

Viewpoint*

A History of Trust, a Future of Confidence – Canada’s Third Way

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Introduction

I want to thank the Centre for organizing this event. I sense a genuine feeling of excitement – a genuine feeling that together, all of us – the voluntary sector, the business sector and government – are entering a new kind of relationship, a relationship that begins with a shared vision for this country and finds its strength in a shared desire to work together to achieve it. A relationship in which we are learning to respect and appreciate one another more, to rely on one another more, and most important, a relationship in which we are learning to trust one another more. Finally, a relationship that I believe will lead to a new kind of governance for a new era in the life of this country.

This new relationship did not spring up overnight.

The Voluntary Sector

Our voluntary sector is already an established and indispensable part of the fabric of this country. Along with government and business, it is the “third pillar” of a civil – and civilized – society and occupies a role long recognized by the present federal government.

Over the decades, voluntary groups have demonstrated time and time again their ability to mobilize individuals and communities to take on many of society’s challenges and many global challenges as well. It is through them

* *Viewpoint* and *Counterpoint* provide forums for informed discussion of issues of wide interest to the voluntary sector.

that individuals can express their hopes and dreams for themselves, for their neighbours and for humanity. And the number of voluntary groups is growing at an incredible rate, both locally and world-wide. It is, indeed, a core element of globalization.

This new world of direct and often voluntary participation of citizens in so many different causes is much less structured and much less predictable than the world of governments and private sector interests. It is a world that is less bureaucratic – less tied up in red tape – and so able to be more responsive to day-to-day concerns.

In fact, the government's ability to redress the public finances of the country over the past few years – without major social disruption – owes a great deal to the voluntary sector. Thank God it was there for Canadians in need!

I want to see what I call this “accidental partnership” between the government and the voluntary sector develop into a more conscious, more deliberate and more lasting alliance. I want you to know that Prime Minister Chrétien and the Government of Canada are committed to increasing the voluntary sector's ability to play an even greater role in Canadian life.

The work needed to strengthen the bonds between us is already underway.

We are now in discussions with you in the voluntary sector on how we are going to strengthen the sector's capacity to act, how we are going to improve the regulatory framework under which it now operates, and how we will build the new relationship with government.

Our aim is to produce some solid proposals for change by the fall of 1999.

Corporate Social Responsibility

At the same time we are also challenging the private sector to accept its own responsibilities within our society.

Right now, for example, my department is supporting two projects on corporate social responsibility, one on best practices through the Conference Board of Canada and one on the recognition of companies who act in a socially responsible manner.

Deregulation, privatization and the globalization of markets have all contributed to strengthening business. In fact, whether we agree with it or not, the state has worked to overcome many of the impediments to growth and profitability business was facing. Here in Canada, for example:

- the deficit is gone;
- interest rates are at record lows;

- inflation is well under control; and
- taxes have been moderated and are on the verge of going down.

There is no doubt that business has gained from all of these conditions and will continue to do so.

What this growing economic strength has also given business is a great deal more clout and influence in shaping the future of our communities and in determining the economic and social progress of our societies.

It is very encouraging to me, therefore, that the whole idea of corporations having a social responsibility – connected to, but distinct from their responsibilities to their shareholders – is one that is gaining more and more credibility every day.

That is something the people at the Centre for Philanthropy perhaps know more about than the rest of us. I understand the IMAGINE project now has some 450 companies committed to investing at least one per cent of their pre-tax profits in the voluntary sector.

This a great example of how the voluntary sector itself is taking the initiative.

I also want to mention the important work the Centre is doing to get more young people involved in voluntary activity and also its partnership with the Government of Canada on the nationwide survey of voluntary activity, the most comprehensive survey of voluntary activity ever undertaken. The information is absolutely essential for all of us as our new partnership develops. It is also essential to “telling the story” to all Canadians about the important role the voluntary sector plays in our society.

The Centre is already at the forefront – working with the private sector, and working with government to create a new force for social action and social change.

“Post-Ideological” World

The great battle – between socialism and communism on one side and liberalism and capitalism on the other, has ended and liberalism and capitalism have won. Freedom – economic and political freedom – has won. And in this “post-ideological” freer world, corporations are no longer just national and international players, they are transnational – moving relatively freely within and across several jurisdictions. In my view, globalization means that there are now essentially two worlds.

The first is the traditional international order, made up of states and governments. The second is the emerging one that is made up of an almost infinite

number of actors who have a capacity for international action that is quite independent of governments. It includes corporations, and it also includes many NGOs and voluntary groups that have grown in size and legitimacy as advocates and activists for a host of issues from the environment to the protection of children; issues that transcend political boundaries and that are important to us as human beings, not just as economic entities, and not just as citizens of a particular country.

A New Governance for a New Era

In my view, this new world order that is developing in the post-ideological world – characterized by greater freedom for business, the growing influence of other international actors and the displacement of traditional state power – compels us to redirect our political thinking toward a new kind of governance.

I believe that those of us in the corporate sector and government have to demonstrate that we deserve our victory over socialism. We have to demonstrate that we are willing to put more effort into caring for the people in our workforce, for the people we serve, for the people on whom our actions have a direct impact and for humankind around the globe. In short, we need to humanize globalization. And we have to show that liberals can do that without resorting to the counterweight of a socialist threat.

To do so, we need to break free of the rigid definitions of our respective historical roles. For years, our debate has revolved around political passions. It has been about individual justice and freedom, about the fair distribution of wealth, about the belief that an impartial system of justice provides the maximum protection for the individual.

In the age of industrial capitalism it was a relatively straightforward argument. The pie was a certain size. The argument was about who got which piece and whose piece would be larger or smaller. The argument was what some saw as a contest between the left and the right, between the exploited and the exploiter.

But globalization has sidestepped the old ideological debates. It has brought us the new phenomenon of financial capitalism. Today, the economic pie is certainly larger – but its ingredients have changed. The old measurements no longer apply. Plants, factories, machinery – the physical basis of wealth in industrial societies – are less securely distributed.

Capital is more mobile than ever before. Businesses change rapidly and move quickly from place to place to take advantage of new opportunities. When they do, people can be excluded entirely – suddenly finding themselves with no job and no immediate prospects. Being excluded is a lot more damaging than

being exploited. Even if you were working for a low wage, you at least had a wage! Being excluded saps your confidence, your belief in yourself, your self-worth.

As a society, we must be prepared to respond to these changes, and we must do so sooner rather than later. We must do a better job of anticipating the changing demands on individuals that globalization brings. We must do a better job of anticipating people's needs – in much the same way as we anticipated the needs of our businesses to grow and prosper in the new economic age. What is most important, we have to do this together – as governments, as voluntary groups, as businesses – if we are to overcome the long-term damage that exclusion can bring.

I think most Canadian would agree that we cannot subordinate everything to economics on the pretext of meeting the challenge of “globalization” and the development of the new “knowledge economy”.

Investments in our human resources (in training and retraining and in skills development), investments in health policies, and investments in other social development policies are not charitable donations to those society has left behind. They are the necessary investments governments, the voluntary sector and business must make to give every Canadian the opportunity to become a contributing member of society.

We need a new balance between the state and the marketplace that will not only allow the economic winners to continue winning, but that will also provide the means by which everyone has a chance to become an economic winner. And when our efforts to make it possible for everyone to become an economic winner are not as successful as we wish, we need mechanisms to redistribute some of the wealth created by the extra efficiency of our movement to a global system.

A New Ethic of Care

It is primarily for these reasons that I believe that the ethic of justice – an ethic concerned with individual rights, fairness and entitlement – will, more and more, be replaced by a new ethic – an ethic of care.

Our political debates are already moving to ethical passions and discussions about human values that not only transcend national boundaries but that also, in many ways, transcend the reach and scope of individual governments.

As we move beyond the old ethic of justice and entitlement into an ethic of care, government needs partners. Government itself can no longer claim sole responsibility for all the needs of its citizens – even the most urgent ones. This

is a major societal change, a major change in how our civilization will develop in the future.

Who better than the voluntary sector to help lead us and lead the business sector in making these changes in our society! After all, the new ethic is the sector's ethic. It is the ethic of caring for our fellow men and women – quite independent of entitlement, which has been the government's ethic. Equally important, the voluntary sector has the ability to go where government cannot – and perhaps should not – go to fulfil the needs and aspirations of its citizens.

Beyond Entitlement

Let me give you an example.

Over the years, government has developed programs of support and assistance based on certain restated criteria. These criteria are set out in the language of rights and entitlement. (Before we go any further, we must acknowledge that it is states themselves that have been largely responsible for the creation of the language of entitlement.) In the search for fairness and justice, our programs have all been based on strict bureaucratic rules, rules that apply or not depending upon the government's definition of need.

Of necessity, the criteria for determining who qualifies for what program have been rigid and legalistic. It can be argued that this rigidity itself has slowed down our progress toward directing our support to where it is most needed. Of course, administrators and bureaucrats need objective criteria to apply programs – they have to follow the law.

In order to eliminate all possible political intervention or favouritism, we have closed all the loopholes. But in so doing, we have also limited our “margin of manoeuvre” – the flexibility we need to respond to human needs that do not always fit our legal definitions.

One of the primary reasons the federal government worked with the provincial government to make changes to the Child Tax Benefit was because the rigid sets of rules established regarding entitlements to provincial social assistance programs were a real disincentive to people to rejoin the workforce. For many, taking a job meant losing money and benefits for themselves and their children, instead of increasing their income. It didn't make sense. The new benefit will change that to ensure that people don't lose income when they move from social assistance to the workforce.

I am pleased to say that we are also working closely with provincial and territorial governments and with members of the disability community. Our goal is to develop a better strategy that will reduce some of the rigidities in our

approach and help more Canadians with disabilities become full participants in our economy and our society.

But we certainly have to do more at every level, including within my own department of Human Resources Development. A recent example from my department is perhaps a good illustration of what I mean when I argue for a new partnership for a more human and more humane governance of care.

A young woman applied for Employment Insurance Benefits because she was out of work. Unfortunately, she was three hours short of the minimum hours of employment required for her to be eligible for any benefits. She lacked those three hours because she had had to attend to her child who was sick in the hospital. Right now, officials have no choice but to turn down her application. Naturally, we all understand the need to follow regulations and to meet program objectives, but that is no comfort for a young woman in need of support.

In the society I hope to contribute to building, we could provide the necessary flexibility for someone like that young woman.

As the department that has most of the responsibility for the social and human face of the Government of Canada, we need to re-examine the way we interpret certain guidelines to make sure that we are as flexible as possible. We also need to ensure that people are better informed of the rules that apply to them. In addition to asking the members of my department to hold more seminars and public information sessions, I have also asked them to review the way we handle cases such as this to ensure that everyone is being treated in a compassionate, fair and equitable manner and that all avenues of support are explored.

But such cases cannot always be dealt with by government. Sometimes the needs of an individual cannot be matched to a particular government program.

That is why I am talking about a more conscious and more deliberate partnership between government and the voluntary sector. When legalistic and administrative limitations make it impossible for us to intervene, government should be able to turn to its established partnerships in communities across the country to take over and assist people such as the young woman just mentioned because, as a society, we want to give her and her child the best possible chance for a decent living and the best possible chance to take advantage of all the opportunities for growth and development this country offers all of its citizens.

And when I talk about a new ethic of care, I do not mean for a minute that we suddenly no longer believe in justice or entitlement. What I mean is that it is

no longer “enough” to simply talk about meeting the rights of the individual in the strictest legal sense.

We need to move beyond considerations of what people may or may not be entitled to, or have a right to under the law, into considerations of what people need to survive, to flourish and grow.

The Third Way

These are questions that many governments around the world are now struggling with. Prime Minister Blair in Britain, President Clinton in the United States, Prime Minister Jospin in France and now Chancellor Schroeder in Germany are all progressive political leaders of a new generation; leaders who are trying to identify a Third Way for society that both anticipates and responds to global change. We all agree that we are in a “post-ideological” world.

I have a very deep conviction that our country, Canada, is the best equipped to identify this Third Way for the next millennium. My conviction is based on two important historical observations.

First, I think we tend to forget how much our “northernness” has shaped us. We have learned from Aboriginal peoples that in the severe conditions in the north, even the strongest individual has to co-operate to survive. Canadians know that. We know the necessity of co-operation and solidarity. Over the years, attempting to achieve harmony with our environment and harmony among human beings has become second nature to us – something for which we are known around the world.

The second is that we Canadians rejected the truisms that formed the basis for the creation of nation states in the 18th and 19th centuries.

I strongly believe that we will invent a new way – a new kind of governance based on a new ethic of care – that will be a beacon to the rest of the world in the 21st century.

Canada – A Passion for Balance

I believe we will lead the way because we are truly a country unlike any other; a country that refused the 19th century model of the nation state in which minorities were assimilated, minority languages denied and differences crushed.

We are a pluralistic country, a country built on two languages with an attitude of accommodation for all other cultures – a mosaic. Our history is one of accommodation, of inclusiveness, of tolerance for differences, of caring for people in need, of compassion for the disadvantaged, of welcoming people

from around the world, of seeing the value in constantly working to strengthen our human and social capital.

In Canada, there is no “one” language and no “one” culture and no “one” religion.

Instead, we have developed a form of citizenship that is political rather than ethnic. We define ourselves in terms of our shared belief in certain values: a respect for every person’s unique qualities, a common concern for justice, a sense of proportion in the use of power.

This is the “Canadian Way”. It is what I call a “passion for balance”.

The Social/Economic Link

For Canadians:

- prosperity without equity makes no sense;
- a coexistence without solidarity makes no sense;
- power without a counterbalance makes no sense;
- riches without generosity make no sense;
- diversity without sharing makes no sense.

Trust and Confidence

The American writer and analyst Francis Fukuyama says “high trust” societies will perform well in a new era of globalization. Very briefly, what he means is that for several different religious and cultural reasons, in many countries a level of trust develops among people that allows for economic relationships outside the family. This may seem like an odd observation, but societies that have historically lacked that essential trust among their people have not prospered as well as others.

Canada must become even more a “country of trust”.

By that I mean we must develop a stronger basis of trust that goes beyond the impartial system of laws that protect us when we enter into business dealings and other legally defined relationships with one another.

We must strengthen the fundamental trust that has given us the confidence to carry on our businesses and our lives. This trust that has allowed us to build a large, complex and strong economy and has also allowed us to build a large, vibrant and multifaceted voluntary sector which has become an integral part of our society.

In the eyes of the world, Canada is the model for a new kind of governance that overcomes the ideological dogmatism of the right and the left, both of which are obsolete. We Canadians have a reasonable and carefully considered attitude that will allow us to realize great social, political and economic ideals.

Conclusion

As the world has changed, we have changed with it. Sometimes we have anticipated change and adjusted ourselves in time, and sometimes we have not. I believe that now is one of those times in our history that we need to be ahead of change rather than behind it.

We need to build new relationships with those in the voluntary sector and in the business sector who want to help create a world where values count, a world where the full range of human achievement is encouraged, a world that offers every person countless ways to realize his or her own potential.

Canadians want us to work together on their behalf and when I see groups such as you coming together to forge new partnerships to help make that happen, I know we will not disappoint them.

So let us come together and dream new dreams for this country.

Let us summon the great generosity of spirit that inspires millions of Canadian volunteers in communities across this country.

Let us not be afraid to reach for higher goals for ourselves, for Canada and for Canadians.

Let us together present a new vision to Canadians. A vision in which all parts of our society will show a willingness to share the responsibility for creating a better future for all of us.

Let us not be afraid to trust one another.

And let us show the world that Canadians have the confidence to build an even stronger, more compassionate and caring society.