1. Reflections on Canada in the Year 1997-98

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REFLECTIONS ON CANADA IN THE YEAR 1997-98
by John F. CONWAY

I INTRODUCTION

Canada is profoundly at risk, most importantly because of the English Canada/Québec conundrum. But the risk does not just derive from that – this is not the Québec problem, this is the Canada problem. It became clear just how bad things had become when our federal transportation minister announced in 1994, despite his fresh election on the basis of the Liberal Red Book promise to save and renew Canada, that "the National Dream is dead" as he warned Canadians that the Cdn$1.6 billion formerly spent on annual transportation subsidies – the St. Lawrence Seaway, passenger train service, the Crow Benefit, the ferries of Atlantic Canada, the Coast Guard – were on the chopping block, and have indeed since been severely cut. The effective end of our national policy of a forced and subsidized east-west transportation system, and the substitution of the free market and private enterprise as the foundation of our national transportation policy, drove another stake into the heart of Canada's federal system.

What is most deeply disturbing is that English Canadians have not yet awakened though we are on the edge of the abyss, have not yet realized the enormity of the risk facing Canada. Indeed, the mood abroad in English Canada is so cavalier that we may stumble thoughtlessly through a series of crises and urgent events, and suddenly wake up to find that this great federal experiment we call Canada has failed before its 135th anniversary in 2002. And it will have been a failure that could have been averted had we had sufficient political will to concede, compromise, and innovate.

In the interests of brevity and focus, the issues involved in our impasse will be examined separately, while recognizing all are inextricably bound together in one great morass of contradiction, contention and anxiety.

II QUEBEC AND ENGLISH CANADA

There exists a large bloc of English Canadians – ranging from 30 to 40 per cent depending on which Gallup poll in which year you consult – who believe that the only road out of the English Canada/Québec impasse is to negotiate special status for Québec in our constitution. Many have believed this for over thirty years, ever since the

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1 Calgary Herald, 13 June 1994.
2 The "Crow Benefit" refers to the over half-billion Can$ annual transportation subsidy formerly paid directly to the railways to lower the cost of shipping Prairie grains to market. It was first put in place in 1897 in recognition of the costs borne by the Prairies in providing huge land grants and lucrative mineral rights concessions in order to ensure the construction of the Canadian Pacific Railway. It was first subjected to a series of annual cuts and then dismantled as a result of free trade agreements. Such proposals were strongly opposed by Prairie farmers.  
3 Special status for Quebec has been part of constitutional discussions between English Canada and
beginning of the Quiet Revolution. Indeed, since the emergence of the RIN in the 1966 Québec election the Québécois have, with growing urgency, presented English Canada with a starkly clear option: special status or sovereignty. Ironically, the choices amount to the same thing in the final analysis—sovereignty will inevitably lead to some form of intimate association not dissimilar from the European Union (unless English Canada goes completely mad). What English Canada faces, then, is a choice between a very long and messy road to special status for Québec in some form of negotiated sovereignty association, on the one hand, and the shorter road to the same reality via negotiation leading to harmonious and voluntary constitutional change, on the other.

But despite the fact that at 30 or 40 per cent advocates of special status are a significant minority in English Canada, really on the threshold of majority status with the right leadership and commitment, the rest of English Canada, most importantly all the pro-na-Québec from the outset. This concept insists that Quebec, as the homeland of the Québécois nation, is not a province just like the others and requires unique and special powers to protect the language and culture of the Québécois while at the same time providing those political and economic levers seen as essential to protect the nation from economic exploitation and political oppression. The modern versions of special status were articulated in the early 1960s by two cabinet ministers in the government of Jean Lesage, René Lévesque, Minister of natural resources, and Paul Gérin-Lajoie, attorney-general. In its purest form, expressed by Lévesque and Gérin-Lajoie, it was a call for Québec to have the status of an associate state within Confederation, a concept that later inspired Lévesque's campaign for sovereignty-association during the 1970s. The actual content of special status has ebbed and flowed over time. Most recently, former Québec Premier Bourassa, the ambiguous and ambivalent federalist, described its minimum content in terms of the failed Meech Lake Accord: recognition of Quebec as a distinct society in the written language of the constitution; the devolution of control over immigration to Québec; a withdrawal of the federal spending power from contentious policy areas in Quebec (the right to opt out of federal programs and receive financial compensation); a veto over constitutional changes of vital concern to Quebec; the right to name three justices to the Supreme Court of Canada. English Canada's unwillingness to grant a significant form of special status, and the growing conviction among committed Québec nationalists and separatists that special status could no longer satisfy Québec's aspirations, has resulted in special status disappearing from official discourse as a viable constitutional solution to Canada's impasse. The historical fact is, of course, that ever since The Québec Act of 1774 Quebec has enjoyed a special and protected constitutional status—and the unsuccessful 1992 Charlottetown Agreement sought slightly to augment that special status by granting Québec a guarantee of a minimum of 25 percent of House of Commons seats, veto power in the Senate on matters of language and culture, and the right of the Quebec National Assembly to select Québec's senators while those of the other provinces would face popular direct election (thus ensuring that Quebec senators were selected by the government of the day). It was a version of special status concocted by the English Premiers, and one not only not requested by the Quebec government, but emphatically rejected by the Québec people in the 1992 Charlottetown referendum.

4 The left-wing RIN, le Rassemblement pour l'Indépendance Nationale, contested the 1966 Quebec election in two-thirds of the seats and astonished many by winning 7 per cent of the Québécois vote overall, including about 11 per cent in Montreal, doing particularly well among the young and better educated. A smaller, right-wing separatist party, le Ralliement National (RN), won another 4 per cent of the Québécois vote. Together, the RIN and RN won about 9 per cent of the total vote, much more than expected. The RN vote was large enough in 13 of the seats to deprive the Liberal candidates of victory. As a result, the Union Nationale won a six seat victory over the Liberals. In 1968 all separatists and sovereignists, left and right, united in Le Parti Québécois (PQ) led by René Lévesque. In 1976 the PQ under Lévesque won power and was re-elected in 1981. After Lévesque's retirement, the PQ was defeated in 1985. In 1994, led by Jacques Parizeau, the PQ won re-election.
nt political leaders, have exhibited a growing cranky unwillingness even to discuss the option. And in Québec, the strong nationalists and committed separatists insist that it is too late and only Québec sovereignty will now suffice to realize the dreams and securities the Québécois nation craves. Hence, the Québécois today have narrow and hard choices before them — accept federalism as it has evolved or choose sovereignty. One need not belabour the point that history tells us that presenting an aggrieved population such a zero sum choice can be very, very risky.

Political analysts and commentators appear profoundly puzzled as they try to understand and explain why Canadian politics and political debates, in a country repeatedly named by the United Nations as the best place to live in the world, have reached such a parlous state — dominated by the business lobby, an absence among established political and economic élites of a commitment to the project of the Canadian federation's survival; from 1993 to 1997, a separatist party as the Official Opposition in Ottawa, the only other contender for the status of Official Opposition, winning that role in 1997, a Western-based protest party of the extreme right funded by oil and natural resource interests; two once great federal parties — the NDP and the Tories — in tatters and disarray, a separatist party in power in Québec, preparing carefully for a referendum after the next provincial election, having narrowly lost the 1995 referendum by less than one per cent; our health, education and social support infrastructures on the verge of collapse; the population deeply cynical and increasingly withdrawing from active political participation.

5 Lucien Bouchard, Secretary of State in the Mulroney government, left the party after the 1988 election when the prime minister re-opened the Meech Lake Accord in order to placate English Canada. He was soon followed by a handful of other Québec nationalist Members of Parliament and founded the Bloc Québécois in the House of Commons, a party dedicated to Québec separation. In the October 1993 federal election Bouchard and the Bloc won 54 of 75 seats in Québec with 49 percent of the popular vote. Leading the party with the largest group of MPs on the opposition benches, Bouchard became leader of the Official Opposition in Ottawa. In 1995, Bouchard replaced Jacques Parizeau as PQ leader and Premier of Québec. In the 1997 election the Bloc, now led by Gilles Duceppe, won 44 of Québec's 75 federal seats with 38 percent of the popular vote.

6 In May 1987 Preston Manning, son of the former Social Credit Premier of Alberta, Ernest Manning, founded the Reform Party as a western protest party with the slogan The West Wants In. In the 1988 election, the party contested 72 of the 86 seats in the four western provinces, winning 7 percent of the western vote and no seats. In October, 1993 the Reform Party won 52 seats, 51 of them in the four western provinces and 46 of those in the two most western provinces of Alberta and British Columbia. Manning, in fact, swept 20 of 26 seats in Alberta and 24 of 32 seats in British Columbia. In 1997 the Reform Party won 60 of the West's 88 seats and became the Official Opposition in the House of Commons. Reform won no seats in Central or Atlantic Canada.

7 In the October 1993 election, Canada's social democratic party, the New Democratic Party, was reduced to 8 seats and the governing Tory Party, led by Mulroney's successor as prime minister, Kim Campbell, won only 2 seats. Canada's House of Commons elected a total of 295 Members of Parliament in 1993. The Liberal Party, under Jean Chrétien, won 178 seats and formed a majority government. In the 1997 election, now with a 301 member House of Commons, the Tories and NDP recovered only slightly, the Tories winning 26 seats with 19 percent of the vote, and the NDP 21 with 11 percent. The Liberal Party was reduced to 155 seats, a four-seat majority government.

8 Voter turnout prior to 1993 in Canadian federal elections was generally well over 70 percent. In 1993 that fell to 69.6 percent, and in 1997 to 66.7 percent. A 14 May 1997 Gallup Poll found that the Canadian federal government, the House of Commons, and political parties were three of the four
A large part of the answer can be found in the fact that for thirty years and more the development of Canada’s two founding national identities has been blocked. In the case of the Québécois nation this chronic national frustration is clear, and is central to Québécois politics. The signposts are like a litany of failure: the War Measures Act; the dirty tricks of the federal secret police; the economic fear campaigns; the “stab in the back” of ’81; the collapse of the Meech Lake Accord in a welter of English Canadian hostility; the Charlottetown insult; the 1993 and 1997 election of Québécois sovereigntists as a majority of Members of Parliament from Quebec in the House of Commons; a sovereigntist party firmly in power in Quebec; a near victory for the sovereigntists in the 1995 referendum and another referendum inevitably expected in 1999 or 2000; the need for the Québécois to prove they are serious by electing the PQ in Quebec and the BQ in Ottawa again and again; and so it goes, over and over and over what is becoming a dreary repetition and reaffirmation of an increasing polarization. Should we be surprised if Québécois nationalism is getting a bit frustrated, tired of having to repeatedly demonstrate how serious the Quebec problem is and that it won’t just go away as English Canadians keep hoping? In the meantime, the fullest and freest development of the Québécois nation has been largely stymied, put on hold, postponed.

Ironically, the national identity of English Canada has suffered more, has not only been more thoroughly blocked in its development, but has been badly distorted, perhaps even damaged beyond repair. The fact is that thirty years of thwarting Québécois nationalism and denying special status to Quebec, which became a self-destructive obsession, has distorted the national identity of English Canadians and put on hold the development of a clear and positive sense of English Canadian nationhood. (Opposition to special status for Quebec and the aspirations of the Québécois nation have come dangerously close to becoming for far too many English Canadians all that is left uniting Canada’s nine Anglophone provinces). In a sense, English Canada had to give up, indeed deny, its own national project in order to justify the fight against the Québécois national project, usually by embracing extreme decentralization and the language of provincial rights and the equality of provinces. In doing so, English Canada by and large proved unable to transcend the historical dead-end of seeing Québec through the prism of the interests of the English Canadian minority in Québec.

In place of a positive English Canadian national identity, we substituted an effort to build a phony national identity that encompassed all in some hyphenated lowest common denominator. Thus bilingualism was inflicted upon us – something Québec never asked for and didn’t want, and most in English Canada resented even while tolerating it for the sake of national unity. Well, now it’s official – bilingualism has lowest scoring Canadian institutions regarding public respect and confidence, far behind banks and large corporations.9 Details on the following events are documented in my 1997 book on Quebec and English Canada, Debts to Pay, as are details regarding the Meech Lake Accord and its collapse, the Charlottetown Agreement and its defeat in a national referendum in 1992, and the 1995 sovereignty referendum.
failed. Then there was the multiculturalism myth – that Canada was a mosaic of many cultures and national identities of which the Québécois were but one and English Canadians another. The effect of this was to deny the essential bi-national, bi-cultural reality of Canada, while effectively masking the continuing hegemony of English Canada. (The multiculturalism doctrine was also later used to trump the claims of the aboriginal nations and to deny what is now conceded by many to be Canada’s tri-national essence – English Canadian, Québécois, and aboriginal.) Official multiculturalism ignored the sociological reality that immigrants have largely joined – and uniquely and often dramatically influenced – one or the other of the English Canadian or Québécois nations through a sort of functional integration (while resisting assimilation). Then there was the equality of provinces constitutional myth, a fabrication of Trudeau determined to use the nine English Canadian provinces to hammer Québec into submission. This myth has had dangerous consequences and has pushed us to the ridiculous point where individuals can seriously argue that, even in our democracy, one or two tiny provinces can veto the constitutional aspirations of 80 or 90 per cent of the Canadian people – surely an unsustainable and even suicidal position. This last myth fed into the increase in the centrifugal forces of provincialism as the status of premier was elevated from premier of a province to co-prime minister of Canada. This new-found power and influence of the premiers was used in a cynical game as English Canadian premiers argued that, given the equality of provinces, it followed that nothing could be given to Québec that was not given to all other provinces, and that the consent of the premiers and governments of the English Canadian provinces was required to grant accommodations to Québec. This was somewhat codified in the 1982 constitution whereby constitutional change requires the consent of 7 of 10 provincial governments – still a far cry from the equality of provinces notion, but close enough to be worrisome.

This premiers’ game of using the Québec crisis to enhance the powers of all provinces was realized effectively in the Meech Lake Accord which granted many of Québec’s minimum constitutional demands only by conceding the same package to all provinces. A similar effort was made by the premiers in the Charlottetown Agreement – provincial powers were even more enhanced at the expense of federal powers. One should not underestimate the impact of these efforts on the people. The message was clear – the only way to save the Canadian federal system was to destroy it, was to render the federal government – the political institutional essence of the Canadian nation – impotent and virtually powerless. The English Canadian people rebelled – some, a minority, for distasteful reasons: hostility to Québec and the Québécois; others, by far the majority, for solid reasons: a refusal to participate in the triumph of provincialism and the effective end of a Canada characterized by a reasonably strong federal government able to govern the entire nation.

As a result of the Charlottetown referendum there was some hope, if only for the briefest of moments. The Agreement’s overwhelming defeat in both English Canada and Québec ensured that the process did not immediately lead to an even deeper English/French cleavage than we have always faced. In that defeat, both the Québécois and English Canadian nations affirmed, contrary to the federalist political élites, the importance of
developing their national identities and demonstrated a keen awareness of the political tools needed for such a task. The Québécois once again told English Canada that either special status with real powers, or sovereignty, is necessary for the evolution of the Québécois nation. There was nothing new in that. What was novel was that English Canadians sent a clear message along similar lines. English Canadians want a strong federal government able to develop national policies both to overcome regional disparities and to resist the American pull which can only increase under the regime of the FTA. English Canadians also affirmed that they want a federal government able to continue national programs with national standards in areas like Medicare, financing post-secondary education, pensions, and social security, and to develop in future new national programs in areas like day care, culture and an extension of national policies into post-secondary education and manpower training – the very areas Québécois nationalism sees as most sensitive.

The slight hope engendered by the defeat of the Charlottetown Agreement was severely tested by a succession of dramatic events further eroding the possibilities for the future survival of Canada intact – the Bloc’s 1993 victory in 54 of Québec’s 75 seats with 49 per cent of the vote; the PQ’s victory in the September 1994 Québec election, in which the two sovereigntist parties won over 50 per cent of the popular vote; the near victory of Québec sovereigntists in the 1995 Quebec referendum; the Bloc’s retention of 44 of Québec’s 75 seats in 1997 with 38 per cent of the vote; and the Reform Party’s victory in 60 of the west’s 88 seats with 44 per cent of the western vote, running largely on a crude anti-Québec platform and winning the status of Official Opposition in the House of Commons. As a result, Canada is even more deeply polarized than ever, and the hopes for a mutually acceptable accommodation between English Canada and Quebec have never been dimmer.

Whatever the final outcome, there is no question that the political earthquake of 1992 to 1997 has cleared the table of a lot of baggage, making it clear that the future of the federation can only be served by constitutional changes that can accommodate the aspirations of both the Québécois and English Canadian nations. Given the contradictory nature of those aspirations, the only accommodation possible -- short of a breakup of the federation -- is meaningful special status for Québec, and a strong central government for the nine English Canadian provinces. If the last thirty years of constitutional and political carnage culminating in the 1992 to 1997 sequelae of disasters tell us anything without qualification or ambiguity, they should tell us this. The chickens scattered over the past thirty years have finally come home to roost. With the Reform Party pushing Québec to leave, and the Bloc pulling towards its audacious dream of a sovereign Québec, never before have the choices before Canadians been as crystal clear: special status or separation.

10 The FTA, or Free Trade Agreement, was concluded between Canada and the U.S. in 1988 and was the central issue during the 1988 federal election. The Mulroney government was returned and proceeded to negotiate the North American Free Trade Agreement (NAFTA), passed in 1993 just before Mulroney’s resignation as prime minister.
III THE REFORM PARTY AND THE WEST

It is not without a certain tragic historical irony that the region which spawned the innovative political movements which pioneered both Canada's universal social programs, and the doctrine of an interventionist government, has now become the source of a right-wing movement seeking to destroy those same programs and to emasculate government as a tool of the popular will.

It was the Social Credit in Alberta under Aberhart which first insisted that all citizens had a right to a basic social and economic security, that there ought to be programs to ensure that the provinces of the disadvantaged regions be provided the means by the central government to secure a national minimum level of services at reasonably comparable rates of taxation (since codified into the 1982 constitution), that ability to pay be removed as a barrier to access to education and health services, that provincial and federal governments ought to be used aggressively to realize the people's will whether business interests agreed or not. It was the CCF in Saskatchewan under Douglas which went further in building a comprehensive system of health and social security, innovated in the area of central economic planning, and envisioned a strong role for public and co-operative ownership in the economy. These movements marched out of the West to win the hearts and minds of all Canadians and became such a political threat to the Liberals and Tories that a new national political consensus emerged, shared by all parties, incorporating the basic doctrines of the democratic welfare state and the interventionist government.

The Social Credit and CCF were also regional and agrarian protest movements demanding a better deal for farmers in a modernizing industrial capitalism and a better deal for the West in Confederation. The costs of industrialization through a tariff wall weighed heavily on farmers who were caught in a cost/price squeeze – their tariff protected industrial inputs for agricultural production continued to go up in price as Canadian industry demanded protection from external competition; meanwhile the things they produced for world markets, especially wheat and other grains, went through boom/bust cycles in response to global competition. Thus the movements demanded abolition of the tariff, or at least some tariff relief, as well as government interventions in marketing and transportation to assist farmers. Out of this agitation many gains were made, most importantly regulation of the grain trade, orderly marketing, and transportation subsidies. For the West as a region, relegated in Confederation to the near colonial status of producer of natural resources and captive market for Central Canadian industry, the movements advocated new national policies to encourage economic diversification in order to decrease the West's economic vulnerability due to the

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1 The Social Credit movement, led by William Aberhart, was elected in Alberta in 1935 and re-elected in 1940. After Aberhart's death in 1943, Ernest Manning assumed the leadership. After Manning's 1944 election victory, he took a sharp right turn and the popular, anti-capitalist features of the Social Credit movement were jettisoned.

2 The CCF, or Co-operative Commonwealth Federation, led by T.C. Douglas, was elected on a radical social democratic platform in Saskatchewan in 1944 and it governed until defeat twenty years later.
uncertainties of world markets for its resources. Again, some gains were made - supports for agricultural diversification, some tariff relief, subsidies for the development of industry related to the West's natural products.

But the reforms first advocated and pioneered by Aberhart's Social Credit in Alberta and Douglas' CCF in Saskatchewan were not universally supported in the West. The business lobby, especially the private grain trade and natural resource and oil interests, fought each reform tenaciously and often fanatically. After Aberhart's death, his successor, Ernest Manning, took a sharp right turn, making Alberta ever since the political home of the extreme right in the West and the private political preserve of the oil companies. The political polarization in B.C. between the radical B.C. Socialist Party/CCF and the highly politicized business lobby resulted in a strong and vigorous right-wing opposition in that province to all the reforms. There was, therefore, always a strong red-neck right in the West, financed by the business lobby, especially the resource and oil interests, and politics in the West was characterized by a deeper class and ideological cleavage than elsewhere in Canada. Thus, while the CCF in Saskatchewan pioneered Medicare, the strongest resistance to extending Medicare nationally was expressed by other more conservative Western provincial governments.

The strong showing of the Reform Party in the West in the 1993 and 1997 federal elections reflects the continuing and now growing strength of this red-neck right. But the Reform phenomenon has many layers of meaning. Certainly it is no surprise that Alberta went Reform - it is the West's right-wing bastion. But the significant successes of Reform in British Columbia, and the more modest successes in Saskatchewan, do not reflect the final political triumph of the right in the West. At least, not yet. Indeed, the forces that united behind Reform candidates are quite complex. First, of course, there is the solid right-wing base which Reform successfully hijacked from the Tories. But Reform in the West was not centrally seen as right-wing by many westerners who supported the party, certainly not in 1993 and not universally so in 1997. Other groups of westerners, not right-wing in any sense, voted Reform for other reasons. At one level, the vote for Reform in 1993 and 1997 was an echo of the strong opposition in the West to the Charlottetown Agreement - the Reform Party alone among all parties in English Canada opposed the Agreement. Second, Reform got its kick-start as an expression of Western alienation, stealing from the NDP the role of champion of the West in Confederation. Thus a large part of the western vote for Reform can be seen as an expression of both western bitterness about the old National Policy involving the West's subordinate political and economic place in Confederation, and a sense of boiling frustration about the failure of the other parties, including the NDP, to develop a new set of national policies to address the region's grievances.

Finally, there was the Québec canard. Ever since Riel, the anti-French, anti-Catholic, anti-Québec sentiment in the West has been carefully played like a violin by generation after generation of western politicians. During the height of the post-World War II political consensus, and most particularly the Pearson/Trudeau years of "national unity through bilingualism to fight Québec separatism", western politicians exercised some
restraint, accepting federalist advice that provocations against the Québécois nation could only help the separatist cause in Québec. The collapse of the Meech Lake Accord, and the Charlottetown referendum campaign, made explicit anti-Québec politics more acceptable, the former constraints slipped away, and the gloves came off. The Reform Party, more or less alone, exploited this festering anti-Québec, anti-bilingualism mood quite successfully, and particularly brutally and irresponsibly in the 1997 election. Thus many Reform voters – voters who reject Reform’s right-wing social and economic agenda – voted to express their crankiness about the perception of Québec’s favoured spoiled child place in Confederation. Moreover, Québec seemed to be a major roadblock to the West’s aspirations for a new national economic policy and a new industrial strategy. (And hadn’t Québec voted for free trade in 1988, something largely opposed everywhere in the West except in Alberta?)

In the 1997 election, another reason for voting Reform, quite apart from its ideology and program, was prominent among western voters. Secure that Reform could not possibly win power, many westerners voted Reform in order to deny the Bloc the status of Official Opposition. The spectacle of a sovereigntist party, half-heartedly serving as the official opposition in the House of Commons, defending all of Canada from the predations of government policy, seemed bizarre and, for most in English Canada, totally unacceptable. With the Tories and the NDP in no position to embrace that role, many voters in the West decided to give it to the Reform Party (just as voters in Ontario, for obvious strategic reasons, decided to do what they could to ensure a Liberal majority government).

The rise of the Reform Party as the major federal party in the West, and the Bloc Québécois as the major federal party in Québec, more than anything, confirms the implacable impasse we have reached. Never have the two solitudes been so completely isolated from one another. One wants to destroy that which makes Canada a humane and decent society and offers us the right-wing bromides of extreme neo-conservatism: the social barbarism of the free market unconstrained by the popular will as expressed through democratic government. The other is in the House of Commons for no other reason than to lead Québec to sovereignty and has, therefore, no interest whatsoever in developing new national policies or a new constitutional accommodation. And they feed off each other in a frenzy that could destroy Canada. Every time a Reform MP speaks, another batch of votes is added to the separatist column in Québec as further proof is provided that there is no place for Québec in a new and more satisfying constitutional arrangement. Every time a Bloc MP speaks, Reform’s contention that it is time to get tough with Québec is confirmed. There is no dialogue; just posturing in preparation for the final denouement, a denouement that Reform Party leader Manning has suggested on a number of occasions could involve a civil war.
IV THE ESCALATION OF RHETORIC IN ENGLISH CANADA

Manning and the Reform Party are not the only ones guilty of engaging in what amounts to civil war talk. NDP premiers Harcourt and then Clark of British Columbia, and Romanow of Saskatchewan, no doubt trying to stave off the threat of the Reform Party, have also repeatedly uttered some destructive, anti-Québec bombast. Their comments have ridiculed the BQ and PQ leaders, questioned their motives, and engaged in threatening talk apparently to try to scare the people of Québec off the separatist option. One of Romanow’s suggestions – deeply ominous in its implications – conveyed the notion that even if Québec elects the PQ and votes for sovereignty in a referendum, there is simply no legal and constitutional way for Québec to leave Confederation. Romanow has repeated this theme endlessly from 1992 to the present, though restraining himself during crucial and sensitive votes in Québec. This kind of hostile, lawyer’s gibberish can only escalate the war of words – and, history tells us, after uttering warlike words, politicians find it extremely difficult, as political confrontations spiral out of control, to prevent verbal conflict from becoming military conflict. Furthermore, this kind of talk confirms the widely held belief among many Québécois nationalists that English Canada is guilty of bad faith in dealings with Québec – after all, English Canada recognized the right of Québec to self-determination when the PQ was first elected and affirmed Québec’s right to determine its constitutional future, up to and including sovereignty, with the participation of the prime minister and many English Canadian premiers in the 1980 and 1995 referendum campaigns in Québec. Back in 1970, when the War Measures Act was imposed, and the army occupied Québec, English Canada, through Ottawa, clearly drew a line in the sand indicating that illegal and violent methods to achieve sovereignty would not be tolerated. As a result, the Québec sovereignty movement united as never before and threw itself into the democratic struggle for sovereignty, achieving remarkable victories and near-victories in the last 30 years. Now that the sovereignty movement appears to be on the threshold of an unexpected success, it would be not only an act of bad faith, but also an extreme and deliberate provocation for English Canada and Ottawa to use the pretext of a Supreme Court ruling, or an arbitrarily inflated definition of the majority needed to win a sovereignty referendum (something considerably greater than 50 per cent plus one), to refuse to recognize and accept a democratic victory for sovereignty in a future referendum in Québec.

Then there is the threatening talk from some quarters in English Canada that if Québec decides to leave, huge chunks of the province’s territory will be carved out, a corridor will be forced through to link Ontario and Atlantic Canada, Québec will not be welcome

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13 Romanow accused the separatists of a "con job," and described Parizeau and Bouchard as "master illusionists" who believe in "yogic flying." Harcourt threatened the territorial integrity of a separating Québec, and warned that if Québec stays in Canada, "Québec and British Columbia... would be best of friends,... but if they decided to separate... we'd be the worst of enemies." Harcourt also re-iterated strong opposition to special status. After Harcourt was replaced by Clark as NDP leader and Premier of British Columbia, Clark continued to challenge Québec’s right to separate, to threaten a sovereign Québec’s territory, and to reject any form of special status for Québec.
in NAFTA, economic and political relations will be hostile and full of conflict – and so the bellicose talk feeds upon itself.

Let's be honest. Much of this is nothing less than dangerous civil war talk and constitutes the worst possible way to ensure harmonious relations between English Canada and Québec whatever the final constitutional outcome. Why are prominent English Canadian federal politicians, premiers and even the prime minister doing this – electoral opportunism to pander to English Canadian red-neck hostility to Québec; economic, legal and military blackmail to scare the people of Québec? It won't work – indeed, it plays into the hands of the committed and uncompromising separatists in Québec.

At the very least, such threatening, bellicose talk sets the stage for bitter confrontations between English Canada and Québec, whether Bouchard and the PQ are re-elected or not, whether another referendum on sovereignty in 1999 or 2000 passes or not. Such talk also limits our options and ties our hands. What do we do in English Canada if Bouchard and the PQ are re-elected, as seems inevitable, and a referendum passes, as seems quite likely, particularly given the fact that the Bloc was again returned in 1997 as the major federal party representing Québec in the House of Commons? Refuse to negotiate? Force Québec to make a UDI\textsuperscript{14} and then invade? What is the strategy? What is the plan? Remember, for the first time in the history of Québec, since the 1994 Québec election, the people of Québec have been democratically represented in both the House of Commons and the Québec National Assembly by separatist parties. In terms of international law, political morality, and any conceivable theory of democracy, we are now in a very different situation than in the past when the people of Québec elected a separatist party to speak for them in the National Assembly and a federalist party to speak for them in Ottawa – thus both separatist and federalist politicians from Québec could justly claim to speak for the people of Québec. Now a clear majority of those elected to speak for the people of Québec – both in Québec City and in Ottawa – are committed to sovereignty and if a referendum in 1999 or 2000 affirms that option, then a refusal by English Canada to negotiate in good faith would find little respect or recognition in the international community. Indeed, in such a situation many countries might well recognize a UDI by Québec.

In the interests of our future, of keeping our options open, of salvaging the federation, we can only hope that the Mannings, Clarks and Romanows, and all the other belligerent voices in English Canada, would shut up. They are not helping the situation.

V \textsc{The triumph of neo-conservatism}

All this is happening in the context of the triumph of neo-conservatism, a triumph which has disarmed us. The decade-long pursuit of the neo-conservative agenda initiated by Mulroney, and by most premiers, most notably Bennett and Vander Zalm of British Columbia and Devine of Saskatchewan, achieved what appears to be a final – and

\textsuperscript{14} Unilateral Declaration of Independence.
hopefully only very temporary – success at the very moment many of us thought the agenda had been decisively defeated. The ambitious agenda amounted to nothing less than a major re-structuring of Canadian society and the economy, and a re-writing of the post-Depression, post-War political consensus of Canada as a society based on a mixed economy, generally committed to incremental increases in a universal social security net, a humane regulation of the worst features of unregulated, free enterprise capitalism, and slowly advancing standards of living for wage and salary earners. The neo-conservative agenda constituted an effort to overturn that consensus and to turn the clock back sixty years and more to the era of the unregulated free market, private greed and unrestrained individualism, and a modified social Darwinism as the basic creed governing interventions to assist the weak, the afflicted and the vulnerable.

The key items of the agenda are well-documented: (1) cutbacks in social spending, including the significant erosion of Canada’s social security net; (2) an assault on the incomes and living standards of wage and salary earners, while increasing the total share of wealth generated flowing to capital and its privileged servants; (3) a weakening of federal power vis-à-vis the provinces; (4) a program of deregulation and privatization, and a move to free market forces as the engine of social and economic development; (5) a free trade deal with the US as a prelude to the establishment of a continental free market encompassing Canada, the US and Mexico; (6) a deliberate process of discrediting and disabling government as a popular democratic tool available to the people to shape the economy and society, largely by burdening governments with huge annual deficits and a crippling debt, and by shifting the increasing tax burden from the rich and the corporate sector to those in the middle income category, thus provoking a tax revolt.

Mulroney scored some considerable successes in implementing the agenda during his eight years and nine months in office, but not without finally paying a price. The prime minister who set records in the elections of 1984 and 1988 was driven from office in June 1993 as a result of month after month of the lowest approval ratings ever scored by an incumbent prime minister, leaving office as arguably the most reviled prime minister in Canadian history. His party suffered for his sins in the 1993 election when it was reduced from the status of majority government to two seats in the House of Commons. Neo-conservative governments in British Columbia and Saskatchewan suffered similar fates in October 1991, when the NDP in those provinces, after years in parliamentary opposition fighting the implementation of the neo-conservative agenda, swept to power. The earlier victory of Rae’s NDP in Ontario in September 1990 on an explicit and aggressive anti-neo-conservative platform further indicated a popular revulsion at the agenda and its impacts. On the political front it appeared that the people had spoken – the neo-conservative agenda was over and governments opposed to the agenda had a mandate to proceed to re-build.

Then, in an unanticipated volte face, the three NDP premiers, and the national NDP leader abandoned social democracy and embraced neo-conservatism as the new national political consensus. The victory of the business lobby was complete and beyond
anything even its most optimistic members could have hoped for. The message to the public was very clear. Mulroney, Devine, Vander Zalm and the other neo-conservatives were on the correct course after all. The public debt and deficit made it impossible to do anything but cut social, health and education spending. The money lenders were calling the tune and elected politicians had no choice but to dance to it, despite winning popular mandates to govern otherwise. Further, the business lobby was also correct. There was no solution to be found in tax reform, government intervention in the economy, or public ownership and state economic planning. This move to fiscal neo-conservatism by the three NDP premiers and the national NDP leader, as well as their earlier enthusiastic support for Tory efforts to constitutionalize a weakened federal government and stronger provinces via the Charlottetown Agreement, discredited both the NDP as a political party and social democracy as a political and economic doctrine. Canadian social democratic leaders lost their way and joined the neo-conservative crusade.

The turn to fiscal neo-conservatism by the NDP leadership had a significant impact on the popular consciousness. Now deprived of the parliamentary leadership of the NDP in resisting neo-conservative logic and doctrine, and observing the spectacle of the NDP, upon election to power, agreeing that the problems of debts and deficits needed to be addressed by cuts in social spending, and further that the business lobby had to be appeased in the interests of economic viability, popular resistance began to falter. Increasingly, polls revealed that the public, formerly quite unwilling to buy the neo-conservative rationale, began to do so. A shift of enormous significance took place in public opinion in the aftermath of the right-turn of the NDP leadership. After a decade of unsuccessful efforts, a shift in the public consciousness to share in a new neo-conservative political and economic consensus at the core of Canadian public life began to occur. It appeared that what Mulroney, Vander Zalm and Devine had failed to accomplish – indeed had sacrificed their political credibility and careers to achieve – began very quickly if incompletely to be accomplished by the NDP premiers and the national NDP leader. It was a watershed in Canadian political history, constituting what could be the death of social democracy in Canada. It was not surprising, therefore, that the Rae government in Ontario and the federal NDP were virtually annihilated at the polls in subsequent elections, while the NDP governments in British Columbia and Saskatchewan salvaged themselves by imposing only a moderate version of neo-conservatism even as they kept speaking the language of social democracy, at least during elections.

Therefore, at the time of a potentially great national crisis we are disarmed by the neo-conservative consensus. Social programs are under attack and our underclass faces new and unprecedented levels of social barbarism. Government as a tool for realizing the popular will is discredited, and politicians either fear to exercise their powers, or are ideologically committed to refraining from doing so. For the first time in our recorded polling history, a majority of Canadians oppose programs of economic supports for the poorer regions – a key cement binding the federation together. And as universality with minimum national standards in social, health and education programs continues to be eroded, the daily political ties that bind individual loyalties to the distinctiveness of the
Canadian experiment are weakened. As individuals – especially the middle class whose access to social programs is increasingly under attack even as their tax rates remain high – begin to see that they are in the rat race alone and unprotected, the law of the jungle will begin to prevail and commitment to Canada as a society and as a political experiment will wither and die. And who can be proud to be part of such a Canada?

VI CAPITAL’S ABANDONMENT OF THE CANADIAN NATIONAL PROJECT

The Canadian business lobby, representing the giants of corporate Canada, deeply committed to neo-conservatism, free trade, and globalization, have virtually abandoned Canada as a national project. Indeed, the new globalization/neo-conservative cant insists the truly successful corporation must now compete on the world stage. For a corporation to even have a vision of nation or a national stage on which to act, is considered backward and old-fashioned. At its most basic economic level this simply confirms a central law of capital – grow and expand, or die – and should not therefore be surprising.

But at the political level the implications are profound. What corporate capitalism is telling the people of Canada is that, having used Canada in the initial stages of development, the success stories of corporate Canada now want to abandon nation building. Indeed, given the central and successful role of the business lobby in our neo-conservative politics of the last decade, Canadian business has done everything it could to dismantle what has been constructed since 1867. Let us recall that these corporate success stories have roots in the 19th and early 20th centuries and that they unashamedly shaped and then used Canadian national policies – the tariff, protection of Canada’s banks and financial institutions, subsidies, grants of public lands and mineral rights, etc. – to build their successful enterprises. Now, having achieved success, they are ready to meet world competition and understandably wish to move onto the world stage. But these enterprises want to do so unencumbered by any commitment to Canada as a national project. The very country they exploited to achieve success, the business lobby now wishes to renounce, to put behind them. This the business lobby cannot be permitted to do – they owe the Canadian people a great deal and if they will not fulfill their political and economic obligations willingly, they must be forced to do so.

Ironically, a significant number of Québec-based corporations and financial institutions constitute an exception to this general trend. Significant elements of the business lobby in Québec have come out for sovereignty – an unprecedented development – indicating a conviction that they see their future as tied to a sovereign Québec unencumbered by a declining English Canada. The potential political significance of this should not be underestimated. The Québec business lobby, especially the large corporate and financial sector, spoke with one voice against sovereignty throughout the 1960’s and 1970’s, and played a key role in the economic fear campaign that helped defeat sovereignty during the 1980 referendum. The economic fear trump card is no longer effective. During the Charlottetown referendum, economic fear, frequently bordering on deliberately manufactured hysteria, was used in both English Canada and Québec to stampede
Canadians to vote Yes. It failed utterly. In the 1993 federal election, economic fear was used against the Bloc in Québec with little effect. In the 1994 Québec election, economic fear was again used unsuccessfully by federal forces in efforts to deny Parizeau and the PQ a victory. In the 1995 sovereignty referendum the economic fear card was again played and doubtless contributed in some small measure to the narrow defeat of the Yes, but not enough to suggest its use will again sway significant numbers of Québécois voters (though it might help to firm up the core federalist vote, and it certainly seems to have its most dramatic impact in English Canada).

VII THE END OF THE OLD NATIONAL POLICY

The old National Policy, the core economic strategy of Canada as a nation, is finished. But we have developed no new National Policy, no new core economic strategy, but free trade, free markets and globalization. It goes without saying that an economic strategy singularly characterized by free trade and free markets amounts to no economic strategy at all.

The reader will recall that the old National Policy really amounted to an industrialization/ modernization strategy in order to build the east/west economic foundation of the nation, rooted in tariff protection to keep the home market for local industries, protection for financial institutions, and the extraction of resources for world markets. This strategy depended heavily on exploiting the Canadian people as a captive market, and exploiting the natural environment in the rapid extraction of resources for export. Above all, the strategy required strong and interventionist federal and provincial governments.

The strategy had a clear regional dimension. The peripheral regions – the West, the North and Atlantic Canada – provided the captive markets and the resources. Southern Central Canada – a narrow, heavily populated region along the Great Lakes and the St. Lawrence – was the focus of industrialization. Québec played a mixed role – there, industrial development was more heavily based on the exploitation of cheap and plentiful labour, Québec’s vast natural resources were opened up and the Québécois provided a lucrative captive market. Ontario shared these characteristics with Québec, but tended to enjoy the advantage of being the focus of more modern, technologically innovative industrial development. Ontario also enjoyed the advantage of being the dominant province of the nation, politically and economically; the location of head offices for transportation, financial institutions, and the great houses of wholesale and retail commerce; and the center of political power where national goals were defined. Confederation was really the project of the political and economic élite of Ontario, and that élite jealously guarded its domination and prerogatives in setting the national agenda.

That era is now over. The end had been coming for some time, politically and economically. As the regionally based industries – natural resources, oil and natural gas, agriculture, the fishery, mining, hydro-electricity, etc. – in Atlantic Canada, Québec and
the West grew in maturity and significance to the national economy, the peripheral regions became more assertive, demanding more say in setting national economic policy. And the regions, frequently restive in the past, became more successful in their political assertiveness and gained more national clout, particularly Québec after the Quiet Revolution and the West after the energy crisis of the early 1970's. The north/south economic pull, especially for Québec and the West, challenged east/west economic ties. Increasingly, trade with the US became more and more free – by the mid 1980's 80 per cent of trade between Canada and the US was free of tariff barriers, and protection was less and less important in Canada's economic life. The FTA of 1988 put a decisive and final end to the old National Policy. But, of course, the essence of the FTA was that no new national policy would be put in place as the remnants of the old were phased out – and the Canadian economy was expected eventually to go naked into continental and world markets.

But Canadians faced much more than just the end of the old nation-building policies of the past. Key cornerstones of the national material economic base were also disintegrating. In Atlantic Canada, the fishery, as we have known it, the cornucopia of the Grand Banks, is effectively over. On the Prairies, the wheat economy, as we have known it since the great wheat boom brought final success to Confederation's economic strategy in 1896, is effectively gone. The protections afforded Canada's broadly based traditional agricultural sectors – quotas, marketing boards, and tariffs – are about to disappear. In British Columbia the traditional forestry sector is in deep trouble, and faces a period of massive re-adjustment and re-tooling to reconcile popular demands to save what little is left of old-growth forests, the necessity to exploit the smaller trees of new growth forests, and the need to produce wealth and provide jobs for the many communities dependent on the forest industry. The accelerating flow of our western resources southward under the FTA has urgently raised the specter of what will be left for the West after we have drained the conventional oil and natural gas from the Western Basin, denuded our forests, and begun to pump our fresh water southward. Is the West to trade the role of hewer of wood and drawer of water for the Canadian national economy for the same role for the whole continent? And, if that occurs, just how long can we sustain a viable economy to support our people, services and infrastructures? In Ontario, the incredibly rapid de-industrialization since the FTA has called into question the province's traditional role of industrial heartland of the nation. Where are the new national policies on the fishery, the grain trade, agriculture in general, forestry, water, natural resource exploitation in general? Where is the new national industrial strategy? Where is the over-arching national economic strategy to tie the regions together in a viable and symbiotic way? There are none. We are on the verge of becoming an economic basket case and all we hear is free market and globalization cant.

The death of the old National Policy, and the absence of a new one, has had some unanticipated effects in Québec. Some Québec business leaders and nationalists have argued that the FTA has been much more beneficial for Québec than for the rest of Canada (remember, the FTA would not have passed had Québec not voted solidly for Mulroney in 1988). The resulting rapid decline in the out-dated, traditional tariff
protected industries has cut one of the last ties that bound Québec to the east/west economy. This decline in Canadian oriented industry has opened up opportunities for growth among Québec-based and US-based enterprises, and Québec’s economic future is increasingly seen in a continental and global context rather than in the context of the Canadian federation.

A study conducted for the Caisse de dépôt found that Québec exports to the US between 1988 and 1992 had surged in all economic sectors, and this growth had been significantly greater than that experienced by Canada as a whole. Another study found that between 1981 and 1995 Québec’s exports to the rest of Canada grew by 67 per cent, while international exports grew by 208 per cent. From 1991 to 1995 Statistics Canada reported that interprovincial trade grew by under seven per cent, as a result of a dramatic shift to foreign markets, especially the American market. This shift to foreign markets was biggest in Alberta and Québec. In fact, Québec’s 1995 interprovincial exports were lower than those of 1990, and Québec suffered a Cdn$1 billion trade deficit with the provinces in that year, while enjoying a Cdn$3.8 billion surplus in foreign trade. Meanwhile, Alberta’s deficit in interprovincial trade grew from Cdn$2 billion in 1991 to Cdn$3 billion in 1995 at the same time as its foreign trade surplus grew to almost Cdn$1 billion. In fact, Ontario was the only province to report an interprovincial trade surplus in 1995 of almost Cdn$26 billion, and a foreign trade deficit of just over Cdn$5 billion. In terms of trade between Ontario and Québec, Ontario’s trade surplus with Québec more than doubled to almost Cdn$6 billion in 1995. This changing economic reality was accompanied by a shift in public opinion. In January 1994, Gallup found that although 53 per cent of Québécois believed the Canadian economy would be worse off without Québec, opinion regarding the province was almost equally divided, with 35 per cent of Québécois believing their economy would be better off and 37 per cent believing it would be worse off. Meanwhile, 74 per cent of Canadians outside the province believed the Québec economy would be worse off, another example of the two solitudes.

The political implications of this difference of views are worth careful scrutiny. Let us recall the role played by campaigns of economic fear to battle the PQ and sovereignty in the 1970’s. The claims were ominous: Québec separation from the Canadian economy would bring economic hardship, a flight of investment, high unemployment – in short, economic catastrophe. Economic fear was key to Lévesque’s failures in the elections of 1970 and 1973 – so much so that the PQ placed sovereignty on the backburner and promised good government first, followed by a referendum, in order to reassure the Québécois. In the referendum of 1980, the economic fear campaign was absolutely decisive in giving the federalist side its 60/40 victory. During the 1992 Charlottetown referendum, economic fear was used again by our political and economic élites, particularly intensely in Québec. It failed completely. And during the 1994 Québec election, Liberal leader Johnson made a desperate gamble that a combination of economic fear and a focus on the PQ’s separatist commitment would work in his favour.
It didn’t, but the danger was realized that by forcing the provincial campaign to center on the question of sovereignty and its economic consequences, Johnson handed a victorious Parizeau and the PQ a much stronger mandate to pursue the separatist option than otherwise would have been the case. Johnson’s other risky gamble was to wrap himself and the provincial Liberals in the federalist flag – the first time an incumbent Premier of Québec had done so since the first days of the Quiet Revolution. Unfortunately for Johnson, having embraced the federalist option, he had no new vision to offer of the place Québec would occupy in a new set of national economic policies. It was not his fault, of course, because there were none, and there are none.

VIII SIGNS OF HOPE

This is a dark picture, but there are signs of hope. The fact is, despite the unprecedentedly favourable context for sovereignty in 1995, the Yes forces failed to capture 50 per cent plus one. Further, the Bloc’s loss of 10 seats (44, down from 54) and 11 per cent of the popular vote (38 per cent, down from 49) in the 1997 election suggests that there is at least a pause in the sovereignty movement’s momentum, and the Bloc’s decline might have been greater in the absence of Preston Manning and the Reform Party’s anti-Québec crusade which became particularly shrill in the closing weeks of the campaign. Additionally, Bouchard’s more modest version of the neo-conservative obsession with the deficit and debt has begun to tarnish his image and undermine his popularity in Quebec. Given that another Québec provincial election must be held before the next sovereignty referendum, likely in 1999 or 2000 at the earliest, there is another window of opportunity to reach a settlement with Québec.

There is therefore time for English Canada to offer to open up a dialogue on special status for Québec within a re-constituted Confederation. It may well be our last chance to save the federation. But a good faith commitment from English Canada to grant Québec special status would have every chance of success. The fact is that most pro-sovereignty Québécois are reluctant separatists and would be quick to respond to a meaningful constitutional resolution of their grievances through the negotiation of special status. The biggest worry is whether the 30 to 40 per cent of English Canadians willing to consider special status for Québec can provide the leadership and vision to win sufficient support for such a solution among English Canadians. Given the hardness in English Canada to Québec after Meech and Charlottetown, and with the Reform Party and western premiers yapping and snarling at Ottawa’s heels, it will not be a cake walk.

But it is not just the relentlessly looming Québec question that will hopefully force Canadians and their political and economic leaders to face reality and begin to develop effective policy responses. The collapse of the fishery in Atlantic Canada faces us with some rather stark choices and the momentum of the crisis will finally force us to deal with what could become the ruination of an entire region. The majority of experts and scientists insist that even the best case scenario for the recovery of the fishery will not be remotely sufficient for the traditional fishery to resume its former economic status as economic foundation for the region. Assuming this is a correct assessment, what do we
do? Inevitably, as a nation, we will have to do something – if we don’t do it willingly from compassion and sympathy, political and economic reality will finally force us to take some initiative.

Do we follow the harsh advice of Globe and Mail editor and leading neo-conservative ideologue Thorsell and allow the cruel logic of the free market – “the compulsion of the whip of hunger,” as Max Weber once described it – to work its satanic magic by forcing massive depopulation? As a solution, this is not only brutally reprehensible but ultimately irrational – in the long run the social, economic and political costs of such a Draconian policy would be incalculable. The displacement of tens of thousands of economic refugees from Atlantic Canada would create social havoc in other regions and lead to profound alienation and social despair among the involuntarily displaced population.

A more rational solution is a development strategy based on the considerable skills of Atlantic Canadians, and the existing resources of the region, premised on keeping the population in their already well-settled and successful communities. Obviously, part of the solution is a more regulated and careful approach to the traditional harvesting of fish in reconstituted in-shore and off-shore fisheries. We had reasonable if weak policies before, and even better advice from experts never acted upon. Even the weak policies, such as they were, were never fully or effectively enforced. But we will also have to take some public risks as a nation. Aquaculture is the obvious future of a modernized and sustainable fishery, but vast amounts will first have to be expended on research, development, and experimentation. Some individual entrepreneurs and corporations in Atlantic Canada are already doing so – but such individual efforts will not be sufficient to bring about the scale of re-development required in a timely fashion. Hence, a massive public investment in the fishery – at the very least in research and development – is necessary.

On the Prairies, as the wheat economy has declined, diversification into a variety of new cash crops for new markets has been occurring, often with a great deal of success. But this is occurring largely as a result of the entrepreneurial decisions of individual farmers – typically those large and debt-free enough to afford the risk. These successes can become models for a future new agricultural strategy for the Prairies. But again, individual entrepreneurial successes will not be sufficient to save the one in three Prairie farmers at risk, and the communities which depend upon them for economic survival. Again, we can take the advice of Thorsell and allow the free market to work out its logic – at the cost of the disappearance of between one in three and one in two farmers in the next decade or two, and the death of literally hundreds of rural communities. Again, the public leadership, initiative, and entrepreneurial supports of new state agricultural policies are urgently required. And there will inevitably be considerable political pressure from the increasingly desperate Prairie population on politicians to deliver.

In British Columbia the forestry crisis has reached the point where a jointly developed provincial and federal forestry policy is long overdue – and all sides in the debate,
environmentalists and loggers, increasingly recognize that. Only the industry, and its political puppets, eager to enjoy the unrestrained right to exploit British Columbia’s forests, continue to refuse to face reality. Similarly, in Ontario popular demands for a new national industrial strategy, once the enormity of what has happened sinks in, will be irresistible.

In other words, the politics of a vibrant democracy like Canada will force our leaders to take action, or finally result in their replacement by leaders who will. That fact provides an abiding sense of hope. But there are other reasons for hope as well. Canadians will not long remain opposed to using the federal state aggressively to further assist the poorer regions of this country. Many Canadians have been temporarily swept up in the well-orchestrated campaign of debt and deficit hysteria of the neo-conservatives and, in due course, rationality and humanity will return. Canada will not survive if we don’t continue to address the issue of regional disparity – and even though our past programs never overcame such disparity, the absence of such programs would be catastrophic for the vulnerable regions. But even if Canadians’ political willingness to provide further assistance to the poorer regions is slow in returning to former, pre-neo-conservative levels, there is always the Constitution.

The Constitution Act, 1982 contained the following amendment to Canada’s constitution, now in effect:

36. (1) Without altering the legislative authority of Parliament or of the provincial legislatures, or the rights of any of them with respect to the exercise of their legislative authority, Parliament and the legislatures, are committed to
   (a) promoting equal opportunities for the well-being of Canadians;
   (b) furthering economic development to reduce disparity in opportunities; and
   (c) providing essential public services of reasonable quality to all Canadians.

(2) Parliament and the government of Canada are committed to the principle of making equalization payments to ensure that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation.

No disadvantaged province, community, group or individual from a poorer region has yet used section 36(2) in a challenge in the Supreme Court to force Ottawa to act with more generosity. Former Newfoundland Premier Peckford once threatened to do so, but relented. Given what is happening in Atlantic Canada, the North, and the West, in conjunction with program cuts, it is only a matter of time before such a challenge is mounted. Regardless of the technical outcome, it would serve wonderfully to focus public attention on the deepening crisis of Canada.

There is also hope – and it is distasteful to have to say this, but things have become harsh and ugly – because, as every thinking Canadian knows, the unfettered free market
cannot work in a humane and socially responsible fashion. Yes, we can concede to the neo-conservative economists, the free market works – the free market will “solve” the problems of Atlantic Canada through hunger and forced migration; it will “solve” the problem of Prairie agriculture by driving tens of thousands of farmers off the land; it will end the debate about oil and natural gas policy by pumping out all the oil and gas the market will take, leaving us the dregs; it will end the debate about forestry policy when the economically exploitable forests are gone; and so on. But the social, human and environmental costs will not be acceptable and the Canadian people will finally find those costs to be unacceptable.

As the cuts in social spending, and the massive withdrawal of government from society and the economy, continue, the consequences for the bottom one in four to one in three Canadians will be horrific and appalling. Canadians will find those consequences, and the resulting social unrest, abhorrent and repugnant. As young Canadians continue to face high unemployment, and as cuts in education spending close the post-secondary door on more and more of them, the consequences for a whole generation will quite simply be unacceptable, and Canadians will rebel and demand action. As the decline in real wages and salaries continues, and as employers use the current conservative climate to squeeze more and more out of their employees, the undulating strike wave already in motion will continue to sweep across the country and become increasingly politicized. As the dead-end Reform Party solutions (now increasingly pursued by Liberal and NDP governments), based as they are on simple-minded, blame-the-victim homilies, become clearer, Canadians will reject them and demand a shift in orientation. Regrettably there will be a lot of pain as Canadians re-learn the lessons their parents and grandparents learned up to and including the Great Depression and World War II.

Canadians will eventually come to a realization of how seriously Canada is at risk, at risk in so many ways. Indeed, many, perhaps most, Canadians have already come to that realization as revealed in their well-focused political behaviour of the last few years: in 1990 Canadians elected the Ontario NDP on a clear anti-neo-conservative program; in 1991 Canadians defeated neo-conservative governments and elected ostensibly social democratic governments in British Columbia and Saskatchewan; in 1992 Canadians defeated the Charlottetown Agreement; in June 1993 Canadian public opinion drove Mulroney from office; in October 1993 the governing Tory party was nearly wiped off the electoral map and Liberal leader Chretien, who made a lot of anti-neo-conservative noise while in Opposition and during the campaign, was elected; in 1997 Canadians, especially in Atlantic Canada, punished Chretien and the Liberals for reneging on their Red Book promises. The evidence, therefore, is clear that it is the political elites of all parties, not the people of Canada, who have failed to respond to the realities of the crisis.

As Canadians, especially English Canadians, come to realize the depth of the crisis, and as they watch the experiments with unrestrained neo-conservatism underway in Ontario and Alberta, they will finally reject the negative, anti-Québec, anti-feminist, anti-poor, anti-victim self-definition being offered to them by the Reform Party and other neo-conservatives. English Canada desperately needs to re-assert its sense of national
identity and national purpose through a positive national project premised on the abrogation and re-negotiation of the FTA and NAFTA. Until those chains are broken and replaced by economic agreements that do not compromise Canada's sovereignty, independence and national integrity, English Canadians will only see the further erosion of the essence of who and what they are and want to become in future.

The other choice is clear: balkanization and fragmentation; a separate Québec; an isolated and impoverished Atlantic Canada; the eventual future absorption of provinces like British Columbia and Alberta into the American union, provinces where there is already a strong pro-US integration sentiment. In short, the other choice is the end of Canada, not with a bang but with a series of whimpers.

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