

Trudeau's 'reset' aims to revisit the failed policies of yesteryear

Why is our leader putting us to sleep with sophomoric bunk about recessing backwards into lobotomous socialism and pseudo-environmental self-improvement?

by Conrad Black



This week, I clicked on to a link sent by a correspondent and watched and listened to Justin Trudeau telling us how his government would take advantage of the COVID-19 pandemic to implement a positive "reset" of the country. I've written here before of my goodwill toward Trudeau as a person. He is friendly, intelligent, dashing, sincere and contemporary. But his government's policy analysis is perversely stubborn and outdated.

For more than 25 years, Canada's federal government has been in a deepening creative policy drought. From 1963 to 1993, largely propelled by the Quebec crisis, the federal government was commendably innovative. Prime Minister Lester B. Pearson (1963-1968) produced a national pension plan, a distinctive and now very popular and respected flag, established under former CBC head Davidson Dunton and former Le Devoir editor Andre Laurendeau, an inquiry into French-English problems, which produced the basis of the subsequent bicultural status of the country, and an ambitious reform program in many other areas. Prime Minister Pierre Trudeau (1968-1979, 1980-1984) entered public life with the principal objective of ensuring that the federalists defeated the separatists in the contest for the political affections of Quebec. To this end, he introduced a vast series of changes covering almost every policy area including major transfer payment increases, and ultimately patriated the Canadian Constitution from Britain. Prime Minister Brian Mulroney (1984-1993) also had an ambitious policy agenda, including securing the formal adherence of Quebec to the revised Constitution, free trade with the United States and the consolidated goods and services tax, which shifted substantial revenue sources from taxation of income to taxation of voluntary transactions.

Jean Chrétien had climbed the greasy pole of public life (Benjamin Disraeli's expression) for more than 25 years and held seven different ministerial positions under prime ministers Pearson, Pierre Trudeau and John Turner. He hungered after the highest office because it was there, and when the Progressive Conservative party disintegrated after the failure to enact the Meech Lake constitutional agreement, his only policies were to offload spending obligations onto the provinces and balance the federal budget, and after he almost managed to lose the 1995 Quebec independence referendum, the enactment of the Clarity Act requiring that, to be valid, a provincial vote for secession from Canada must be on a clear question and by a substantial majority. These were admirable

policies, but not a rich menu for 10 years in office facing a fragmented opposition and with a blank cheque to do almost anything. Paul Martin had been a very capable finance minister for Chrétien and a proven businessman and he did have some original ideas, such as a genuine defence policy and defence production industry for Canada, but he did not remain long enough in office to implement them.

Prime Minister Stephen Harper's notion of policy was essentially confined to reducing the GST in order to resist spending pressures and restrain the public-sector share of GDP. Having done that, and shown commendable solidarity with Israel, he ran out of steam in the middle of the sentence famously beginning "As long as I'm prime minister ...". The sentence didn't end but his term did, in the 2015 election amid his comments on Islamic face-coverings and his determination to prevent the sudden arrival of 400,000 Syrian refugees, no matter by what magic they reached this country. Harper had no more imagination than he had personality, but at least he did not have bad policy ideas. Chrétien and Harper though not policy-ambitious, were fiscally responsible and to some extent reflected the fact that their three immediate full-term predecessors had carried out ambitious programs that had been generally successful. Except for the near disaster of the 1995 referendum, the country was functioning well.

This is the background for Trudeau's "reset." I was prepared for the worst. We were, I learned with disconcertion, to take advantage of the COVID pandemic to conquer climate change and an unjust distribution of wealth. Justin Trudeau is in a time-warp of credulous and clichéd altruism. No matter how benignly one interprets it, his reset is the seizure of the pretext of the existence of a virus that is potentially fatal to one per cent of the population who can generally be sheltered from it, and for which a vaccine is about to be distributed, to hurl resources at the climate and reduce wealth disparity by simply taking money from those who have earned it and giving it to

those who have not. This is making war on a phantom conjured as an “existential threat,” and revisiting the British Labour party’s policy in the 1940s of confiscating earned income and cycling it through fat bureaucracies to low-income earners: a perfect formula for economic stagnation and increased misery for the disadvantaged. It defies the clearest messages of enlightened Western tax and welfare policy in the United States, the United Kingdom, Japan, Germany and many other advanced countries. If Justin Trudeau let his facial hair grow longer and died his hair white he could masquerade as George Bernard Shaw addressing the Fabian Society a century ago. (He’s done dress-ups before.)

U.S. President Ronald Reagan was right when he said, “The only welfare system that we ever had that worked was a job.” By using the tax system to incentivize job creating and trade agreements to enhance competitiveness, Reagan increased per capita annual GDP growth to 4.5 per cent and sharply reduced unemployment and inflation from the stagflation figures that he inherited from President Jimmy Carter. At about the same time in the U.K., Prime Minister Margaret Thatcher enjoyed a comparable success, compounded by the massive sale of state-owned assets, which went from chronic unprofitability to robust financial health. In the three years before the onset of the coronavirus, the Trump administration, by tax reductions, ending illegal immigration of cheap labour and incentivizing investment in depressed “enterprise zones,” generated more jobs to fill than there were unemployed, and sharply reduced poverty, violent crime, food stamp use and the welfare rolls. He made huge electoral gains among African- and Hispanic-Americans two weeks ago despite the endless spurious defamation of him as a racist.

As for climate change, measurements of the world’s temperature are wildly inaccurate because of the random deployment and vulnerability to reflection of the monitoring thermometers, but they recorded an increase in the world’s temperature of

1.5 C in 140 years, 1 C in 85 years and none since the beginning of this century. Sustainable energy can't be stored and therefore simply duplicates the energy production we already have. It is hideously uneconomic and is really just an anti-capitalist nostrum to placate the eco-feel-goods and the militant left, still in primal scream therapy after their humiliating annihilation in the Cold War.

Now is the time and Canada is the place for original policymaking. It is a rich and well-situated country with a talented and sensible population; all international institutions are in desperate need of reform. The world needs Canada; Canada can lead; why is our leader putting us to sleep with sophomoric bunk about recessing backwards into lobotomous socialism and pseudo-environmental self-impooverishment? The proverbial inquiring minds want to know.

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