

## Canada stands in middle of a centurylong period of change, and tremendous changes coming, says Crowley

Fearful Symmetry author Brian Lee Crowley says as the baby boom generation withdraws from the workforce and Quebec's bargaining power declines, over the next 50 years Canada will become more concerned with labour shortages, immigration issues, the growth

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When Foreign Policy magazine's Global Thinkers Book Club asked 100 opinion leaders from around the world to pick one book they wanted to recommend last year, Liberal Leader Michael Ignatieff picked Brian Lee Crowley's Fearful Symmetry: The Fall and Rise of Canada's Founding Values, published by Key Porter. It was an interesting choice, considering Mr. Crowley's close ties to the Conservative government and the early endorsements for the book from conservatives like David Frum, Tom Flanagan, Conrad Black, Ken Boessenkool, Jack Granatstein and Michael Bliss. Mr. Ignatieff described the book as an attack on everything he believes in, but he also said it's "very intelligent and it's very important to take your adversaries seriously."

As *Globe and Mail* columnist Lawrence Martin put it, "Crowley is not just another Ayn Rand in trousers. In *Fearful Symmetry*, he has developed a credible and somewhat original take on Canada's latter-day evolution that is cogent and, in good part, persuasive. Just as you're preparing to drive a fleet of trucks through any one of his many eyepopping postulates, he comes at you with a flurry of convincing statistics and well-documented overtures that have you pressing, as good books should, your rethink button "

In *Fearful Symmetry*, Mr. Crowley argues that, as the baby boom generation withdraws from the workforce and Quebec's bargaining power declines, over the next 50 years, governments will be called upon to reform all social programs, and Canada will become more concerned with labour shortages, immigration issues, the growth of the West, and the shifting ideological balance. He says immigration won't solve Canada's labour shortage problems, oil will continue to power much of the economy for a very long time, and Ontario will be the battleground for Canada's future.

The book has been described as "striking, important, and profound." Mr. Crowley is managing director of the Macdonald-Laurier Institute, a public policy think tank based in Ottawa. He spoke to *The Hill Times* last week.

## Your book has been out now for almost a year. A lot of politicians have read it and are reading it. What kind of feedback have you been getting?

"The best feedback that I have been getting has not been from politicians. It's been from ordinary people who have tracked me down, called me, emailed me, and they've said, 'You know I've been interested in lots of books before, but this book actually moved me.' People have talked to me about the emotive reaction and not an angry rejection, but that somebody's put into words and feelings I've had about Canada and what's happened over the last 40 to 50 years and to have somebody track me down and say, 'Your book moved me,' has been the most rewarding experience of writing this book.'

### Have you had any specific feedback from the Prime Minister's Office or from any Cabinet ministers?

"Well, not from the Prime Minister's Office. I have had feedback from lots of politicians. The only feedback I've had from the Prime Minister's Office is after my book came out and everyone said, 'This is on the Prime Minister's reading list, and blah, blah, blah, blah,' I ran into the Prime Minister about six months later and he said, 'Somebody told me you wrote a book.' [Laughs.] So a lot of people seem to be under the impression that somehow around the Cabinet table everybody's got a copy and they're leafing through it. It's not like that at all."

#### Why is your book important and who should read it?

"Well, the book is important because it puts the history of Canada in the last 50 years, in my view, in a whole new light and many people who have read it have agreed that's the case—whether you liked the last 50 years or you didn't like the last 50 years—it was kind of irrelevant. In fact, when *Foreign Policy* magazine asked 100 opinion leaders around the world to talk about the one book they wanted to recommend to people to read, Michael Ignatieff was one of the 100 and he picked my book. What he said was, 'I don't agree with most of it. But it's a book that's well-written and thoughtful and not just sort of emotional and opinion. It's a reasoned critique of what's happened in the last 50 years and it's terribly important.' So I think everybody who cares about Canada should read it."

#### What's your main message?

"The main message of the book is encapsulated in the title of the book, and people say, 'What's the title about?' The title is *Fearful Symmetry*. Well, what's the symmetry? What I argue in the book is that we stand in the middle of a century-long period of change. So if we look over the last 50 years, we see that Canada has been transformed by two things: the rise of the baby boom generation and the rise of a separatist Quebec nationalism. And

if you kind of follow through the force of those two things unfolding in Canadian history, you really can understand the last 50 years.

"We stand in the middle because I say those two forces are largely spent, that it's not that they've disappeared, but the next 50 years are going to unfold as the baby boom generation—instead of entering the work force, with all the attendant changes they brought in their wake—is now withdrawing from the workforce and that's going to be the thing that's going to shape Canada, along with essentially the decline of Quebec's bargaining power in the next 50 years, demographic collapse, and a whole series of things that have undermined Quebec's ability to threaten credibly to leave Canada."

# You say Canada's on "the cusp of a tremendous renaissance if it wants to seize the moment." What are the key troubles facing Canada today and how can they be fixed?

"So, we've got this tremendous change coming. In the last 50 years, the labour force group was 200 per cent—bigger than any other western country, the next closest was the United States and they grew 100 per cent. So we were half again as big as the United States in terms of the size of our baby boom generation. In the next 50 years, the labour force is going to grow 11 per cent. That has huge consequences. For instances, one of the things I talk about in the book quite a lot is labour shortages. Unemployment was the big political issue for much of the last half century and the next half century it's going to be labour shortages, that's going to bring a lot of pressure to reform social programs to get public spending under control and to keep taxes low and so on in order that we can respond appropriately to the demographic change, I think that, because we have spent so much of the last 50 years concerned about Quebec and I'm not saying that was wrong, I'm just saying that was a very specific set of circumstances that made Quebec the centre of our preoccupation for the last 50 years. Over the next 50 years, it's not that Quebec won't be important, but it's just that Quebec will fade into the background, to some degree, and we will become more concerned with labour shortages, immigration issues, with the growth of the West, the shifting ideological balance in the country that that brings in its train. All of those things are the challenges that we face now."

# How should the Canadian government lead the way through welfare reform and a new approach to immigration?

"Well, first of all, welfare reform, if you think about the last 50 years when unemployment was our big problem, governments were very reluctant to tighten access to welfare because people felt there weren't any jobs, and so it's kind of a cruel policy, but as we enter where labour shortages are going to be things that hold Canada back economically, people are going to say, 'Why should we have welfare programs, whether it's unemployment insurance or social welfare at the provincial level?' Why should we have policies that are designed to pay people not to work when there's work going begging which is going to be essentially the situation we're in. So I think governments are going to be called upon to reform all of our social programs, there will be tremendous

pressure to reform social programs so they create incentives to work rather than obstacles to work.

"As far as immigration is concerned, a lot of people think that we'll be able to solve our labour shortage problems through immigration, but it's not true. I'm very pro-immigration. It's not that I think immigration won't help on the margins, but if want to use immigration to fix our population imbalance, and the fact we're getting too many 65-year-olds and not enough 25-year-olds, if you wanted to stabilize the population structure through immigration, we'd have to raise the immigration levels seven times above their current level and we're already accepting the largest number of immigrants relative to any population in the world."

# You say, "Contrary to today's revisionists, historically Canada was no hotbed of big government." What is the real history of Canada and what is the imminent return to our roots?

"I suppose the 30-second version is in 1960 Canada spent 20 per cent of its GDP on government, at all levels: federal, provincial, municipal. In 1960, the United States spent 28 per cent of GDP on government: federal, state, and municipal. In other words, we spent exactly the same share on both sides of the border on government and we have been doing so for 100 years and, in fact, America spent more on social welfare than Canada did. Canada spent on things like communications, transportation. We spend on infrastructure. We're building a country here. America was much more prone to having people vote themselves benefits through democracy.

"My book basically talks about the last 50 years and what happened and how did we change from that relatively small, limited government kind of place in which we weren't particularly generous with social welfare. We assumed that everybody was going to work. How did we get to the point where in 1993 we reached a peak of spending 53 per cent of GDP on government? This was a huge sea change in the way Canadians behaved and thought about government and so on and in the book I explain why these two forces I talked about, the rise of the baby boom generation, plus the rise of Quebec separatist nationalism fuelled that growth of government so it was the result of a unique historical moment. It was not the product of a long Canadian history.

"It was, in fact, a break with what we had done for the first 100 years and more of Canadian history so the book's about why did we break with the past and then it's about, if we stand in the middle of this fearful symmetry, looking forward, why is it that the conditions coming are going to bring us back to those attitudes that we had in our traditional development of Canada because the circumstances are going to be much more like they were before the rise of the baby boom generation and the rise of Quebec nationalism. I think we're going to return to our roots."

## Why do you say big government is the scourge rather than the saviour of the family?

"I'm not sure I use 'scourge.' Maybe I do. Essentially, I guess the argument is that we have created in government the expansion of government, the expansion of the welfare state, various kinds of social programs, and so on, we have created conditions in which the state can, in a sense, become a surrogate parent and we have created the conditions in which real parents often don't find it worthwhile to stay together. We've created incentives in which it is more attractive for people at certain parts of the income scale, it's more attractive to them to have the state as the father to their children than it is to have a real father and the consequence has been that marriage has declined very significantly and that has very clearly in the data resulted in very unattractive conditions for significant numbers of children in Canada, high levels of single parenthood and so on, particularly in Quebec, where the state has assumed so much of a bigger role than in the rest of Canada. So I think the state makes a poor surrogate parent."

# You also say in your book no matter Kyoto or the Son of Kyoto, oil will continue to power much of the economy for a very long time to come. What about the impact on the environment and the tipping point in 2050?

"Well, my observation on oil in the world economy is simply a factual observation. If you look at the International Energy Agency which is kind of the source of information about energy use in the world today and the IEA does every year, they do projections about how much energy will come from different sources over the coming years and if you look at their projections for the use of oil versus coal, and nuclear, and hydro, and all those other things, they see humanities' reliance on oil increasing relative to other sources of energy for the foreseeable future.

"So it's not something I'm for, or against, it's simply an observation which I think is quite grounded in the fact and I think the International Energy Agency takes account of policies to reduce greenhouse gases and all that sort of stuff in its estimates. So the reality is the world economy is a huge, complex machine which cannot be adjusted very easily and takes a long time to do so, and if we were to want to shift the mix of energy that world consumes away from oil towards other things it's not something that's going to happened over night. It's a very slow super tanker to turn so I actually have no problem with the proposition that the climate is changing and I have no quarrel with the idea of cap and trade, or carbon taxes as ways to reduce demand for oil and gas. I just think it's important that people not have unrealistic expectations about how fast those things can change."

# You say Quebec's power will decline and Ontario will be the battleground for Canada's future. Why?

"Quebec's economic and population growth have been stunted by the policies engendered by the bidding war for the loyalty of Quebecers. Thus Quebec's weight in Confederation is declining, as evidenced most recently by the proposal to add dozens of seats to the Commons—all in Ontario and the West. By 2030 according to StatsCan, Quebec will represent a mere 20 per cent of the Canadian population, while two-thirds of the population will be in just three provinces: British Columbia, Alberta and Ontario. Quebec will still matter, but not nearly as much as before, especially when we consider how badly Quebec's economy has been damaged by the bidding war. This greatly undermines the credibility of any claim that Quebec's standard of living would not fall precipitously in the event of a break with the rest of Canada.

"Ontario is the battleground now over traditional values because the West is largely already an exponent of those values. It has been voting for parties that promise responsible public finances and social programs for years now. Ontario is of two minds, and which way it turns will determine the direction Canada will go in the future."

You say politically, any party that can capture the high ground of Canada's traditional values for the next generation will likely become the dominant party because it will speak directly to the anxieties of Canadians and that in a few short years, "it could be the values of the left-liberal welfarism that will seem a quaint echo of a receding past." Why do you say this and does that mean the Conservative government will be Canada's next natural governing party?

"The anxieties I speak of are those that always accompany economic challenges. In the past 50 years, our anxiety has been chiefly about unemployment, an unemployment generated in large part by our huge baby boom generation. The whole edifice of policies I describe in the book—social welfare, expansion of public employment, unemployment insurance, empowerment of trade unions—have all been responses to this high unemployment. We abandoned the traditional notion that everybody was expected to have a job and be responsible for themselves because in the face of such high unemployment that seemed a hard-hearted policy.

"But in the very near future, the problem of unemployment will be replaced by the problem of labour shortages as the boomers retire and there are too few workers coming up behind them. On the current projections in a few short years even a traditionally high-unemployment province like Nova Scotia will have an unemployment rate of three per cent, that's like Alberta at the height of the last boom. Everyone in Canada will quickly become aware that their economic prospects are being restrained by too few workers. That will sap support for policies that encourage tax-funded idleness for those capable of working, or that support unnecessarily high levels of public sector employment when we need those workers in higher productivity private-sector jobs. The balance of public attitudes toward the state and its role in the economy and social programs will shift as we bring the public sector into line with our new economic circumstances.

"As I point out in the book, the policies that will then seem necessary are by no means the property of the Conservative Party. The Liberal Party actually has a better record on fiscal management than the Tories in the last 20 years. It is the Liberals that unleashed a wave of social welfare reform with the reform of transfers to the provinces. And as I show in the book, the Liberal Party has deep intellectual roots in the tradition of self-

reliance and individual responsibility that I argue is making a comeback. All parties are already shifting incrementally in this new direction—even the NDP no longer dares to campaign on rising debt and taxes. No party owns the traditional values I am talking about—these are deep values that transcend mere party politics. It is the playing field that is changing. How the various teams respond to these changes to give themselves new advantages is something no one can know for sure."

### You also say the Canadian Forces could be much more important than they are today. Why is that?

"I always like to say there are two powers that are universal to central governments in all federations: one is trade and commerce and one is defence. These are the powers on which central authority rests, these are the key roles and functions of a central government, you create a national economic space and you defend the national territory from threats. I think, as a result of the bidding war for the loyalty of Quebecers that I talk about in the book, Ottawa ended up pulling resources out of a lot of other activities and putting them into the bidding war and ended up starving a lot of very important activities of which national defence is one and I think as Quebec's bargaining power declines and we become less concerned about using social programs as a way to keep Quebec in, that Ottawa will be able to rebalance its attention to its various responsibilities and I think the Forces will be a very important piece of Ottawa's reclaiming its rightful responsibilities. Canada is a very important military power."

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