

What We Call Politics

—Peter Stockland—

Partisans of Alberta's Wildrose Party will understandably be tempted to fall into "we wuz robbed" syndrome. They should resist. Mightily. The result of Monday's provincial vote was win-win for conservatives and Conservatives.

Wildrose, after all, quadrupled its representation in the legislature to 17 seats. If that is a long way from the sugar plum dreams of majority government that were dancing in supporters' heads during the campaign, it's still a major feat for a party that didn't exist five years ago.

More, the party and its leader, Danielle Smith, threw a major scare into a government that has ruled the party for 41 years. Dynasties generally fall in chunks, not in a single go. Having the impetus for change come from the small-c conservative side is a good thing—at least if you happen to be a small-c conservative.

Alberta's newly elected Premier Alison Redford is clearly such a large-C conservative that the C often looks more like an L—as in Liberal. And while regaining a majority government—albeit with a reduced number of seats—must be gratifying for her, she will be constantly reminded of the threat to her government that lies in the conservative official opposition across the aisle.

Again, that's a good thing, and this time not just from an ideological perspective. Because of its place on the political spectrum, because it was born from deep conservative dissatisfaction with the previous Progressive Conservative government, Wildrose has the chance to give Albertans a vigorously effective opposition for the first time in a very, very long time.

The shift promises to afford Albertans much greater accountability. It also gives Redford the disciplinary stick to, shall we say, motivate her own party out of the deep intellectual slumber and ethical complacency into which it has fallen. Democracy wins, hands down, in that environment.

As a result, so does Wildrose. Clearly, the party is not quite yet ready for prime time. While it ran a generally effective campaign coming out of the gate in late March, it collapsed into chaos when the empire finally struck back in the final week. Nor does it seem to have had the requisite infrastructure to get out the vote needed to fulfill pollsters' prophecies.

Sure, partisans can argue, as partisans will, that their party was the victim of one of the most vicious smear campaigns in Canadian politics since Stockwell Day was eviscerated in the 2000 federal election just for being a Christian. It is true that Progressive Conservative operatives manufactured the two so-called "major controversies" afflicted upon Wildrose late in the campaign.

One of Redford's key strategists, Susan Elliott, confirmed as much when she told the *Globe and Mail* this week that the Tories could not get off the defensive for the first three weeks of the campaign. They only turned into positive territory on the Friday before the vote, Elliott said, when the "controversies" took their toll. Compliant journalists who abetted the PC propaganda coup with unrelenting media whoop-whoop might want to consider whether they are really in the right line of work.

But as corrosive as such tactics are to democratic engagement, they are now part of what we call politics. They have to be expected. They have to be countered before they can have the least effect. They weren't. The result is that Wildrose will spend a very healthy preparatory period in opposition before it rises to fight again in the next election.

That it will, I am sure. For while I am not, and never have been, a partisan of Wildrose or any other party, I do know from working with Danielle Smith many years ago that is she is a truly remarkable apprentice. She will watch. She will learn. She will challenge Premier Redford from the conservative side. And how impressive is the prospect of these two women, representing the full conservative continuum, leading their parties against each other?

Win-win doesn't get any better.

Canada Includes the State, But Is More than the State

—Brian Dijkema—

Alex Himelfarb worries that our state is being dismantled and rebuilt as an ugly, uncaring, police state. The architect of this, of course, is Stephen Harper and his minions who crafted the budget:

This budget gives pretty clear signals of a different Canada, perhaps hard to get at because it is not about building but about dismantling: not dismantling the state—witness the expanded use of the coercive criminal law power and the build up of our military and security apparatus—so much as rolling back the progressive state.

This is fairly typical as far as budget analyses go. Cardus, too, had problems with the budget. We noted that "those who share Cardus' belief that a renewed social architecture will be enhanced by seeing institutions other than government grow in capacity" would be discouraged by the Conservatives' approach.

Himelfarb rightly notes that "if there is not much more to a country than the market, individual interests, and local communities, and the territory within which all that takes place, then citizenship and civil society lose much of their meaning." At first glance, he appears to be on relatively solid ground. Canada is, after all, a state; a political community. And political communities are more than an amalgam of markets, individuals, and territory. But, when he speaks of what does define Canada as a state, he runs into problems. He says that the government's budget implies

a different view of our shared citizenship, of what ties us together as Canadians across language and region and community. They offer us what I have called elsewhere "bargain basement citizenship". The new deal, the contract, seems to be that less will be asked of us—less taxes, no mandatory long census, no requirement to register firearms—and less will be provided in services and entitlements.

The Problem with the Zero Interest Rate Policy

—Jonathan Wellum—

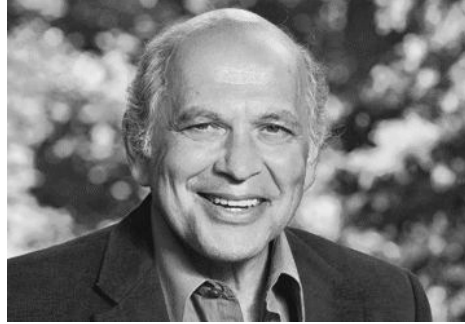
The major central banks around the world began to cut interest rates in 2007 in response to the impending financial crisis. Interest rates throughout the developed world were lowered from approximately 5% in August 2007 to effectively zero by December 2008. They have remained at that level ever since.

The US Federal Reserve, the most important and influential central bank, has made its objective clear: keep short-term interest rates at this near-zero level through late 2014. If this goal is fulfilled, the total period of time in which the major economies in the world have operated at a near zero rate policy will have lasted six years. This is an unprecedented, extraordinary, and dangerous policy on the part of central banks.

Despite the extraordinary measures, the rationale for this policy has gone largely unexamined and unchallenged. From professionally trained economists to average citizens, the default position has been to defer to the expertise of our central banks. Any open debate has largely been deemed unnecessary.

But it should come as no surprise that an unprecedented policy would produce unprecedented and unanticipated results. In fact, there is increasing evidence that this zero interest rate policy is failing to achieve its goals and is leaving our economies in worse shape and buried in more sovereign debt.

The primary victims of these policies are those who are close to, or in retirement. This important cohort is faced with a problematic choice: invest in a volatile stock market, or watch your savings whittle away as you get paid next to nothing on your interest-bearing investments?



Alex Himelfarb

What are these things that tie us together? What would high-end, well-made, designer citizenship look like? Well, a place where more is asked of us—mainly information and money. There is nothing in Himelfarb's piece about terms of service to one another. Nothing about rational discussion among these various communities—markets, cities, churches, businesses, unions, schools, artists etc.—about what it means to be human and what it means for these to exist in tranquil order. Nothing about how political authorities might interact with these other, independent and inherently valuable—and Canadian—institutions. No, designer citizenship—a progressive state—implies more taxes, registering our guns, and seeking more government-sponsored services and entitlements.

This might be unfair to Himelfarb. I'm sure his understanding of the progressive state involves more than taxes and information given to government. But it's telling—and worthy of further examination—that when he looks for what defines Canada, he offers nothing but a centralizing state, moving its moral vision forward. If that's what defines Canada, he's right, we're living in a dollar store's warehouse. But, perhaps instead of looking only at the price-tag and the name, it's time for Himelfarb to look at the quality of the weave on the cloth.

When Sorry Doesn't Mean It...

—Dani Shaw—

My brother and I had an expression growing up that was usually invoked when my mother asked one of us to apologize to the other for saying or doing something hurtful: "Sorry doesn't mean it." It was a brilliant if grammatically incorrect expression that served both to call the offender's bluff when the apology was insincere, and to repudiate even the most sincere apology when the offense was so egregious as to be inexcusable in our childish minds. It also betrayed, for just a little longer, the pettiness of the victim who profited from being hurt or insulted.

Needless to say, this exasperated my mother, who tried to teach us lessons about decency, civility, and compassion. Both insincere apologies and petty repudiations of heartfelt ones stood in the way of true reconciliation.

As I witness the hurtful words and half-hearted apologies spoken in the House of Commons, I understand my mother's exasperation. Instead of decent and respectful civil discourse aimed at addressing the key issues that confront our nation, we get hurtful and petty banter that reflects my childhood quarrels with my brother.

The recent Wikileaks and robocall controversies are but two examples. Interim Liberal leader Bob Rae apologized to Vic Toews after a Liberal party staffer launched deeply personal attacks against Toews via Twitter. Although Toews accepted the Liberal leader's apology, Conservative MP Dean Del Mastro demanded that the Liberal staffer appear before the Commons ethics committee because of his party's ongoing concern that "the Liberals abused tax dollars in [an] egregious, sleazy and distasteful fashion." Days later, Rae accused the Conservatives of perpetuating the Wikileaks controversy to deflect attention away from their own emerging robocall scandal. And the NDP's Pat Martin reinforced the Liberals' suspicions of Conservative electoral fraud by pointing out that RackNine Marketing Group, an Edmonton-based company that had previously worked for the Conservative Party, was now implicated in the scandal. Martin has since apologized to RackNine Marketing Group and its owner Matt Meier, for jumping to conclusions he now knows were "unsupported by fact." Meanwhile, the Conservatives have declared the robocall controversy a "deliberate smear tactic by a party that lost the election." They are, of course, the innocent victims who have been inexcusably wounded . . .

Forgive me for saying so, but as I follow the repartee of accusations and apologies, outrage and contrition, I cannot help but conclude that "sorry doesn't mean it." Instead of a genuine multi-party commitment to uphold democracy, preserve voters' trust in our electoral system, and learn from the mistakes of overzealous staffers and politicians by promoting more civil discourse, the quarrel continues.

The quarrel continues and none of us are better for it. As an adult, a voter, and a thoughtful Canadian, I pray our politicians will soon come to their senses and learn that sometimes, sorry really should mean it.

5. Loss of Freedom and Increased Dependence

Lack of saving and capital formation makes people more dependent on the State, particularly those who are in retirement that cannot work. Dependence on the State means less overall freedom.

Where do we go from here? Central Banks need to slowly let interest rates move to their non-manipulated levels. This would immediately start the process of aligning risk and asset prices across all asset classes. It would put immediate pressure on governments to stop bailing out "too big to fail" institutions (socializing risk), and hinder them from continuing to run unsustainable deficits. The result, over time, would be to replace a consumption and debt-driven economy with a savings- and investment-driven economy that rewards prudence and protects the real value of assets.