and ensure that the ecological and other critical dimensions of corporate actions are always adequately considered.

As management guru Peter Drucker has observed, business leaders must recognize that the enterprise does not exist exclusively for the sake of the shareholders, but plays an important role as an employer, as a citizen of the community, as a customer and as a supplier. Indeed the corporation as an entity will change in the 21<sup>st</sup> century to be more of a syndicate, with its stability, coherence and ability to maintain the loyalty of mobile knowledge workers, almost entirely dependent on the quality of top management. The

---

<sup>22</sup> For example, in the past few years, foreign ownership is dramatically on the rise again. In 1999, Crosbie and Co., a Toronto investment bank, estimated that foreigners spent \$41.2 billion (up from \$19 billion in 1998) to buy 186 Canadian companies (up from 152 in 1998). Foreigners now own 28% of the Canadian economy up from the 20% level of the early 1990s. Much of the reason lies in our depreciating currency. The Canadian dollar is worth less than two-thirds of the U.S. dollar, and Canadian assets look cheap to foreigners. Yet should we care if Newbridge is bought by France's Alcatel, or whether Nortel – which hires 25% of all Canadian graduate engineers and accounts for 25% of all industrial research and development in Canada – remains Canadian? In 1999, Canadian direct investment abroad was more than \$257 billion compared with foreign direct investment in Canada of \$240 billion.

three dimensions of the corporation – economic, human and social – will have equal importance.<sup>23</sup>

This need to expand the range of experience on corporate boards of directors applies equally to the public sector. Governments must continue to improve the range of government appointments to boards of crown corporations, regulatory agencies, research councils, universities, hospitals, granting bodies and cultural, community and charitable organizations. The patronage element must be eliminated and a trustworthy process involving an arms-length selection committee must be implemented.

In other areas, public action through employment standards and income tax legislation could provide incentives for employers to support the volunteer activities of their employees. Public resources could also support community infrastructure at the micro level that is self-directed and independent of the “state” in the traditional sense. For example, support could be given to innovative initiatives such as combining childcare centres with senior citizen homes that help to create links across generations in the absence of the traditional family bonds. Likewise the new cooperative street-level approach by governments and community organizations to the human devastation in Vancouver’s downtown east end is a far better expenditure of public funds than those made by members of parliament to their favourite recipients in their ridings that produced the Human Resource Development Department scandal of 2000.

The same reorientation of political leadership and the role of the state applies across the whole range of social challenges we now face, notably, drug abuse, AIDS, homelessness, child poverty. Community networks must be fostered if we are to deal effectively with these challenges. This is because it is essential to have some means of reaching down through society and helping those in need, something that no state apparatus, however well meaning, can accomplish alone. The role of the state, then, is to implement the necessary framework policies and standards, and to ensure that these networks have access to sufficient resources to deliver appropriate services. Constructive federal/provincial/municipal cooperation will of course be critical to avoid unproductive power struggles, and a civil pursuit of the public interest.

---

<sup>23</sup> Peter Drucker, “The Next Society,” *The Economist*, November 3, 2001.

We might consider the establishment of a national network of local development boards (using those that have been established in connection with employment and training) and allow them to assume responsibility for not simply employment and training matters, but also for the delivery of community and health services (thereby merging with the local health boards) similar to the popularly-elected local welfare caisses in France. As well, they could link up with regional offices of the federal Business Development Bank and, in conjunction with analogous provincial agencies, establish one-stop centres to provide small businesses with merchant banking, financial planning and consulting services, as well as management training seminars and information services.

We can also vastly improve our public education system at all levels to ensure that all Canadians are well equipped to take advantage of global economic forces. We need to ensure that our population is so well educated that when a foreign takeover of a firm occurs, critical decision-making skills and other head office jobs will not move.<sup>24</sup> Equally, a better-educated, innovative population will be better able to undertake foreign investment of their own and bring jobs to Canada. Moreover, as manufacturing continues its decline as a producer of wealth and jobs, knowledge has become the most important means of production.

Yet there is a lamentable “education vacuum” at the federal level. It is time for someone at the federal level to stand up and announce the need for national action to support the public education system that is the cornerstone of our democracy. Ill-considered closings of numerous community schools, overcrowded classrooms and trailer-like “portable classrooms” with ridiculously high student-to-teacher ratios, and crumbling infrastructure, are seriously undermining a civil society already under siege on other fronts. Now the largest province, Ontario, has started to publicly support private schools, yet another initiative that will further impede the public system from carrying out its critical role in building a common citizenship, and political community, and sense of mutual responsibility for each other regardless of income, religion, ethnicity and so on. Provincial governments appear unable or unwilling to reverse direction. This shortsightedness will have incalculable consequences for Canada’s future as a dynamic democracy both domestically and internationally.

---

<sup>24</sup> Quaere, what is the impact of recent changes to the *Canadian Business Corporations Act* reducing the Canadian residency requirements for directors of corporations registered under the *CBCA* to 25% from a majority?

Too often, it is simplistically assumed that “education” is within provincial jurisdiction and that the national government cannot implement public education policy directed at the elementary and secondary school level. This assumption is wrong when, like health care, something reaches the level of serious national concern. The time is long overdue for firm federal action to improve the quality of education and life-long learning at *all* levels. The education of Canadians will be the most critical determinant, together with a healthy environment and a reasonable social safety net, of our ability to maintain our country as a creative, vibrant democracy, where our children will want to stay and will be able to have meaningful and fulfilling work.

Although we may not require a full-fledged federal Department of Education as there is in the United States, national action is certainly required to establish minimum standards, or “assured outcomes” to use the more recent and useful terminology, in a number of areas involving elementary and secondary school education. This by no means involves the federal government intruding on provincial jurisdiction over the delivery of public education. But it could, for example, involve minimum standards concerning the maximum number of students per teacher, publicly funded kindergarten, availability of adequate library facilities, the establishment of national tests, and the mandatory courses required to graduate from secondary school. The provinces would take full responsibility for ensuring all students attain a minimum performance standard. Then, through the new local board network mentioned above, provinces with federal assistance could create and fund alternative learning environments for those who cannot attain the minimum standard, or for the many who currently drop out.

High-quality post-secondary education is equally clearly critical to our social and economic development. Not only does it sustain the constant improvement of our skills base so essential to international competitiveness, but statistics unequivocally confirm that some sort of post-secondary education or training will be required for 72% of the 1.3 million new jobs expected to be created in the Canadian economy between 2000 and 2004. Federal government initiatives such as the Millennium scholarships are laudable in intent, but have simply allowed provincial governments to cut back their post-secondary education (PSE) contributions commensurately. Much more should be done to ensure universal accessibility and adequate funding of post-secondary education.

We also require a firm and coherent federal role in integrating our employment and social assistance policies, in helping all provinces maintain minimum national standards (or achieve “assured outcomes”) in the provision of income security programs and social services. This involves childcare and employment and training programs,<sup>25</sup> comprehensive disability insurance<sup>26</sup> and home care. Although the Canada Child Tax Benefit is a great improvement over its predecessors in terms of income redistribution, a better means of attacking child poverty would be to combine the federal and all provincial child benefits into one income-tested child tax credit available to the mother three months after conception. The aim would be to take children completely out of the social assistance system, assuming other family support measures as expanded child care and enhanced parental leave.

Equally important is the federal role in the maintenance of minimum national standards or “assured outcomes” in health care, as well as in reshaping the overall health-care system, including its financial viability, across provinces. No suggestions for reform, however controversial, should be dismissed at this point. Clearly, the current system is unsustainable. We need better coordination and exchange of information on best practices and procedures across the country.<sup>27</sup> We need better pay for overworked nurses and hospital workers and better service in hospitals and community health centres. All this requires financing, and additional funds may have to be raised through a progressive health income tax reflecting the consumption of

---

<sup>25</sup> Sherri Torjman, “Survival-of-the-Fittest Employment Policy,” *Caledon Institute of Social Policy*, April 2000, p. 3. Since 1998, Ottawa has entered into Labour Market Agreements with each province individually (except Ontario), handing over administrative authority for active employment measures. The result is a haphazard uncoordinated patchwork quilt of training policies, and no overall vision for the development of an effective employment system in Canada that guarantees equitable access to training across Canada. However, at least provincial residency requirements were prohibited.

<sup>26</sup> This should be designed to ensure that all disabled persons, regardless of the cause of disability, have a stable and adequate income and access to the necessary support services, notably, rehabilitation, retraining and employment counseling. The federal government should encourage all provinces to adopt no-fault publicly administered automobile insurance and integrate it with provincial workers’ compensation systems, as Quebec has already done. The ultimate aim would be to rationalize and integrate the hodgepodge of current programs that provide benefits to disabled persons, but that have done so little either to reduce the devastating levels of poverty and unemployment among the disabled or to integrate them into the mainstream of our social and economic life. These programs include automobile insurance benefits, workers’ compensation, negligence actions at common law, compensation for victims of crime, long-term disability insurance plans, Canada Pension Plan disability benefits, and Employment Insurance sickness benefits.

<sup>27</sup> The federal Telehealth initiative is a step in the right direction, especially if it involves broadband capabilities.

health services. More private facilities may have to be encouraged subject to public administration.

Federal action must also be taken to ensure that patent laws are not so restrictive as to deny persons the best possible medical treatment, especially as biotechnology permits more precise diagnostic and treatment options. McGill University law professor, E. Richard Gold, gives the example of how a patent held by Myriad Genetics for a genetic test for breast cancer, prevents women from having access to a more accurate and less expensive genetic test developed by the Curie Institute in France.<sup>28</sup>

Finally, with the Ontario legislation in November 2000 legalizing a 60-hour work week, something which results in more exhausted workers working overtime and an even more inequitable distribution of work opportunities,<sup>29</sup> the federal government must step in with minimum national employment standards. Employment standard legislation can be used to encourage work sharing and discourage unnecessary overtime. We should consider following France's lead in establishing the 35-hour workweek<sup>30</sup> as a means to ensure that as many Canadians as possible have access to meaningful work and maintain their human dignity. Indeed a number of European countries are well ahead of Canada in adjusting the payroll tax and benefits structure to reward employers who create jobs, and penalize those who destroy jobs.<sup>31</sup>

Another area requiring clear public action and resolute leadership is environmental security. If we want to be credible in addressing global environmental degradation, we must ensure that our national environmental laws and regulations firmly address the sources of pollution and excess consumption within our own boundaries. Conventionally, environmental policy has focused on combating pollution in air, soil and water by plugging emission sources at the “end” of the pipe. We need to shift attention away from the tail end to the front end of the transformative cycles in the

---

<sup>28</sup> “My Body, Your Patent,” *The Globe & Mail*, October 30, 2001.

<sup>29</sup> Ontario disingenuously argues that nothing will change because the employee can always refuse the extra hours, but obviously the potential for abuse by the employer is enormous. Even more egregious are the provisions that the overtime hours may be averaged over up to 4 weeks. So an employee working 60 hours one week and 20 hours the next, would be entitled to no overtime because the average hours per week was 40 hours!

<sup>30</sup> This is described in detail in Anders Hayden, *Sharing the Work, Sparing the Planet: Work Time, Consumption and Ecology*, Zed Books Ltd., 1999, p. 135 ff.

<sup>31</sup> Bruce O’Hara, “Europe’s Big Shift in Work Hours,” in Harvey Schacter ed., *Memos to the Prime Minister: What Canada could be in the 21<sup>st</sup> Century*, John Wiley and Sons, 2001, p. 91.

economy. We should focus on the tons of energy and material put into the productive process.

Technological progress has for many years been diverted toward making production more labour-efficient. Now it needs to be made more eco-efficient so that production and consumption will no longer reduce nature to serving as a supplier of industry and recipient of industrial waste. Such steps as shifting more of the tax burden to taxes on carbon and sulphur dioxide emissions may help.

More fuel-efficient cars or paper production with a high recycling rate will only have a positive impact if we take steps not to increase output. For example, although in the past 25 years the amount of recovered paper has more than tripled from 35 million to 110 million tons, the amount of paper used has increased at a greater rate. Encouraging more ecologically efficient train travel will only work if we require bus companies to charge their customers the true (higher) cost of the air quality damage caused by their vehicles. Much more public investment in public transit is essential, in part funded by greatly increased parking charges in urban centres but most importantly by a federal tax dedicated to urban infrastructure.<sup>32</sup> But people will only be persuaded to leave their cars at home with incentives relating to the frequency of public transit, minimal noise levels, good routes and low cost.

The federal government must assume a much more proactive and forceful role in the protection of the environment within Canada and in moderating our adverse consumption habits if we are to maintain international credibility. The Walkerton crisis should have been a wake-up call,<sup>33</sup> together with the now well-documented dangerous levels of pollution in our traffic-clogged major cities. Our public authorities no longer seem to be able to guarantee our clean water and clean air to which we are entitled. This is a tremendous source of angst among Canadians, and a tremendous setback to our goal of improving the quality of life.

---

<sup>32</sup> Thomas Axworthy suggests that all returns from the \$5 billion a year gas tax should be allocated to urban infrastructure (*The Globe & Mail*, October 4, 2001). An annual infrastructure fund of \$15 billion could be created by a tripartite matching formula with the provinces and municipalities. The United States has done something similar with the *Surface Transportation Act* that dedicates the U.S. gas tax to highways and urban transit.

<sup>33</sup> Yet potentially important federal legislation – Bill C-14, the Drinking Water Materials Safety Act – introduced in 1997, was allowed to die in 1999 and has yet to be reintroduced. There are, however, certain individual members of parliament and senators who feel strongly about the issue and continue to promote constructive solutions to ensure the safety of our water supply.

More effective federal enforcement of more comprehensive and less hesitant environmental protection legislation would clearly help the situation. The January 29, 1998 *Canada-Wide Accord on Environmental Harmonization* signed by all provinces except Quebec, has done little to correct a situation in which provinces inadequately and inconsistently carry out their responsibilities for inspections, standards, environmental assessments, monitoring, and the enforcement of both provincial and federal environmental laws.<sup>34</sup> The result is a poor enforcement record, and increasing difficulties in ensuring that provinces will implement provisions in international agreements. It will be difficult but essential for the federal government to recover sufficient enforcement capacity if we are to contribute constructively to perhaps the most vital global debates of the 21<sup>st</sup> century.

What of Canadian involvement in and responses to the many international efforts and action? In the years since the 1992 U.N. Conference on the Environment and Development (Rio Conference), the Rio Conventions on protecting the Earth's atmosphere and biological diversity<sup>35</sup> have come into force, but follow-up meetings have accomplished little. In 1995, the federal government published a *Canadian Strategy on Biodiversity* in fulfillment of one its main undertakings as a signatory of the Convention. Eventually Bill C-65 – *An Act respecting the protection of wildlife species at risk in Canada* – was tabled, but it was not passed before the election in 1997. The Bill was again tabled in April 2000 (Bill C-33), but again died with the dissolution of Parliament in October 2000. Bill C-33 was more limited than its predecessor, among other things covering only “federal species” (aquatic species and migratory birds) and other species only if they were located on federal lands, unless Cabinet decides otherwise. The Bill is once more under consideration by the current Parliament and is still generating controversy.

In a laborious way, Canada is currently involved in building the new institutional structure that must accompany the implementation of the commitments of the 1997 Conference and Protocol on climate change at

---

<sup>34</sup> The November 5, 2001 report of the Sierra Legal Defence Fund entitled “Ontario, Yours to Pollute” notes, among other things, that polluters broke Ontario’s water regulations nearly 10,000 times between 1996 and 1999, but only 11 of the facilities dumping toxic and other harmful chemicals into the waterways were charged. *Ottawa Citizen*, November 5, 2001.

<sup>35</sup> The 1992 *Framework Convention on Climate Change*, and the 1992 *Convention on Biological Diversity*. For a wide-ranging discussion, see the excellent articles in “Green Politics,” *Current History*, November 2000.

Kyoto. However, unless we do a better job of fulfilling our formal commitments to reduce greenhouse gas emissions, we will lose much of our credibility. For example, instead of falling eventually to 565 megatonnes in 2012, our greenhouse gas emissions have grown from 601 megatons in 1990 to approximately 682 megatons in 1999-2000.<sup>36</sup> The Canadian government made the curious argument that, among other things, our export of nuclear reactors abroad should at least count as helping others reduce their emissions, and thereby be credited against our excess emissions.

The jury is still out on what the Kyoto Protocol on climate change will accomplish. Unfortunately the prospects seem ambivalent especially with the U.S. withdrawal in March 2001.<sup>37</sup>

In providing more innovative and focused leadership across the public policy spectrum, our leaders must operate in a longer-term perspective and ensure that the intergenerational impact of all proposed public and indeed private policies is weighed and accounted for before their implementation. For example, we must analyze public expenditures in a much more discriminating way in order to recognize that many of the services provided by governments are indispensable to society, and indeed to the private sector, and contribute to society's productivity and well-being for many years.

In this connection, we need to develop a capital budget for the public sector that will account for capital expenditures such as long-term investments in public health and education, pollution controls and community infrastructure. At present, our outdated system of public accounts operates on a cash-flow basis and treats such expenditures effectively as current expenses. New accountancy approaches would permit a much more meaningful discussion of the concept of a balanced budget, and consideration of which expenditures contribute to economic growth and productivity and provide a net social benefit.

---

<sup>36</sup>In a November 2001 interview, the federal environment commissioner, Johanne Gelin, stated that Canada's emissions today are 17% above those of 1990, and are still rising. There is still no federal-provincial agreement on the division of responsibilities to comply with the Kyoto targets. "Canada Breaking Kyoto Promises," *The Ottawa Citizen*, November 25, 2001.

<sup>37</sup> One bright spot is the 1987 *Protocol on Substances that deplete the Ozone Layer*, to the 1986 *Vienna Convention for the Protection of the Ozone Layer*. This *Montreal Protocol* is proving to be an effective international instrument.

In addition, when taking any new initiatives, we must ensure adequate current funding in order to prevent us from passing on an unsustainable financial burden to future generations of Canadians. We must strengthen the reciprocal obligations between generations and ensure that the large baby-boom generation that has entered middle age, recognizes its responsibility to moderate consumption and channels enough income into such long-term investments as education, training, public infrastructure and the environment.<sup>38</sup> We need to find a way to give people an alternative to a lifestyle where achievement is measured simply in terms of consumption. As mentioned above, this might include providing the opportunity to take one or two years out of one's career supported by the tax system, to do public or community service.

The foregoing challenges for our leaders will, if successfully met, enable Canadians to maintain our internal coherence and stability as a political community, promote a progressive and innovative society, and strengthen our commitment to greater equity and economic and social justice. This will then determine our ability to achieve the same result at the global level.

**3. The third challenge for our leaders is to understand fully the international context within which we operate and to ensure a meaningful voice for Canada in international affairs.**

Globalization, put simply, means that we are all irreversibly dependent on each other.<sup>39</sup> To meet the ethical challenge of globalization and build a more just international society requires an effective international political community and effective global responses. While accountable world government and effective democratic institutions are still a long way off. Canada should actively participate in the creation of effective international governance structures. Although this goal is certainly not new, the means and determination to achieve it must be.

Already more and more decisions affecting the well-being of Canadians are taken in a wide variety of international forums, and global developments have an almost instantaneous impact on the Canadian social economy.

---

<sup>38</sup> There is a paradox, however, in that some youth in the dotcom generation are better off than their older and presumably wiser elders who now require mentoring from their much younger counterparts.

<sup>39</sup> Zygmunt Bauman, *Liquid Modernity*, Blackwell Publishers, 2000, and "The Ethical Challenge of Globalization," in *New Perspectives Quarterly*. Fall 2001.

Political scientist Thomas Homer-Dixon<sup>40</sup> describes vividly how the new technologies allow information, money, people and goods to move around the globe so quickly, compressing our perceptions of time and space. We now expect things to happen faster and we have vastly expanded the geographical reach of both consumer markets and human communication.

However, all this has promoted a sense of over-confidence and an illusion of control. Among other things, we have subordinated a large portion of the planet's resources and ecology to our interests without understanding or anticipating the nature of the problems we are creating. Indeed, as Homer-Dixon asks, can human intelligence alone even comprehend, let alone confront, the complexity and speed of operation of today's vital economic, social and ecological systems?

Technological advances have resulted in a truly global economy, but have not generated any global political structure to complement it. At the same time, the information revolution has fostered the emergence of a genuinely transnational civil society, strong enough to coordinate protests at Seattle and elsewhere but lacking an institutional structure and international leadership to facilitate long-term positive results.

Until sometime in the very distant future when we may elect an effective world government and world leaders, we are left with only national leaders to deal with the multiplying global challenges, having at their disposal significantly diminished state powers.<sup>41</sup> We therefore urgently require enlightened national leadership able to take a global perspective and promote effective international governance structures. Only through greatly increased multilateral cooperation can individual states effectively address global challenges, and recover the maneuvering room that they no longer have at the purely national level.

Our international institutions – from the United Nations to the International Monetary Fund – are incapable of coping adequately with the global challenges facing us. Most challenges – whether social, financial or environmental – require approaches across disciplines and immensely

---

<sup>40</sup> Thomas Homer-Dixon, *The Ingenuity Gap*, Alfred A. Knopf, 2000, pp. 4, 6.

<sup>41</sup> The German philosopher, Jurgen Habermas, refers to the autonomy of the state being diminished when a state can no longer count on its own forces to provide its citizens with adequate protection from the external effects of decisions taken by other actors or the effects of processes originating beyond its borders. Jurgen Habermas, "Crossing Globalization's Valley of Tears," *New Perspectives Quarterly*, Fall 2000.

complex cooperative decision-making. Negotiations involve not only governments and international organizations, but also corporations, non-governmental organizations and, as the Council on Foreign Relations' Leslie Gelb<sup>42</sup> notes, a whole range of public and private players who are neither accountable nor controllable.

One general step to help strengthen the global political community was proposed in 1997 by the InterAction Council (a group of respected former world leaders). A formal document - the Universal Declaration of Human Responsibilities – would be negotiated and would enter into force to reinforce the Universal Declaration of Human Rights. Article 1 would read: “Every person regardless of gender, ethnic origin and social status, political opinion, language, age, nationality or religion has a responsibility to treat all people in a humane way.”

Of particular resonance in light of recent events is Article 15:

“While religious freedoms must be guaranteed, the representatives of religions have a special responsibility to avoid expressions of prejudice, and acts of discrimination towards those of different beliefs. They should not include or legitimize hatred, fanaticism and religious wars, but should foster tolerance and mutual respect between all people.”

Persons of all religious beliefs have a responsibility to focus on respect for human life – the most important common aspect of all religions. Too often today we focus on the divisive aspects: to be Catholic is to be not Protestant, to be Christian is to be not Muslim, to be Muslim is to be not Jewish.

An international initiative to implement a Universal Declaration of Human Responsibilities would be as invaluable and influential as the Universal Declaration of Human Rights has been, and would bring a welcome balance back to the rhetoric and reality of world affairs. It could also help to establish the legal and ethical framework for the growing number of international humanitarian interventions to reverse human rights abuses within states, as we increasingly deal with the collapse of states rather than conflict between states. As well, such a Declaration would remind the

---

<sup>42</sup> Leslie Gelb, “Smog of Peace,” *New York Times*, May 9, 1993, quoted in Thomas Homer-Dixon, *The Ingenuity Gap*, p. 285.

wealthy minority in the world of their moral responsibility to help improve the quality of life and opportunity for the poor majority.

In this connection, the concept of enforceable human rights is expanding and will require a commensurate expansion in the human responsibilities that correspond to those rights. Following the Universal Declaration of Human Rights, two international covenants were developed in the 1960s: the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights.<sup>43</sup> Hitherto, groups such as Amnesty International have focused on civil and political rights. Economic and social concerns were left to humanitarians and philanthropists. Now Amnesty International wants economic injustice to be considered a violation of international human rights law, and wants to promote the right to food and housing on a par with civil and political rights such as the right to vote.

Michael Ignatieff points out that both sets of rights are interrelated: often correcting economic and social asymmetries is a precondition to the effective exercise of civil and political rights. For example, doing something about the AIDS epidemic in Botswana should not be regarded as charity or public health prevention. The social infrastructure of the country is being destroyed and this will wipe out all the gains in civil and political rights.<sup>44</sup>

While we must beware of overextending human rights regimes and, clearly, economic and social rights will be costly to enforce, the developed world, including Canada, should recognize that expanding enforceable human rights is simply another approach to reversing the disastrous decline and diminished effectiveness of official development aid.<sup>45</sup> The much greater transfers of money, goods and services needed for development can be justified both as respecting the economic, social and cultural rights of others, as well as discharging our responsibilities towards those less fortunate than ourselves, and pursuing of a clear ethical vision of a global political community. Surely the events of September 11<sup>th</sup> should have sensitized us even more to the desperate poverty and despair in so many areas, which

---

<sup>43</sup> The United States has yet to ratify the Covenant on Economic, Social and Cultural Rights.

<sup>44</sup> *The Economist*, August 18, 2001.

<sup>45</sup> In 1972 at the United Nations Stockholm Conference, developed countries pledged to raise development aid to at least 0.7% of GNP. Canada's aid is still well below that level, falling in recent years from .45% to at .25% of GNP, and American aid is at an even more embarrassing .1%.

allow extremist ideologues to find the soldiers willing to express their hatred toward the secular, diverse, and relatively affluent developed world.

Indeed, one of the great challenges we face is the increasing inequality of wealth of opportunity that is emerging between a global cosmopolitan elite and the vast majority of others who are territorially bound in the classic sense. The so-called “digital divide” means there are two worlds that never meet. As speed and wealth go together, the gap between rich and poor on a global scale is reaching unprecedented proportions.<sup>46</sup> If the trend continues, this gap will be as defining of our epoch as nuclear weapons or a clash of civilizations.

Over one-third of the world’s population – some 2 billion people – is technologically disconnected. Their combined income is equal to the total wealth of the top 358 global billionaires.<sup>47</sup> Many of these people are subsistence farmers without access to clean drinking water and who live on less than a dollar a day. This is compared to the 15% of the world’s population that produces all technological innovation, and the 50% of the population able to adapt technologies to production and consumption. The forgotten third neither innovates at home nor adapts foreign technologies. Only 22% of global wealth belongs to “developing countries” having 80% of the population. At the beginning of this century there are more than 30 million refugees worldwide with some 40,000 children dying every day from malnutrition and disease.<sup>48</sup>

Many of the technology-excluded regions are caught in severe poverty – their greatest problems being infectious tropical disease, low agricultural productivity and environmental degradation, requiring technological solutions beyond their means. Moreover, unfortunately, innovation involves increasing returns to scale, so that the regions that already have advanced technologies are best placed to grow further (a modern-day variation on the old sayings: “the rich get richer, and the poor get poorer” and “you have to have money to make money.”) A critical mass of ideas and technology, beyond the reach of most of the excluded one-third of the world’s population, is required to set off the chain of innovation.

---

<sup>46</sup> In 1960, the income of the richest 20% of the world's population was 30 times that of the poorest 20%. In 1998, it was 82 times, quoted in Thomas Homer-Dixon, *infra*.

<sup>47</sup> *United Nations Human Development Report 1996*, quoted in Zygmunt Bauman, *Globalization: The Human Consequences*, Columbia University Press, 1998, p.70.

<sup>48</sup> Oscar Arias, “Wanted: Statesmanship for the New Century,” *New Perspectives Quarterly*, summer 2001.

Henry Kissinger wrote perceptively in 1999 (even as his “balance of terror” basis for world order was destroyed by the end of the Cold War in 1989) that “. . . the world could evolve into a two-tiered system in which global elites are linked by shared values and technologies while the populations at large, feeling excluded, seek refuge in nationalism and ethnicity and in attempts to become free of what they perceive as American hegemony.”<sup>49</sup>

Similarly, Michael Ignatieff writes of globalization as follows: “Globalism in a post-imperial age permits a post-nationalist consciousness only for those cosmopolitans who are lucky enough to live in the wealthy West. It has brought chaos and violence for the many small peoples too weak to establish defensible states of their own.”<sup>50</sup>

The fact that the wealthy and powerful elites are more cosmopolitically inclined is nothing particularly new. What is new, however, is that those with capital and money in the global corporate and business elite have much of the power in society, but are able, with notable exceptions, to isolate themselves and disconnect themselves from the moral and social obligations and responsibilities that normally accompany that power. Protesters in Seattle, Genoa and elsewhere do have something to protest. Globalization is not a benign positive force. Rarely do corporations act spontaneously in the public interest unless it happens to coincide with their shareholder interest. Admittedly, there is a growing movement to promote the social responsibility of corporations, which is taken seriously by many corporations. But it is not yet enough.

Most can accept the proposition that, overall, “growth” helps the poor. But this is contingent on building an educated middle class in developing countries, which is very difficult when the country is controlled by a corrupt illegitimate regime that appropriates the benefits and thereby creates an increasingly marginalized and militant underclass. Public action is required to ensure that global financial and economic flows indeed lead to a more just and equitable world order and global community, not simply to an overall wealthier world.

---

<sup>49</sup> “Making a Go of Globalization,” *Washington Post* (December 2, 1999).

<sup>50</sup> Michael Ignatieff, *Blood and Belonging*, Penguin Books, 1993 p. 13.

Canadians ignore increasing global inequality at our peril. Either we renew meaningful efforts to pull developing countries ahead, or we risk the following:

- ever-increasing pressures from desperate economic migrants;
- more and more ecological catastrophes in developing countries;
- uncontrolled spread of new viruses and indeed modern-day plagues which know no boundaries; and
- increasing ferocity and intensity of ethnic conflict.

In determining appropriate policy directions for the international political community, we must understand the forces at play in the global economy. With the emergence of a global economic system dedicated to free capital flows and unfettered free trade, a new class of institution that has no distinctive national identity and does not reflect or respect nationhood as an organizing or regulatory principle is predominant: transnational corporations and international banks, not to mention trade associations, transnational lobbies such as OPEC, and world news services such as CNN.

- Five hundred corporations now account for 70% of world trade, and account for more than 80% of the world's stock of foreign direct investment. Approximately one-third of world trade (the flow of commodities, manufactured goods and services) is intra-firm trade from a subsidiary of a transnational corporation in one country to another subsidiary in another country. One example is Asea Brown Boveri Ltd. (ABB), which has 1,300 companies in 140 countries and spends \$36 billion a year. The company is deliberately developing its own "global ABB" culture, moving its best managers and their families around the world so they can develop "global personalities."
- In 1990, public capital flows (from individual governments via international financial institutions) still provided one-half the total loans and credits to 29 major developing countries (including Brazil, India, China, South Korea, and Mexico). However, in 2000, government capital flows of \$22 billion were dwarfed by private capital flows of \$236 billion to the same countries.

- In the first half of 1999, transnationals undertook more than \$500 billion new cross-border mergers and acquisitions in both advanced and developing countries, compared to only \$85 billion in 1991.

Too many national economies now can be shattered by a sudden outflow of capital at the whim of a wide range of foreign investors, as the 1997 East Asian economic crash demonstrated. International monetary authorities, notably the International Monetary Fund (IMF), proved unable to counter the speculative flows of capital out of the East Asian economies. “Crony capitalism” had resulted in a great deal of private investment in Thailand in unneeded factories, office buildings and apartments. The crash of the Thai currency bankrupted 56 of the top 58 finance houses. There was a herd-like stampede of speculative capital flows back to the centre, i.e., U.S. Treasury bonds; and only the astonishing strength of the U.S. economy prevented the Asian crisis from becoming a full-scale global economic downturn.

The reform of international financial institutions may be one possible counterbalance to the explosive expansion in the power of transnational corporations. George Soros proposes an International Credit Insurance Corporation that would provide international supervision over the national supervisory authorities to effectively regulate the international securities market. (In this connection, it would be essential for Canada to finally implement a National Securities Commission). The IMF would return to its original purpose, which was to provide expert advice and judgement and short-term liquidity support to enable the containment of speculative capital.<sup>51</sup>

Other directions for reform involve the international financial institutions (e.g., the World Bank and International Monetary Fund) allowing countries to use special incentives to attract the foreign investment that would not normally flow to a remote mountainous region or land-locked developing country. The usual “one-size-fits-all” prescriptions (Thomas Friedman’s “golden straitjacket”<sup>52</sup>) do not work.

---

<sup>51</sup> The Financial Stability Forum created by the G-7 in February 1999 is a useful start, as is the creation of the IMF’s Contingent Credit Line.

<sup>52</sup> This “golden straitjacket” involves generally the shrinking of the political sphere and the expansion of the economic sphere, free markets, and so forth. Under this theory, the following rules apply: let the private sector be the primary engine of economic growth, reduce state bureaucracy, maintain low inflation, price stability, and a balanced budget; eliminate restrictions on foreign investment, tariffs, quotas, and domestic monopolies; open banking and telecommunications to private ownership and competition; open markets to direct foreign ownership and investment; deregulate capital markets and the domestic market.

The World Bank must also vastly increase its grants for science and technology, and in general more public resources must be devoted to increasing the science and technological capacities of poor countries. Compare, for example, the World Bank's \$50 million per annum given for tropical agricultural research, with the \$2.1 billion per annum research and development budget of Merck, one of the largest U.S. pharmaceutical companies.

The U.N. Commission of Global Governance has suggested replacing the Economic and Social Council (ECOSOC) with an Economic Security Council, which would advise the World Bank and IMF, as the Security Council advises on peace and security. There is also the perennial favourite among enlightened national finance ministers, i.e., the Tobin tax on international financial transactions, as well as levies on the use of the global commons – oceans, atmosphere, Antarctica and outer space. The Japanese and German finance ministers now muse about “managed flexibility” of exchange rates.

As international development expert Jeffrey Sachs points out succinctly: “Lecturing poor countries about weak governance while providing precious little money for technological advance, public health and other needs, is cheap all right. But it does not work.”<sup>53</sup> More training and education expenditures are needed for displaced workers. At the same time, untied official development aid flows must be significantly increased, with strong assurance that the benefits will actually flow to the needy individual persons, not rich country banks or poor country bureaucrats.

In this connection, respected Peruvian economist, Hernando de Soto, argues that assistance should be focussed on reforming the informal economies in developing countries, something which could provide a large potential source of funds. For example, ordinary people need to have enforceable property rights to allow them to raise money using property as collateral, and keep local chiefs, corrupt bureaucrats, lawyers, etc., from siphoning off money. When de Soto tried to register a small clothing workshop in Peru, the amount of paperwork and cost involved was effectively prohibitive.

---

See Thomas Friedman, *The Lexus and the Olive Tree: Understanding Globalization*, Anchor Books, 2000, p. 104.

<sup>53</sup> Jeffrey Sachs, "A New Map of the World," *The Economist*, June 24, 2000. Professor Sachs wrote a similar article in *The Economist* to coincide with the 2001 G-8 Summit in Genoa.

When free seeds and fertilizer were made available to Malawi citizens, no one had addresses to which they could be delivered, so the seeds and fertilizer were delivered to the local chiefs who distributed them in a discriminatory manner.<sup>54</sup>

The annual rich countries (G-8) summit in July 2000 in Okinawa did address some of these concerns about international development, at least rhetorically. The “Okinawa Charter” expressed concern about the “digital divide” resulting from unequal access to information technology. However, beyond the rhetoric and a “Digital Opportunity Task Force” (“dot. force”) to help spread the Internet, it is difficult not to be cynical about the potential for real progress.

The 1999 G-8 summit’s “big idea” was the Heavily Indebted Poor Countries (HIPC) scheme, designed to cut the debts of the 41 poorest countries. In the ensuing year, instead of the target of 25 countries, only one country (Uganda) reached the “completion point” making it eligible for some debt cancellation. At Okinawa, the G-8 leaders had to “reaffirm” the initiative and pledge to speed it up. Sadly, as confirmed at the 2001 G-8 Summit in Genoa, this is the more common outcome of G-8 initiatives – less than satisfactory progress reports a year later and another “new idea” to give the leaders something to talk about.

As a G-8 member, Canada is well positioned to take a more principled stand on these global issues. We should use our credibility to pursue public policies that raise the standard of living and quality of life in developing countries.

We should also support and encourage private initiatives that are demonstrably effective. For example, the well-known French banker, Jacques Attali, has a fascinating initiative underway to encourage “micro lending” in developing countries to combat global poverty. His company, PlaNet Finance, is wiring the 7,000 micro finance groups around the world into a network. The micro banks will be rated according to their ethics, etc., and then PlaNet Bank will extend lines of credits to micro banks. Anyone visiting the website can donate money to a select project and then follow its progress. As political journalist and author Thomas Friedman observes, “This is using globalization against itself – using it to mobilize big, cold,

---

<sup>54</sup> Hernando de Soto, *The Mystery of Capital*, Basic Books, 2000.

selfish market players (the big banks) to do the right thing for the wrong reason – greed.”<sup>55</sup>

Turning to the free trade aspect of globalization (as opposed to financial flows), Canada has an important role to play to ensure fair trade and change the rich country trade rules that discriminate against exports from poor countries. Rich country governments have to open up their markets to developing countries’ exports, especially farm goods and textiles.<sup>56</sup> To take just one example, opening American markets to Pakistan textiles would translate into \$300 million to \$400 million a year, which could make a crucial difference to Pakistan’s economy and political stability.<sup>57</sup>

At the November 2001 Doha, Qatar meeting of the World Trade Organization (WTO), progress was made in setting an ambitious agenda for a new trade round that will include at least the prospect of better access by poor countries to rich country markets for their textiles and agricultural products. WTO members (now expanded to include China and Taiwan) agreed to push for “substantial improvements” in market access for farm products including the phasing out of “export subsidies.” The poorest countries were also given longer time frames for implementing agreements and numerous special trade preferences. Whether all this is eventually translated into concrete action remains to be seen.

Some progress was made as well toward meeting the concerns of poorer countries about the international agreement on intellectual property rights (TRIPS). Although only set out in an unenforceable political declaration, agreement was reached that TRIPS should not stop poor countries from gaining access to cheap medicines. This was a clear victory over the drug makers and should help ameliorate public health crises in developing countries. If this is eventually translated into practical terms, the definition of compulsory licensing should be extended to allow poor countries that lack the domestic industrial capacity to produce the drugs they need, to import them from elsewhere. Canada and the United States are hardly in a position to continue to enforce a hard line on patent enforcement around the world, when they have both so recently pushed the limits in respect of the supply of anthrax medication. As *The Economist* put it bluntly, millions of victims of

---

<sup>55</sup> Thomas Friedman, *infra*, p.211.

<sup>56</sup> Marcus Vincius Pratini de Moraes, “Fair Globalization Means Free Trade in Agriculture,” *New Perspectives Quarterly*, summer 2001.

<sup>57</sup> Jessica Stern, “Preparing for a War on Terrorism,” *Current History*, November 2001.

HIV in Kenya must constitute as much of a national emergency as the relatively few cases of anthrax in America.<sup>58</sup>

Canada should continue to provide support for developing countries on these and the many other trade-related policy issues. In addition, Canada should promote structural changes within the WTO. For example, the formulation of “trade policy” by the WTO should not be a function of secretive input from intergovernmental bureaucratic cliques from member states. Only member governments are responsible to voters at large, and those voters must be able to understand and hold their representatives to account, without the situation being clouded by well-founded suspicion of the motivations of those unaccountable players who currently have too much power within the WTO. Perhaps structural changes could help to prevent a repeat of the situation in Doha in which a new and controversial section called “Trade and Environment” was added to the final text at the last moment, apparently without the knowledge of many delegates.<sup>59</sup>

Globalization can be a positive force for change if we can harness for the public good the very global forces that threaten to overwhelm us and to provoke the destructive reactions of nationalism, religious fundamentalism, and isolation. The ideal to be pursued is to be able to focus the energies of the multiplying civil society organizations at both the domestic and international levels on promoting the goals of social justice, a more equitable world order, respect for cultural diversity, maintaining the earth’s ecological balance, and a drastic reduction in the sterile expenditures on all military armaments whether nuclear or other.

The redesign of the international infrastructure and policies and the strengthening of the international political community can be facilitated by the explosive growth in civil society organizations or non-governmental organizations (NGOs). Currently we have an integrated international economic system, but no matching international political system to go with it. NGOs are filling in the gap on an *ad hoc* basis.

---

<sup>58</sup> “Patent Problems Pending,” *The Economist*, October 27, 2001.

<sup>59</sup> Critics of the WTO argue that the new section promotes the privatization of the world’s water resources and endangers international environmental treaties, assuming Canada and others are successful in including water as an environmental service under the WTO General Agreement on Trade in Services (GATS). Maude Barlow, “Don’t Swallow their Water Grab,” *The Globe & Mail*, November 30, 2001.

Thanks to the wiring of the world via faxes and e-mails, an international civil society is rapidly taking shape. Hundreds of so-called non-governmental organizations (the beneficiaries of citizens' frustrated activism) have linked up across borders – "Internet activism" is the term coined by Thomas Friedman.<sup>60</sup>

Some informed observers believe that we are in the middle of a "revolution of NGOs" – a massive upsurge of organized private voluntary activity in literally every corner of the world. By 1990, more than 100,000 NGOs were working on various aspects of the environment. In 1995, the non-profit sector spent in excess of \$1.1 trillion (the GDP of the United Kingdom), employed 19 million workers, and used 10 million volunteers. A 1994 estimate for Canada suggested that 175,000 Canadian non-profit organizations contributed about 12% of the GDP. Seventy-five thousand registered charities employed 9% of the labour force with two-thirds of this employment being full-time in nature. In addition, they employed the services of over 1.6 million volunteers in a typical month.<sup>61</sup>

As more and more developing countries drift towards less centralized governments and larger middle classes, NGOs have proliferated. Threats to security in these countries increasingly are no longer military invasion, but rather take the form of pollution, water scarcities, persistent poverty and small arms proliferation. It seems that some NGOs are playing an important role in pushing governments and industries to truly confront the realities of population explosion, widespread poverty, climate disruption, bio-diversity loss, continued human rights abuse, etc.

The growth in NGOs seems to parallel the growth in transnational corporations (from a mere 7,000 in 1970 to 539,000 with 449,000 foreign subsidiaries in 1999). As transnational corporations have grown in size and number, states have become less able and less willing to regulate them. Non-governmental organizations, therefore, argue that they fulfill a vital role in calling attention to commercial abuse or injustice, which might otherwise be ignored.

NGO activity is rooted in the traditional forms of community action found in extended families, church groups, and community organizations. With the

---

<sup>60</sup> Thomas Friedman, *infra*.

<sup>61</sup> Alan Guimont, "The Role of Volunteers and Voluntary Organizations," *Library of Parliament*, July 17, 2001, p.3.

computer and telecommunications revolution, NGOs can participate in global networks and transform local dilemmas into global issues. Some see the cross-boundary linking of individuals and groups as providing a citizen-centred alternative to what is perceived as effective control of globalization by transnational corporations.

NGOs often prove more adept at responding to social and environmental problems than do governments and businesses. Ever since the Rio Earth Summit in 1992, NGOs have been increasingly involved in global governance, especially in the environmental area. The World Conservation Union (WCU) and WorldWide Fund for Nature were critical players in producing an international ban on trade in ivory. In 1991, non-profit groups – with their innovative thinking and approach – were the force behind the declaration of Antarctica as a world park rather than having it divided up by governments for mineral development. Non-governmental organizations, operating across borders, are constantly expanding the peace agenda, most recently with the successful anti-personnel land mines campaign.

The ability of NGOs and other activists to grab all the public attention at the meeting of the World Trade Organization in Seattle in November 1999, and earlier to have the Multilateral Agreement on Investment (MAI) taken off the OECD agenda in April 1998,<sup>62</sup> demonstrates not simply the power of the Internet, but also clear signs of the emergence of an international civil society that may increasingly influence national, and eventually international, politics.

One example of a successful civil society organization, of citizens coming together in a potentially effective global network is *Civicus*. *Civicus* styles itself as a “global alliance of citizens and their organizations”. Its “mission” is to build an international alliance dedicated to strengthening citizen action and civil society throughout the world. *Civicus* is dedicated to pursuing a world such that:

- citizen action is a predominant feature of the political, economic and cultural life of all societies;

---

<sup>62</sup> The opposition to the MAI worried that the elimination of barriers to the flow of investment across international borders would spark a global race to the bottom on environmental and labour standards.

- private action for the public good is expressed by a rich and diverse array of organizations operating sometimes apart and sometimes in dialogue with governance and business; and
- a healthy society is one in which there are equitable relationships among citizens, their associations and foundations, business and governments.

The initiatives funded by *Civicus* – for example, small education-related projects in poor countries – point us in the right direction. If developing societies are to have a chance to reach the point of sustainable development, and be able to generate decent incomes and a quality of life for their citizens, the advances must come from within. Assuming the states are reasonably democratic, uncorrupted and do not face violent ethnic conflict, (perhaps a tall order,) then strengthening the civil society organizations together with increased official development aid will enable citizens to have access to better education, adequate healthcare, and a cleaner environment and will bring immeasurable benefits.

Clearly, the international context within which we now operate is complex. But Canada is well placed to play a constructive role in strengthening the global political community and its institutions, and promoting a more equitable world order. We have a good understanding of the tensions and aspirations of the developing world, other cultures and history. Our domestic policies to promote an open, peaceful and progressive society, characterized by respect for both human rights and responsibilities, will provide the basis for our credibility in promoting analogous initiatives at the global level. Finally, our knowledge and accumulated experience in issues of “human security” and humanitarian affairs are important contributions to achieving greater international peace and security.

**4. A fourth challenge for our leaders is to ensure that Canada plays an active role in the pursuit of greater international peace and security.**

Pursuing peace and security is a natural role for Canada, with its well-earned reputation in peacekeeping, dating back to the Pearson years. In addition, Canada has played an active role in developing a whole range of important international legal instruments, most recently, the Anti-Personnel Mines Convention. As we face new challenges ahead that require much more intense global efforts and cooperation, Canada must remain actively engaged with adequate resources and skilled diplomacy.

What are the prospects for international peace and security across the "digital divide"? Unless we renew our efforts to reduce global inequalities of wealth and opportunity, we will face a more insecure and turbulent world. To paraphrase Israel's foreign minister Shimon Peres, we are moving inexorably from a world of enemies to a world of dangers – drugs, missiles, AIDS, fundamentalism, terrorism, global warming, nuclear war – where there are no frontiers. Security threats come from the international criminal, drug trafficker, political extremist, small arms vendor, warlord or petty tyrants. These people are adept at using the modern tools of organization and intelligence-gathering (infiltration, sabotage) and know how to exploit global communications technology.

Criminal networks will corrupt leaders of unstable, economically fragile or failing states, insinuate themselves into troubled banks and business, and cooperate with insurgent political movements. At the same time, the risk continues to increase that organized criminal groups will traffic in nuclear, biological or chemical weapons. The annual revenues from illicit criminal activities are estimated in 2000 to be \$100-300 billion from narcotics trafficking; \$10-12 billion from toxic and other hazardous waste dumping; \$9 billion from auto theft in the U.S. and Europe; \$7 billion from alien smuggling; \$1 billion from theft of intellectual property.<sup>63</sup>

The non-state actors and rogue states currently pose the most danger to peace and security. In so many countries, society is torn by terrorist networks, ethnic conflict, extremist ideologies and immature governments for which democracy is not a simple answer. Many countries are suffering from too many young people without jobs, so that attempts to introduce a vibrant multiparty system will be suppressed by the hardening of established ethnic and religious divisions. In 1985, Sudan's newly elected democracy led immediately to anarchy and thereafter to brutal tyranny. In 1989, the Soviets were finally forced to withdraw from Afghanistan leading to inhuman totalitarian rule by the Taliban and a safe haven for international terrorist networks. Democracy was "restored" to Haiti in 1994 but instability, corruption, and famine are still widespread.

---

<sup>63</sup> Global Trends 2015: A Dialogue about the Future with Nongovernmental Experts, NIC 2000-02, December 2000, prepared by the National Foreign Intelligence Board under the authority of the Director of the Central Intelligence Agency.

Keeping nuclear, chemical and biological weapons out of terrorists' hands must now be a top priority. Proliferation of nuclear, chemical and biological weapons has been spurred by the revolution in conventional weaponry despite formal treaties such as the nuclear Non-Proliferation Treaty (NPT), Biological Weapons Convention (BWC) and the Chemical Weapons Convention (CWC) outlawing the spread of these weapons. The lesson that a Saddam Hussein or an Osama bin Laden learn from the Gulf War or Kosovo and now Afghanistan, is that their armed forces stand no chance against U.S. airpower. Therefore, the most effective deterrent for Iraq and others is to develop nuclear, chemical and biological weapons that are indiscriminate and catastrophic in their effects.

Even before the current spectre of nuclear/chemical/biological terrorism confronted us, we recognized that promoting greater peace and security must involve addressing the uncontrollable pace and unknown impact of technological change. When a single computer hacker in the Philippines can bring worldwide communications to a halt, as computer viruses proliferate across the planet, we begin to realize our vulnerability. When a single person can carry a deadly new virus on one airplane trip to a developed country, we begin to worry. When a nuclear accident in any country will instantly threaten the health and security of many other nations, we start to pay attention.

Yet in a controversial article,<sup>64</sup> Bill Joy, Sun Microsystems chief scientist, argues that today's newest technologies – genetics, nanotechnology, and robotics (GNR) – pose an even greater challenge to human survival than nuclear, biological and chemical weapons. GNR technologies are “self-replicating and knowledge-enabled.” Nanotechnology is the science of creating molecular-size machines that manipulate matter one atom at a time. A nanobot (a nanometer is a billionth of a meter) is a small machine that can essentially be directed to make anything from scratch (for example, take raw carbon atoms and arrange them, atom by atom, into a diamond). Nanobots can also be programmed to build perfect replicas of themselves. Each one makes two more, then those two make two more and in no time there are a trillion nanobots.

---

<sup>64</sup> Bill Joy, “Does the Future Need Us?” *Wired* (April 2000).

Certainly, the technology can be brilliantly applied in, for example, cleaning up a toxic dump or an oil spill. Just dump specialized nanobots into the area and watch them self-replicate and clean out the pollution.

But what happens if the nanobots forget to stop replicating? Like the “Trouble with Tribbles” in the *Star Trek* series or Mickey Mouse and the multiplying broomsticks in *The Sorcerer’s Apprentice*, they might get out of control – spreading faster than cancer in the human body. For example, it is now possible to make microbe-sized, self-replicating, anti-personnel weapons. With this new category of massively destructive technologies, abuse by extremist individuals or small groups such as the Japanese sect, Aum Shinrikyo – in order to inflict massive damage – is inevitable.

In the 20<sup>th</sup> century, we were fortunate that nuclear weapons turned out to be so difficult to manufacture, and that biological weapons proved so good at contaminating those who wanted to use them against others. But this is no longer true in the 21<sup>st</sup> century. Bomb-making technology has become widely available and the essential ingredient – fissionable material – is spreading into more irresponsible hands. Some amateurs have already been caught splicing deadly toxins into common bacteria raising the spectre of new plagues, not to mention the recent spate of successful anthrax attacks. In 20 years, the creation of highly contagious and deadly “designer pathogens” will be a reality. Within 30 years, computer-processing speeds will match the capacity of the human brain (molecular electronics). Will the human brain’s capabilities expand as well, or will we create a new robotic life that will escape our control?

Those of us living in liberal democracies face a conundrum: The openness of our societies that gave rise to the information revolution in the first place, empowers small groups and extremists to use “knowledge-enabled” technologies in undemocratic, destructive ways. There can be no doubt that mankind is now capable of committing species suicide.

How then can we begin to focus on long-term impacts and to keep control over technological developments? Bill Joy suggests that all scientists and technologists should take a type of Hippocratic oath and agree to an assessment of the risks of all new technologies in an open public process. Fifty years ago, Albert Einstein suggested a convocation of all philosopher-scientists to halt the drift towards nuclear destruction. European banker, Jacques Attali, recommends an analogous meeting of scientists and public

figures to generate awareness about the impact of science and technological change. (His model is the Cold War Pugwash Conference that examined how to avoid nuclear war.)

But in the absence of an effective world government, can individual states succeed, either on their own or through international cooperation, in setting ethical limits to technological development? The answer is yes, if we have the political will. But to deal effectively with all these dangers<sup>65</sup> requires more coordinated international efforts. It requires us to accept that the roles and responsibilities of national governments will overlap with those of international institutions and the private sector, but none will be completely in control. Certainly, the hitherto unilateralist Bush administration<sup>66</sup> has rediscovered the urgent need for multilateral cooperation in order to combat transnational threats: witness how the United States hastily paid up its U.N. arrears after September 11<sup>th</sup> in order to acquire the suddenly useful United Nations clout.

Turning now to the general prospect for world peace among states (other than rogue states), the outlook is reasonable.<sup>67</sup> Yet state nuclear arsenals remain large enough to obliterate humanity,<sup>68</sup> and international arms sales are on the rise again.<sup>69</sup> India and Pakistan are rattling their nuclear bombs, and in 2000 the U.S. Senate incomprehensibly rejected the Comprehensive Test Ban Treaty. Russia is hinting at ending the entire nuclear arms control structure (even as it finally ratified the Strategic Arms Reduction Treaty II) if the U.S. goes ahead with its Ballistic Missile Defence system and the concomitant abrogation of the 1972 Anti-Ballistic Missile Treaty. Indeed, the U.S. – despite being today's sole superpower – still refuses to sign the

---

<sup>65</sup> Robert Wright, *Non-Zero: The Logic of Human Destiny*, Pantheon Books, 2000. Robert Wright argues that these common global dangers will provide the incentive to nations to cooperate, just as war provided the incentive in the past. The logical extension of this non-zero sum interactive cooperation over the next few centuries will be a single global society – with a global culture. But all moves toward such a global society eventually risk global catastrophe. Historian Robert McNeill writes how throughout history, plagues accompanied periods of great openness.

<sup>66</sup> Unilateralist initiatives in 2001 were as follows: January 2: Bush withheld the treaty establishing the International Criminal Court from the Senate, preventing ratification; March 28: Bush abandoned the 1997 Kyoto Protocol; May 1: Bush threatened to abrogate the 1972 Anti-Ballistic Missile Treaty; July 21: Bush threatened to withdraw from the U.N. conference to impose limits on illegal trafficking of small arms; July 25: Bush rejected proposals for enforcement measures for the 1972 Biological Weapons Convention.

<sup>67</sup> For example, in contrast to the 20<sup>th</sup> century, even accounting for the current struggle against terrorism, we are unlikely to face total threats that must be met with total war.

<sup>68</sup> The U.S. and Russia currently have about 14,000 strategic weapons and another 1,000 are found among six other nations: China, France, India, Israel, Pakistan, and Britain.

<sup>69</sup> In 1995, world military spending was almost \$800 billion. Such spending clearly undermines the fight against poverty.

ban on anti-personnel landmines, the draft U.N. Agreement to outlaw recruiting children age 17 and under by armies, and the 1998 statute for a new International Criminal Court.

Hopeful signs can be found in the joint Russian-U.S. agreement of June 4, 2000, to develop a jointly funded Joint Data Exchange Centre (JDEC) located in Moscow. JDEC will use precision monitors to destroy missile sites (with due warning) and will be able to sound the alert about rogue states that may be testing weapons. In addition, the Russian and American presidents agreed at their November 2001 summit to significant cuts in their arsenals of nuclear warheads. America's stockpile will be cut to between 1700 and 2200 warheads, from over 6000 now, and the Russian stockpile will be cut by two-thirds.

The propensity for waging war over human rights has increased in the mature liberal democracies of the West, albeit with international cooperation, not by and against nation-states as in the past. State authority is increasingly subject to external challenge on the issue of human rights, and citizens can call upon international statutes<sup>70</sup> to remind their state of its civic responsibilities. But much remains to be done. We are still in the early stages of this transformation and no new norms have emerged to guide such interventions. Although the U.N. is more active with some half a million troops in the field, it is still not an effective collective security organization. Northern Iraq, Somalia, Yugoslavia, and Rwanda are the beginning of a trend – helping civilians against the military, corrupt government or chaos. But clearly the results are ambiguous at best as Rwanda sadly demonstrated.

In Kosovo, for example, Michael Ignatieff points out persuasively that we waged a virtual war – a war without death, a war fought with impunity by no more than 1,500 NATO airmen and the elite specialists of the Serbian air defence.<sup>71</sup> Disturbingly, it was also a war that was fought without democratic consent. Representative institutions, national or international, did not ratify the decision to go to war. Although American and other allied casualties can be expected in Afghanistan and the so-called war against terrorism, Ignatieff further worries that if war comes to be regarded as a spectator sport – no casualties, no conscription, no drain on the economy, no nuclear holocaust – then we may be tempted to engage in it more often and ill advisedly.

---

<sup>70</sup> See, for example, the recent creation of the International Criminal Court in The Hague.

<sup>71</sup> Michael Ignatieff, *Virtual War: Kosovo and Beyond*, 2000.

The conflict emerging after the September 11<sup>th</sup> terrorist attacks is somewhat different. The U.N. Security Council did vote to approve of the United States taking appropriate measures in self-defence.<sup>72</sup> Yet it is unclear what will happen when U.S. action in Afghanistan inevitably goes beyond what can be regarded as self-defence. Certainly it would be desirable if the United Nations could some time soon become a direct and credible participant in such international action.

The Brahimi Report on U.N. operations (released in 2000) puts forward proposals that would go far to adapt U.N. peacekeeping efforts to the 21<sup>st</sup> century realities. The report recommends that if U.N. troops are to be committed to an area of conflict, their role is peacemaking, not just peacekeeping. They will be deployed quickly and have sufficient power to suppress fighting and enforce international human rights standards. Once fighting stops, U.N.-organized civilian police contingents and experts will maintain the role of law and facilitate the re-establishment of local civilian government.

An effective United Nations is the preferred alternative to U.S. or NATO leadership. These recommendations should be implemented. Canada, like other countries, must accept that more people and resources must be devoted to U.N. peacekeeping for longer periods.

More generally, as Andrew Cohen, currently a professor in journalism and international affairs at Carleton University, observes: if Canada is to maintain its international stature, we must reverse the dangerous decline in our commitment to our armed forces, our diplomatic service, our intelligence-gathering and our foreign assistance.<sup>73</sup> Among other things, Cohen recommends urgent action to upgrade our diplomatic service (and reduce the number of diplomatic functions being done by staff hired locally), and to implement a foreign intelligence-gathering service (Canada is alone in the G-8 in not having one). Our leaders must take up the challenge and take these and all other necessary steps to ensure that Canada remains an influential voice in world affairs.

---

<sup>72</sup> At the same time, NATO members invoked, for the first time, article 5 of the Treaty calling on all members to respond if any are attacked. This then justifies NATO involvement in the retaliatory action.

<sup>73</sup> Andrew Cohen, "The Ghost of Canada Past," *The Ottawa Citizen*, December 4, 2001, summarizing his submission to the Standing Committee on Foreign Affairs and International Trade.

**5. The fifth challenge facing our leaders will be to manage our increasingly close relationship with the United States, while continuing to pursue our own socio-economic goals as well as participating authoritatively and effectively in international affairs.**

The current international order is unprecedented. It reflects the most asymmetrical distribution of power since the Roman Empire.<sup>74</sup> No other state compares to American military, technological and financial strength.<sup>75</sup> Canada's relative strength and influence in this new order has noticeably diminished.<sup>76</sup>

We are unquestionably closely tied to the United States economically, most obviously through the Free Trade Agreement and now the North American Free Trade Agreement (NAFTA). But we must always remind ourselves that while NAFTA may be an important framework arrangement, Canada does not necessarily face serious constraints in formulating policies to protect our quality of life and security. In general, we should proceed with whatever domestic policies and programs we deem in the public interest whether with respect to worker training and adjustment programs, encouraging technology-based industry, or protecting the environment, and work our way, if necessary, around any technical constraints in NAFTA.<sup>77</sup>

Certainly there will be difficult challenges such as when foreign corporations sue Canada for compensation<sup>78</sup> for lost and future business under the investor-state rights provisions of Chapter 11 of NAFTA, because of Canadian initiatives to protect the environment. Despite Canada's unfortunate loss in the case involving the Canadian ban on the use of a nerve toxin, MMT, in gasoline,<sup>79</sup> the Canadian government must make its defence in all similar cases forcefully and expeditiously, and make it absolutely clear that no country, including Canada, can accept that agreements such as

---

<sup>74</sup> Allan Gotlieb, "A Recipe for World Influence", in *Great Questions of Canada*, infra.

<sup>75</sup> The economic world seems headed toward a stable tripartite configuration with East Asia (the countries forming part of the ASEAN organization plus Japan, China and South Korea) forming an effective block comparable to the U.S. and Europe. It is impossible yet to tell whether a united East Asia will be a positive force or a disruptive force.

<sup>76</sup> The 2002 edition of the annual publication by Carleton University of *Canada Among Nations* will aptly focus on Canada as a "fading power."

<sup>77</sup> The NAFTA Commissions on Environmental Cooperation and Labour Cooperation do not appear to be very effective at resolving policy conflicts to date.

<sup>78</sup> Note that Canadian companies likewise sue the United States.

<sup>79</sup> See lawsuit brought by U. S. Ethyl Corporation which obtained a \$13 million settlement and a reversal of the MMT ban in the suit against Canada.

NAFTA would override essential state action. However, at the same time, the Canadian government must act honestly and forthrightly. For example, in a case brought by an American corporation that was prevented from exporting PCB waste from Canada to the United States, Canada defended itself by arguing that the company was in breach of international conventions relating to the safe disposal of PCB waste.<sup>80</sup> Yet it was discovered that there was actually a written record that the Canadian cabinet ignored a favourable environmental assessment and the advice of its own environment officials showing that the disposal of PCB wastes would be safe, and therefore clearly did act for protectionist reasons to favour the domestic industrial interest. Such examples gravely debase Canada's credibility in international forums.

Moreover, we must not be naïve: as important as trade and exchange with the United States may seem to us, the converse is not true. Less than one quarter of American trade is with Canada; the vast majority is not.<sup>81</sup> Americans are looking south much more, especially to Mexico, in terms of closer economic and cultural relations, as the governing elite is much more familiar with the concerns of south and southwestern United States, with only fading memories of the Canada-U.S. ties of the second world war.

At the same time, however, Americans will be focusing more on developing secure energy supplies within North America in order to reduce their dependence on Middle East oil supplies. Encouraging American investment in, and access to, Canadian energy was on George Bush's agenda well before September 11<sup>th</sup> as energy shortages in California reached critical proportions. Promoting the availability of Canadian oil and gas to Americans now seems to be high on the Canadian government's agenda.

With respect to sharing energy supplies, we must ensure that while being part of a continental market, Canada still maintains its security of supply. Our energy relations with the United States are of course governed by NAFTA but should also be considered in the broader context of developing joint Canada-United States approaches to resource renewability, sustainability and the development of alternative energy sources.

---

<sup>80</sup> See lawsuit brought by U.S.-based S.D. Myers Inc. for losses incurred when Canadian authorities banned the export of PCB waste from Canada because the company did not adhere to international convention provisions.

<sup>81</sup> Note, however, that the United States will account for an increasingly smaller proportion of the global economy as other economies especially in East Asia begin to expand again having recovered from the 1997 crisis.

Canada also should not hesitate to engage in hard-headed negotiations with the United States over access to our energy supplies, and negotiate trade-offs to ensure that Americans do not renege on their obligations to respect Canadian needs in other areas as well. We do not want a repeat of the sudden cancellation in 1968 of the Canadian supply of the swine flu vaccine by an American government suddenly concerned with having adequate supplies for its own population.

In general, the Canadian government must focus on ensuring adequate counterweights to our trade relations with the United States and indeed the so-called “Americas” concept. Perhaps in part this means simply returning to the 1972 concept of the “Third Option.” Trade relations with Europe, Asia and so forth must be nurtured and presumably facilitated by networks established by the many new Canadians from all corners of the globe. We are particularly well placed to provide expertise in areas such as transportation and communications, energy and resource development, agricultural technology and engineering skills to countries in the Americas and Asia-Pacific, not to mention Russia, Eastern Europe, and the former Soviet Republics, that are also demanding increasing quantities of finished goods from the industrialized West and Japan.

There are pressures on Canada to take steps to draw closer the United States in still more areas, notably security and intelligence. As we take stock of the September 11<sup>th</sup> catastrophe, joint border patrols along the 49<sup>th</sup> parallel make sense, as do common standards for security screening at our points of entry, and much closer cooperation among intelligence services. This does not, however, have to include the adoption of U.S. standards for immigration and refugees. Canada has interests – political, economic, and cultural – that are different from those of the United States and which are reflected in our different laws.

Similarly, Canada should not support the Ballistic Missile Defence system despite potential consequences in terms of Canada’s continued role in NORAD and the continental air defence. We should instead push the United States to consider other more effective options such as putting a shield over/around the rogue states from which the missiles would likely come.<sup>82</sup>

---

<sup>82</sup> See suggestions by one of America’s top nuclear scientists, Dr. Richard Garwin, a member of the 1998 Rumsfeld Commission that assessed the ballistic missile threat to the U.S. in “Missile Defense Should Put a Lid Over North Korea, not America,” *New Perspectives Quarterly*, summer 2001.

To the question of whether we can maintain our overall distinctiveness from the United States, the answer is, yes, just as we have done successfully ever since 1867. We have almost always agreed with Americans on the rules of democracy, the rule of law, shared geography, our respective political systems and so forth. The sympathy and outpouring of emotions and support/aid in the wake of the September 11<sup>th</sup> attack reflect our closeness.

But Canadians still are not citizens of a republic. “We admire but do not form part of the great Jeffersonian-Madisonian constitutional experiment to the south. We do not believe in a constitutional right to bear arms. We think public taxation should provide for health care. Constitutionally, we have specific protection for linguistic and aboriginal minorities.”<sup>83</sup> Contrary to all the gloomy predictions following the *Charter of Rights and Freedoms* in 1982, we have not become “Americanized”. Certainly our judiciary is now making serious decisions that draw the line between legal and illegal government acts, but this is done in a Canadian context in which, unlike the American Bill of Rights, the Charter explicitly provides for the balancing of public policy objectives against justifiable limits on our rights and freedoms (section 1). Indeed it is noteworthy that the Canadian Charter, rather than the American Bill of Rights, is the model preferred by countries such as South Africa that are in the process of becoming viable liberal democracies.

Our concern over Canada’s distinctiveness must not obscure the fact that our bilateral relations with the United States will always be of paramount importance. To ensure that our concerns are heard clearly and constructively in the United States, we must put a great deal of effort into diplomatic and other channels to increase American awareness of Canadians. As difficult as it is to believe, most Americans know very little of Canada or its politics and are occasionally too quick to assume the worst of us. For example, it was disturbing to find Americans, including those producing the brilliant television series, *The West Wing*, assuming that Canada had harboured many of the terrorists responsible for the September 11<sup>th</sup> attacks. Clearly, we must improve this situation in order to strengthen our hand in our bilateral relations.

Even with greater direction and determination in our bilateral relations with the United States, Canada can continue to play a distinctive role in

---

<sup>83</sup> M. Ignatieff quoted in S. Lee, “Real Borders in a Not-so-Borderless World,” M.A.Molat and F.O. Hampson eds., *Canada Among Nations 2000: Vanishing Borders*, Oxford University Press, 2000.

international affairs. As discussed earlier, despite our proximity to the U.S, our relatively small size and less emphasis on offensive military capabilities, we have a role to play as a so-called “middle” power between the developed and developing worlds. We are also, at least for the moment, exempt from the high level of anti-Americanism that exists in many places in the world.

**6. The final challenge facing our leaders is to encourage the widest possible debate on public policy and allow much more space to individual citizens and citizens’ groups to influence policy decisions.**

There should be no doubt about the need for vigorous debate and broad-based policy development as the means by which to successfully meet the challenges of the 21<sup>st</sup> century. “The trouble with the contemporary condition of our modern civilization is that it has stopped questioning itself . . . .Not asking certain questions is pregnant with more dangers than failing to answer the questions already on the official agenda; while asking the wrong kind of questions all too often helps avert eyes from the truly important issues. The price of silence is paid in human suffering. Asking the right questions makes, after all, the difference between fate and destination, drifting and traveling. Questioning the ostensibly unquestionable premises of our way of life is arguably the most urgent of our services we owe our fellow humans and ourselves.”<sup>84</sup>

In Canada, as in all other states with representative, democratically accountable government, the state increasingly shares public policy space with civil society groups. The past characteristics of Canadian political culture – deference to the elite, whether business or political, dualism, regionalism – are crumbling. Demands for participation and a role in decision-making have reached significant proportions, as are demands to diminish the undue influence of big business and media in public affairs.

The boundary between the governors and the governed must shift. Yet where and how? The so-called civil society groups are all different. Some focus on program delivery, others advocacy and policy development; still others, partnership. Moreover as well meaning as most of these groups are, they are unaccountable to the citizens of the state, and sometimes even to their own membership. Nevertheless steps must be taken to ensure greater space for citizens in policy making.

---

<sup>84</sup> Sociologist and globalist, Zygmunt Bauman, quoting French intellectual Cornelius Castoriadis, in *Globalization: The Human Consequences*, infra., p.5.

This will require serious parliamentary reform to broaden the scope for input into the formulation of public policy. New mechanisms for public debate must be designed to ensure that the full range of legitimate values and interests at stake in the policy-making and decision-making processes are reflected in the final outcomes. Enhancing the power and visibility of parliamentary committees would do much to enhance the quality and depth of public debate. Among other things, the aim must be to take the media focus off the mind-numbing self-regarding debates in Question Period.

But the prime minister must be genuinely committed to committees and committee members playing an important role in policy debates. Parliamentary committees were given expanded powers in 1994 to prepare and bring in a new bill, and to examine proposed legislation before second reading (acceptance in principle), thereby expanding the scope of the committee's work. Needless to say, however, the reforms have been rarely used and to no real effect. Professor Donald Savoie, a well-known and respected critic of the concentration of power, suggests, among other things, increasing the staff of the Parliamentary Research Branch from 80 to 400, and hiring the clerks of parliamentary committees at the assistant deputy minister level with a mandate to review broad policy issues.<sup>85</sup> This would ensure that parliamentary committees were in a position to assist in the formulation of coherent public policy that must increasingly cut horizontally across traditional policy frameworks to address the more complex challenges of the 21<sup>st</sup> century.

More generally, we must consider certain institutional changes such as the way elections are financed, more free votes in Parliament, a federal ombudsman (perhaps with specific responsibilities such as for the environment), senate reform, and electoral reform (possibly some form of proportional representation). Referenda are appropriate on constitutional changes as demonstrated during the Charlottetown referendum in 1992, but may not be a good idea for other issues that can be dealt with by elected representatives who admittedly must be better linked than they are now to the increasingly well-informed citizenry.

At the same time, we must take steps to encourage more Canadians to find the time for building civil society. Civil society or civic space occupies the

---

<sup>85</sup> Donald Savoie, "Reshaping National Political Institutions" in *Memos to the Prime Minister*, infra., p. 24.

middle ground between government and the private sector. It is where we talk with neighbours, plan a fundraiser for a school, organize a summer soccer league, discuss how a church or synagogue or mosque can shelter the homeless, and so forth. It is not where we vote or where we buy or sell. As discussed earlier in this paper, much of this loss of civic spirit is due to such factors as our consumer society and the need to spend more and more time working in order to earn sufficient income to maintain a certain consumption level, as well as our preference for what political scientist, Robert Putnam, calls “bowling alone” (for example, watching television) and our greatly diminished interest in having a sense of belonging to a local community.<sup>86</sup>

But a loss of civic spirit also arises because people feel increasingly powerless to influence the public agenda. Elections too often involve simply voting against a government or perhaps not voting at all (witness the record low voter turnout for the 2000 federal election), rather than voting for anything positive. This must change. Real democracy, one that is grounded in a vibrant civic society, is a form of government in which an empowered *people* – not politicians and bureaucrats – protect and promote civil liberties and accept the obligations of civic responsibility.

Some believe that the Internet can be used to strengthen civil society, that it will lead to happy e-citizenship in a digital democracy. In this view, citizens can have instant input into policy decisions and on-line voting will dramatically boost voter turnout.

The Internet certainly has great potential to involve citizens more deeply in the governance of the country, assuming citizens are well informed.<sup>87</sup> However, we must ensure that digital democracy is primarily empowering and contributes to responsible deliberative debate. We do not want it to turn out to be only a better way for existing political activists to be more

---

<sup>86</sup> Robert Putnam. *Bowling Alone: The Collapse and Revival of American Community*. 2000.

<sup>87</sup> Some argue that the increasing monopoly control over information and telecommunications technology – together with our passive submission to hours of television, advertising, and entertaining – means our real liberty of choice is increasingly constrained. One entity can now own all aspects of essential distribution and publishing, movie and television production, music, cable systems, cable networks, etc. This simply strengthens the unprecedented capacity of the telecommunications technology for surveillance and to impede, manipulate, and access information. Political author Benjamin Barber notes acidly: “Big Brother is no longer watching you, but neither is he watching those who are watching you . . . Who will watch those who are watching us?” Benjamin Barber, *Jihad vs. MacWorld*, Ballantine Books, 1995, p. 273. Note, for example, the Time Warner/AOL merger, one of the most spectacular on a global basis, and CanWest Global Communication’s takeover of Conrad Black’s papers, and the BCE/CTV/*The Globe and Mail* merger on the Canadian side.

politically active, or a means for the instant expression of private prejudices.<sup>88</sup>

Our leaders must improve the accountability and responsiveness of our current political system and expand civic engagement through a variety of initiatives discussed above, including the careful use of technological advances. This is critical to our success in strengthening our sense of social solidarity and mutual responsibilities as members of a coherent political community.

## **Conclusion**

The late 20<sup>th</sup> century will be remembered, in part, for the tremendous advances in the protection of human rights and freedoms. We presumably learned something, however imperfectly from the destructive wars and economic depression of the first half of the century and the emergence of the nuclear balance of terror in the second half. But the last decade of the 20<sup>th</sup> century will also be remembered as the time when the ethical vision of the secular state was challenged. The cold war (communism versus democracy) was replaced by a global market economy that weakened national sovereignty and was conspicuously devoid of political ideals. The public sense of insecurity intensified, as our public authorities seemed unwilling and unable to prevent, or even to mitigate the emergence of ever-greater inequalities of income and opportunities. Those with wealth and power seemed to become simply richer and more powerful, while the ranks of the underclass expanded rapidly.

The early years of the 21<sup>st</sup> century are already scarred by the catastrophic events of September 11<sup>th</sup> and their aftermath. Yet, as we have in the past, we can turn challenges into opportunities and move forward once more. Let the early 21<sup>st</sup> century be remembered as the period of reflection, when global forces were harnessed to promote a more equitable world order, when we focused on discharging the human responsibilities which accompany our human rights and without which we would be unable to live together in

---

<sup>88</sup> For example, a plethora of new commercial politics websites in the United States are hardly inspiring. “E the People” paints itself as America’s Interactive Town Hall and mainly runs on-line petitions on almost any subject from “Stop Kent State Primate Research” to “Equal Rights for Children of Second Families.” Other sites include “Voter.com,” “CandidateCompare.com” and “Select Smart.” The latter identifies the candidates whose policies and prejudices most closely match those of the inquirer.

peace and humanity. In the face of serious challenges from religious extremists, the secular authority of the state, either acting alone or in concert with other states, must regain its moral as well as legal force. The Osama bin Ladens of the world cannot be allowed to claim that religious forces alone, (albeit viewed from their distorted perspective), are able to sustain public order.<sup>89</sup>

Perhaps it is comforting in these rather bleak times to hear some powerful voices of moderation speak out in the Islamic world. The president of Iran, Muhammad Khatami, in a speech to religious leaders in New York in November 2001 said as follows:

“Vicious terrorists who concoct weapons out of religion are superficial literalists clinging to simplistic ideas. They are utterly incapable of understanding that, perhaps inadvertently, they are turning religion into the handmaiden of the most decadent ideologies. While terrorists purport to be serving the cause of religion and accuse all those who disagree with them of heresy and sacrilege, they are serving the very ideologies they condemn. ...

The role of religious scholars has now become even more crucial, and their responsibility ever more significant. Christian thinkers in the 19<sup>th</sup> century put forward the idea that religion should be seen as a vehicle for social solidarity. Now that the world is on the edge of chaos...the notion of Christian solidarity should prove helpful in calling for peace and security. In the holy Koran, human beings are invited to join their efforts in *ta'awon*, and *ta'awon* means solidarity, which can be translated into cooperation to do good. We should all co-operate in the cause of doing good.”<sup>90</sup>

It is encouraging to realize that this speaker is the elected leader of the same state that, in 1988, refused to protect the author Salman Rushdie after he was condemned to death by the religious leadership for daring to write *The Satanic Verses*. But we must not forget that Canadian authorities actually halted the distribution of *The Satanic Verses* on the grounds that it might be hate literature, a sad commentary on the strength of our own commitment to the basic tenets of liberal democracy and an illustration of why we must be constantly vigilant.

---

<sup>89</sup> Mark Juergensmeyer, *Terror in the Mind of God: The Global Rise of Religious Violence*. University of California Press, 2000.

<sup>90</sup> Quoted in *The Economist*, November 24, 2001, p. 16.

Our leaders must project a clear ethical vision of a strong Canadian political community if we want to continue to promote greater social and economic justice both nationally and internationally. Canada is a reasonably well educated and wealthy nation, and continues to be a magnet for immigrants around the world, whether those escaping desperate poverty or utterly polluted environments, or those highly educated immigrants who decide that Canada is a better place to live and from which to establish strategic family networks. As a result, Canadian society is becoming more and more a microcosm of the global society and if we can continue to build an open, progressive society, respectful of both rights and responsibilities, our voice will carry significant weight in global forums.

Our leaders must engage in open, constructive debate about the nature of the world we live in, and what sort of society and political community all Canadians, regardless of backgrounds and identities, are trying to build together. To implement the necessary reforms requires principled leaders who will bring together and work with the wide range of interests in the pursuit of the greater public interest. It requires a more activist government, particularly at the national level, to establish the broad policy frameworks and the necessary national standards (or assured outcomes) that will ensure that we harness the technological revolution for the benefit of all Canadians. It requires more responsive, productive government to meet more effectively the needs and demands of all Canadians for a just and caring society.

Our leaders must now bring a global as well as a national perspective to bear on the challenges that we face in common and the joint action required to overcome them. They must talk about the purposes for which we want to use government powers, and our shared values and goals as Canadians. They must talk about how we have built, and must continue to build, a great country that ensures equality of opportunity for all, and respect for basic rights and freedoms, human dignity, and self-worth. They must also talk about the mutual civic responsibility each Canadian has toward his/her fellow citizen and society as a whole to enable us to live together in peace and humanity.

Our leaders must draw us beyond the short term and make us think about how the world is changing and how irresistible forces are sweeping us into a more cosmopolitan age. They must then be able to transmit a vision of Canada to Canadians, a description of the projects we must accomplish together, and an understanding of how we can reconcile a strong national

government with sensitivity to community and regional concerns, of how to ensure Canadians both enjoy the rights and respect the responsibilities of civic life. The role of the government may be different in an age of globalization, but it is no less important if we are to avoid the emergence of a neglected underclass, permanently unemployed and living at the margins of an increasingly uncivil and unjust society. The possibilities for public action are limited only by our imagination, and these, in turn, provide the domestic examples and credibility to guide our efforts at the international level.

## **Bibliography**

Arias, Oscar. "Wanted: Statesmanship for the New Century," *New Perspectives Quarterly*, Summer 2001.

Arrow, Kenneth. "Nukes are Still the Worry," *New Perspectives Quarterly*, Spring 2000.

Axworthy, Thomas S.

- "The Dog that didn't Bark," mimeograph, 2000.
- "Dedicate Gas Tax to Urban infrastructure," *The Globe & Mail*, October 4, 2001.

Barber, Benjamin. *Jihad vs McWorld*. Ballantine Books, 1995.

Bauman, Zygmunt.

- *Globalization: The Human Consequences*. Columbia University Press, 1998.
- *Liquid Modernity*. Blackwell Publishers, 2000.
- "The Ethical Challenge of Globalization," *New Perspectives Quarterly*, Fall 2001.

Bennett, Carolyn, Lenihan, D., Williams J., and Young, W. *Measuring Quality of Life: The Use of Societal Outcomes by Parliamentarians*. Library of Parliament mimeo, 2001.

Bergston, Fred. "Towards a Tripartite World," *The Economist*, July 15, 2000.

Bissoondath, Neil. *Selling Illusions: The Cult of Multiculturalism in Canada*. Penguin Books, 1994.

Brown, Lester *et al.* *Vital Signs 2000: The Environmental Trends that are shaping Our Future*. World Watch Institute, 2000.

Butler, Lee. "The Moral Legacy of the Cold War," *New Perspectives Quarterly*, Special Edition, 1997.

Cairns, Alan *et al.* *Citizenship, Diversity, and Pluralism*. Montreal: McGill-Queen's University Press, 2000.

Cairns, Alan. *Citizens Plus: Aboriginal Peoples and the Canadian State*. UBC Press, 2000.

Cohen, Andrew. "The Ghost of Canada Past," *The Ottawa Citizen*, December 4, 2001.

Cooper, Robert. "The Post Modern State and the World Order," *New Perspectives Quarterly*, Special Edition, 1997.

Cousteau, Jacques. "Consumer Society is the Enemy," *New Perspectives Quarterly*, Special Edition, 1997.

De Soto, Hernando. *The Mystery of Capital*. Basic Books, 2000.

DeVilliers, Marq. *Water*. Toronto: McClelland and Stewart, 2000.

Diamond, Jared. *Guns, Germs and Steel: The Fates of Human Society*. W.W. Norton & Company, 1999.

Dollow, David and Aart Kraay. "Growth is Good for the Poor," World Bank Development Research Group, March 2000.

Drucker, Peter.

- "Beyond Capitalism," *New Perspectives Quarterly*, Spring 1998.
- "The Next Society," *The Economist*, November 3, 2001.

Eco, Umberto. "The Internet and the End of Memory," *New Perspectives Quarterly*, Spring 2000.

*Economist, The.*

- "A Survey of the New Geopolitics," July 31, 1999.
- "A Survey of Government and the Internet," June 24, 2000.

Estey, Willard Z. "The Quiet Hijacking of Corporate Canada," *The Globe and Mail*, December 16, 1999.

French, Hilary. *Vanishing Borders: Protecting the Planet in the Age of Globalization*. W.W. Norton, 2000.

Friedman, Thomas. *The Lexus and The Olive Tree: Understanding Globalization*, Anchor Books, 2000.

Fukuyama, Francis and Jacques Attali. "The Beginning of a New History," *New Perspectives Quarterly*. Spring 2000.

Garwin, Dr. Richard. "Missile Defense Should Put a Lid Over North Korea, not America," *New Perspectives Quarterly*. Summer 2001.

Gelb, Leslie. "Smog of Peace," *New York Times*, May 9, 1993, quoted in Thomas Homer-Dixon, *The Ingenuity Gap*.

Giddens, Anthony.

- *Runaway World: How Globalization is Reshaping Our Lives*. Routledge, 2000.
- "Post Traditional Civil Society and the Radical Centre," *New Perspectives Quarterly*, 1997.

*Global Trends 2015: A Dialogue about the Future with Nongovernmental Experts*, NIC 2000-02, December 2000, prepared by the National Foreign Intelligence Board under the authority of the Director of the Central Intelligence Agency.

Griffiths, Rudyard ed. *Great Questions of Canada*. The Dominion Institute, 2000.

Guimont, Alan. "The Role of Volunteers and Voluntary Organizations," *Library of Parliament*, July 17, 2001, p.3.

Gwyn, Richard.

- *Nationalism Without Walls: The Unbearable Lightness of Being Canadian*. McClelland & Stewart, 1995.
- "Racism being Trivialized at Durban," *The Toronto Star*, September 5, 2001
- "We Must Accept the Inevitable", *The Toronto Star*, September 29, 2001.

Habermas, Jurgens. "Crossing Globalization's Valley of Tears," *New Perspectives Quarterly*, Fall 2000.

Hampson F.O. et al. *Canada Among Nations 2001: The Axworthy Legacy*. Oxford University Press, 2001.

Harding, Jeremy. *The Uninvited: Refugees at the Rich Man's Gate*. Profile Books, 2000.

Havel, Vaclav. *Summer Meditations*. 1992.

Hayden, Anders. *Sharing the Work, Sparing the Planet: Work Time, Consumption and Ecology*. Zed Books Ltd., 1999.

Homer-Dixon, Thomas. *The Ingenuity Gap*. Alfred A. Knopf, 2000.

Ignatieff, Michael.

- *The Needs of Strangers: An Essay on Privacy, Solidarity and the Politics of Being Human*. Viking Press, 1985.
- *Virtual War: Kosovo and Beyond*. 2000.
- with Amy Gutmann, *Human Rights as Politics and Idolatry*. Princeton University Press, 2001.

Institute for Intergovernmental Relations. *State of the Federation 1999*. Queen's University, 2000.

InterAction Council (established in 1983). *Communiqués*.

- 15<sup>th</sup> Session (June 1-4, 1997).
- 16<sup>th</sup> Session (May 3-5, 1998).
- 17<sup>th</sup> Session (May 23-25, 1999).
- 18<sup>th</sup> Session (June 17-20, 2000).

Iyer, Pico. *The Global Soul: Jet Lag, Shopping Malls and the Search for Home*. Knopf, 2000.

Joy, Bill. "Act Now to Keep New Technologies Out of Destructive Hands," *New Perspectives Quarterly*, Spring 2000.

Juergensmeyer, Mark. *Terror in the Mind of God: The Global Rise of Religious Violence*. University of California Press, 2000.

Kaplan, Robert. *The Coming Anarchy*. 2000.

Kapuscinski, Ryszard. "Eclipse of the Big Picture on the Censorship of the Small Screen," *New Perspectives Quarterly*, Special Edition, 1997.

Kingwell, Mark. *The World We Want: Virtue, Vice and The Good Citizen*. Viking, 2000.

Klein, Naomi. *No Logo*. Alfred A. Knopf, 2000.

Kostash, Myrna. *The Next Canada: In Search of Our Future Nation*. Toronto: McClelland and Stewart, 2000.

Laxer, James. *The Undeclared War: Class Conflict in the Age of Cyber Capitalism*. Penguin Books, 1998.

McQuaig, Linda. *All You Can Eat: Greed, Lust and the New Capitalism*. Viking, 2001.

Molat M.A. et al. *Canada Among Nations 2000: Vanishing Borders*. Oxford University Press, 2000.

Naisbitt, John and Nana. *High Tech High Touch: Technology and Our Search for Meaning*. Broadway Books, 1999.

New Perspectives Quarterly.

- *Globalization*, Spring 1997.
- *Globalization With a Human Face*, Fall 1997.
- *From Containment to Entertainment: The Rise of the Media Industrial Complex*, Fall 1998.
- *Recovering a Reverence for Being*, Spring 1999.
- *Deglobalization? From the Anglo-American Model to Market Pluralism*, Winter 1999.
- *The Green Millennium?* Special Edition 1999.
- *Post Human History*, Summer 2000.

- *Wealth in the 21<sup>st</sup> Century: Being, Buying and the Frugal City*, Fall 2000.

Postman, Neil. *Building a Bridge to the 18<sup>th</sup> Century: How the Past Can Improve Our Future*. 1999.

Putnam, Robert. *Bowling Alone: The Collapse and Revival of American Community*. 2000.

Putnam, Robert *et al.* *What is Troubling the Trilateral Democracies?* Princeton University Press, 2000.

Renner, Michael. "How the Prospects for World Peace Have Grown Brighter," *World Watch*, January/February 2000.

Rifkin, Jeremy. *The Biotech Century: Harnessing the Gene and Remaking the World*. Penguin Putnam, 1998.

Runga, Curtis. "Action on the Front Lines," *World Watch*, November/December 2000.

Sachs, Jeffrey. "A New Map of the World," *The Economist*, June 24, 2000

Sachs, Wolfgang *et al.* *Greening the North*. Zed Books Ltd., 1998.

Sachs, Wolfgang. "The Power of Limits: An Inquiry into New Models of Wealth," *New Perspectives Quarterly*, Fall 2000.

Samuelson, Robert. "The Double Edge of Globalization," *New Perspectives Quarterly*, Spring 2000.

Saul, John Ralston. *Reflections of a Siamese Twin: Canada at the End of the Twentieth Century*. 1997.

Savoie, Donald J. *Governing from the Centre: The Concentration of Power in Canadian Politics*. University of Toronto Press, 1999.

Schacter, Harvey ed., *Memos to the Prime Minister: What Canada could be in the 21<sup>st</sup> Century*. John Wiley and Sons, 2001.

Segal, Hugh. "Doing Politics in Internet Time, not Government Time," *National Post*, May 12, 2000.

Simpson, Jeffrey.

- *Star-Spangled Canadians: Canadians Living the American Dream*. Harper Collins, 2000.
- *The Friendly Dictatorship*. McClelland & Stewart, 2001.

Soros, George. "World Capitalist Crisis," *New Perspectives Quarterly*, Fall 1998.

Stern, Jessica, "Preparing for a War on Terrorism," *Current History*, November 2001.

Strong, Maurice. *Where on Earth are We Going?* 2000.

Suzuki, David. *Earth Time – Essays*. Stoddart 1998.

Thomas, Lewis. *Late Night Thoughts on Listening to Mahler's Ninth Symphony*. Viking Press, 1983.

*Time* (magazine). "The Future of Technology," June 19, 2000.

Torjman, Sherri. *Survival-of-the-Fittest Employment Policy*. Ottawa: Caledon Institute of Social Policy, April 2000.

Torrie, Ralph. "A Clear and Present Danger," *The Globe and Mail*, May 19, 2000.

Vincius Pratini de Moraes, Marcus. "Fair Globalization Means Free Trade in Agriculture," *New Perspectives Quarterly*, summer 2001.

*World Watch*. "Storm Over Globalization," July/August 2000.

Wright, Robert. *Non-Zero: The Logic of Human Destiny*. Pantheon Books, 2000.