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Canadian Politics and Public Policy

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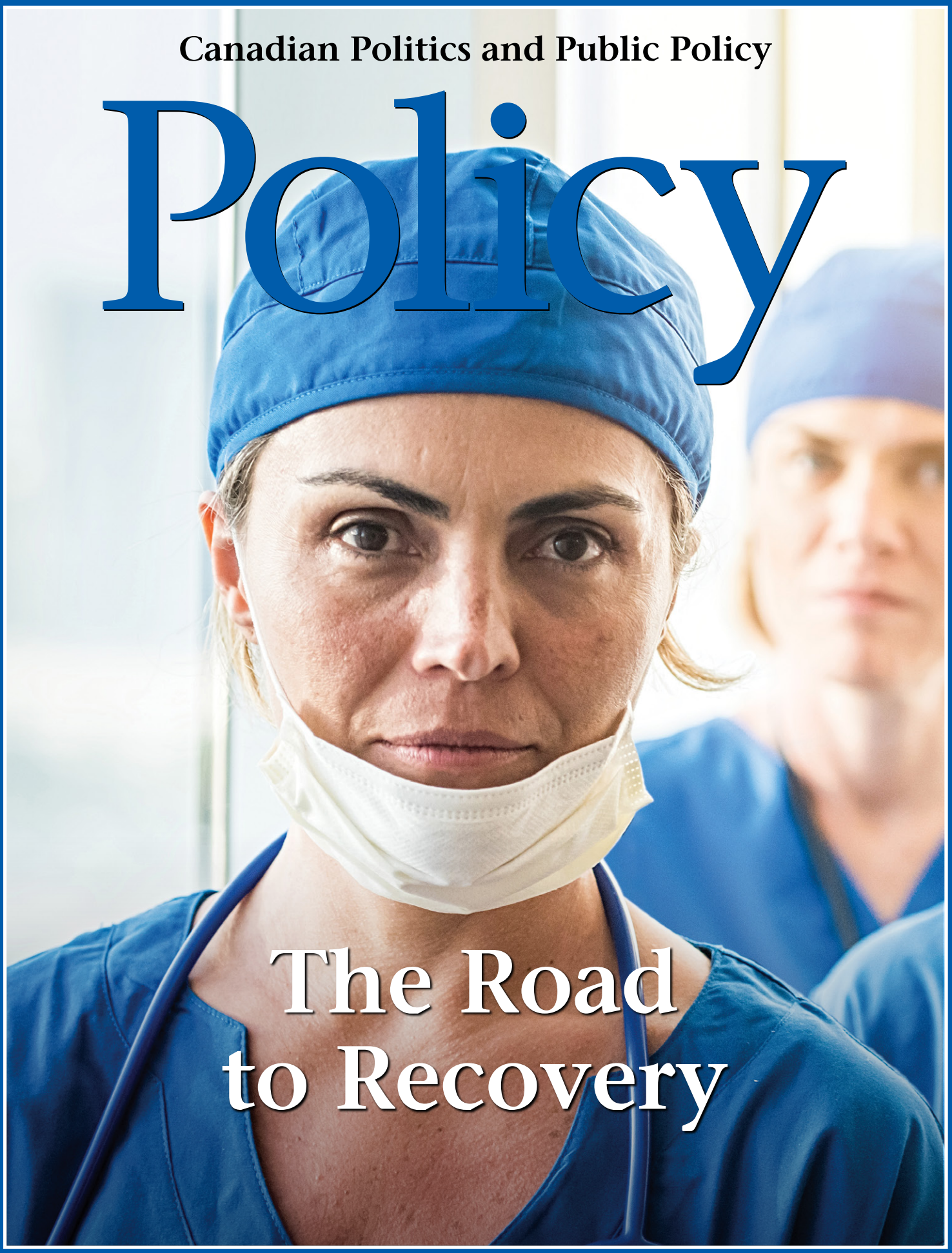

The Road to Recovery

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Canadian Politics and Public Policy

EDITOR AND PUBLISHER
L. Ian MacDonald
lianmacdonald@gmail.com

ASSOCIATE EDITOR
Lisa Van Dusen
lvandusen@policymagazine.ca

CONTRIBUTING WRITERS
Thomas S. Axworthy, Andrew Balfour, Yaroslav Baran, Derek H. Burney, Catherine Cano, Margaret Clarke, Rachel Curran, John Delacourt, Susan Delacourt, Graham Fraser, Dan Gagnier, Helaina Gaspard, Martin Goldfarb, Sarah Goldfeder, Patrick Gossage, Frank Graves, Shachi Kurl, Brad Lavigne, Kevin Lynch, Jeremy Kinsman, Peter Mansbridge, Carissima Mathen, Elizabeth May, Velma McColl, David McLaughlin, David Mitchell, Don Newman, Geoff Norquay, Fen Osler-Hampson, Kevin Page, Robin V. Sears, Brian Topp, Lori Turnbull, Jaime Watt, Anthony Wilson-Smith

WEB DESIGN
Nicolas Landry
policy@nicolaslandry.ca

SOCIAL MEDIA EDITOR
Grace MacDonald
gmacdonald@policymagazine.ca

GRAPHIC DESIGN & PRODUCTION
Monica Thomas
monica@foothillsgraphics.ca

Policy

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Price: $6.95 per issue
Annual Subscription: $39.95

PRINTED AND DISTRIBUTED BY
St. Joseph Communications,
1165 Kenaston Street,
Ottawa, Ontario, K1A 1A4

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In This Issue

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From the Editor / L. Ian MacDonald

The Road to Recovery

Welcome to our issue on the *Road to Recovery* from the COVID-19 pandemic that has infected more than 100,000 Canadians in the space of only a few months, with a tragic death toll of over 8,000 by the beginning of summer. In the United States, there have been more than 2 million cases, and some 115,000 deaths; the highest national death toll in the world, with thousands more to come.

The substance of our conversations has many new entries, from social distancing to working from home, to say nothing of kids being home from school. The economic damage has been devastating and disruptive, as millions of Canadians lost their jobs in the shutdown.

As the COVID toll declined and the economy showed signs of resilience, there were grounds for optimism that Canada and the world were indeed on the early steps to recovery.

But make no mistake, the pandemic will have lasting effects on public and fiscal policy in Canada.

Hence our cover package, on lessons learned and a look ahead.

Geoff Norquay, who spent years as a senior official working on health care and public policy, looks at the epicentre of it all—the crisis in long-term care for seniors, which has accounted for 80 percent of the deaths in Canada from COVID-19.

Liberal insider John Delacourt examines the federal-provincial management challenges of health care, a provincial jurisdiction largely funded by the feds. In the LTCs alone, he notes, "the provinces are struggling to manage this crisis with limited help or leadership from Ottawa." The economic renewal will be largely in municipalities which, as he also points out, are constitutional purviews of the provinces.

McGill University's Laurette Dubé writes that the pandemic presents a transformative opportunity. As she writes in *Toward a Convergence Economy*: "Planning the recovery and beyond for the COVID-19 pandemic are woven in the fabric of modern economies and societies, in particular at the intersection of health and economic systems."

Goldy Hyder and Brian Kingston of the Business Council of Canada offer a realistic outlook on the prospects for recovery. As they write: "It is increasingly apparent that Canada will experience a multi-speed recovery with stops and starts that will affect different sectors in different ways."

Policy Associate Editor Lisa Van Dusen, whose work in both the U.S. and Canada has included covering international financial institutions and countless federal budgets, looks at the intersection of technology, global debt and democracy post-pandemic in *COVID-19, Democracy and the Future of Work*.

Natural Resources Minister Seamus O'Regan makes the point that in any conversation about clean energy, Canada begins from a position of strength, especially in renewables: "The diversity of our energy sector is our underlying strength. It is that diversity that will carry Canada through this short-term storm."

Dalhousie University's Lori Turnbull, co-winner of the Donner Prize, has a sense that the pandemic will trigger a throwback to the constitutional politics of the 1980s and 90s, with intergovernmental affairs and Charter politics dominating our discourse.

Our lead foreign affairs writer Jeremy Kinsman evokes three junctures of the modern age: the emergence of the multilateral world order after the Second World War in 1945, the end of the Cold War in 1989 and the collapse of markets in 2008. The difference between then and now? The Americans were engaged and there was leadership in the White House.

Robin Sears looks at post-pandemic China, and the fall, literally and figuratively, of China's masks in a way that has seriously downgraded the reputation of Xi Jinping.

And our columnist Don Newman sums up with a post-pandemic political perspective.

In *Canada and the World*, from her vantage point as a thought leader and independent Black senator from Nova Scotia, Wanda Thomas Bernard considers the killing of George Floyd as a catalyst for change in *Collective Rage Requires Collective Action*. It is a withering indictment of anti-Black racism and police brutality in Canada as well as the United States.

Finally, we offer reviews of two excellent books for summer reading. James Baxter thoroughly enjoyed *Professional Heckler*, Terry Mosher's biography of the great political cartoonist Duncan MacPherson. What makes the bio by Aislin so compelling, Baxter writes, is that it reads "as if Mario Lemieux were recounting the life story of Wayne Gretzky."

And former *Maclean's* Editor Anthony Wilson-Smith sees many strengths in David Frum's *Trumpocalypse*, including "the ability to turn a neat phrase, and the diligence to support his assertions with a mountain of research."

Enjoy. P


Rawpixel photo

Pandemic Lessons for Fixing Canada's Health Care System

As with all crises, the COVID-19 pandemic has exposed strengths and weaknesses in Canada's health care system at all levels: public health, active treatment and physician services. While our jurisdictional architecture has proven both good and bad during the crisis, governments at all levels will need to collaborate to close all the other capacity gaps.

Geoff Norquay

Canadians are rightfully proud of their health care system; the vast majority of our citizens value it as a defining feature of our citizenship. The current pandemic has resulted in unprecedented pressures being placed on Canadian health care, so how has the system fared, how is it holding up and what have we learned so far?

Like much else in the COVID-19 odyssey, the report card is mixed. In some respects, Canadian health care has held firm and performed admirably; in others, such as long-term care for seniors, the outcomes are abysmal. In terms of pandemic planning, Canada was caught flat-footed, but so was every other country in the world.

At times, Canada's federal-provincial-territorial division of powers has caused real challenges in creating

timely and coordinated responses. In the widespread take-up of tele-health prompted by the pandemic, the system has adopted new approaches that are likely to revolutionize the delivery of health care in the future.

At the broadest level, there are three sides to health care in Canada: public health, active treatment and the provision of physician services. Public health has always placed a distant second to the importance of acute care and doctors in the health care system. It has a broad mandate—the promotion of population health—and its normal concerns are such threats as seasonal flus, occasional outbreaks of measles, the opioid epidemic, obesity and sexually transmitted diseases.

The responsibility for pandemic planning is subject to peaks and valleys in political decision-makers' interest—high importance in the face of events like SARS and H1N1—but receding as a top of mind issue as time passes and memory fades.

This reality, plus Canada's federal-provincial structure, is what caused this country to be unprepared for the need for personal protective equipment (PPE) generated by COVID-19. Several months into the pandemic, Canada is still struggling to ensure access of front-line workers to essential PPE. This occurred for two reasons: first, the provinces allowed their stockpiles to dwindle and become out of date; and second, the federal government took a lackadaisical approach to maintaining the national emergency stockpile of this equipment.

At both levels of government, there were lapses in on-time replacement of PPE that had reached its best-before date. In addition, when the pandemic struck, the system experienced challenges related to distribution of supplies. In April, CBC disclosed that in 2019, the federal government threw out two million N95 masks and 440,000 medical gloves when it shut down an emergency stockpile warehouse in Regina. The masks had expired five years before in 2014. The absence of an adequate supply of PPE has led to a mad scramble by both the federal government and the provinces to source critical supplies in a chaotic and highly competitive market.

> *"In the widespread take-up of tele-health prompted by the pandemic, the system has adopted new approaches that are likely to revolutionize the delivery of health care in the future."*

Now that the provinces are re-opening their economies stage by stage, Canadians are critically dependent on the implementation of massive "test, trace and isolate" measures across the country. These measures are essential to the country's ability to detect possible spikes in community transmission of the virus if the pace of returning to normal is too fast. Testifying before the House of Commons health committee on May 19, Dr. Theresa Tam, Canada's Chief Public Health Officer, said that the 30 testing labs in Canada have a daily capacity for roughly 60,000 tests, but on average, only 27,000 are currently being performed by provinces and territories. Ontario and Quebec have faced almost constant challenges in completing sufficient numbers of tests.

If an army marches on its stomach in a time of war, in a pandemic, public health officials and epidemiologists march on accurate and comprehensive data. They need to see the spread of the virus in real time to form effective responses and mobilize resources. This means timely data on positive cases and their location, the numbers of deaths and where they are occurring, the number of recovered cases and how many tests are being performed. On data collection and its dependability, Canada's experience in 2020 is that the whole is not greater than the sum of the parts.

In reality, Canada has no national public health data system; once again our creaky federal/provincial/territorial structure gets in the way. As Dr. Tam told the Commons health committee in May, "We actually have national case definitions, but it's up to the provinces and territories to…report to us according to the definitions, but sometimes that does vary and we do have certain data gaps that we must address." In post-pandemic Canada, the absence of dependable data is a challenge that must be overcome.

In the early stages of the pandemic, significant concern was expressed that victims of the virus might flood this country's active treatment capacity and collapse it, as occurred in such countries as Italy and Spain. With 57,000 hospital beds, Canada's comparative ranking in beds per 1,000 people is the lowest of all Organisation for Economic Co-operation and Development (OECD) countries and our occupancy rates tend towards being the highest. Even in normal times, the persistence of "hallway medicine" is a major challenge for provincial health systems.

Likely due to the shutdown of the economy and the success of self-isolation and social distancing in flattening the curve, the much-feared run on acute care never happened in most provinces. There was one notable exception. Because of the virulence of the outbreak in Quebec, that province came the closest to catastrophe. In early May, an astounding 11,600 of its front-line health care workers were missing from the system—sick, quarantined or afraid to go to work. That situation persisted for weeks.

When the pandemic took hold in mid-March, provinces cancelled elective surgeries to protect their hospital capacities in the event of an influx of COVID-19 patients. As a result, thousands of Canadians can now be counted as the collateral damage of our chronically low number of active treatment beds. Based on an extrapolation of Ontario and British Columbia's share of the population, the re-

sult is a backlog of as many as 189,000 delayed surgeries nationwide. These deferrals now need to be cleared, and B.C. estimates that it will take as long as two years.

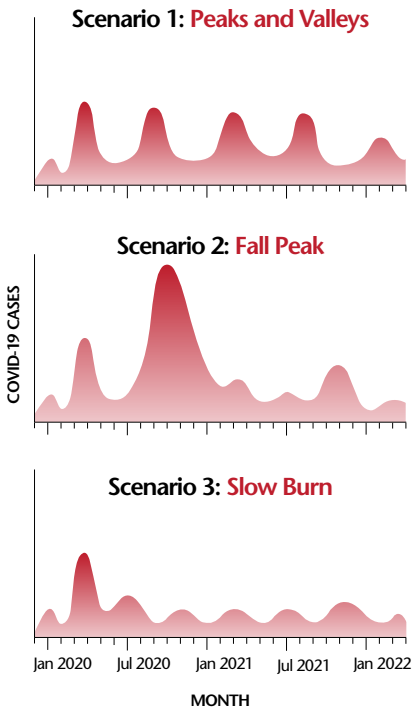
On the positive side of the pandemic, in just three months Canada has seen a sea-change in the use of telemedicine—the delivery of medical care and information using telecommunications technologies. With people warned away from hospital emergency departments and many physicians' offices closed or restricting visits, doctors and patients quickly embraced access to and delivery of medical care through online platforms.

With the boom in the use of telehealth approaches, apps for doctor-to-patient interactions such as ZOOM, GoToMeeting and Doxy.me have proliferated. Patients without a physician can access one through Cloudmd, and Medimap now provides quick access to virtual appointments with walk-in clinics. The good news is that provincial fee-for-service reimbursement systems are beginning to catch up with these new realities. In April, British Columbia changed its physician payment models to accommodate virtual medicine.

The apocalypse that has befallen Canada's frail elderly living in long-term care facilities stands as the greatest failure of our health care system in the current pandemic. It is also a searing national shame. Roughly 400,000 Canadians live in these facilities and as of late May, according to the National Institute on Ageing (NIA), 80 percent of all COVID-19-related deaths in Canada—5,324 out of a total of 6,599 deaths—were residents in long-term care settings.

With stunning prescience, a late-2019 study by the NIA counted the ways that long-term care homes were courting disaster with conditions that would spread infections: people living close together in residences that suffered from chronic staff shortages, and low-paid employees forced to work part-time in several different facilities.

Possible Pandemic Wave Scenarios for COVID-19



Source: CIDRAP, University of Minnesota

These longstanding issues are complicated by Canada's jurisdictional structure: 13 separate and often protectionist political and administrative systems; different standards from jurisdiction to jurisdiction; mixed public, private and philanthropic ownership, confounded by the lack of inclusion of these facilities under the Canada Health Act. When the pandemic is over, there will be a reckoning on long-term care in Canada; it will be painful and complex…and very expensive.

Epidemiologists and public health planners are quite certain that COVID-19 is far from done with Canadians and our health care system. A recent paper by the Center of Infectious Disease Research and Policy (CIDRAP) at the University of Minnesota argues that the best comparative model for predicting what comes next can be learned from the influenza pandemics that occurred in 1918-19, 1957, 1968 and 2009-10: "Identifying key similarities and differences in the epidemiology of COVID-19 and pandemic influenza can help envisioning several possible scenarios for the course of the COVID-19 pandemic."

Based on the evidence from previous influenza pandemics and what is known about COVID-19, the researchers conclude that there are likely three possibilities for the future progress of the virus:

Scenario 1, in which the current peak is followed by "a series of repetitive smaller waves that occur through the summer and then consistently over a 1- to 2-year period, gradually diminishing in 2021."

Scenario 2, where the Spring 2020 wave is followed by a larger wave this coming fall or winter and smaller waves in 2021.

Scenario 3, in which the current initial wave is followed by "a 'slow burn' of ongoing transmission and case occurrence, but without a clear wave pattern."

What this means is that we are now in a race between the development of herd immunity and the discovery of a vaccine against the virus. Until a vaccine becomes available, successive waves of infection will continue to sweep through the population, building towards the achievement of herd immunity. Only a vaccine can put a stop to the virus.

The possibility of continuing stops and starts to economic activity to stem the spread of future outbreaks is a daunting prospect for both governments and the national psyche. At the very least it means the necessity of redoubling current efforts to put in place test, trace and isolate measures that are comprehensive and robust, as well as securing dependable supplies of personal protective equipment to prepare for the next wave.

Among the top-tier lessons we've already learned: prepare for the worst. P

Contributing Writer Geoff Norquay, a principal of the Earnscliffe Strategy Group, is a former social policy adviser to Prime Minister Brian Mulroney and communications director to Stephen Harper in opposition.

Crisis is the Mother of Collaboration: Federalism and COVID-19

To adapt John F. Kennedy on Canada-U.S. relations to our federal-provincial dynamic: Geography has made us roommates, history has made us skeptical and a pandemic has made us cooperate. Despite all the systemic weaknesses revealed by the COVID-19 crisis, its public health and economic exigencies have proven that Canada's governments are capable of working together. Longtime Liberal strategist and Hill + Knowlton VP John Delacourt examines the economic and political implications of that breaking news.

John Delacourt

It is a time that now seems as remote as the Cold War years, given the current fog-of-war reality of this pandemic. But in 2004, Paul Martin's Liberal government, coming off an election that had seen a confident majority reduced to a nervous minority, convened a meeting of the first ministers on health care at the old railway station in downtown Ottawa—the building that now houses the Senate.

Much was expected for a national vision. The conference was supposedly going to set the co-ordinates on how health care would be managed in Canada for generations to come. Implicit in the rhetoric leading up to the discussions was an evocation of a larger theme: a defining tone for co-operative federalism for the new century.

Yet for those among the press gallery who knew Prime Minister Paul Martin well, they did not have high expectations that he would use this meeting as a bully pulpit for federalism, even though a report written by former Saskatchewan Premier Roy Romanow just two years before called for an assertive position that would have the feds providing 25 percent of all health care funding to the provinces and territories. Apart from Romanow's recommendations there was also the prospect of a national pharmacare plan being discussed in the halls—and perhaps even an opportunity to look ahead and mitigate the risk of a crisis for seniors' care. Yet after four days of meetings, with a result that might have been indicative of risk aversion or canny transactional politics by Martin and his team, the final deal was far less than a "fix for a generation." There was an agreement on wait times for five priority areas and another on an escalator clause for funding, and those were the high points of a conference so underwhelming that Alberta Premier Ralph Klein skipped the last day and was rumoured to be spending most of his free time at the new casino across the river in Gatineau.

This 2004 conference has taken on a new historical resonance when viewed through the lens of how our current Liberal minority government has, because of the challenges of COVID-19, been compelled to adopt a bolder federal role. The fact that 80 percent of the deaths due to the virus have occurred in care homes, even though only one percent of the population is living in them, is a stark enough statistic and a sign that the provinces are struggling to manage this crisis with limited help or leadership from Ottawa. Seniors Minister Deborah Schulte has stated there will be a "Team Canada approach" to establishing federal guidelines for these homes now. Another Liberal minority government, similarly chastened by a loss of majority fortunes, now has to deal with what was overlooked 15 years ago.

Yet there are two other factors that are pulling strongly, like a magnetic force, on the compass points directed toward federal leadership: the economic impact of the pandemic on our cities and the strong undercurrents of a new economic nationalism, owing to the grim realization that depending on global supply chains for essential goods in a time of international crisis seems increasingly ill-advised. The tragedy that has befallen the long- term care homes may have been the first sign that a new way of working collaboratively with the provinces on solutions is needed, but our cities and our ability to manufacture and manage our own essential products

and tighten our hold on our greatest resources are now the crucial long-term challenges.

No one knows this better than ministers Catherine McKenna and Mélanie Joly, tasked with managing infrastructure and the regional economic development agencies, respectively. As McKenna and her team have been focused on the creation of a kind of second Economic Action Plan, working with the provinces on a prioritized list of "shovel-worthy" projects, they have quickly come to the realization that revenue shortfalls at the municipal level are going to make partnering on needed projects very difficult. McKenna's office has stated they were initially looking at making changes to the gas tax fund, increasing the annual escalator of two percent, but because the tax is allocated on a per capita basis for provinces and territories, smaller communities may not benefit to the same degree. Joly has had to look squarely at the dark horizon for cities as well. Under normal circumstances, regional economic development agencies target their support at communities large and small. If anything, they will devote greater attention to the latter to help grow the tourism and service economies, especially in places that never really recovered from the last recession in 2008. But as storefronts and restaurants are boarded up on formerly busy downtown streets, with no signs of return, there are just too many Canadians out of work in Montreal and Toronto. With cultural events and conferences now taken off the table for the next few quarters, federal resources and leadership are needed more than ever during the long months of recovery ahead.

And as these urban economies stutter-start back to life, the merits of looking outward and re-embracing the central tenets of globalization are being re-examined. Provinces largely managing their own supplies of, say, surgical masks for personal protection made eminent sense just months ago. Now, relying on the U.S. or China for what we'll need in future crises no longer seems wise or forward-thinking. No one has come to this realization as swiftly as Deputy Prime Minister Chrystia Freeland and her office, whose conversations with the premiers have focused on averting shortages as supply chains have hardened like clotted arteries, struggling to pump some lifeblood into communities whose need is greatest. A rethinking of the positives and negatives of wide-open markets has gone from a ripple to a wave around the world now, and Canada has learned the same lessons as other nations in the G7. It would be an exaggeration to presume the next election will see campaign platforms touting a new economic nationalism, but a new focus on how Canada can ably depend upon itself in times of future crises will be plausible, and will likely sound very compelling to an electorate made war-weary by this virus.

> ***"The Canadian economy is undoubtedly on a long trek for recovery and when it's over, the hardships may fade quickly from memory as well. But perhaps some of the lessons from a more co-operative federalism will resonate beyond this crisis."***

Still, as it is with most COVID-era phenomena, it is too early to say if a greater role for the federal government in Canadians' lives will maintain its appeal past that next campaign or through the worst of this recovery period. Yet there are strong voices from other fronts that are beginning to suggest so. A trio of prominent names from academia and the cultural sector recently authored an op-ed for the *Globe and Mail* calling on the government to create a variation of President Franklin D. Roosevelt's Works Progress Administration, a Depression-era initiative that got Americans working on bricks-and-mortar construction projects but also on films, murals and photography projects. It is less fanciful a notion than it sounds at first; as the authors note, nearly three percent of Canada's GDP is from the cultural industries; greater than agriculture, forestry, fishing and hunting, accommodation and food services and utilities. The hearkening back to the Great Depression for inspiration may be more apt a notion than we currently want to consider.

And yet. Outgoing Bank of Canada Governor Stephen Poloz, with one of the few heartening comments of his final days, stated the dire economic forecasts for the next few quarters may be "overblown" and that a wave of innovation and new startups may emerge over the horizon. With that, the new tide of federalism may recede over the stronger *terra firma* of this recovery phase. The stimulus measures, in this scenario, will have achieved the objective of cushioning the impact on all sectors and providing a smoother transition back to small but incremental growth.

There is a saying about marathon running and childbirth—that people do it over and over because we have short term memories of pain. The Canadian economy is undoubtedly on a long trek for recovery and when it's over, the hardships may fade quickly from memory as well. But perhaps some of the lessons from a more co-operative federalism will resonate beyond this crisis. For the Trudeau government's fortunes, that might be the best news they can hope for before another election campaign. P

Contributing Writer John Delacourt, Vice President and Group Leader of Hill + Knowlton's public affairs practice in Ottawa, is a former director of communications for the Liberal Research Bureau. He is also the author of three novels.

The world seen from space. As fate would have it, the most brightly lit cities and countries are among the most devastated by the coronavirus, from New York in the U.S., to London in the U.K., to Paris and northern France, to Italy, India and China, with COVID also spreading in the southern hemisphere. A different world economy lies ahead. *NASA/NOAA photo*

Toward a Convergence Economy:
LEAPFROGGING TO A POST-PANDEMIC SOCIETY

Among the many things the COVID-19 pandemic has been, it is a perfect storm of health and economic factors converging to produce a wicked problem for governments worldwide. Laurette Dubé has been researching the greater-than-the-sum-of-its-parts aspects of health and economic convergence for more than a decade in her role as a professor and researcher at McGill University's Desautels Faculty of Management, and as Chair and Scientific Director, McGill Centre for the Convergence of Health and Economics (MCCHE). Dubé explains why this crisis was inevitable, and how the accelerated Industry 4.0 digitization forced upon us by the pandemic may power a leapfrog strategy to a convergence economy.

Laurette Dubé

The COVID-19 pandemic forces questions about the order that has prevailed since the onset of the first industrial revolution, i.e., *the Rest* converging with the *West*. This model of economic convergence has brought tremendous social and economic progress. As the world embarked on a relentless quest for national and global economic growth, consumer lifestyle and industrial supply chains and markets progressively replaced traditional livelihoods and local communities and systems in most of the world. Over recent decades, transportation and communication technologies have powered ever-increasing speed and connectivity, at least until the COVID-19 pandemic hit. Controlling the spread of the virus that emerged in a wet market in Wuhan, China, has proven to be more challenging than containing the chol-

era epidemic in 1850s London before Dr. John Snow traced its source to the Broad Street pump. Beyond clear differences in the physical speed of propagation of the virus *per se* between the two epidemics, challenges planning the recovery and beyond for the COVID-19 pandemic are woven in the fabric of modern economies and societies, in particular at the intersection of health and economic systems.

> ***"Externalities are making the regular occurrence of extreme adverse events, including but not limited to COVID-19, a new normal. The pandemic, by its immediacy and the digital-powered nature of individual and collective responses, may be the tipping point for societal-scale redress."***

The development of both health and economic systems has been and is still being powered by science, technology and innovation, which depending on estimates, accounts for 50 to 80 percent of all social and economic progress that has accumulated across industrial revolutions. This Western-centric linear pattern powered by the efficiency of disciplinary and sectoral silos has however fueled a structural divide between economy and society, producing a set of interconnected *grand challenges* such as inequity, universal health, lifestyle-related health care, climate change, resource scarcity, and others confronting traditional and modern economies.

These have been threatening the financial viability of individuals, businesses, and governments in industrialized and developing countries alike. These externalities are making the regular occurrence of extreme adverse events, including but not limited to COVID-19, a new normal. The pandemic, by its immediacy and the digital-powered nature of individual and collective responses, may be the tipping point for societal-scale redress to this prevailing and vulnerable order.

As the COVID-19 pandemic is accelerating our journey in an Industry 4.0 era that blurs the boundaries among the biological, physical and digital realms, a different type of convergence may be possible by *innovating the way we innovate* on both sides of the structural divide between economy and society, supported by a novel convergence within and between basic, life, behavioural, and social sciences. In such digital-powered reimagined convergence, the economic, social, environmental and health trajectories become interwoven within and across jurisdictions, building resilience throughout by redefining science, innovation and growth at the same time as we reinvent every day life. Individuals and organizations from across disciplines and sectors can be brought together to foster the design, production, promotion and deployment of portfolios of real-world solutions that can only reach societal-scale through a next-generation combination of behavioral change and ecosystem transformation, i.e, designing, building and navigating the convergence economy boat all at the same time.

Industry 4.0 digitization is now enabling finer-grained linkages between human behavior components and the ever more dynamic and interconnected real-world contexts created in real time by innovation pipelines, delivery systems, supply chains and markets. Consequently, convergence is an interdisciplinary and solution-focused concept that leverages innovation from precision medicine, neuroinformatic, analytics (behavioral, business and systems) as well as other disciplines that have integrated AI and other digital technologies to improve economic, social and commercial outcomes. By integrating this wide scope of disciplines, convergence helps make commercial and/or social solutions more adaptive by facilitating more precisely targeted, better differentiated, scalable, and impactful solutions than prior standard practice.

We have perfected the development of this convergence approach through more than a decade of work in food convergence innovation with partners at community, city, province/state, and global levels, with a worldwide network of special COVID-19 platforms spreading from Quebec, to the rest of Canada and elsewhere. The same way digitization and artificial intelligence in the precision pharmacogenomics and medicine realms will hopefully produce a COVID-19 vaccine and cure faster than for previous pandemics, precision convergence science and innovation may do the same for the everyday lives of individuals, businesses and society to support lifelong wellness and resilience in all its physical, mental and financial dimensions, during recovery and beyond.

At the individual level, expanding upon a unique combination of behavioural, social, economic, and systems sciences, convergence science adds layers that bring together neuroscience and artificial intelligence (AI) to capture the full richness and scope of rational and non-rational real-world human behavior as it unfolds in real time over a person's lifespan, in ever-changing conditions and in his/her diverse roles as consumer, producer, and citizen, translating in immediate and long term outcomes for individual, business and society.

With the western lifestyle spreading over the world, materialism has become a comfortable, reassuring addiction, so deeply ingrained that few even question its stranglehold on a society. What if materialism and the collection of possessions are not just a hollow promise of happiness, but a drain that steals the humanity and heart from a culture? What if the experience of the complex emotions of fear, hope, despair, faith, and mo-

tivation that has driven some of the most unique collaborations during the COVID-19 crisis where to place a permanent slowdown on the hedonic treadmill that has sustained economic growth since the onset of industrialization? "Materialism" has been indeed placed under the microscope by the almost complete halt of commercial exchanges, compounded by home schooling and working, social distancing, confinement, and, for many, a significant income drop.

Many are searching and may find alternatives to a commercial belief system that abandons too many and results in overworked lives that often feel worthless, without meaning or purpose. As with drug addictions, could some of the unusual ways of life forced upon all by COVID-19 be part of a solution to create a world from which one doesn't wish to escape. In fact, research shows that in contrast to previous financial depressions or pandemics, even retail therapy does not provide comfort. By one estimate, over 300 department stores could go under by the end of next year.

What are the paths to the convergence economy for businesses and other organizations in public and social sectors for the post-pandemic recovery and beyond, including but not limited to retail businesses? Businesses and other organizations, regardless of their sectors, size and geo-location, are key intermediaries between individuals and their everyday lives at home, at work and in the community. Precision convergence is at the intersection point between individuals (with their biology, brain, and life-trajectory aspirations) and the professions, organizations, institutions, systems, and policies that support them in ever-changing contexts, including the virus emergence and pandemic management in its different phases.

The COVID-19 response has clearly transformed many facets of the innovation pipeline and operations as well as supply and demand within and across sectors, with digitization in all its forms having played a key enabling role in more than one way. For instance, a leading genomic company in South Korea specializing in diverse precision medicine and pharmacogenomic solutions shifted gears in applying these technologies toward COVID-19 diagnostics, contributing importantly to the acceleration of national control of the pandemic. ELSE, an IBM-led consortium grouping competitors with supercomputer-equipped national agencies and research centres, is now enabling basic and life scientists worldwide to accelerate the omics sciences characterization of the virus and hopefully produce a vaccine and cure. In the agri-food sector, where global connectivity in the agro-industrial complex has faced major disruption, novel connectivity has emerged with national, state/provincial, city and even community food systems to enable affordable access to all through connecting unused farming, processing and logistic capacity with surging demand for social support. In all of these sectors, it is likely that mutual interests of actors throughout jurisdicitions will maintain and expand upon such connectivity, be it only for more transparency and resilience.

> ***"'Materialism' has been indeed placed under the microscope by the almost complete halt of commercial exchanges, compounded by home schooling and working, social distancing, confinement, and, for many, a significant income drop."***

Turning to society, the wartime policy that most political leaders have appropriately used to place individuals, businesses, the economy and society on pause to flatten the curve and control the crisis is likely to have limited applicability in the peace-time post-COVID world. So are conventional innovation policies, or any single sectoral policy for that matter. Moving toward a convergence economy requires changes at different levels: individual (livelihoods, lifestyles); professional (mindset, skill and practice); organizational (innovation pipelines, business models, practices and strategies; supply chains and markets); and systemic (design, policy, political economy, and culture). Solutions within each of these levels as well as boundary-spanning collaborations across diverse disciplines, sectors, and jurisdictions are needed. COVID-19 may have accelerated the markedly different style and focus that are needed in moving from economic convergence to convergence economies. These include (1) an aspiration for purposive and directional innovation that pervades health and economic goals on both sides of the economy-society divide; (2) pragmatic focus targeting individual and collective solutions in core activities and programs of each and all actors; (3) global aspirations, regardless of the entry point taken for specific solutions.

Economies and societies in the past have been able to steer away from danger. The pandemic has raised questions for individuals, business, and society about what sort of future we want, what are individual and collective roles—including the role of business, civil society and government—in moving from economic convergence to convergence economy.

The world needs re-imagining more than ever. This is true for our everyday lives as much as for everyday science, business and society. This new and improved way of doing things is meant to be not just marginally better, but to produce quantum leaps, particularly at the health and wealth intersection. A convergence economy may pave the way to one of those quantum leaps needed to re-imagine the world. P

Laurette Dubé is Chair and Scientific Director, McGill Centre for the Convergence of Health and Economics (MCCHE).

Prime Minister Justin Trudeau at his daily COVID-19 briefing outside Rideau Cottage. He's been announcing unprecedented government grants and program spending to stimulate economic recovery from the devastating impact of the pandemic. *Adam Scotti photo.*

The Canadian Economy Post-Lockdown

As with previous economic disruptions throughout history—wars, depressions, industrial revolutions—the COVID-19 pandemic has transformed society, but in a more telescoped manner. While the long-term implications remain to be seen, the short- and medium-term ones are beginning to clarify. Goldy Hyder and Brian Kingston of the Business Council of Canada provide a helpful assessment of where the business and consumer status quo lies at press time.

Goldy Hyder and Brian Kingston

The COVID-19 pandemic has devastated the Canadian economy. In the first quarter of 2020, the economy shrank by a previously unimaginable 8.2 percent on an annualized basis. The economic downturn pushed the unemployment rate to 13.7 percent in May, with the federal deficit on track to hit $252.1 billion in fiscal 2020-21 after extraordinary programs were unveiled to support Canadians.

In the early days of the pandemic and economic crisis, there were hopes

that once the spread of COVID-19 was curtailed, Canada's economy would rebound and life would return to normal. While we may have witnessed the bottom of the economic contraction, it is increasingly apparent that Canada will experience a multi-speed recovery with stops and starts that will affect different sectors in different ways.

Given a protracted, uneven recovery, the Canadian economy will look very different over the medium term. There are four key trends that governments and businesses will need to understand and adapt to if Canada is to emerge from the crisis stronger.

> *"The shutdown also hit the aviation, accommodation and tourism sectors early and hard. Permanent changes to consumer attitudes toward traveling and taking holidays are unlikely, but there is bound to be a lag effect."*

1. Living with the virus

Physical distancing, protective equipment, testing, tracking and tracing will become the 'new normal' until a vaccine is available and mass produced. Businesses will need to take steps to rebuild the confidence of employees and customers. That means demonstrating a commitment to safety, including proper sanitization procedures and physical distancing.

> *"Businesses will need to take steps to rebuild the confidence of employees and customers. That means demonstrating a commitment to safety, including proper sanitization procedures and physical distancing."*

For the most part, businesses that operated without the need for direct physical contact before the pandemic will be able to scale up quickly as demand comes back. This includes some corporate services as well as online retailers and the tech sector. Many, if not most, of these businesses will be able to return to normal operations as soon as government-ordered shutdowns are lifted, with little need for fundamental changes to their business models.

Many companies in the manufacturing, natural resources and construction sectors are positioned to recover relatively quickly as demand picks up in Canada and around the world. The key challenge for these companies will be to ensure that workers have adequate protective equipment and workspaces that allow for physical distancing.

The outlook is more uncertain for entrepreneurs and employees who cannot realistically serve customers while practising physical distancing. Many restaurants, bars, hair salons and other personal care services face a long and difficult road to recovery. The Canadian Federation of Independent Business, which represents more than 110,000 small firms, says a third of its members who have been forced to close their doors during the month of May are unsure if they will be ever be able to reopen.

The oil and gas industry suffered a double whammy. The government-mandated shutdown significantly reduced demand for their products at the same time that global oversupply was having a sharp downward effect on prices. Any economic recovery is that much harder without the full contribution of a sector that represents almost 10 percent of Canada's GDP. As the country transitions to a lower-carbon economy it will need to draw on the knowledge from Canada's energy sector, which is already innovating in emission reductions.

The shutdown also hit the aviation, accommodation and tourism sectors early and hard. Permanent changes to consumer attitudes toward traveling and taking holidays are unlikely, but there is bound to be a lag effect. To respond to consumer concerns, businesses in these sectors have already begun unveiling new protocols aimed at boosting consumer confidence. Equally important are clear and coordinated efforts from governments across Canada to ease travel restrictions and restart the travel and tourism sector.

2. Digitization

The pandemic forced many companies to pivot almost overnight to a digital work-from-home model. Those that could operate in a virtual environment moved quickly to equip employees to operate remotely. For businesses in the physical retail sector the pandemic required an immediate shift to online sales and delivery.

This accelerated a digitization trend that was well under way before COVID-19. According to McKinsey's 2017 Digital Global Survey, 92 percent of companies thought their business models would need to change to adapt to digitization. Digitalization is no longer a journey for companies but a necessity for survival.

What could this mean for commercial real estate? A recent survey of Business Council members found that 73 per cent of respondents will make working remotely a permanent option for roles that permit it. For some businesses this may mean reducing their real estate footprint while others may require more space to allow for adequate distancing in the workplace.

This potential shift could have a significant impact on commercial real es-

tate and the thousands of small-and-medium-sized businesses that provide services to tenants and their employees in and around office towers.

3. New consumer preferences

The pandemic has created new opportunities for entrepreneurs and businesses that move quickly to respond to changing consumer preferences. Living with the virus for years and not months may result in permanent changes to consumer behavior.

For example, physical distancing may result in greater demand for vehicle ownership at the expense of ride-sharing and public transit. According to a recent survey by autoTRADER, 65 per cent of respondents who use ride-sharing services are using them less, while 81 percent of respondents who use public transit have limited their use. Survey respondents also indicated that even when physical distancing is no longer required, 70 percent would not revert to using ride sharing, and 40 percent would not go back to taking public transit.

> ***"Activities such as RVing, previously reserved for a small subset of the population, may witness surging popularity as Canadians seek holidays that allow them to maintain physical distancing."***

In the travel and tourism industry, demand may shift from overseas travel to more domestic or regional holidays in designated 'safe zones' where the virus is contained. This will create opportunities for businesses that can offer new and innovative tourism packages close to home. And activities such as RVing, previously reserved for a small subset of the population, may witness surging popularity as Canadians seek holidays that allow them to maintain physical distancing. According to a recent survey by Abacus Data, 1 in 3 Canadians (9.9 million people) say they never before thought RVing was right for them, but are now open to it as a result of the pandemic.

For the hotel industry, renewed emphasis will be put on cleanliness and certification programs to restore consumer confidence. In Singapore, a set of criteria has been established for hotels to limit the spread of COVID-19 that includes an audit process to ensure compliance. This has created significant opportunities for the private sector to develop and deliver certification and assessment programs in partnership with government and other businesses.

While it is impossible to predict whether changes to consumer behaviour will be permanent, there is clearly an opportunity for entrepreneurs and businesses to tap into shifting preferences.

4. Supply chains and trade

Even before the pandemic hit, Canada was exposed to rising protectionism around the world, led by our neighbor to the south. The most recent trade monitoring report from the World Trade Organization (WTO) found that between mid-October 2018 and mid-October 2019, import-restrictive measures implemented by members were estimated to cover US$747 billion in trade. This is the highest level recorded since October 2012 and represents an increase of 27 percent compared to the figure recorded in the previous annual overview of US$588 billion.

Faced with a lack of critical equipment such as respirators, protective garments and ventilators, many countries have taken a national security approach to health care equipment, adopting export controls and directing domestic manufacturers to begin production of supplies. Today, nearly 100 countries have instituted export restrictions on COVID-19 supplies, including the US, despite calls from the World Health Organization and WTO not to do so.

In response to lockdowns around the world and the rise in protectionism, many businesses are re-examining their supply chains with emphasis on improving resiliency to insulate them from future disruptions. This includes shortening supply chains and diversifying input sources.

For Canada, this means a renewed emphasis on strengthening supply chains in North America. The pending implementation of the Canada-United States-Mexico Agreement (CUSMA), which replaced the North American Free Trade Agreement (NAFTA) creates an opportunity for the US, Mexico and Canada to develop a continental supply chain resiliency strategy. For the US, this would meet one of the key objectives it set out at the beginning of the CUSMA renegotiation—incentivize greater production in North America.

This could be achieved by promoting greater North American regulatory compatibility in key goods sectors, including medical devices. As businesses look to reduce their reliance on inputs from China, consideration could be given to relocation incentives.

Many businesses will be permanently and negatively transformed by the COVID-19 pandemic and economic downturn. While some opportunities have been created for those that can respond to the new trends shaping the Canadian economy, the transition will be painful for many.

For Canada to emerge stronger from this crisis we need to understand the trends shaping the economy and build back better. This will require ongoing cooperation among business, labour and government to navigate the turbulent waters ahead. P

Goldy Hyder is President and Chief Executive Officer of the Business Council of Canada, and Brian Kingston is Vice President (Policy) for the Business Council.

COVID-19, Democracy and the Future of Work

The global economy was already being transformed before the COVID-19 pandemic hit, most significantly due to the impact of the Fourth Industrial Revolution on the nature of work—a trend knowledgeable observers were predicting would be felt more seriously in the coming decade. Now, governments will have to balance bracing for the impact of that meteorite with reduced revenues and a possible debt crisis post-pandemic.

Lisa Van Dusen

One of the questions that arose in Washington in the immediate aftermath of the 2008 financial crisis was to what degree the crash would produce structural unemployment.

Because the disaster was man-made and corruption-driven, it was not fuelled by organic weaknesses in the U.S. economy and so did not produce either cyclical (reflecting the normal cycles of recession and growth) or frictional (post-university job searches, people changing cities) unemployment beyond the levels that would have existed without the force multiplier of a global market collapse.

At the time, the first decade and a half of the fourth industrial revolution had had a significant impact on *how* people worked, less so on where and for what price. The gig economy was brand new (the term was coined in the wake of the crash by former *Vanity Fair* editor Tina Brown in a January 2009 Daily Beast column). Many people now working at freelance rates, including in journalism, were then still working for actual salaries with benefits and reasonable income security.

Structural unemployment is defined as that "resulting from industrial reorganization, typically due to technological change, rather than fluctuations in supply or demand." The industrial reorganization resulting from the unprecedented technological change of the internet—including automation, robotization, digitization and the systematic redundancy of many meat space jobs and workplaces—was already well underway when the COVID-19 outbreak became a pandemic, followed by the only example of self-induced, widespread economic stagnation in history.

The pre-pandemic structural employment status quo was already tilting from uncertain to precarious, at least in terms of sustainability, a fact underscored by a range of experts including Bill Gates, who said in 2014 that "Technology over time will reduce demand for jobs, particularly at the lower end of skill sets… Twenty years from now, labor demand for lots of skill sets will be substantially lower. I don't think people have that in their mental model." His more recent rhetoric has been less alarmist, possibly because of the firestorm that prediction ignited. In 2017, McKinsey managing director Dominic Barton—then heading the Trudeau government's advisory council on economic growth, now Canada's ambassador to China—predicted that 40 percent of Canadian jobs could be lost to automation over the coming decade.

> ***"The pre-pandemic employment numbers did not reflect the relatively recent evolution in the practical implications of the words, 'job', 'employment' and 'career'."***

That pre-existing precariousness reflected a two-decade trend whereby technology-enhanced productivity and profits have been broadly valued above human livelihood and quality of life, partly due to the state capture of government legislative priorities by Big Tech and other industrial behemoths that has produced, among other deliverables, the decimation of unions. The pre-pandemic employment numbers did not reflect the relatively recent evolution in the practical implications of the words, "job", "employment" and "career".

This time, that puts the question of how much structural unemployment damage will be done by a crisis in a different context—more akin to the prognosis for a COVID-19 patient who already had a pre-existing chronic disease than the outlook for an otherwise healthy victim. The May jobs numbers everywhere reflect the predictable impact of a society in quarantine. How much of those pandemic unemployment rates, including Canada's record 13.7 percent, will turn out to be structural?

The answer lies in the unknowns of the degree to which economies are able to return to something approaching pre-pandemic activity before a confluence of massive fiscal outlays, protracted atrophy, a failure to contain the virus and depleted tax revenues generates a debt crisis. The odds of that happening depend on the X-factor of a virus that has, so far, been extraordinarily efficient at rationalizing worst-case scenarios.

"The answer lies in the unknowns of the degree to which economies are able to return to something approaching pre-pandemic activity before a confluence of massive fiscal outlays, protracted atrophy, a failure to contain the virus and depleted tax revenues generates a debt crisis."

In 2009, Barack Obama's requirement for the American Recovery and Reinvestment Act that Joe Biden oversaw was that beyond the short-term, post-crisis remedial outlays, taxpayers' money be spent on the industries and jobs of the future, both to secure sustainable livelihoods and foster innovation, especially in clean energy. The Recovery Act converted the financial crisis into an opportunity by investing more than $90 billion and leveraging another $150 billion for clean energy. As Dan Woynillowicz and Sarah Petrevan pointed out in a recent *Hill Times* piece, wind generation has tripled and solar has increased more than 80-fold since those investments.

There are ways to manage wicked problems and ways not to. That Obama's successor is himself a wicked problem shouldn't preclude leaders in Washington, Ottawa and elsewhere from anticipating and pre-empting disaster; there's a difference between unintended consequences and unavoidable ones.

In 2017, when Barton predicted the economic toll of technology on our pre-pandemic calculations, his solution was an industrial strategy based on "inclusive growth". For inclusive growth to prevail over productivity and profits, democracy will have to prevail over corruption and authoritarianism. That our current wicked problems are playing out against that clash should simplify, not complicate matters. P

Lisa Van Dusen is Associate Editor of Policy Magazine *and a columnist for* The Hill Times. *She was Washington bureau chief for Sun Media, international writer for Peter Jennings at ABC News, and an editor at AP in New York and UPI in Washington.*

Canadian Unemployment Rate at Record High

Source: Stats Canada

Natural Resources Minister Seamus O'Regan gives the keynote at the GLOBE clean technology conference in Vancouver in February. In negotiating clean tech agreements with other countries, O'Regan says Canada begins from a position of strength in diversity in renewables such as hydro, nuclear, solar and wind energy. *GLOBE series photo.*

Our Post-Pandemic Energy Future

At the dawn of 2020, it seemed the wicked problem that would dominate global agendas for this year would be climate change. While the COVID-19 pandemic and economic shutdown have eclipsed even the climate crisis in the political discourse for the moment, international policy makers and thought leaders in the energy field are still working to reconcile our economic and climate change mitigation needs. Seamus O'Regan, Canada's Minister of Natural Resources, is one of them.

Seamus O'Regan

Politicians are always looking for stories, and for places to tell them. In the month of February, before the COVID-19 shutdown, I'd struck gold. I found myself in two different cities, on two different days, and with two vastly different audiences, and two different ways of telling the exact same story. And, in the telling of this tale, I had found a way to make my point.

In Vancouver, I gave a keynote speech at GLOBE, North America's largest cleantech conference. My message was simple—that Canada would not reach its climate goals without the oil and gas industry. Natural Resources Canada officials had run the numbers

and the road to net-zero emissions by 2050 ran through the oil-producing provinces of Alberta, Saskatchewan and Newfoundland & Labrador, and there was no getting around it.

The next day, I flew to Calgary. I co-hosted an Innovation Summit with Alberta's Energy Minister, Sonya Savage. The audience might not have been as large as GLOBE's, but around that table sat some of the biggest players in Alberta energy R&D. News headlines were dominated by stories of investors increasingly turning their backs on the sector, and the mood of the room was unsettled. I told them exactly what I had told the audience at GLOBE. And that day, in listening to what the people around that table told me, it became clear to me that, in fact, Canadian oil and gas needed net-zero.

Call me the Minister of Inconvenient Truths. It was not the crowd-pleasing message either expected, but each was receptive to it. It felt like the time had come to sit and speak of the world not as each wanted it to be, but as it was.

Canada is the fourth-largest producer of oil in the world. That is a point I always make to every audience on the subject of energy. That accomplishment, the result of the extraordinary ingenuity of our people, has brought us immense financial wealth and employed hundreds of thousands of Canadians. It does not mean we dig in and resist the truth of our changing climate. It does mean we have a great responsibility. And the world is watching—increasingly by Zoom.

COVID-19 has meant attending international summits from your den. At my second International Energy Agency ministerial meeting, I was surprised I was one of the first chosen to speak, of the dozens of ministers who were 'there'. It dawned that that was because I was the Minister of Natural Resources of the fourth largest oil-producing country in the world. Other countries below us on that ranking readily identify as oil-producers and make it a nation-building imperative. We do not see ourselves that way, but others do.

> ***"The relationship between non-renewable and renewable energy sources is not one of opposing teams. It is one of symbiosis. That synergy must prevail in the months and years ahead."***

They also see us as the second-largest producer of hydroelectricity in the world. They see us as a global leader in solar and wind power and emerging renewable energy storage technologies. They know we're a tier-1 nation for nuclear energy, and a driver of clean hydrogen production, biofuels, and cutting- edge fuel cell technologies.

So, others look upon us with high expectations. They also look upon us with some envy. Countries around the world see energy and energy infrastructure as integral to their post-pandemic recovery, but few have the range of renewable and non-renewables that we do.

> ***"Others look upon us with high expectations. They also look upon us with some envy. Countries around the world see energy and energy infrastructure as integral to their post-pandemic recovery, but few have the range of renewable and non-renewables that we do."***

The diversity of our energy sector is our underlying strength. It is that diversity that will carry Canada through this short-term storm, and through the long-term transition that has been underway since before the pandemic began.

The relationship between non-renewable and renewable energy sources is not one of opposing teams. It is one of symbiosis. That synergy must prevail in the months and years ahead. The relative sizes of the renewable and non-renewable shares of the energy sector are shifting. They will continue to shift over time. How governments manage the shifting of those tectonic plates—how they support the workers and regions that rely on industries experiencing that shift—has great political and economic consequences for the country.

To drive our post-COVID recovery and advance our commitment to net-zero, I believe we need to do three things:

First, we need to be smart. We must use every ounce of our ingenuity to make our traditional sources of energy more sustainable—through electrification, carbon capture and storage, and evolving clean technologies.

Second, we need to be thorough. This means making smarter individual choices that will achieve collective results—better appliances, better light bulbs, better windows, better building codes, better cars. This 'radical incrementalism' will, cumulatively, be far more effective than any one single, revolutionary technology we hope will one day save us.

Third, we need to be thoughtful about the challenges ahead in the global economic recovery, and about just how fundamental this longer-term energy transition will be. Some will say that we are moving too fast. Others will say that we are moving too slowly.

Through all of it, we must be determined that people—energy workers

and their families—aren't left behind. And we must be determined that whole regions of this country—those that produce much of our non-renewable energy now—aren't left behind.

Our mission must be a shared one—to build a stronger, more sustainable and innovative energy sector as part of a more prosperous and sustainable economy. It will require determination, good will, empathy, and the co-operation of all Canadians. It will be hard work.

Our government was elected on a platform with a serious plan to fight climate change. Canadians expect us to honour that commitment. The economic recovery from the COVID-19 pandemic requires broad-based measures that put Canadians back to work, and keep us on our path to achieving net-zero emissions by 2050.

It is worth emphasizing that the key word in that objective is "net". It is an acknowledgment that non-renewable sources of energy will continue to be a part of our country's energy mix until, and perhaps beyond, 2050. The world today does not yet have the technology to fully meet our energy needs without non-renewables, and we do not yet have all the commercially viable replacements we need.

The work continues even as our government responds to the clear and present immediate threats posed by the pandemic. That matters. It matters because the work is important, and it matters because of the role it will be playing in generating growth for so many communities that have been hit hard by the pandemic, including Indigenous communities.

Right now, across this country, many people are re-discovering the simple joys of gardening. We're all creating micro-environments on our windowsills, our patios, and our yards.

As my mother taught me, gardening is all about balance. Even though I don't have much of a green thumb, I do know that if your plants are struggling because there's too much sunlight… you don't solve that problem by sticking them in the cupboard all day long. They need balance.

Our energy transition and the interplay between economy and environment is no different. They are ecosystems. Ecosystems need balance. Bringing Canada's economic and environmental ecosystem into balance must, and will be, an enduring pursuit.

As the late Jim Prentice wrote in his book *Triple Crown*, "No other democracy in the world possesses a comparable set of energy opportunities." We are a country blessed with a bounty of natural resource wealth. We are a country that relies on that bounty, nationally, for an enviable quality of life. Our stewardship of these resources, as we meet the urgency of combating climate change, is the challenge of our age. P

Seamus O'Regan is federal Minister of Natural Resources.

After the Pandemic: Competitive or Cooperative Federalism?

In Canada, the debate about temporary restrictions on mobility and other rights has been largely ruled by public health factors. Sooner or later, it will shift to the Charter of Rights and Freedoms enacted by the current prime minister's father.

Lori Turnbull

In the effort to use physical distancing to stop the spread of COVID-19, politicians and public health officials have made frequent appeals to our sense of community. Phrases like "we're in this together" and "protect yourself and others" resonate with our sense of individual responsibility for public health and safety. We have been asked to resist self-interested impulses to socialize in favour of protecting not just ourselves but our neighbours.

If the empty parks, restaurants, offices, and campuses are any indication, there has been an enormous amount of goodwill from the public regarding compliance with physical distancing rules.

Of course, governments have not relied solely on moral suasion, a form of soft power, to uphold the rules. Police in different jurisdictions have issued tickets and fines for non-compliance. in April, Ottawa issued over 100 tickets for violations of a by-law on emergency orders related to COVID-19.

It has been suggested that the use of emergency orders, to the extent that they restrict our ability to move across provincial borders and gather together in groups, run afoul of our Charter rights; of our constitutional rights. Our freedoms of assembly and mobility, for example, have been restricted as never before. Further, the restrictions on these rights vary considerably depending on the jurisdiction, which creates an inconsistent application of Charter rights. There have been police checkpoints at some provincial borders but not others. At these checkpoints, some travelers get turned away but some do not. As provinces re-open at different paces, freedoms to gather and travel are restored on different schedules.

> *"The restrictions on these rights vary considerably depending on the jurisdiction, which creates an inconsistent application of Charter rights."*

The interjurisdictional inconsistencies with respect to restrictions on civil liberties make complete sense to the extent that they reflect the significant differences among local, provincial, territorial, and regional jurisdictions with respect to the presence and spread of COVID-19. Locations that have been deemed "hot spots", including Montreal, will face restrictions longer than other parts of Quebec. The restrictions on rights are being justified, in public at least, by the need to protect communities from the spread of COVID-19.

However, these emergency orders have, for the most part, not been tested in court. Once the acute public health crisis is behind us, much of our energy will shift toward a critical analysis of how governments managed the COVID-19 crisis.

There will be intense scrutiny of economic stabilization measures, including the Canada Emergency Response Benefit (CERB), as well as supports for Indigenous communities, small businesses, the agricultural sectors, students, and others.

Elected governments and public health officials will face questions about the timing and consistency of public health warnings, as well as the quality and consistency of treatment and care throughout the pandemic for conditions unrelated to COVID-19. As well, governments across the country will face questions about their compliance with the Canadian Charter of Rights and Freedoms. Some advocacy groups have begun this work already.

Most of the coverage on non-Charter compliance because of the COVID-19 crisis has pertained to emergency limitations of inter-provincial and even in-province travel. For two months, the Sureté du Québec stopped thousands and thousands of cars crossing the five bridges between Ottawa and Gatineau. One woman in Nova Sco-

Justin Trudeau watches in his home study as the House committee discusses Ottawa's pandemic response—much of it with the provinces, where a new federalism, either cooperative or competitive, may emerge. *Adam Scotti photo.*

tia was prevented from traveling to Newfoundland for the funeral of her mother.

The Charter is clear in Section 6 (mobility rights) that Canadians and permanent residents have the right "to reside in any province" and to "pursue the gaining of a livelihood in any province." The constitutional override in the Section 33 notwithstanding clause does not apply to Section 6, as it does to Sections 2, and 7 to 15 on fundamental and legal rights. However, governments would likely pursue a defence of emergency orders under Section 1, the reasonable limits clause. There is bound to be a legal battle on this, probably ending up in the Supreme Court.

Given the possibility of a second wave of the pandemic, which could force us all back into lockdown at some point in the future, answers to the questions above cannot come soon enough. The nature, substance and seriousness of these questions has the potential to trigger a new era of constitutional politics in Canada centered around a critical discussion of the role of the state, its responsibilities to citizens, and the parameters of its power.

> ***"The nature, substance and seriousness of these questions has the potential to trigger a new era of constitutional politics in Canada centered around a critical discussion of the role of the state, its responsibilities to citizens, and the parameters of its power."***

A constitution has many purposes, but a central one is to define the mandate and powers of governments. The COVID-19 era has seen an expansive role for the state in the lives of Canadians. There could be a strong appetite for some of this to continue. For instance, there is support for CERB payments to transform into a basic income program, which would have transformative implications for other elements of the social safety net. On the other hand, suppressions of Charter rights are not popular, particularly when the time frame is medium- to long-term in nature and there are significant inconsistencies in the applications of Charter rights.

The COVID-19 recovery and rebuilding period will necessitate discussions about the constitutional division of power (read: constitutional division of labour) because no order of government can solve this alone. Many of the issues that are arising, including the notion of universal paid sick leave, are within provincial jurisdiction, but will never advance without federal support (read: federal money).

So, despite the exhaustion following the constitutional debates that dominated the 1980s and 90s, we are headed into another such round of talks. The urgency is different this time in the sense that there is not a crisis around Quebec's place in the federation, but there is an intergovernmental conflict in the offing, waiting to explode.

The economic impact of COVID-19 will create even more urgency around conversations that had been happening already regarding the fairness of the equalization formula. The growing sense of resentment in the West will add to this urgency.

The constitutional dialogue will be informal rather than formal. We won't change the wording, because the political will for that won't be there, but we will talk about what the wording means. We could enter into a new stage of cooperative federalism, in which governments share responsibility and cost, or we could go in the opposite direction of competitive federalism in which governments pass responsibilities and costs back and forth like hot potatoes. Either way, Charter politics and intergovernmental affairs are going to be hot again. P

Contributing Writer Lori Turnbull, co-winner of the Donner Prize, is Director of the School of Public Administration at Dalhousie University.

History at a Juncture

As the world surveys the geopolitical damage generated by Donald Trump's presidency and the COVID-19 pandemic, the coming months take on disproportionate importance as a hinge of history. Veteran diplomat Jeremy Kinsman explores the hazards and opportunities Canada will face.

Jeremy Kinsman

How often in these dark months have we read or said that we can't revert to the pre-COVID "normal"; how it provides an opportunity for a better world? In *The Economist*, Margaret MacMillan, called it a "juncture, where the river of history changes direction." But toward better or worse?

Martin Wolf of the *Financial Times* warns that it's "Reasonable to bet that the world which emerges on the other side of the pandemic will be less open than the one that entered it." Can nations trade dangerous competition for national advantage for cooperative solutions to humanity's challenges? Can they sustain globalization's benefits, which lifted billions from poverty, while taming its harmful fixation on financialized profit?

America's retreat under Donald Trump into truculent neo-isolationism is a huge negative. His mantra of "America First" fans global flames of populist nationalism, evoking old demons that caused the Second World War. His defeat in November won't alone restore the world's cooperative spirit without evidence that international institutions work effectively in the interests of all. Moreover, it may not end the increasingly toxic rivalry with China for global primacy that divides the world, defines our time, and chokes the prospects of global cooperation. This crucial fourth "juncture" in the last seventy-five years follows: 1), In 1945, the creation of our rules-based system; 2), In 1989, the Cold War's end; and 3), In 2008, the financial system's breakdown.

> **"Canadians revere the postwar creation of the cooperative rules-based system built on the ashes of the 20th century's murderous wars."**

Canadians revere the post war creation of the cooperative rules-based system built on the ashes of the 20th century's murderous wars under inspired American leadership that mixed idealism and realism. While the UN Charter opens with "We, the peoples," the United Nations always belonged to their sovereign member-states. Most "people" had no states of their own, being still colonies.

Ex-U.S. Secretary of State Dean Acheson's memoir *Present at the Creation* reminds us that UN members "are still nations, and no more can be expected of this forum for political adjustment than the sum total of (their) contributions." Fast-forward to the politicized criticism of the UN's World Health Organization for not extracting adequate transparency and compliance from China, as if the WHO failed to live up to a supranational mandate that the UN's founders, especially the sovereignty-obsessed U.S., never intended.

That wasn't a limitation when member-states were on the same page, drafted by the U.S. as the world's uncontested leader, confident in its ability and responsibility to shape events, accounting for half of global GDP, having emerged from the war relatively unscathed. Acheson viewed the United States as "the locomotive and the rest of the world the train... that the economic aspects (were) no less important than the political aspects of peace. And only the United States had the power and the purpose to yoke them together."

The international trade and payments ecosystem aimed to end the "beggar-thy-neighbour" nationalist protectionism that deepened the Great Depression and hastened WW II. It valorized open markets and private enterprise, too much for Stalin's USSR to ratify, ominously signaling a divided world to come, but worked miracles for the industrialized West. Their economies boomed for three decades that the French describe as *les trente glorieuses*.

Shunning different perspectives, needs and grievances of the emerging "global South," whose national liberations occurred over those same decades, its working hypothesis was that emerging economic powers—China, India—would just merge into the globalized system of financial-

ized capitalism. But as Martin Wolf puts it, "Latecomers will not accept disadvantage." Meanwhile, the UN's peace and security aspects, the General Assembly and Security Council, were paralyzed by the ideological Cold War.

Its seemingly miraculous, euphoric end in 1989 provided the next defining "juncture" and opportunity to set things right. In ending both the Cold War and the USSR's communist regime for essentially moral and idealistic reasons, Mikhail Gorbachev facilitated the liberation of Eastern Europe, the fall of the Berlin Wall and the unification o f G ermany. W ithdrawal o f more than a million Soviet military ended its empire, not in defeat, but to pursue a "European common home."

Gorbachev's project to transform the controlled Soviet society and economy that was unprecedented in scale and scope received inadequate Western support and he lost control of the process and public buy-in. Populist rival Boris Yeltsin, who couldn't displace him as President of the USSR, broke the Soviet Union into 15 new autonomous, largely mono-cultural republics in 1991. In April 1992, George H.W. Bush committed the U.S. to contribute $24 billion to support the Russian re-form project. But grants over the 10-year period from 1990 to 2000 were $5 billion, or less than one year's aid to Egypt or Israel at that time. Bill Clinton, whose presidency roughly coincided with that of Yeltsin, understood Russia deserved more help but couldn't budge the U.S. Congress.

Moreover, Western economic advisers and institutions counter-productively pressed for an abrupt shift to an open market economy via "shock therapy" and "structural adjustment", deepening what *The New Yorker's* David Remnick described as "the destruction of everyday life," as the ex-Soviet economy plunged by 42 percent. Sadly, in Russia, democracy and liberalism became and remain toxic words.

> ***"Once elected, Trump's anti-globalist administration abandoned world leadership ... unilaterally weaponized tariffs even against democratic allies in a vindictive and destructive search for competitive advantage."***

Basking in the notion it had "won" the Cold War, ingesting what Francis Fukuyama declared to be "the universalization of western liberal democracy as the final form of government," Western self-congratulation (for Gorbachev's initiative) extended to the assumption that the U.S. economic model was universally validated. By then, the U.S. economy was at one-fourth of the world's GDP. But as Richard Cohen of the New York Times wrote, the U.S. "got used to the century being theirs."

Newly sovereign states of eastern Europe and the ex-USSR initially looked to "imitate" Western economic and political systems to fill the void left by the evacuation of communism. But needing belief-systems more authentically "theirs," nationalist populist leaders plumbed pre-communist pasts for old religious, traditional, and ethnocentric narratives, rejecting secular, multi-cultural western liberalism, and kick-starting a fixation on national "identity" that anticipated its global surge today.

Meanwhile, the prosperous 90s roared ahead, fueled by the globalization of world markets and information technologies indifferent to cultural pushback. WTO membership in 2001 rewarded the extraordinary rise of China, whose communist leadership had opened up the economy without embracing democracy. An emerging spirit of "globalism" conceded a need to pool some sovereignty to meet trans-national challenges of climate change and human security. But it was submerged by the 9/11 attacks against U.S. primacy, which radically changed the world's agenda, thickened borders, prompting wars and waves of refugees, but with no interruption of the globalization of markets—until the still under-estimated financial crisis of 2008 essentially killed 1989's "one-world" belief in convergence, setting the scene for another "juncture" in world affairs.

It became a missed opportunity. The world's banking system was rescued, largely by the U.S., but not its victims, sapping belief in the fairness of Western-driven capital markets. Even in developed economies, resentment of globalization's down-sides that exploited the vulnerable roiled hollowed-out communities of people left behind, accelerating grievance-based nationalist populism and polarizing electorates at the expense of the moderate centre, where compromise lives. Outcomes included Brexit and Donald Trump's ascendancy.

Once elected, Trump's anti-globalist administration abandoned world leadership, withdrawing from multilateral accords on climate, nuclear weapons, trade, health, and human rights, and undermining the world's security and economic cooperation framework that the U.S. had itself created. The Trump administration unilaterally weaponized tariffs even against democratic allies in a vindictive and destructive search for competitive advantage, reducing U.S. relationships to bilateral "deals." The most important and elusive would be with China.

Though America now accounted for only one-seventh of the global economy, the mindset of U.S. global pri-

A COVID infection rate map of the western world, a new geopolitical map quite different from the multilateral order after the Second World War in 1945, the end of the Cold War in 1989 and the collapse of global markets in 2008. *Martin Sanchez Unsplash photo*

macy endured, increasingly rattled by China's spectacular and unprecedented rise. President Xi's own nationalistic pursuit of grandeur and China's history of violating fairness requirements of multilateral and bilateral trade agreements made the rivalry toxically litigious.

In early 2020, the COVID-19 pandemic suddenly emerged as the next potential defining global juncture. As the challenges and threats of climate change, nuclear proliferation, food security, and others loom over us, its proof of our need to cooperate across borders is understood everywhere except possibly the White House. But as a stress test, COVID-19 exposed an uneven, competitive, and politicized response, hobbled without U.S. leadership that had coordinated the international effort to subdue Ebola only five years earlier.

The pandemic turned countries inward. Borders matter more. But if the impulse to reduce vulnerability by self-sufficiency and shorter supply chains occurs at the expense of trade, economic recovery will not generate adequate revenue to service the mountains of debt from the trillions of dollars of relief programs. Trade drives globalization's historic benefits, which over 20 years cut the numbers living in extreme poverty from 40 percent to 10 percent of global population.

Can international political will be mobilized? Tony Blair argues it should be obvious that doing the best for your country means working together, not that cooperation means doing the best for other countries. Ministers Freeland and Champagne have been on it, promoting a multilateralist defence solidarity group along with France, Germany and others. Canada convened efforts to reform the WTO.

Canada's hands-on commitment to cooperation and global reform must co-exist with the daily stress of managing our U.S. relationship, an existential balancing act, but unrelenting. If like-minded Americans return to power under Joe Biden, convening internationalist adults in a global virtual situation room will be easier. But if they don't, we'll have to work even harder.

It will require moderation of the increasingly "civilizational" U.S.-China antagonism. Former U.S. Treasury Secretary Larry Summers offers open-eyed realism: "We need to craft a relationship with China from the principles of mutual respect and strategic reassurance, with rather less ... feigned affection ... We are not partners. We are not really friends... We need to be pulling in unison if things are to work for either of us. If we can respect each other's roles, respect our very substantial differences, confine our spheres of negotiation to those areas that are most important for cooperation, and represent the most fundamental interests of our societies."

"Canada's hands-on commitment to cooperation and global reform must co-exist with the daily stress of managing our U.S. relationship. If like-minded Americans return to power under Joe Biden, convening internationalist adults in a global virtual situation room will be easier. But if they don't, we'll have to work even harder."

Our generational challenge—saving the vital postwar system through the salvation of its reform—represents a tall order. But stakes couldn't be higher. P

Contributing Writer Jeremy Kinsman was Canadian ambassador in Moscow, Rome, London, and Brussels and is a distinguished fellow of the Canadian International Council.

Thousands of pro-democracy protesters defied a police ban to participate in the annual Tiananmen Square memorial vigil in Victoria Park, Hong Kong on June 4, 2020. *Iris Tong Wikimedia photo*

The Fall of China's Mask

As China's behaviour on the world stage has been emboldened by the incompetence and unpredictability of Donald Trump, Beijing's abuses of power have become increasingly brazen. On issues from Hong Kong to Taiwan to Huawei, the economic stakes and intimidation tactics that served to mute criticism of China for more than a decade are proving less and less effective. As veteran China-watcher Robin Sears writes, "It is hard to understand what Xi's endgame is."

Robin V. Sears

Chinese president Xi Jinping has done serious damage to his country's global reputation, perhaps exceeded only by that inflicted by Mao in his declining years. This is not entirely surprising, since Xi clearly sees himself in the same vein, as a transformational leader. The statistics that track the reputational damage are brutal. In Canada, only 15 percent of Canadians today still hold a positive view of China—a fall from 58 percent 15 years ago and 43 percent when Xi took office in 2013.

More seriously, 85 percent of those polled by Angus Reid say they do not believe Beijing's COVID fables. China's failure to adequately protect African students from racist attacks has wounded them in many African

countries. The EU countries are considering steps to block Chinese investment, as is Canada. The United States has seen two-way investment flows cut in half, and is actively trying to weaken the Chinese economy, especially in the tech sector.

Even China's quiet march through multilateral institutions—implanting loyalists in executive roles in organizations from Interpol, to the UN Food and Agriculture Organization and the World Health Organization among many others—is now being pushed back on, with the support of some developing nations that China could have counted on the purchased loyalty of only two years ago.

But it is China's use of personal protective equipment, especially masks, as a diplomatic card in an attempt to buy goodwill, that has failed most spectacularly in recent months. First, it was revealed that China canvassed the world to import PPE equipment in late December and January, when Beijing knew that COVID was getting out of control in Wuhan, that the epidemic was coming, but was strenuously denying it publicly.

Then in March, when the pandemic went global, China started to manufacture masks in great quantities and offer them, often free of charge, to African and European nations. Canada's shipments, like many others, were returned when the masks were found to be defective or of shoddy quality. EU chief diplomat Josep Borrell called out China very directly, saying that China was fighting "…a struggle for influence through spinning and the politics of generosity." Since then, things have gone badly wrong for the Chinese spinners.

Taiwan, an increasingly nimble competitor, also sent masks—but theirs were of very good quality. Canada at first refused to criticize the Chinese shipment of unsafe equipment publicly, or to acknowledge the Taiwanese generosity by name. Days later, presumably after someone had whispered in his ear about how craven this appeared, Prime Minister Justin Trudeau offered a terse thanks. It took Trudeau some weeks to acknowledge that China had made errors in its early handling of the crisis, and even longer to join the call for the WHO to launch an independent inquiry into its mishandling of COVID.

"Canada at first refused to criticize the Chinese shipment of unsafe equipment publicly, or to acknowledge the Taiwanese generosity by name. Days later, presumably after someone had whispered in his ear about how craven this appeared, Prime Minister Justin Trudeau offered a terse thanks."

The first telling example of how Canada was beginning to turn away from China, and how badly wrong the game of diplomatic masks had gone was the leak of Ambassador Dominic Barton's harsh denunciation of China's games in a briefing to the Canadian International Council. Those who know Barton as the savvy global leader of McKinsey, and one of Canada's most experienced China hands, do not believe that the "leak" of his remarks was unplanned.

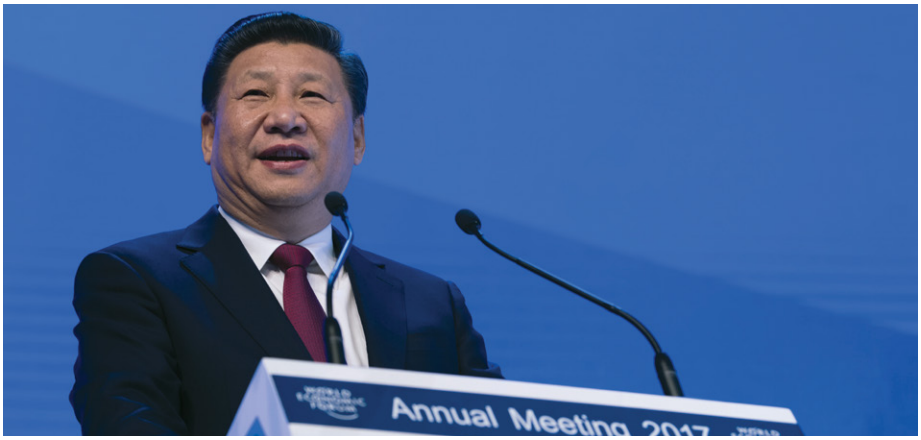
Then came Beijing's move to impose Chinese Communist Party-style restrictions on free speech in Hong Kong. Claiming that it needs to fight terrorism, Beijing's plan would allow China's security and intelligence apparatus to operate in Hong Kong, and punish the usual authoritarian catch-all hobgoblins of "treason, secession, sedition and subversion".

This has provoked a storm of criticism including a joint denunciation by Canada and key allies and a move to end Hong Kong's special trade and economic status by the Trump administration—criticized by some as effectively punishing Hong Kong instead of China. Then came the formation of a nine-nation group of parliamentarians to push for stronger measures on China's abrogation of its treaty obligations to the United Kingdom and Hong Kong.

The last British governor of Hong Kong, Chris Patten, denounced the nonsense that China needed to take this step for the security of the city, pointing to existing laws in Hong Kong which gave the government ample tools to challenge what Beijing called "foreign-sponsored terrorism." The U.K. then offered a fast track to citizenship to the 3,000,000 holders of the travel document issued before the handover—the British National Overseas Passport. Canada said to the 300,000 holders of Canadian citizenship and passports in the city that they were "welcome home" anytime.

Senior Chinese diplomats of an earlier generation have shared with Western colleagues how embarrassing Beijing's behaviour is to them. They underline however, that it is the product of direct orders from the president and those around him. In private, leaders of an earlier generation say to trusted Westerners, "We have seen this movie. It was called the Great Cultural Revolution. We know how it ends." But how this sequel will end is perhaps not as clear as the veterans of the "Great CR". Today, China has nearly 150 USD billionaires. They have a lot to lose if China slides into protectionist isolationism and its provocative behaviour on the global stage incurs wider sanctions. Beijing has committed to nearly $2 trillion of investment overseas. Some of that in places like Ethiopia is already being threatened with takeover by angry national governments. It is hard to understand what Xi's endgame is.

As a powerful nation of many millennia and a leader on the Asian stage, China must surely understand that if you provoke every one of your neighbouring states—with the exception of your fellow authoritarian, Russia—you will have encircled yourself with a ring of enemies. If you turn the Europeans from ambivalence to anger, and the Americans from rhetorical threats to active measures to weaken your economy, you face economic disaster at home. If your growth rate continues to slide and unemployment rises, you will imperil the steely grip of the Chinese Communist Party.



China's President Xi at Davos in 2017, now emerging, writes Robin Sears, as "an increasingly tragic figure, whose diplomatic mask has indeed fallen." *World Economic Forum photo*

> ***"Those who stand up for Taiwan, Hong Kong or Tibet in Canada are often swamped on social media platforms with insults and even death threats. In some cases, the threats have been delivered in person."***

Another difference between today's self-destructive behaviour and the end of Maoism, is the rising status of Taiwan. President Xi has unwisely hitched his legacy to the unification of Taiwan with China. This will not happen, unless Xi is so foolish as to believe the world would stand by as tens of thousands of Taiwanese died in a bloody invasion, followed by a brutal occupation. The Americans, the Japanese and the South Koreans have been quietly building up their defence and security relationship with Taiwan. The Americans have stepped up high-technology arms sales, and permitted some U.S. diplomats and military leaders to visit the country for discussions on military and strategic co-operation.

Beijing's unrelenting pressure on Taiwan—attempting to freeze them out of multilateral bodies, flaunting a large network of spies and blackmailed local business leaders and politicians, and an unending stream of insulting threats to Taiwan's president, Tsai Ing-wen, re-elected just in January—have served to deepen Taiwanese determination to fight to maintain their status. The longer Canada fails in its efforts to win release of its two high-profile political prisoners, Michael Kovrig and Michael Spavor, the more intense will be the demands on the prime minister to increase pressure on China, in lockstep with the world's leading democracies.

Canada also needs to respond internally to reliable reports from several Chinese Canadian civil society organizations that they are subject to harassment and threats. Those who stand up for Taiwan, Hong Kong or Tibet in Canada are often swamped on social media platforms with insults and even death threats. In some cases, the threats have been delivered in person. Investigations, arrests and convictions should be one of the tools we use to punish the work of Beijing's paid enforcers in Canada.

Instead of expelling a long list of offending diplomats—who will merely be replaced by officials of similar style and demeanour—we should call out the offenders by name and cite the results of investigations of their threatening Canadians.

It already feels like ancient history that President Xi, at Davos days before Donald Trump's inauguration, appealed for global harmony:

> *"World history shows that the road of human civilization has never been a smooth one and that mankind has made progress by surmounting difficulty. No difficulty, however daunting, will stop mankind from advancing. When encountering difficulty we should not complain, blame others, or run away from responsibilities ... Instead we should join hands and rise to the challenge. History is made by the brave."*

It marked the highpoint of Xi's international status, which has declined badly since then. The man who appealed to the world to "join hands," risks becoming the pariah whose proffered hand world leaders will refuse. Not merely because post-pandemic hand-shaking will be out of fashion for a long time to come. But because it be folly domestically for those leaders to be seen shaking his hand. It was moving to see tens of thousands of Hong Kongers commemorating the Tiananmen massacre on June 4, as they have done for three decades, defying Beijing and their own government despite the risk of mass arrests.

Meanwhile, President Xi presents an increasingly tragic figure whose diplomatic mask has indeed fallen. P

Contributing Writer Robin V. Sears, a principal of the Earnscliffe Strategy Group in Ottawa, previously served for five years in Tokyo as Ontario's agent-general in Asia, and later worked for another five years in the private sector in Hong Kong.

Column / Don Newman

A New and More Dangerous World

The world that is emerging from the COVID-19 pandemic will be a much different place than we have been used to, and Canada will have to find a way to manage in it, let alone thrive in it.

To hold its own in this new world, Canada will need a new attitude, a new realization that the world we knew is gone, a new confidence to confront and survive the world that is emerging and a new attitude by the country, the provinces and a new type of government to deal with the new reality that we will be living in.

This new world was coming even without the pandemic and without the disaster of the election in 2016 of Donald Trump as President of the United States.

These events did not create the new world that is emerging, they just helped accelerate the pace of change.

Of equal importance is the 2018 decision of the People's Congress in China to make Xi Jinping President for life. That decision confirmed his stranglehold on power and eliminated the possibility of course corrections going forward in China's assertive and dangerous plan to extend its influence not only in its surrounding area but also through Africa, Latin America and beyond.

It also put paid to the argument that by helping China open up economically the country would evolve into something more like western democracies and become a rules-abiding member of the global economy. That idea was promoted by the business community in both Canada and more importantly the United States, who have reaped huge profits in the past 30 years by exporting North American jobs to China and then importing the products those jobs make back here. The automotive sector is just one example.

Well, that idea was just wrong. Now people who warned that the Chinese would use their increasing economic might to increase their political, military and economic influence are being proven right.

Rather than become a rules obeying member of the global economy China steals intellectual property, bullies its smaller neighbours, ignores rulings that go against it at international tribunals and has militarized islands in the South China Sea in an effort to control the shipping lanes through which 30 percent of the world's trade passes.

This was the state of play when COVID-19 hit. As part of his pledge to bring back jobs to America, President Trump was already engaged in a trade war with China. He escalated tensions by labelling COVID-19 the China virus because it originated in Wuhan province in that country.

Since then, relations have just grown colder, and even if Trump is defeated in the U.S. presidential election later this year, China and the United States seem destined to be in a Cold War that will rival the one between the U.S. and the Soviet Union for 45 years after the Second World War.

This new Cold War will make the world a much harder place. A "for us or against us place." A less co-operative place and a place where, if countries want to play a role, they will have to step up to both compete and co-operate as the situation dictates.

This is the new world reality. Canadians and their government will have to get used to it. The idea that trade with China was to be the economic salvation of the country is gone. New markets in Asia and Europe will have to be developed along with a reassertion of our commitments to our North American trading partners.

Once again Canada will have to get serious about our military. Procurement will have to be streamlined. Thirty years to replace aging equipment will no longer cut it. Neither will used aircraft from Australia or burnt-out submarines from Britain.

It goes without saying that Huawei will be excluded from our 5 G communications network. Canada will also have to get serious about Chinese influence already in this country. We will have to clampdown on Confucius clubs on University campuses, treat intellectual property thefts harshly and warn travellers about the dangers of visiting China, as Michael Kovig and Michael Spavor imprisoned there in a harsh Chinese hostage diplomacy maneuver have found out.

The world is quickly becoming a tougher, more dangerous place. That is the new reality and Canada has to be ready to compete in it. P

Columnist Don Newman, Executive Vice President of Rubicon Strategies in Ottawa, is a lifetime member of the Parliamentary Press Gallery.

Prime Minister Justin Trudeau (centre) and Minister of Social Development Ahmed Hussen (left) attend a racial justice protest on Parliament Hill on June 5, 2020. *Adam Scotti photo*

Collective Rage Requires Collective Action

White Canadians, no less than white Americans, have spent centuries conditioned by racist mythology propagated to protect an economic hierarchy that never got over the trauma of the abolishment of slavery and has been making Black people pay for it—including through shame and guilt projected as fear and objectification—overtly and insidiously, ever since. African Canadian Senator Wanda Thomas Bernard delivers a compendium of the causes and effects of Black anger, and a call for transformative change.

Wanda Thomas Bernard

Many Canadians seem to find a sense of comfort and safety in discussing anti-Black racism at arm's length. When I hear media and people in conversation make a distinction between current events in the United States and race relations in Canada, I cringe. In our country, I see a preference to discuss the strengths of multiculturalism and diversity in contrast with American politics and blatant acts of violent racism. Colonialism, anti-Black racism and white supremacy do not respect borders. I am reminded of the daily racism that I experience in Canada, ranging

from passive-aggressive comments to outright denial of service.

When I recount my experiences as a Black woman, I am often met with shock and disbelief, which results in a feeling of invisibility and a denial of my reality. I heard this same tone of shock as people reacted to the video of George Floyd being killed by police in Minneapolis on May 25. I know his cries for help were not unheard, they were just ignored. I see the clear parallel as the cries from African Canadians are also not unheard, just ignored.

Many African Canadians have family and friends who live in the cities where protests are happening in the United States. Whether the connection is by blood or by common experience, the affinity we have with each other comes from our shared ancestry. They are our brothers and sisters. The strength of people of African descent is enormous. We have survived until this point, but we are tired. Witnessing racism in media creates a ripple of collective pain through all people of African descent. Collective pain requires collective action.

Canada seems to be stuck in a state of non-action or insufficient actions. This cycle of non-action is enabled by continually occupying a state of shock and disbelief despite the continuous stream of new deaths, violence and injustices. As Angela Davis said, "it is not enough to be non-racist, we must be anti-racist". That is also true for remaining in a state of non-action. Remaining in a state of non-racism and non-action, at this point, is as harmful as racism itself.

This is known as the bystander effect. In 2018, Prime Minister Trudeau acknowledged the United Nations Decade for People of African Descent. The government subsequently allocated funds for Black communities in the 2018 and 2019 budgets, but change continues to be very slow. Despite these allocations, I hear from many grassroots community groups that they face barriers accessing funds. Black Canadians need support and resources to address years of neglect and indifference. Despite hearing from several senators on the many forms of anti-Black racism impacting Canadians during the anti-Black Racism Inquiry in the last Parliament, other political leaders continue denying that Canada has a history of systemic racism.

> ***"Colonialism, anti-Black racism and white supremacy do not respect borders. I am reminded of the daily racism that I experience in Canada, ranging from passive-aggressive comments to outright denial of service."***

> ***"Until we see reactions of non-violence from police towards Black people, we will continue to see violence erupt, mirroring systemic violence."***

Denial and ignorance enable the violence that results in our deaths.

George Floyd was murdered by police officer Derek Chauvin and three of his colleagues as witnesses stood by watching and filming it for eight minutes and 46 seconds. This video has fueled an international rage. People of African descent have been expressing this same rage for hundreds of years in many different forms, and yet it often goes ignored. Not only do we experience violence in ways as tangible as seen in the video of George Floyd's murder, we experience violence through more subtle forms of racism. Both types of racism are killing us.

From 2002 to 2010, I led a team of researchers who examined the impact of racism and violence on the health of Black men, their families and communities in three Canadian cities. We heard from Black Canadians about the detrimental toll racism-related stress has on their lives. This racism-related stress is caused by the cumulative impact of blatant acts of racism, consistently being underestimated and undervalued, and over-criminalization. This burden has serious health consequences for our communities. There is a deep anger felt by Black people in response to racism. That anger is often internalized and can erupt to a state of absolute rage. I often feel rage and have turned it into action. Over the years, I have strategically used my rage to fuel my activism work.

The rage of protesters is the same rage. It is real, and it is warranted. Until we see accountability from police, people will continue to feel forced to take the law into their own hands. Until we see reactions of non-violence from police towards Black people, we will continue to see violence erupt, mirroring systemic violence.

As an African Canadian, mother, wife, and grandmother of two young Black boys, I bear the burden of stress and worry of "living while Black". This stress is for myself, for my community, for my family, especially for these two boys who are quickly growing into Black men. Too often, when I see Black men depicted in the news; they are being killed, or they are portrayed as a threat for simply existing. Many African Canadians consistently share similar stories with me about their daily experiences. This is why the message is urgent: Black Lives Matter.

On May 28 in Toronto, a young Afro-Indigenous woman named Regis Korchinski-Paquet was killed when she fell from her apartment balcony on the 24th floor. Her family had called the police because she was in mental health distress. How does a woman in distress calling for help end up dead? Her death tragically unites the injustice of Missing and Murdered Indigenous Women with Misogynoir, a phrase coined by Moya Bailey representing the intersectional experience of Black women; misogyny compounded with racism. Regis' family is looking for an answer for what happened to their daughter, and African Canadians are filled with rage and sorrow at the loss of our sister.

Senator Wanda Thomas Bernard with her grandsons and her husband, George Bernard, at the Owen Sound Emancipation Festival. *Photo courtesy Senator Wanda Thomas Bernard*

> ***"Black youth and Black leaders are ready for change. We have been ready, and we need partners in action, not just in words. We need collective action."***

As I lie awake at night worrying about the prolonged violence endured by people of African descent, I reflect on when I have had this feeling before. Was it earlier this year when Breonna Taylor was killed in her own apartment? Or was it in 1968, hearing the accounts of the riots after Martin Luther King Jr. was killed? Was it 10 years later, in 1978, when Buddy Evans, a young man with roots in East Preston was killed by Toronto police who were later exonerated? Was it 14 years after that, in 1992, during the riots incited by the acquittal of the police officers who assaulted Rodney King? Was it 22 years after that, in 2014 after the death of Michael Brown? I ask myself what has changed since these events, what have we learned, and what needs to happen now. I repeatedly hear leaders say that "we must do better" but at this point, those words feel empty as we find ourselves back in this place of collective grief because more of our brothers and sisters have been taken from us so violently. "We must do better" is not a commitment to change. What we need to hear is *who will* take action, and how will they do it? Black communities, Black youth and Black leaders are ready for change. We have been ready, and we need partners in action, not just in words. We need collective action.

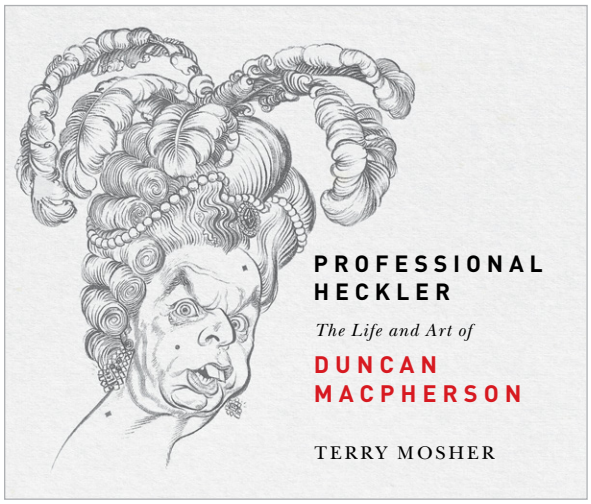
Since the middle of March, my mind and work have been occupied with the knowledge that African Canadians are more susceptible to COVID-19. This is due to higher rates of pre-existing health issues, as we know racism-related stress takes a toll on health. This vulnerability is also due to an increased exposure to the public, as there are a higher number of African Canadians who are employed in essential services.

I have been advocating for the Canadian government to collect accurate data disaggregated by race in order to fully grasp this racial inequity and equip Black communities with supports. As I watch videos and news coverage of the protests erupting in American and Canadian cities in response to George Floyd's death, I worry about the impact gathering in crowds will put on our already vulnerable community. We do not yet know the full extent of the impact this pandemic is having on Black lives in Canada, but we do know the "pandemic of racism" is proving to be more deadly than COVID-19.

African Canadians are experiencing a cumulative exhaustion and rage that is a consequence of the collective perspective that Black lives are expendable in Canada and the United States. The exhaustion and rage are an intergenerational reaction to hundreds of years of historic and current oppression, and messages that Black lives do not matter. Our ancestors were ignored, and we have been ignored, which is why our rage is real, and warranted. Black Lives Matter. P

Wanda Thomas Bernard is an Independent Senator, the first Black Nova Scotian woman to be appointed to the Senate.

Summer Reading



The Life and Work of One Great Canadian Cartoonist—by Another

Terry Mosher

***Professional Heckler: The Life and Art of Duncan Macpherson.* Montreal and Kingston: McGill-Queens University Press, 2020**

Review by James Baxter

Duncan Macpherson was not just one of the greatest political cartoonists in Canadian history. He might have been one of the best and most innovative to ever to pick up the mocking pen.

His genius is slowly revealed, often inadvertently in his own words, in a new biography *Professional Heckler: The Life and Art of Duncan Macpherson*, written by another brilliant Canadian cartoonist, Terry Mosher, better known to *Montreal Gazette* readers, among others, as Aislin.

"Drawing was as natural to me as breathing," Macpherson once wrote of his ability to draw quickly and well. On another occasion, when asked about his penchant for finding humour in the mundane, Macpherson said: "I taught myself how to see."

Through cheerful anecdotes and a deft recounting of the events of the era, Mosher takes readers on the journey during which Macpherson created many of the most iconic political cartoons from what was the heyday of Canadian journalism.

From his days drawing planes to teach RCAF pilots to spot the difference between a Messerschmitt and a Spitfire in the Second World War to his skewering caricatures of stodgy Canadian politicos from the late 1950s until his death in 1993 at 69, the genius of Macpherson's snark and meticulous use of detail is evident in the hundreds of sketches and finished cartoons that Mosher has curated.

What makes *Professional Heckler* so engaging is the sense that it is written by no less a talent. It's as if Mario Lemieux were recounting the life story of Wayne Gretzky. With similar talents and demons, and both products of the same high school art program in Toronto, Mosher brings a blend of reverence, gratitude, envy and understanding of "Dunc's" career and often-mercurial life that only someone with five decades in the cartooning trenches could. The two were sometimes colleagues, sometimes rivals. They were both high-functioning alcoholics, and while Mosher eventually chose the path to recovery, Macpherson never saw the need.

Often in spite of himself, Macpherson became one of the most innovative and subversive of Canadian artists. Recognized as a genius by author and *Toronto Star* editor Pierre Berton, Macpherson was given the opportunity to create some of the most memorable symbols of political history. He often placed his bespectacled and bedraggled John Q. Public at the centre of his art, giving his readers a direct attachment to what they were seeing. He rarely drew Liberal prime minister Lester Pearson without his "scandal albatross" following closely on his heels. His cartoons of Pierre Trudeau also betrayed an inner conflict that many Canadians shared over the prime minister's panache and intellect juxtaposed with his breathtaking arrogance.

While cartooning became his day job, Mosher makes it clear that it would be an injustice to dismiss Macpherson as simply that. In detailing Macpherson's time working in Toronto's famed Studio Building, where he rubbed shoulders with many of the greats including many remaining members of the Group of Seven, Mosher makes clear that Macpherson was a singularly talented artist and had he chosen a different path, he might well have been regarded as one of Canada's best ever. One example of Macpherson's skills as an artist that served him well in cartooning was his remarkable ability to draw the backs of people's heads and have them be immediately recognizable, which gave those cartoons an immersive feel.

While his bread and butter was Canadian politics, Macpherson had a broad fascination with international affairs. He made multiple trips to Cuba, China and Russia and was able to depict them in wonderful drawings that humanized those caught in the middle of superpower struggles. Scarred by what he and his friends had witnessed in the Second World War, his cartoons of conflict grew darker as Korea led to Vietnam, to the Middle East and eventually to the Gulf War at the very end of his life.

From the book's foreword by John Honderich, the former editor and publisher of the *Toronto Star,* through to its last pages, what is revealed is that there was far more to Duncan Macpherson than what was printed on tomorrow's fish wrapper. He was

a brilliant and skilled artist, as adept with a brush as a pen. He was also a chameleon, capable of quickly adapting to new political and business situations. At a time when most sought lifelong jobs with one company, Macpherson was among the first to realize he could make more money (and have more fun) as an independent contractor.

Of course, no Canadian political icon took more of the brunt of Macpherson's lampooning than former prime minister John Diefenbaker, whose sagging jowls, buck teeth and wild eyes proved irresistible. From the moment Diefenbaker scrapped the Avro Arrow, his popularity began to wane. But many point to Macpherson's most famous and irreverent cartoon depicting Dief as a callous Marie Antoinette as the shove that began the populist's slide into political ignominy.

While some thought Macpherson's caricatures of politicians bordered on cruel, he (usually) respectfully disagreed. He said he aimed his humour to be "devastating without wounding" those in his crosshairs. And, for the most part, his aim was true. The same could be said of Mosher's book. It is both a lighthearted visual romp through Canadian history and a nuanced, honest look at the life of a deeply complicated and gifted artist. P

James Baxter, founder and former Editor of iPolitics, *is a lifelong aficionado of Canadian political cartooning.*

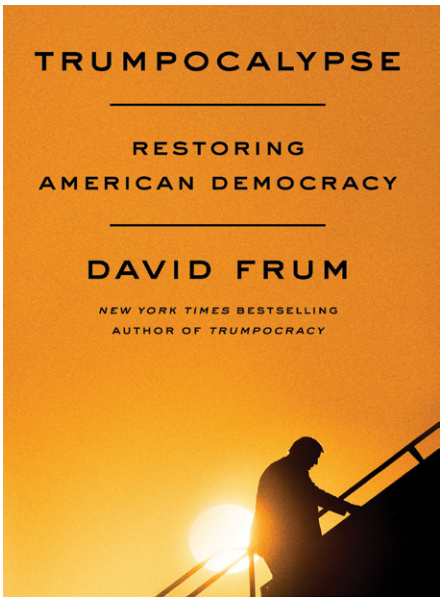
The Trumpification of Republican America

David Frum

***Trumpocalypse—Restoring American Democracy*. Toronto and New York, HarperCollins Publishers, 2020.**

Review by Anthony Wilson-Smith

Canadians, the late, great home grown journalist Peter Jennings



used to say, have an edge over Americans at his old craft because "we're used to being observers on the world stage, while Americans expect a leading role." One exception is another expat—Canadian-raised, Washington-based author and commentator David Frum. For decades, Frum enjoyed a place in the higher reaches of the Republican Party through books, speeches, columns and television appearances in which he provided erudite promotion of traditional conservative philosophies and policies. But he has never gone along with prevailing thought just for the sake of it.

Trumpocalypse, Frum's second go at excoriating the present president of the United States in book form, is the latest example of that trait. (His previous was the 2018 *Trumpocracy*.) The title arguably does the book a disservice, because Frum does more than just profess his disgust with Donald Trump (although there's plenty of that.) He analyzes Republican policy shifts and problems—regretfully concluding the party has done the U.S. more harm than good so far this century. He dissects the social and political conditions that led to Trump 's election; explains why the Democrats may still blow the election this fall; and provides ideas to bridge the enormous disconnect between Washington and much of the rest of the country.

Frum has two qualities necessary for a successful author and polemicist—the ability to turn a neat phrase, and the diligence to support his assertions with a mountain of research. He lists well-established criticisms of Trump such as his habitual lies; contempt for democratic norms and traditions; dog-whistling toward minorities; and so on, with plenty of examples. Then, this deft take on the difference between the two dominant political lines of thought: "American conservatives take pride in their nation but mistrust the nation's state. American liberals value the state but feel discomfort with the concept of 'nation.'" Those views, in the extreme, explain why masked, armed dissidents tote American flags even as they threaten the lives of elected officials in state legislatures. It also explains why Democrats embrace what he calls 'The Great Awokening', embracing identity politics at the expense of united interests—and mainstream voter support.

Even if Trump loses this fall, Frum argues that the rubble in his wake won't be swept away easily. He proposes steps that include abolition of the right to filibuster; a different approach to climate change to bridge fears over the economic impact of environmental measures; a targeted approach to immigration (similar to Canada) aimed at matching newcomers with needs in the workplace; and, last but far from least, Republican and Democratic parties that return to the cross-aisle pragmatism of decades gone by.

Frum—who voted for Hillary Clinton in the last election—remains an unrepentant traditional conservative of the 'compassionate' variety. He has recounted how, in the Trump era, he runs into onetime ideological soulmates who support Trump and ask, in dismay; "What happened to you?—to which, he has said, he invariably responds; "what happened to *you*?" It is one thing to leave a party—and quite another, as is the case with Frum, to have your party leave you. Not to mention the country that Frum moved to some three decades ago—measured against the one that he finds himself living in today. P

Contributing Writer Anthony Wilson-Smith, President of Historica Canada, is a former Editor of Maclean's.

An Open Letter

To: The Right Honourable Justin Trudeau, P.C., M.P.
Prime Minister of Canada

The Honourable Chrystia Freeland, P.C., M.P.
Deputy Prime Minister and Minister of Intergovernmental Affairs

The Honourable William Morneau, P.C., M.P.
Minister of Finance

Dear Prime Minister, Deputy Prime Minister and Minister,

Re: Support for Charities and Not-For-Profits with Increased Funding from the Private Sector

Congratulations on your timely and significant fiscal support for employees, employers, small, medium and large companies, charities and not-for-profit organizations. It has been extremely effective in helping all Canadians deal with the challenges arising from the COVID-19 pandemic.

As you have said, "We are all in this together." All political parties deserve credit for setting aside partisan interest and putting the country first. Their proposals have resulted in improvements to relief and recovery programs, and it is equally to the government's credit for accepting changes in the same constructive spirit. In an unprecedented economic emergency, Canadians have benefited from Parliament's only agenda being the national interest.

In that spirit of the public interest, we take this opportunity to reiterate a modest proposal that would enable public spirited individuals and organizations to play a positive role in the recovery in their communities and provinces, as well as our country. In an open letter published in the March/April issue of *Policy Magazine*, we outlined the opportunity to introduce a budgetary measure that would stimulate an estimated $200 million of additional annual charitable donations.

The proposal is simplicity itself. Ottawa would remove the capital gains tax on charitable donations of private company shares and real estate. A foregone federal tax estimated at $50-$60 million would result in charitable donations several times over.

Among other downstream benefits in the current context of economic recovery, this would also create jobs in the charitable and not-for-profit sectors such as healthcare, social services and education.

Though a budget or fiscal update have been understandably delayed, we urge you to present a simple amendment to the Income Tax Act that could be adopted during the four days of the summer sitting of Parliament. This would enable charities and not-for-profits to begin receiving additional donations immediately over the summer months, rather than having to wait until the fall or even next spring.

We are confident that all parties in the House, as well as members of the Senate, will welcome and expedite passage of such an initiative.

All stakeholders in our hospitals, social service agencies, universities and arts and cultural organizations, and the millions of Canadians they serve, will be very appreciative of any additional support.

Thank you for your interest and consideration.

Yours sincerely,

Donald K. Johnson, O.C., LL.D.

cc: The Honourable Andrew Scheer, P.C., M.P., *Leader of the Conservative Party of Canada*
Mr. Jagmeet Singh, M.P., *Leader of the New Democratic Party of Canada*
M. Yves-François Blanchet, M.P., *Chef du Bloc Québécois*
Ms. Jo-Ann Roberts, *Interim Leader of the Green Party of Canada*

HEALTHCARE

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