



## DEMOCRACY IN PERIL

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*Biographical Note:* A graduate of UBC, Mike Harcourt has served the community in numerous ways; first as Executive Director of the Vancouver Community Legal Assistance Society, subsequently as Alderman and Mayor of Vancouver, MLA, and finally as Premier of the Province of British Columbia from 1991 to 1996.

As a social democrat in terms of my values and inclinations, I believe that our current democracy is in peril. We are facing five to ten years of difficulty in terms of our political system for four reasons:

- 1) The “demonization” of politicians.
- 2) The media, which I affectionately refer to as the “scrum of the earth,” have lost their way.
- 3) The interest and pressure groups believing that compromise is a dirty word. In other words, they threaten to destroy you politically if they do not realize 100% of their goal. This may be a fallout from the “me” generation, but it creates a serious problem in that it makes governing extremely difficult.
- 4) The predominance of the neo-conservative agenda. I do not have a problem with someone being neo-conservative, as diversity is the essence to our democracy and to our society. However, I would argue that for the last fifteen to twenty years, we have had a domination of the public debate by the neo-conservative agenda. This agenda, as I see it, has been organized through business and through many think-tanks in Canada who essentially have a neo-conservative agenda.

Because of these four trends that have been occurring Canada, I believe that we are moving towards a “rough patch” with our democracy being afflicted by these “viruses.”

Now, I would like to walk you through a test that I tried out

on about 200 Simon Fraser media students. I asked them to think about the reaction they have when they hear the word “politician.” Is it positive or negative? If your first reaction was negative, what was it? Very few had a initial positive response to this question, with about one-fifth thinking that entering politics would be positive. Next, I asked them how many were involved in community activities such as amateur sports, environmental organizations or church groups. My point with this exercise was to demonstrate the demonization of politicians that is occurring. Many politicians, prior to entering politics, are very involved, respected members of their communities. One minute, you are a leader restoring salmon spawning streams, running amateur softball, finding housing for the homeless, etc. and then you run for public office (to the horror of your family!) and you instantaneously become a “politician” about whom anyone can say anything!

One of the most liberating experiences I have had was when I did a Rafe Mair show on ‘NW radio to publicize my book, *A Measure of Defiance*. (Douglas and McIntyre, 1996). As an introduction, Rafe said: “I have the ex-Premier of BC on my show tonight, Mike Harcourt, who I call the ‘Grim Moaner’.” So I said: “How good it is to be back on your show, with your knuckle-dragging, anonymous cowards who tie up your lines all the time. Who automatic-dial the lines, so that they’re all tied up, so ordinary people can’t phone in.” About the third call that came into the show was some guy in Richmond who said, “you’re a liar, you’re a cheat, you’re a crook!” And I said, “And I’m retired. You’re a jerk, you always will be and you’re finished.” That was a very liberating moment for me.

The problem that you face as a politician is if you enter politics, people are suddenly able to say that you are a liar, a crook, and a cheat because these are traits that are generalized to all politicians. I am not denying that some politicians deserve to be criticized. Bill Vander Zalm did misuse his office and Brian Mulroney’s MPs did some nasty things that some are going to jail for. And Richard Nixon, I think we’ll agree, wasn’t one of the greatest examples of moral standards for the youth of the USA. But, I can tell you, and I sin-

cerely mean this, that 99% of the people that I met who were elected politicians were there for the right reason: to improve their communities.

We've had some fierce disagreements about how to improve our communities, but that is what democracy is all about. Public perception, however, is skewed into believing that all politicians are dishonest liars and crooks. This is amusing considering our MLAs make \$32,000 a year with this salary being frozen for the past six years. I have often been accused up "living at the public trough" through back pensions. So, I sat down and calculated what I was making:

- 1) I made \$40,000 a year as Premier, running a 30 billion dollar operation which is the fourth largest enterprise in Canada.
- 2) I worked a 60-hour week as Premier and then another 20 hours/week as MLA for my riding.
- 3) Per hour, my salary worked out to \$11.95.

At this sort of salary, it is very difficult to get good people into politics. Many of you may be trying to find candidates for the upcoming federal election and you may be having a very difficult time finding any interested parties. It is very difficult to get honest, hard-working, intelligent, committed people who would be good politicians to run for public office. Their first response is that it would be interesting to be in politics but once they weigh their options, they begin to see the consequences of an interruption to their career, business, family, and privacy. They see the grind that politics is: a lot of travel and wearing meetings. One of the reasons that I left the Mayor's office is that I couldn't stand another term of listening to Harry Rankin and George Puil at 2 a.m.! The life of a politician, therefore, is a grind. You are constantly dealing with complaints that people expect to have solved immediately. On top of that, you get abuse from the media and the public. It is no wonder that many good people are turning down the opportunity to run for public office. This creates a serious problem because if decent people won't seek public office, indecent people will. I don't have an easy solution for it, but I think that we need to have a culture change about the way in which we regard people who are involved in public office.

The second serious problem that is facing our democracy is that of the media. I have an old-fashioned view that the media are there to report and comment on the truth and the facts fairly. Somewhere along the line, the media lost their way. Instead of reporting and documenting, the media became “journalists” and began to report and comment. Many journalists have adopted the unfortunate style of what I call “search and destroy” journalism. It even becomes a game of how many politicians’ “pelts” can you get. This has become a problem that I have experienced personally. One incident was when Kim Emmerson at CKNW made up a story surrounding the disastrous town hall forum in which I was involved in February 1995. After the forum, a story was manufactured that I was in a conflict of interest because Ron Johnson, a well-known New Democrat, was receiving government advertising business through Now Communications. Because I was the Premier and he was a New Democrat, it was a conflict of interest. This came about because Kim Emmerson, the Bureau Chief in Victoria, and Jack Weisgerber, the head of the Reform Party, went to the conflicts commission and laid a complaint. The next day, Kim Emmerson approached me with a microphone asking what I thought about the conflict of interest charge. This a very good example of journalists making up the news rather than reporting it.

Not only was this method of reporting wrong, but also it took up seven weeks of my time as Premier, diverting me from taking care of your business. These seven weeks were filled with talking to lawyers, preparing transcripts, being interviewed, being sworn in and giving testimony. It took two days for Ralph Cline to be cleared of the allegations after the seven weeks of preparation. But even the clearing of charges is a problem. I think that the way the *Vancouver Sun* covered “Bingogate” and the Nanaimo Commonwealth Holding Society stories was an unfortunate bit of journalism. The worst part of this situation is that Ron Parks, the forensic auditor, indicated that he had never seen anything as complex as the books of the Nanaimo Commonwealth Holding Society and its related societies. Despite this audit taking place, the *Vancouver Sun* demanded, for months, that a judicial inquiry take place. Basic law, however, says

that you cannot have a judicial inquiry take place at the same time as an audit. Many other provinces that have tried it have had their inquiries tossed out. The law is very clear: a province cannot use its investigation powers to interfere with the criminal process. And yet, the *Sun*, who has access to many lawyers, refused to accept this law. They continually made it a test of my leadership by attacking my inability to carry out a judicial inquiry while the audit was taking place. It should have been their responsibility to educate the public regarding how a judicial inquiry is carried out rather than attacking myself and the NDP. I think that the public was badly served by the *Vancouver Sun* during the whole process as they confused the events surrounding the Nanaimo Commonwealth Society and skewed the process.

The next item that I would like to touch on is the Vaughn Palmer “sting.” This latest sting is the Premier “Pinocchio” fiasco where Vaughn Palmer, last spring, leaked the worst case scenario of the five scenarios that you get when you prepare a budget as a cabinet. You have the very pessimistic, (there are always pessimists in a Finance ministry), the slightly pessimistic, the sort of realistic one, the slightly optimistic, and the very optimistic scenarios. Most of the banks and prognosticators were predicting a growth rate before the last budget was prepared of between 2.5 and 3.2 percent. The Royal Bank, CIBC, the Bank of Montreal, and the Conference Board were all picking those kinds of figures. The most conservative figure was chosen by BC Central Credit and that was around 1.72 percent. These figures seemed the most likely to be prevalent when the budget was being put together in January and February and then softened in April, May and June when the forest revenues were down. But a person in the Finance Ministry (probably the same person that leaked Elizabeth Cole’s budget information which almost cost her her job) leaked Chris Trumpy’s memo to the media which distorted the thinking that we were involved in as a cabinet in government. This person in Finance, however, leaked the most pessimistic scenario which Vaughn Palmer represented as the real budget scenario that had been hidden during the budget campaign.

Unfortunately, no one questioned them. No one questioned

that a civil servant had committed an illegal act; i.e. had broken their oath of secrecy by making available secret cabinet documents. No one questioned that Vaughn Palmer had misrepresented the information to the public. The public assumed that the government lied and the government's response of being polite was slow, inept and off the mark. They should have indicated what the budget was based on immediately rather than five months later.

This kind of mischief by the media can have a savage impact and it has created about a thirty second honeymoon for the new government. They have been on the defensive on this issue ever since. And it was a sting operation; it wasn't what happened. The public, however, believes that the current government consciously held back information and that Glen Clark cannot be trusted. After four or five months of "Premier Pinocchio," the media began to poll its readers asking if they thought the Premier had lied. Self-fulfilling polls came back and the media put "Most of the Public Think the Premier Lied" on its front pages. I am not relaying this to you as "sour grapes" as I have a good personal relationship with most of the media. I am bringing your attention to this incident as an example of the path that our media is currently following.

James Fallows also speaks to this issue in his book on the problems of the present media. Fallows was the editor of the *Atlantic Monthly* and is now the editor of *US News and World Report* and is attempting to make it into a decent publication. He has written some brilliant books such as *Looking at the Sun* which is about American misperceptions of Asians. His book, *Breaking the News*, is a brilliant critique of the modern media which I think applies to Canada as well. In this book, Fallows indicates that one of the problems we now face is that we can't trust a lot of what we read, see, or listen to. He quotes a poll in which 71% of the American people do not trust the media. This mistrust of the media combined with mistrust of the politicians creates a danger for democracy. If you do not have active, well-informed citizens who have some respect for the people they are electing and who believe that the information they are receiving from the media is honest, I think that we have a very unhealthy democracy. Due to this mistrust, I believe that it's going to

take a while to move out of the situation our society finds itself in.

This mistrust and unhealthy democracy was evident in the last U.S. election. Under 50% of the people in the U.S. voted for the U.S. president, the most powerful position in the world. Now, I'm not suggesting that we go to the Australian model where you are fined if you don't vote, but I think that this lack of voter turnout is a symptom of our problem. Another part of the problem surrounding our unhealthy democracy is media ownership. When Conrad Black owns 60% of the English language dailies in this country, and there are rumors that he is going to buy the *Times Colonist*, I think there is a problem. I think that it's a problem when one person owns the two major dailies in Regina and Saskatoon. The Canadian Competition Bureau, however, does not seem to have a problem with this.

In Vancouver, we also face this problem. We have four neo-conservative papers and the *Globe and Mail* which is a small 'c' conservative paper which has some good writers. I, however, don't agree with their point of view most of the time. *The Province* is a paper that you read on the skytrain and the *Vancouver Sun* calls itself a "paper of record." I don't agree. I think that it has become a dreadful paper and has lost the right to be a paper of record. One of its main problems is that it doesn't represent any other viewpoints. The weeklies also do not expose the public to other viewpoints. No matter what your political beliefs, I think that you should always be exposed to a variety of opinions. The way that you sharpen your own values and beliefs is to be exposed to other people's opinions and other people's perspectives. If you are not getting that, you are suffering from what I call "intellectual anorexia." I believe this is what we are suffering from right now because of the neo-conservative ownership pattern in the print, TV and radio media.

An indication of the "stepping over the line" that is occurring with our media is demonstrated by Southam and WIC broadcasting making donations to the Liberal party in the last provincial election. There were many journalists who were very ashamed of the impact that this had on them due to their lack of independence to report events in an unbiased manner. Because of this donation, they were seen as part of a corporate organization that was explicitly support-



ing one particular political party.

The third problem that we have concerns interest groups and I do not just mean the “yahoos” who broke through the legislature doors about four years ago. That group of people pushed down one of the elderly security guards, fractured his hip and crashed through the glass. This mindlessness is apparent in a variety of groups who all have zero tolerance. They want 100% of their agenda but our democracy doesn’t work that way. Some great writers such as Camus and Popper have written that a society needs to have a balance of individual rights and community values in order to function. In our society today, that is a struggle and that is why we have liberty. This concept of liberty revolves around the freedom to be able to do what you want as long as you don’t harm someone else. That is what democracy is all about: that constant balancing of individual and community values.

I, however, run into many groups who want to achieve 100% of their agenda. Take for example, environmental groups who wanted 100% of the Clayoquot reserved with no clear cutting of old growth forests. These environmental groups refuse to see the biological and safety reasons for clear-cutting certain species. It is very important for loggers to clear-cut in some areas due the interlocking canopies of old growth forests. In these areas (which are often called “widow-makers”) the loggers cannot go in and randomly cut trees because limbs may fall, come crashing down, and kill the loggers. Thus, these safety reasons dictate that clear-cutting is essential in these regions. Environmental groups, however, would like to stop any clear-cutting, close down the forest industry, kill 150 communities in the province, and seriously affect 20% of Vancouver’s economy. Vancouver lies on the largest clear-cut in the province and many people here depend on the forest industry. Thus, the no clear-cut position is a very difficult and unrealistic one.

Other interest groups are also operating on the 100% principle. Some people in the labor movement, who were focused on the fairer wages issue, wanted us to exclude any non-union workers and companies and have the government adopt the Construction Labor Relations Act (CLRA) rates. For legal, political and fairness reasons, we could not do that. I, however, still am verbally berated by my more vocifer-

ous friends in the labor movement who are angry that they didn't get the CLRA.

Another interest group that I have had to deal with is business. Business asked our government to get rid of the deficit and debt. We dramatically cut back on our increase in expenditures and brought in some revenue measures. The business community, however, was outraged when we brought in the Corporate Capital Tax. I agree that its an ugly tax, but it was brought in get rid of the deficit and bring our financial house into order and reduce the \$2.4 billion deficit from the previous government. Thus, we must restore a sense of give and take. Families operate that way and communities operate that way. I think that there needs to be a real evaluation of people who are pushing governments to do 100%. Life does not operate that way and it's straining our ability to govern effectively.

The fourth area that I alluded to earlier is the neo-conservative predominance in the politics of the media, finance and think tanks and the view that the market will solve all. The market does not solve all. The market is a very useful instrument to allocate scarce economic resources. But it doesn't measure things like a Love Canal, it doesn't measure air pollution, it doesn't measure the ghettos in the United States, it doesn't measure poverty, it doesn't measure inequality between women and men, and it doesn't measure the inequality that minority communities may face. The market is a limited mechanism, but the predominance of the neo-conservative ideology, I think, has been very harmful for the last fifteen or twenty years and has hurt tens of millions of people. There are 25-26 million unemployed young people now in Europe, and the American inner cities are turning into ghettos.

There is a prevalent idea, however, that is being put forth through the media that the market will solve all and that the government is bad. Behind Tony Parsons every day we see a debt clock that is clicking away. The Canadian debt is ever-increasing. This, however, is one of the great con jobs of the last five to ten years. The debt is real — don't get me wrong — and it has to be addressed. The question is how to address it and by whom. I was considered to be the third most reactionary member of the NDP caucus on the issues

of debt and deficit and I don't know whether it was because of my Scottish background or that I was mayor and I had to balance the books by law. Whatever the cause, I believe that the deficit and debt are real and that we have to bring them under control.

What has caused the debt and deficit? It wasn't social programs. In the U.S., it was Ronald Reagan. He quadrupled the debt in the U.S. from 1 trillion to 4 trillion dollars. A superb analyst and consultant, Kevin Phillips, has written books such as the *Politics of Rich and Poor* and the *Boiling Point* which describe how the middle class is being diminished and emasculated in the U.S. Phillips used to be Richard Nixon's key consultant and he helped to start the 25-year predominance of Republicans in the White House. He was enraged by what Ronald Reagan and George Bush did with their huge military expenditures, the massive bail-out of the Savings and Loan fiasco, the huge tax breaks, and the trickle-down theory to the top 1% of Americans. He was so enraged that he wrote the *Boiling Point*.

In Canada, Linda McQuaig has written a superb book called *Shoot the Hippo*. The "shoot the hippos" incident actually happened in New Zealand in the 1980s where to save money, the Labor Party shot the baby hippos in the zoo. McQuaig shows very clearly that our deficit and debt started to accelerate in the 1987-88 period because of John Crow and a fixation on zero inflation. Crow and others forgot what Graeme Towers and the original governors at the Bank of Canada viewed as the two pillars of the Bank of Canada: (1) to keep inflation in check, but (2) to see that there was economic development and job creation. Crow ignored the job creation issue with a tight money policy and a 2 ½ % interest rate spread between Canada and the U.S. This, combined with the Free Trade agreement, caused a loss of about 400,000 jobs. Also, the Canadian people's anger against the GST brought the economy to a halt. The residual effect of the loss of jobs is that when people are unemployed, they aren't spending, revenues aren't coming in, more people are going on welfare, and more people are going on unemployment insurance. It's costing governments more money and they're bringing in less revenue; therefore, you have deficits which become debt the following year.

This situation is where Pierre Fortain, a distinguished Canadian economist, and others think that at least three-quarters of the Canadian debt in the last 10 years has originated from. We, thus, should be talking about the deficit and debt and where it came from and what we're going to do about it and the impact of making deficit and debt reduction an end in itself rather than a means to an end. In my government, I attempted to get rid of the deficit as quickly as I could, on Tommy Douglas' advice, without putting health, education and social services in peril. Tommy Douglas' advice was that if you don't deal with your deficit and debt, then the banks will come in. And the bank will come in! The first thing the bank usually does, unfortunately, is cut back on social programs. Because these programs are very important to social democrats, it's a very good political reason to deal with the deficit and debt. But I think that the neo-conservative predominance in the public debate has led us to do a great deal of harm to the ordinary working people. The questioning of Medicare has led to a two-tiered system, and the questioning of public education is leading to chartered schools. A chartered school means that there are private schools for rich kids in rich neighborhoods and a dumping ground for the rest. That's the level of the emasculation of the public debate and I think that's very unfortunate for our democracy.

In summary, as someone who received a great deal of satisfaction from being elected nine times in a row over 24 years, I have enjoyed myself immensely. I hope I have had a positive impact on our city and province; therefore, I don't leave politics an embittered, twisted soul. I am concerned that over the next 5-10 years, we are facing a series of viruses affecting the health of our democracy. These viruses are the demonizing of politicians, the media having lost its fundamentally important role of reporting and commenting fairly and representing the broad range of opinion that exists in our pluralistic democracy. I think that zero-tolerance interest groups have got to stop saying that compromise is a dirty word. And, I think that we need to have a broader scope than the neo-conservative predominance in the media. We need to have new newspapers, new TV licenses, new radio stations, new think tanks, and new media watches.

There is a gap on the centre-left for left-liberals, for red Tories, for social democrats, and for people in the National and Green parties. There is a gap that I think is just crying to be filled. I think it will, but it's going to take a few years. I'm not going to be doing it; I've done my bit of cold church basements and legion halls. But I think that it needs to be done. I hope that the imbalance will be corrected.

**INSTITUTE MEMORABILIA**

