GOING, GOING, GONE: DISMANTLING THE PROGRESSIVE STATE

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Now that some time has passed since the March 2012 federal budget, it might be useful to step back and assess what it says about where the government is taking us. Reaction has been pretty muted. The "centrist punditry" generally saw this as an incremental budget, business as usual, "balanced" and "mature." For Globe editorialists, for example, this was not the transformative budget the government promised and a majority government supposedly made possible. According to them, the budget was OK; it earned a passing grade but had no vision, not much transformation (A prudent, conservative budget from Harper and Flaherty, 2012). Canadians, according to one poll at least, did not much like the budget but also found it benign (Postmedia News, 2012).

No matter how often the government tells us it is changing the game, we seem reluctant to believe it. To some extent the apparent indifference can be attributed to the success of the time-tested techniques of strategic leaks and hints of even more drastic measures. Apparently that trick never gets tired; we are always relieved that things are better or at least not as awful as we were encouraged to believe. And of course, cuts to the public service probably always play well – this is easy politics, if costly policy – and scant detail is provided on the implications of those cuts for citizens. What information we get is in dribs and drabs and so we still don't have an overall view. And budget debate was to some extent eclipsed by serious allegations of voter suppression, electoral misconduct, and misleading Parliament and the electorate on the costs of jets.

Governments rarely move an agenda through big dramatic acts such as the Patriation of the Constitution and the creation of the Charter, or the great Free Trade debate, or the 1995 austerity budget, all dramatically visible, divisive, and fiercely debated. Rather, a government's agenda, even if it represents profound change, is more often achieved in increments, small steps, which gradually reshape what we perceive as acceptable and normal. Often it is only in retrospect that we get a sense of how far we have moved, how much what is in Overton's Window has changed, how far "the centre" has shifted. The danger, absent debate, is that we will sleepwalk into the future, that a very different Canada will have crept up on us, a Canada we would not have chosen.

Smashing the progressive state

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. Some conservative pundits have been continually disappointed in this government for its readiness to spend for its purposes or to intervene in the market when it suits. No, this is more about redefining the purpose of government and undoing, brick by brick, in the slowest of motion, but inexorably, the institutions and programs built over decades following the Second World War, by governments of quite different stripes.

Some will say that the cuts in this budget are not big enough, deep enough, or sufficiently targeted to justify such a conclusion. After all, the cuts in the mid-1990s were deeper and unquestionably consequential. And today's cuts do come after a few years of sharply increased spending. But these arguments obscure the differences between now and the 1990s, when there was a broad consensus that we were in a dangerous fiscal crisis, over a third of every tax dollar was going to debt servicing, and taxes were much higher. And whatever one's views of that period of austerity, and there is much to criticize, cuts were treated as a necessary evil; witness how quickly after achieving a budget surplus that money was poured back into health transfers, science and education, child benefits, and infrastructure. And yes there were tax cuts – huge tax cuts – which reinforced the growing anti-tax, small government rhetoric, but at least they were funded by budget surpluses and not increased borrowing.

The current government inherited a double-digit surplus that created room for transforming outdated programs, considering new investments, helping struggling provinces, responding to crises, and lowering taxes. There was no spending crisis. And while we have a deficit now, it is relatively smaller than those of our colleague countries – we are certainly not Greece – and the service charges are nowhere near where they were a decade ago – this is not the 1990s. This deficit was caused by deep and unaffordable tax cuts, necessary and inevitable recession spending, which is now finished, and increased spending in some areas such as the military and security apparatus, punishment of criminals, and layers of bureaucratic control.

No, this round of cuts is not the result of a fiscal crisis. It may rather be exactly what the government has told us, a milestone in transformative change. Monte Solberg (2012), an ex-Cabinet Minister for the current government, and generally a moderate voice, gives us a glimpse of the new contract between government and citizen this budget implies:

> Thursday's federal budget was another important step in fulfilling Stephen Harper's hidden agenda of making Canada recognizable again.
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> For 40 years "progressives" called the shots in Canada, and their influence affected and infected everything. They left big bruises on the economy, social policy, immigration, the armed forces, law, foreign affairs, cultural policy and, of course, the Constitution. Much of the Canada that we grew up with was indiscriminately swept away, good and bad alike.
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> Well, maybe not completely swept away. That old middle-class Canada could still be found hanging around Legions, hockey rinks and the kind of coffee shops where the only coffee they serve goes by the name "coffee." But make no mistake – that Canada had been kicked to the curb and anyone who believed

> in it was expected to shut up and pay their ever-increasing taxes while their progressive masters turned their country inside out. …
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> Anyway, that whole way of thinking must be smashed and Flaherty has made a start on it, but only a start. By definition, prudent governance means that cutting ineffective programs should be a yearly occurrence, not a once-in-20-year event. …
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> In the end, paring away unnecessary positions and programs is about much more than just balancing budgets, efficiency and making accountants and economists happy.
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> Really, it's about showing a little respect for those regular people who like the old Canada and just want Ottawa to live within its means, and to stay out of their face and wallet. (paras. 1–18)

Solberg suggests that the cuts to spending are part of a new vision, and that the budget does indeed contain real transformative change. I agree. These changes go to the heart of our sense of this country and need to be debated. The transformative change to Old Age Security, for example, will have an impact on the poorest and the provinces will have to pick up the pieces but it affects only the next generations of retirees and so slips by. The federal withdrawal from health care policy and the transfer of more of the responsibility and risk to the provinces could have profound implications for our public health care but the changes do not kick in for a few years. And again slip by. But the federal withdrawal here signals big change indeed. The federal government seems to be retreating to a much narrower Constitutional set of responsibilities. Gone, apparently, is the cooperative, and yes sometimes combative, federalism that built the progressive state. The process was messy, imperfect, many were left out, but the results, Medicare and the social safety net, did become part of our shared citizenship. The national child benefit, employment insurance, student loans and grants, investments in university research and science, the OAS and Guaranteed Income Supplement, which along with the Canada/Quebec Pension Plans helped to almost wipe out poverty among the elderly, all these are part of this social citizenship – what each citizen could expect no matter where in Canada they lived.

As John Ibbitson (2012) wrote, though I think approvingly, this budget signals to Canadians that they should expect less from government or at least from Ottawa. The consequences of such a shift are never immediate or obvious; they are subtle and slow burning, inevitably hitting the most vulnerable first and hardest. Writing of the consequences of similar cuts in the U.S., Paul Krugman noted that when the federal government seemed incapable of responding well to Katrina, few linked that to the cuts to government operations decades before – but the link should be made (Krugman, 2005). If we want to imagine the consequences of crushing the progressive state and who benefits and who does not, we might want to have a look at the twenties, a time of massive inequality and personal vulnerability, which presaged the Great Depression.

But what is clear even now is that these cuts imply 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 long arms – and less will be provided in services and entitlements. Take, for example, the pick-and-choose approach the government has adopted in standing up for Canadian citizens abroad facing the threat of capital punishment. Part of the progressive state that Solberg wants "smashed" is the notion of shared citizenship that came with these national programs. While that state was being built, Canadians had new reason to engage in national politics and a vibrant civil society developed around this. And this strong civic society, engaged citizens and non-governmental organizations, changed and enriched our understanding of democracy, always pressing for improvements, giving voice to the powerless, and demanding collective action on new and emerging challenges. Is this too to be smashed?

I have not gone through every page of the budget or subsequent announcements to chronicle every cut to public information but even a partial list tells a story. Gone – the National Roundtable on the Environment and the Economy. Established by Prime Minister Brian Mulroney, this was the only agency devoted to engaging experts and the public on sustainability. Gone – the First Nations Statistical Council. Still relatively new, this agency recognized that aboriginal people are often underrepresented in the census and that systematic information is essential to aboriginal communities to assess needs and what is working and what is not. Gone – the National Welfare Council. For over 40 years this agency produced essential information about the poor in Canada, about the working poor, and child poverty and women in poverty. It was the only federal agency of its kind and is and has been an enormously valued source of information not readily available and all too easily ignored. Long gone – the mandatory long form census and several other Statistics Canada surveys. The United Nations urges all developing countries to establish a national independent statistical office because we have learned how vital credible and publicly available information is to democracy. This budget ushers in yet further cuts to Statistics Canada. Not yet gone but under continual assault – the Parliamentary Budget Office created by this government to help Canadians, through their parliament, to hold governments to account for how they spend. Long gone – the Law Reform Commission that no doubt would have provided a trusted independent challenge to the claims behind the government's *Omnibus Crime Bill*. Going – research essential to food and environmental monitoring, to First Nations and Inuit health, the CBC,[2] and who knows what else.

It should be said that every government has been annoyed by these kinds of agencies. They produce information that allows citizens to take governments to task, to demand more or better. They help citizens to better understand their shared needs, to assess, independently of the latest government spin, what is working and what is not, to participate in solutions. They help citizens to hold their governments to account. No doubt every government has wished, at least from time to time, that one or other of these organizations would just disappear. But independent and credible sources of information, information not available anywhere else, are vital for a strong democracy and so they generally survived.

The budget also takes aim at another essential ingredient of a strong democracy, the charitable sector. Essential to civil society are the many non-governmental organizations that give voice to people otherwise not heard, including future generations who will inherit the consequences of what we decide. These organizations, which so often challenge and criticize, are never much loved by governments. They always struggle for survival. Decades ago governments decided to stop core funding, to limit funding to the purchase of services, to make it hard for charitable organizations to engage in advocacy. But they survived, even if weaker. This budget and some of the chilling rhetoric around it takes the next step, as environmentalists are treated as a bigger problem than climate change and non-governmental organizations are warned that they better be careful about their advocacy if they want the advantages of charitable status. This and the cut to the small but effective Court Challenges Program in a previous budget rob our democracy of the dissenting voices that give it strength. Remembering this cut is yet another way to acknowledge the anniversary of the Charter and the essential role it and an independent judiciary continue to play in creating the progressive state.

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. Little wonder that Margaret Thatcher proclaimed that there is no such thing as society. Little wonder that we ask so little of our citizens and provide less and less in return. But this hollowing-out of citizenship and civil society leads to an impoverished democracy in which we vote every once in a while if we so choose and otherwise retreat to our lives as consumers, producers, and private citizens. This leads to something of a paradox. With the weakening of civil society, we demand less of our governments and demand that government interfere less. Instead we are on our own and we look to government to protect us and our community and our territory from terrorists and criminals. But with the hollowing-out of civil society it becomes harder to constrain government, to protect civil and human rights when government does act, and so, in the end, government becomes more powerful and less accountable.

More democracy

So what is the alternative to the relentless decline of the progressive state? It is, at least in part, the demand for a more robust democracy, more transparency, not less, more public education and information, not misinformation and deception, more citizen engagement, not voter suppression, more diversity of views, not the chilling of dissent. It is the recognition that essential services have to be organized around the citizens they serve rather than be "marketized," converted to commodities sold to consumers who can afford them. Above all it means a renewal of our sense of the common good and our capacity for collective management of the future rather than retreating to our private interests and fears and surrendering our future to the vagaries of the market.

In many respects, this choice – more democracy rather than more markets – is a far more demanding path. It is much easier to say "let the market do its magic" or leave things to each community than to come up with policies that help shape our future. It is a hard sell to get people to believe that we can act together to achieve something better, that government can be a positive force if it is balanced by engaged citizens and a vibrant, independent civil society.

The pessimism about our collective capacity to make things better flies in the face of how successful interventionist governments, such as in Northern Europe, have been in improving the wellbeing of their citizens or how successful active governments in Canada have been in sharing opportunity and improving quality of life for the many not just the few. It also ignores the growing evidence that austerity and privatization are hurting economies, allowing inequality to grow at an unprecedented rate, and giving corporations free rein.

Nonetheless, there is no "big idea" that will fix everything. We are right to be wary of grand plans. We are right to be wary of promises that come with no price tag, that pretend that we can have Swedish levels of service at American levels of taxation. And we are right to be wary of hubris. We never do know enough to act with certainty. And we are right to be wary of promises that are always looking backwards, steeped in nostalgia for what worked at another time and only worked for some. All policy is a beta version that will inevitably have to be made better and be adjusted to the times, and progress requires that we learn from our mistakes – and stop over-promising. Taking back our democracy is hard work and comes with costs.

The path of more democracy is also a harder path because it can only work if we make greater equality a national priority; democracy cannot flourish in the face of extreme inequality – and inequality is on the rise.

Perhaps this path starts from outside our formal political institutions. That is, after all, where all big change starts. The path of more democracy, greater equality, is challenging for political parties for many reasons – because there is no single perfect answer, because robust democracy makes things harder for governments, because we will inevitably have missteps and each of those will be seized upon as yet another example of wasted taxpayer dollars and misguided hope that we can make things better. At a time when we have made a fetish of efficiency, the messiness of robust democracy comes with political costs.

We are seeing the extremes of this conflict between more market and more democracy playing out with horrific consequences on the streets of Greece and to some extent throughout Europe. We are seeing this play out more or less throughout the world and closer to home in the Occupy movement. In Canada, we have it pretty good, relatively speaking. We are not in crisis. That ought not to mean that we continue to drift to this impoverished view of citizenship, civil society, and democracy. This budget ought to generate a bigger discussion than we are seeing. We ought not to wait for crisis to take our democracy back. Canadians deserve an alternative. The growing political polarization recent polls are picking up suggests that Canadians want clear choices and many want something new (Graves, 2012). Perhaps the increasing number of young Canadians taking power into their own hands and rebuilding civil society will renew our sense of the common good, focus us on the future, and force the kind of reinvention that we need.

Notes

1. This article was originally a blog post by Alex Himelfarb, April 17, 2012.
2. See http://thenetwork.thestar.com .

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