

# THE LAST POST

APRIL 1977/75 CENTS

TRUDEAU,  
LEVESQUE  
WOOL THE U.S.

## RACISM, THE CANADIAN WAY







AIGLIN 77



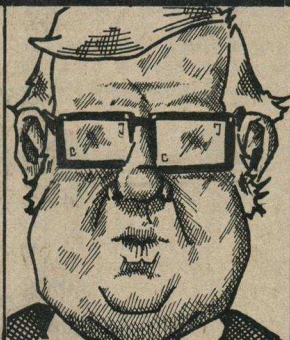
THE LAST  
POST

April 1977, Vol. 6, No. 2

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We wish to thank the Ontario Arts Council for its financial assistance under its periodicals program.

The Last Post is produced by an editorial board.

Production this issue: Nick Auf der Maur, Patrick Brown, Rose Brown, Drummond Burgess, Bob Carty, Robert Chodos, Winston Gereluk, Mike Graston, David Lloyd, Patrick MacFadden, Terry Mosher, Rae Murphy, Ernie Regehr, Malcolm Reid, Thomas E. Reid, Ken Rubin, John Stone, Bob Trotter. Cover photo: David Lloyd.

Published by the Canadian Journalism Foundation, Inc., 454 King St. W., Rm. 302, Toronto, Ont., M5V 1L6. Phone: (416) 366-1134. Address all editorial and business correspondence to the Last Post, 454 King St. W., Rm. 302, Toronto, Ont. M5V 1L6. Montreal address: 4233 av. de l'Esplanade, Montreal, Que. H2W 1T1. Managing Editor: Drummond Burgess. Business Manager: Elsie Murphy.

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# Letters

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## No correspondence

### Dear Last Post:

Given your widely recognized standards of accuracy, I am sure that you will permit me to correct an error which appeared in Mr. Patrick Brown's account of the recent dispute between Mr. Conrad Black and myself. Your reviewer wrote that "he [Cook] was asked to comment on Black's McGill thesis of 1973, did so in unflattering terms, and that those comments were passed on to Black by the Dean, who in turn passed Black's reply to Cook, and so on."

I have received no correspondence between Mr. Black and the Dean of the McGill Graduate school, or between Mr. Black and anyone other than the editor of the *Globe & Mail*. Apart from an acknowledgement of receipt of my appraisal of Mr. Black's thesis, I have received no communication, written or oral, from anyone, living or dead, at McGill or anywhere else, concerning my appraisal of Mr. Black's M.A. thesis.

I might add that your reviewer is also mistaken in referring to Mr. Black's "privileged access to the archives of Duplessis' private papers." Others have been allowed access to those papers, something which an informed reviewer might have been expected to know.

Ramsay Cook  
Toronto

## Down by the riverside

### Dear Last Post:

Robert Chodos has written a most useful, carefully compared review of four books dealing with nuclear power. In view of the more and more urgent need for public information and concern on this subject, I was on the point of raising a small piece of bunting in celebration when I came to the last few paragraphs and was jolted back to "reality."

Since reality seems to have lost its bearings quite remarkably in the context of Mr. Chodos' concluding thoughts, I would like to contribute the following quote from the group study "Moving

Toward a New Society" (New Society Press, Philadelphia).

"An economy dominated by large, private, profit-orientated corporations cannot deal with the basic injustice of the U.S. (and Canada) using up such an inordinate portion of the world's annually consumed resources. Such corporations seek to grow and to become still more profitable, and they use mass advertising as a basic method of creating a high level of consumer demand for their ever-larger flow of products. This stance not only heightens the dichotomy between rich lands and poor; it also adds ever-increasing amounts of pollution to air and water. In a better economic system, the value stress will be on personal simplicity and on compassion for those who suffer from lack of life's necessities anywhere in the world."

So it's back to the river, Mr. Chodos — if we can still find one that is clean enough to wash our clothes in. And actually I'd far rather share such an experience with you on a pleasant river bank than with my Maytag.

Mary Cox  
Fanny Bay, B.C.

## Economics of nuclear power

### Dear Last Post:

With respect to "nuclear realists" (*Last Post* March '77 p.42), one statement in Robert Chodos's review intrigues me: "He (Commoner) argues that the economic advantages of nuclear energy as compared to other methods of electricity generation are not increasing but diminishing, and predicts that sometime in the 1980s it will become more expensive to generate electricity by splitting uranium atoms than by burning coal."

This appears to imply that it is now cheaper. I have no reliable figures on this and can assume that most of them will be as loaded as the reactors themselves, depending on the cost-plus accounting and the factors in the equations used. But I suspect that with any really honest accounting, it is more expensive, even without building the reactors 200 feet underground as some scientists now recommend.

Waste disposal alone represents costs that could become astronomical. In Germany experts are now talking of a central underground dump costing as high as ten billion marks (\$four billion), if indeed citizens can be persuaded to allow underground dumps anywhere where people live. According to a recent

CBC news item, plans to dispose of atomic waste at a depth of 3000 feet met with fairly massive resistance from citizen's groups. All this surely is a part of the cost of nuclear power.

I am inclined to think that the whole nuclear power game parallels the railway boom in the 19th century: there is more money to be made in building them than in operating them.

Jordan Bishop  
Big Pond,  
Cape Breton

## Nuclear power Malthusians

### Dear Last Post:

I would like to address the following critical letter to Robert Chodos concerning his nuclear energy review in the March issue of *Last Post*:

Your review, "Nuclear legacy of the realists", was disappointing. In giving a favourable account of the anti-nuclear energy thesis, you wonder how "well intentioned and competent scientific and technical people" could have started down the nuclear energy road given all the horrible dangers. What an ingenuous question! The answer is obvious: the scientists and technicians did not and do not believe that fission energy is any more dangerous or polluting than any other industrial process. In fact, they consider it rather less dangerous than many of the others. I agree.

The opposite question might as easily be asked: why do well-intentioned and competent scientific journalists write books attacking nuclear energy? The answer is that none of them are thoroughly competent and some of them are not even well-intentioned. Your comment on Knelman's anti-technology philosophy ("I remain unconvinced that it is better to wash clothes in the river than in the family Maytag"), which is surprisingly positive, should have led you to question Knelman and Co.'s intentions.

For these people, attacking nuclear energy is only the currently most popular sideline in a general assault on any form of socio-economic progress. They are an important part of the world Malthusian revival, led by the bankers' Club of Rome. The crimes against the environment committed by the monstrous automobile companies, for example, are ridiculously small compared to what will happen to our environment if these anti-industry people get their way. The Carter Administration, run by finance-capital's Trilateral Commission



(see *Le Monde Diplomatique*, November 1976), will soon show us just how hideous our future can be.

Nuclear fission power by itself is a very limited energy source. It need only be used as a transitional form to commercial development of nuclear fusion — which has none of the physical, ecological or economic dangers of fission. Regardless of what happens in the West, the USSR will have operating fusion

plants by 1990, perhaps sooner. A fusion-based economy could easily eliminate 90 per cent of the wastes produced by *all* industries — including, by the way, those produced by fission! It is a technology with an almost unlimited flexibility. It is not difficult to check out this information, but you will not get it from Barry Commoner. The Malthusians of the late 20th century want to prevent us from developing fusion, the same way

the original Malthusians tried to prevent our predecessors from developing coal.

If we believe Ralph Nader or James Schlesinger, "the family Maytag" is finished. Those who choose to wash their clothes in the river will find it clogged with the remains of those who didn't survive the transition to woefully inadequate solar energy.

Kevin Henley  
Montreal

## KEEPING POSTED

photo: Gary MacDonnell

**'THIS IS REALLY HIGH COTTON  
ISN'T IT?'**



The Trudeau visit to Washington led Rosalyn Carter to remark at one point that it was 'really high cotton'; but the real high cotton may have been in New York

by Robert Chodos

*"In what other two countries in the world could there be reproduced the scene of tens of thousands of people in a Montreal baseball park identifying totally with one team against the other, forgetting all the while that every single player on each is American, and a similar scene in the Washington hockey arena where thousands of spectators identify totally with one team against another, forgetting that virtually every player on the ice is Canadian."*

— Prime Minister Trudeau, in his speech to the U.S. Congress

There was another scene, rather more extraordinary than these, that Trudeau did not mention. This was the waging of Canada's federalism-versus-separatism battle primarily on American soil, and particularly on Capitol Hill and in the Grand Ballroom of the New York Hilton. The Prime Minister won applause from the assembled Congressmen and Senators for his remarks about baseball and hockey. But by the other spectacle, the political one, Americans were, understandably, somewhat bemused.

To a large degree, the choice of an American locale for the first skirmishes in the battle reflected reality, for as the issues have been defined by both sides, it is largely in the United



States that the ultimate outcome will be determined. If Washington cannot intervene directly, Wall Street can, and will. The Parti Quebecois promises not only independence, but orderly independence. And the corollary of that is a continuing flow of American investment money into Quebec and a continuing willingness on the part of Wall Street to lend money to Quebec at what are considered reasonable rates.

Perhaps the most important piece of hard news to come out of Premier Levesque's visit to New York was the announcement by Moody's, the bond-rating firm, that it had started a study of the relative economics of Canadian federalism and Quebec independence. Quebec City and Ottawa are, of course, carrying out similar studies, but to a greater extent than either of them, Moody's has the power to enforce its conclusions.

### Businessmen can't deal with uncertainty

If American investors could be told that, say, Quebec would become independent on January 1, 1981, with a republican constitution and a mildly social-democratic form of government, and leaving behind a united English Canada dominated by Ontario, then separatism would hold few terrors for them. Businessmen can deal, or at least think they can deal, with almost any eventuality as long as they know it's going to happen. The most complex political developments are reduced to interest rates and basis points. What businessmen cannot deal with, and do not even pretend to be able to deal with, is uncertainty. This leads to considerable worry on their part, since not many things in the world are, in fact, certain. As Bernard Landry, one of the brightest and most articulate members of Levesque's almost cloyingly bright and articulate cabinet, has said several times, uncertainty is inevitable in a democracy. This is of course true. But it is not the sort of thing that businessmen like to hear.

Landry was the first member of the PQ government to visit the United States, preceding the premier to New York by a week. The occasion was a conference on the future of U.S. business in Canada, held on the 55th floor of the World Trade Center and sponsored by a Connecticut-based think tank called Probe International. Since there were no television cameras and the proceedings were off the record (although a report of Landry's speech appeared in the *Toronto Star*), he was able to say his piece in a much calmer atmosphere than that which surrounded his boss a week later.

Unlike the audience that heard Levesque, the 40-odd participants at the conference who with one exception represented large and medium-sized American business (the exception was one R. L. Johnson, who was identified as "economist, Central Intelligence Agency"), were thoroughly charmed by Landry. Even his remarks about uncertainty did not detract from the favourable impression. For the consensus of the conference was that the prospects for investment in Quebec, and in Canada as a whole, were very uncertain indeed, that nobody knew what the rules were. To a greater extent than anyone else there, Landry went at least some way toward laying down the rules. After the conference, the representative of one American multinational said that on the basis of what he had heard he thought that business had nothing to fear from the PQ.

If it marked an auspicious beginning for the Quebec government, the conference held few comforts for Canada as a whole. There was general agreement that Canada was still the best foreign country in which to invest (followed,

according to one speaker, by Australia and, of all places, Peru). But there was also general agreement that this was not the point. As one economist said, the question was not Canada versus Switzerland but Canada versus the United States. In that comparison, Canada was falling further and further behind.

Landry's task was relatively simple compared to the one faced by Levesque in his speech to the Economic Club of New York at the Hilton on January 25. Ostensibly, Levesque was speaking to his audience of New York businessmen, and since it included most of the dons of the business community, from David Rockefeller on down, it was not an audience he could ignore. There were also Canadians in the audience, from Paul Desrochers, Robert Bourassa's former fixer, to Peter C. Newman, and Levesque had to address them as well. In addition, the folks back home were going to be watching the TV, and so Levesque couldn't say anything in New York that was grossly different from what he was accustomed to saying in Drummondville, St-Jean and Rimouski. He had to please everybody, and it was not surprising that he didn't.

A meeting of the Economic Club is, above all, a social occasion, and most of those in attendance are there as much to be among their own kind as to listen to speeches. But Levesque clearly had a certain novelty value, a commodity that was just as clearly lacking in Trudeau's visit to Washington the following month. Heads of foreign governments come to Washington all the time. But a premier who wants to pull his province out of Canada — this was news. Even the *New York Daily News* was moved to send a reporter to the Hilton, and although he never managed to come closer than "Levesk" in his attempts to pronounce the premier's name, he did manage to write a fair and accurate, if brief, report of his speech, rather less hostile to Levesque in fact, than the report in the *New York Times*.

### The Wall Street Journal paid most attention

But among the local papers the one that paid the most attention to Levesque's visit was, as might be expected, the *Wall Street Journal*, which on the day of his arrival made a lengthy backgrounder on the investment climate in Quebec its lead story. The average *Wall Street Journal* reader is, of course, not typical of the American population as a whole, and one of the ways in which he is different is that he is much more likely to show an interest in developments in Quebec, for the simple reason that he is much more likely to have money invested there. For investors, Levesque's visit to New York was more than a novelty. It was a chance to gather some intelligence about what was going to happen.

"There's not much Levesque can do to make things better," said an executive of an American insurance company that has invested heavily in Quebec for many years the day before the premier's speech, "but he can do a lot to make things worse." Judged in this light, the speech was not the disaster it was widely reported to be. It did not make things as much worse as it might have. Levesque opted to speak mostly to the home television audience, to say what he thought Quebecers would want to hear him telling the Americans. But there were also passages that were included for the benefit of the people in the Grand Ballroom:

"Many of you, in an audience like this one, are certainly aware that Hydro-Quebec, our great utility, is in the midst of vast development work on our northern rivers, than which nothing could be more indicated in this age of energy





Premier Levesque talks to Exxon Corp. chairman Clifton Garvin at Economic Club of New York dinner

shortages. Especially if we come to accept the common sense of many north-south exchanges like the one our neighbour and friend Governor Carey [who shared the rostrum with Levesque] was mentioning about Quebec - New York exchanges. In spite — and I quote his words — in spite of artificial lines.

“Since, some years ago, as minister of natural resources in Quebec, I was closely and personally involved in the creation of Hydro-Quebec as it is today, I am very pleased to observe that the financial community seems to recognize the high competence of Hydro-Quebec’s management and has never failed to provide financial backing for its projects. I am confident that this well-deserved support will continue in the future. And may I add our government firmly believes Hydro-Quebec should be maintained at all times in a sound financial position.”

The Quebec - New York exchange Carey and Levesque alluded to is a deal according to which Hydro-Quebec will sell 800 megawatts of electric power during the summer months each year to the Power Authority of the State of New York (PASNY), a quasi-public body that is taking charge of an increasing proportion of the state’s electric generating capacity. The deal is, in itself, not startling. The quantity of power involved is modest: Hydro-Quebec generates a total of more than 10,000 megawatts, and another 10,000 will be added to that with the completion of James Bay. Moreover, because Quebec uses more electricity in the winter than it does in the summer, the power is surplus to it but highly valuable to New York, which has a summer peak. The deal also contains a provision for New York to return power to Quebec in the winter, although the conditions under which it

is required to do so are extremely vague — PASNY Chairman James Fitzpatrick was unable to remember them when a reporter from the CBC asked him about that aspect of the agreement.

More important than the deal itself, perhaps, is the line that is being built to carry the power, a physical manifestation of the links between Quebec and New York. The line is a large one, reflecting the latest technology, and can carry three or four times the amount of electricity provided for in the deal. New York is also getting the power cheap — Quebec consumers are paying a much higher price for their electricity. The New York businessmen wanted to hear that the deal was still on and that there might be more like it to come, and they did.

They also wanted to hear that their massive investment in Hydro-Quebec — more than \$4 billion worth of Hydro-Quebec bonds are held in the United States — is safe. While Hydro-Quebec bonds are formally guaranteed by the province, Hydro is in fact in much better financial shape than the government. It is far less likely that the utility would have to dip into the public treasury than that a straitened government would turn for help to a temptingly solvent Hydro-Quebec. Such a move, however, would not be regarded kindly by the New York investors. Levesque’s remark about maintaining Hydro-Quebec in a sound financial position contained an implicit promise to resist the temptation.

The premier’s statements about Hydro-Quebec did not go unnoticed on Wall Street. Talking about Levesque’s speech the next day, George Weiksner of the First Boston Corporation, which has long been the leading firm in the syndicate that underwrites both Quebec government and Hydro-Quebec





Prime Minister Trudeau addresses the U.S. Congress

bonds, singled out that part of the speech as a reassuring note that would be pleasing to investors. Weiksner is, of course, an interested party, since his firm makes money from selling Quebec bonds. But his remarks were at least an indication that First Boston wants to continue selling those bonds, and thinks it can.

Over at Moody's, vice-president Jackson Phillips was cautious and reserved. The reaction to the speech among the people he talked to had been negative, even hostile, but he did not attach too much importance to it. For him, separatism - versus - federalism is a straight economic proposition. So long as Quebec has something to sell, such as electricity, that is something to be said in its favour: "There is no such thing as an independence kilowatt or a federalist kilowatt, there is only a kilowatt." But it might not be enough. The economic verdict would be determined by the Moody's study, and so far as Phillips could tell now, the preliminary indications were that the balance was on the side of federalism.

For despite the PQ's friendly and sometimes naive view of the Americans (see *Last Post*, March 1977), and despite Quebec's undoubted economic assets, the Levesque government does face a problem in New York. And at the root of this problem is the political nature of investment decisions and particularly foreign investment decisions.

The investor may be interested only in getting his return, but in calculating the likelihood of getting that return he looks as closely at the political balance-sheet as at the financial one. In theory, bondholders would have a claim on Hydro-Quebec's physical assets if the utility renege on its American debt in order to bail out the Quebec treasury. Metropolitan Life, Prudential Life and the other large investors could seize Beauharnois, Manicouagan, James Bay. But politically, nothing could be more out of the question. It is the political guarantees of certainty and stability that the investors are looking for, and it is their capacity for political retaliation that is their real power. The political virtues that the Americans who go to Economic Club meetings prize don't have much to do with the ideals of the American

Revolution that were dwelt on by Levesque in his speech, and the premier's citation of the Declaration of Independence did not create the ideological bonds he had hoped for.

The halls of Congress are more the place for such sentiments, and so Prime Minister Trudeau's quotations from George Washington and Tom Paine were better received — they were also more subtle and appropriate quotations. Trudeau's warm reception was partly a reflection of the following he has had in the United States since 1968, when voters faced with a choice between Richard Nixon and Hubert Humphrey put Trudeau bumper stickers on their cars. If nothing else, his visit demonstrated that his popularity has stood up much better south of the border, where people neither know nor care about wage and price controls. French on soup cans and Otto Lang's nanny, than north of it. But it was also significant that the most sustained applause during Trudeau's speech came when he declared, "I say to you with all the certainty I can command that Canada's unity will not be fractured."

In Washington, as in New York, if it could not yet be said that the Americans identified totally with one team as they do in the hockey arena, it was apparent that a preference for keeping Canada much the way it is had begun to surface.

"The decision will be made by Quebecers," said Quebec's tourism minister, Yves Duhaime, in commenting on the prime minister's Washington visit, "and not by Mr. Trudeau or President Carter." He didn't say anything about George Weiksner or Jackson Phillips.

#### WORTH QUOTING...

The new premier [Levesque] is having a hard time adjusting to chauffeurs and prefers to take the wheel himself.

— Nick Auf der Maur,  
*Weekend Magazine*, February 12,  
1977



WASHINGTON AND AFTER:

## A PAT ON THE BACK FROM JIMMY

by DRUMMOND BURGESS

OTTAWA — When President Jimmy Carter said "my own personal preference would be that the Commonwealth [he meant the Confederation] will stay as it is and that there will not be a separate Quebec province," he was not exactly in the oratorical class of General de Gaulle's famous 1967 statement: "Vive le Québec libre." Still, however he said it, he said it, and thereby gave Prime Minister Trudeau what he wanted — as well as oceans of favourable publicity across Canada for every image-worthy detail of the Trudeau visit.

The statement cannot be dismissed as more politeness. Carter could have said he didn't want to say anything about Canada's internal affairs — just as de Gaulle in 1967 could have ended his triumphant visit to Quebec without saying anything specific about the province's national aspirations.

Behind the scenes during the visit was Carter's White House national security adviser, Zbigniew Brzezinski, who was the main 'briefer', alongside Trudeau's foreign affairs assistant, Ivan Head. Brzezinski had this to say of the visit: "The chemistry was there. Never in all the years I have known President Carter — from the time he was governor of Georgia — have I seen him relate with someone so quickly."

That should not be dismissed as mere politeness either. Brzezinski is a former Anglophone Montrealer of Polish origin. He is one of Carter's closest advisers. Before joining the Carter administration he was the director of the Trilateral Commission, an organization comprising influential figures from North America, Europe and Japan that is studying a new world order to replace the rather exclusively American-led order that emerged from the Second World War (see review article, page 42). Carter was also a member of the Trilateral Commission, and he has chosen the most senior members of his administration from that Commission including, apart from Brzezinski, his vice-president, his secretary of state, his secretary of defence and his secretary of the treasury.



Trudeau: Carter gave him what he wanted

Brzezinski is also on the board of directors of the important Council on Foreign Relations. Both bodies rely heavily on the patronage and influence of the Rockefeller financial interests, and especially on Chase Manhattan Bank leader David Rockefeller. Brzezinski was the man who set up the Trilateral Commission at Rockefeller's request.

Rockefeller was also in the forefront during Premier Levesque's visit to New York financiers last January, and was at the head table during Levesque's speech to the Economic Club of New York.

In other words, the two visits — Levesque's and Trudeau's — did not take place in isolation from each other, with each man addressing a completely



different constituency. The linkages are there and they are not coincidental — not that there is anything surprising about that.

As a result the Trudeau visit represents an attempt, and so far apparently a successful one, to put Quebec in something of a quarantine as far as international political support is concerned, isolating the problem as a Canadian problem. For the time being there will be no American sympathy or support. This means other major governments are likely to approach the Canadian situation as if they were walking on eggs. If any important leader were to assume a Gaultier attitude to Quebec he would find himself facing not only Canadian, but U.S. displeasure. Whether Canadians want to have a U.S. umbrella over their heads or not, it looks as if Trudeau went asking for one and got it.

### Quarantining Quebec

A desire to quarantine Quebec was also evident at two international conferences in mid-March — a conference in Belgium of education ministers from French-speaking countries that was attended by Quebec Education Minister Jacques-Yvan Morin, and the United Nations conference on water resources in Argentina that was attended by Quebec Environment Minister Marcel Leger.

Press reports are unclear as to what Mr. Morin and Mr. Leger did, if anything, to disassociate themselves from the Canadian delegations and to make Trudeau angry.

According to Derek Burney, spokesman for External Affairs Minister Don Jamieson, the federal government had no complaints about the Quebec ministers. "As far as we're concerned, things went well in Brussels," he said. And in the case of Mr. Leger, Burney commented: "As I understand it, any suggestion that Mr. Leger's intervention was anti-Canadian has no basis in fact. Mr. Leger was simply reinforcing the point made in an earlier speech by the head of the Canadian delegation, Senator Perrault, to the effect that, while Canada supports most of the conference action proposals, their implementation in Canada will have to take into account the constitutional situation whereby the preponderant responsibility for water questions lies within the provincial governments."

### Speaking for Quebec

On the other hand, Mr. Leger is reported to have told a Brazilian delegate who was confused over references to the

Province of Quebec that he was speaking for Quebec, and to have told a reporter later that "I was speaking on behalf of a province where citizens will soon be asked to express themselves on the issue of independence. I was speaking for a province that will soon become a nation."

Whatever it was Quebec was supposed to have done that it should not have done, it all seemed rather tedious and, as constitutional battlegrounds, the conferences seemed the ultimate bore.

Nevertheless, Prime Minister Trudeau was soon making national headlines by saying, at his weekly press conference, that Quebec delegates might be barred from international conferences. "We'll make sure international organizations won't invite them," Trudeau said. "Maybe the Quebec government is telling us it no longer intends to participate in this way or at all. If the Quebec officials are behaving as though they have an international personality, then of course they won't be invited to come along on any of our delegations."

Regardless of where the truth lay amongst the statements and press releases as to who was provoking whom, it looked like the effort to put Quebec in international quarantine, begun in Washington, was on in earnest.

This was consistent with the politics of confrontation that Ottawa has been playing in recent weeks, with, it must be said, more than one assist from Quebec City. Whether it was comparisons of Quebec independence to the Cuban missile crisis, orchestrated ministerial attacks on Radio-Canada, statements that if Quebec becomes independent there won't be any common market with Canada, threats to fight Quebec language legislation in the courts or claims that an independent Quebec founded on ethnicity would mean a totalitarian state, Ottawa was denying the possibility of any middle ground.

Trudeau has also spoken a few times of the need for accommodation with Quebec — but very softly and without any details.

English-Canadians were being told, in effect, that Trudeau and the Liberal Party would, and could save Confederation by a policy of no-compromise and confrontation.

But repeated attempts to browbeat and confront the government of Quebec could be seen by Quebecers as attempts to humiliate them as a people and to demand their surrender as a nationality. And that could win bushels of votes for

independence if played the right way. And what then? Was Trudeau prepared, in spite of his denials, to unleash civil war, and was he keeping the tension high to accustom English-Canadians to that possibility? Or, was he simply looking for votes to recoup his own, and his party's popularity which last August had sunk as low as 29 per cent, by posing as the tough guy, the 'man on horseback'?

### The Liberal recovery

If it was votes he was looking for, he was finding them. The February Gallup Poll made it clear that, even before his Washington visit, he had recovered substantially and was again out in front of Joe Clark's Conservatives. Polls have a considerable margin of error that often makes them meaningless. Still, the trend seems clear. English-Canadians seemed to be forgetting that Trudeau, in saying he would clobber separatism, was offering nothing in the way of policy that he had not offered ten years ago; and that those ten years had seen the striking growth, not the decline of the independence movement.

The Liberal revival was strange for another reason. With unemployment officially at 932,000, and in reality well over one million if those who have given up looking for jobs are included; with a ruthless bureaucratic crackdown on those eligible for unemployment insurance; with inflation still at an unsatisfactory level; and with a dull, sluggish economy — the government would normally be in the doghouse.

The government's popularity seemed closely tied to its rowdy national unity campaign and its attacks on the P.Q. government. But people cannot live in a tense situation indefinitely without either something happening or boredom setting in. If the government planned to keep the tension screwed high at least until the next election, did it really think it could keep the pressure on until 1978? No wonder there were so many rumours of an early election.

### STILL BEATS SELLING CAN-OPENERS, SCHMUCK!

A hardware clerk from Virginia thought of curling when he thought of Canada. "All I got to say is every time I think of these poor, dumb (expletive deleted) flailing away with a broom while a rock goes whizzing by."

— *Toronto Globe & Mail*, February 3, 1977



## OTTAWA GUMSHOES:

# THE CASE OF THE GOYER 21

by KEN RUBIN

**OTTAWA** — Once upon a time, there was a letter written by one minister of the Crown to five cabinet colleagues warning them of subversive groups and attaching a list of 21 short-term or full-time employees of the day who, it was feared, might be corrupted by these subversives.

Many media stories later, what can be added to this ludicrous infringement of the rights of individuals who were never told by their public servant bosses of their suspected "extra-parliamentary" symptoms? What more can be said of this tale of bumbling gumshoes and break-ins?

### Subverting the system

Were the Goyer 21 the subversive elements within the Canadian bureaucracy? Hardly. Almost half of them were young at the time, and today are rather conservative; their main sin apparently was having been associated with Canadian Union of Students (CUS) opposition to the Vietnam war. About a quarter were liberal academics working part-time for the government to supplement their incomes. Another quarter were full-time civil servants like Walter Rudnicki, trying to be above-average bureaucrats. The crime of the Goyer 21 was being too enthusiastic, at the time, for social action, thinking that by collecting material on social change and conveying it, or by running socially-oriented government programs, they could achieve something.

But who were the real "subversives"? Those who created the shaky security system? The department of national defence crew collecting material on CUS? The RCMP file on Praxis (then a social resource group in Toronto)? The solicitor-general's security unit writing up the Goyer message — relying on mailing lists, newspaper reports, informers and reactionary bureaucrats and businessmen?

Or are the likes of the former chairman of the Atomic Energy Board, of "I don't recall" glory, or the former deputy finance minister turned industrial lobbyist, or the diplomat of Hanoi messenger fame, still a senior public servant, or the Polysar kick-back boys, the more likely



Jean-Pierre Goyer was solicitor-general at the time of the 'Extra-Parliamentary Opposition' nonsense

threat to our parliamentary democracy? What about former Solicitor-General Jean-Pierre Goyer himself, who, incidentally, once took part in an "extra-parliamentary" sit-in in the office of Quebec Premier Maurice Duplessis on the issue of student financing?

Marcel Leger, then a Parti Quebecois member of the Quebec National Assembly and today Quebec's environment minister, along with the Ottawa paper *Le Droit*, claimed a couple of years ago, that Goyer, through land speculation in Lucerne, Quebec, made \$8 million out of a \$400,000 land purchase.

It was Mr. Goyer along with doomsday thinker Herman Kahn, who once pushed the hare-brained scheme of developing the Alberta tar sands by bringing in 30,000 to 40,000 South Korean coolies.

It was Mr. Goyer who reacted to the break-down of the government's original deal to buy new long-range patrol aircraft by running around like a cry baby publicly blaming his colleagues.

And it was Mr. Goyer whose contribu-

tion to national unity was to close down all Government of Canada bookstores across the country shortly before the Parti Quebecois won election in Quebec; today, the derelict site of the former government bookstore in Montreal makes it look like separation has already happened and the Feds have moved out.

And this is the fellow who was considered competent to oversee the drawing up of "subversives" lists.

Then there was Mr. Peter Worthington, editor-in-chief of the *Toronto Sun*, who passed along stolen material from Praxis to the RCMP — a neat reminder that if governments calculatedly leak to the press, there are also journalists who leak to the government.

And, of course, there is the prime minister himself, fondly remembering his own blacklisting by the United States at one point for having visited Communist countries, thinking it was not at all important for the Goyer 21 to see their own files, and seeing no need for Canada to follow the American example of granting individuals access to their files



under a Freedom of Information Act. He downplayed the significance of Goyer's action as "nothing to write home about."

### Government lists and secrecy

What are security listings anyway? It's hard to determine from the October 1963 Pearson security guidelines alone, but one of the Pearson ground rules was supposed to be that public servants suspected of being potential or actual security risks were to be so informed, with rights of internal bureaucratic appeal.

There are apparently lists other than the Goyer 21 — of separatists, for instance, that have little to do with whether the person handles restricted, confidential, secret or top secret government documents.

Then there are the usual types for security sleuths to watch out for — homosexuals, alcoholics, the emotionally unstable, even the occasional member of parliament has to be watched.

The public servant denied promotion or demoted on security grounds is much like the immigrant denied entry, or the citizenship applicant denied citizenship on the same grounds. They may be told the overall reason — security — but not why they were security risks. It's something like conflict of interest statements, where cabinet ministers file them but do not tell us what's in their blind or frozen trusts.

Part of the problem is that in a large government organization the public servant's rights are often trampled on, and not just by security lists — for example, the fingerprinting of Unemployment Insurance Commission employees, or the issuing of brochures to Transport Canada employees telling them to "leave your pencil at your desk when going to the washroom."

The security trend is a growing one. The costs of maintaining the security armies within the federal government are never made clear, even though that same government professes alarm over what it would cost to have effective freedom of information and protection of individual privacy legislation. Instead, secrecy is increased, as in the new rules for editing cabinet documents so that anything made public will end up being background information while the guts remains secret.

More security forces, more cautious bureaucrats and more security clearances and lists is the growing trend in Canadian government.

The Professional Institute of the Pub-

### ANYWAYS, AFTER THAT WE DROPPED IBM AND WENT BACK TO THE OLD ABACUS

Peter Kirkham, chief statistician of Statistics Canada, made public the information. . . .

Earlier, Mr. Kirkham said 123 of 5,500 employees at Statistics Canada are married couples.

— *Ottawa Citizen, December 4, 1976*

lic Service of Canada has expressed anger over the possibility that there may be still more blacklists. Strangely, however, the better known Public Service Alliance of Canada has not as yet spoken out on the Goyer list or on the issue of "security" being used more and more often to stop the public from getting hold of that dangerous weapon . . . information. It is true, however, that under most collective bargaining agreements, individual public servants are supposed to be entitled to see their personnel files, and that grievance procedures have been created under public employee legislation that are supposed to be strong enough to correct kangaroo court situations.

### Preaching social change

What about the conspiratorial forces mentioned in the Goyer letter who were supposed to be corrupting a handful of bureaucrats through personal contact and the mailing out of literature?

The two main villains of the Goyer letter were Praxis, a now defunct activist resource group based in Toronto, and the Canadian Union of Students. CUS's crime was the simplest — they dared to endorse the National Liberation Front in Vietnam as well as supporting universally accessible higher education, thereby somehow violating national defence security.

Praxis's sins were more disturbing and close to home — they dared to advocate citizen participation in the social welfare scene in Toronto, helped anti-poverty groups, and encouraged urban reform groups like the Stop Spadina expressway movement. It was probably not Praxis's battletory of "extra-parliamentary opposition" that got them in trouble in the first place as much as their advocacy of the unionization of social service workers, and their documentation of the corporate influence in the Toronto voluntary social service scene from the United Appeal

downwards. As such, they were mostly of concern to the local Toronto police, but when their survival became dependent on a \$68,000 CMHC Part V research grant, the corporate friends of the Feds went to work, even trying to suppress a relatively uninspiring study of five urban low income groups' leadership and dynamics.

### Emasculating participation

"It is time for a radical approach to the re-formulation of our constitution in which we literally return to the roots of democracy, the people" — so said a brief presented to the federal government in February by the Club of GNU, a recently founded Canadian futurist group, whose members include the policy chairman for Ontario of the Liberal Party as well as NDP and Conservative supporters. Canadians wanting more influence over their communities, work places and environment are not waiting for a re-visit from Praxis or living in fear of our security forces. There is growing opposition to the elitist tradition where excessive secrecy and rule by cabinet decree, in alliance with vested interests, is the order of the day in determining policies from banking to communica-

tions. Mr. Goyer said in a speech at a recent Alberta Liberal Party affair, after his goof had been revealed, that we are losing faith in our leaders and institutions and should have more trust in the government. The late Saul Alinisky would indeed have found such a statement, along with the catchwords of "just society", "participatory democracy" and "extra-parliamentary channels", that the government has used from time to time, as prize pieces of political pornography.

There are Canadians not amused by the Goyer 21 letter, or by the inability of public servants to act as socially responsible citizens in developing government programs, or by the lack of citizen-government partnership and effective public participation in Canadian government programs. Walter Rudnicki, for example, tried to work within the system on native development, poverty programs and innovative social housing programs, and is the chief victim and symbol of the Goyer 21.

It should not be considered subversive to act as a responsible citizen whether you are a public servant, a professional, a trade unionist, a member of a co-operative or a member of parliament — or whether you're 21 or not.



## WINNIPEG'S TRIZEC DEAL:

# TAKEN TO THE CLEANERS AGAIN

by WINSTON GERELUK

**WINNIPEG** — There is a code of urban development by which most city councillors across Canada swear, no matter how many times it has resulted in their being 'taken to the cleaners'.

According to the code, public enterprise in urban development is wrong, purely and simply. Private enterprise is the way. And, if they ever give reasons, they will tell you that private enterprise is more efficient, has greater claims on sources of capital, has better management and is just, generally, the right way to get things done in this free country.

Elected bodies have their place. They are to monitor urban development events in such a way as to facilitate the plans of the private sector. They can clear the way

by providing a legal basis, insuring an infrastructure, assisting in planning and providing regulation change wherever necessary. They may also hand over tax monies as further incentive.

The tax-paying public, it is said, is better off this way, not only because Big Government (Public Enemy No. 1) is kept out of the picture, but because the resultant development invigorates the city's economy and broadens its tax base. Any public cost is recaptured with interest.

### The Trizec Deal

You would think that the adverse experiences of those practising the code would weaken their support for it. How the city of Winnipeg disposed of its most

valuable piece of real estate on the famous corner of Portage and Main in the Trizec deal is a story worth telling.

For several years prior to the Trizec deal, commercial interests in the vicinity had been pressuring the city of Winnipeg to develop the block on the southwest corner of Portage and Main. And, because these interests happened to include none other than Canadian Pacific (Marathon Realty), James Richardson, Toronto-Dominion Bank, Royal Bank, Bank of Nova Scotia and the Bank of Montreal, the city took them seriously.

As early as 1965, giving the reason of revitalizing a sagging downtown economy, the Winnipeg Parking Authority (WPA) decided that this prime piece of property would be the right place for a parking garage, in spite of the fact that the block immediately to the south could have been obtained at that time for a fraction of the cost. In 1968, Smith, Carter and Partners, hired by WPA, recommended a 450-stall garage, and added that the city should contract with a private developer to lease the air space above it.

This recommendation apparently triggered the negotiations that led to the deal with Trizec, and it is only of slight added interest that the same Smith, Carter firm was hired to prepare the proposal which went to council.

In February 1971, Mayor Steven Juba was given the green light to begin exploratory discussions for the property with Trizec, or any other private developer. It is known that soon afterwards, during the mayoralty race, both Juba and his opponent approached the Corporation for a commitment.

It now appears that, from the start, serious negotiations have been limited to Trizec. Councillors first learned about this on June 7, 1972, when they were treated to an impressive pre-meeting visual presentation by Trizec. What the Corporation was planning, they were told, was over a million square feet of office space, a department store, 100,000 square feet of retail space, a hotel, and winter gardens that would have turned the block into a showpiece of downtown development.

City councillors were obviously impressed, as the motion was put and



Winnipeg Mayor Steven Juba: serious negotiations were limited to Trizec



carried that very evening to go along with Trizec "in principle". No other proposals or companies have received serious consideration since that time.

The development dream entertained that night was the "high point"; nothing seems to have gone right for city council since.

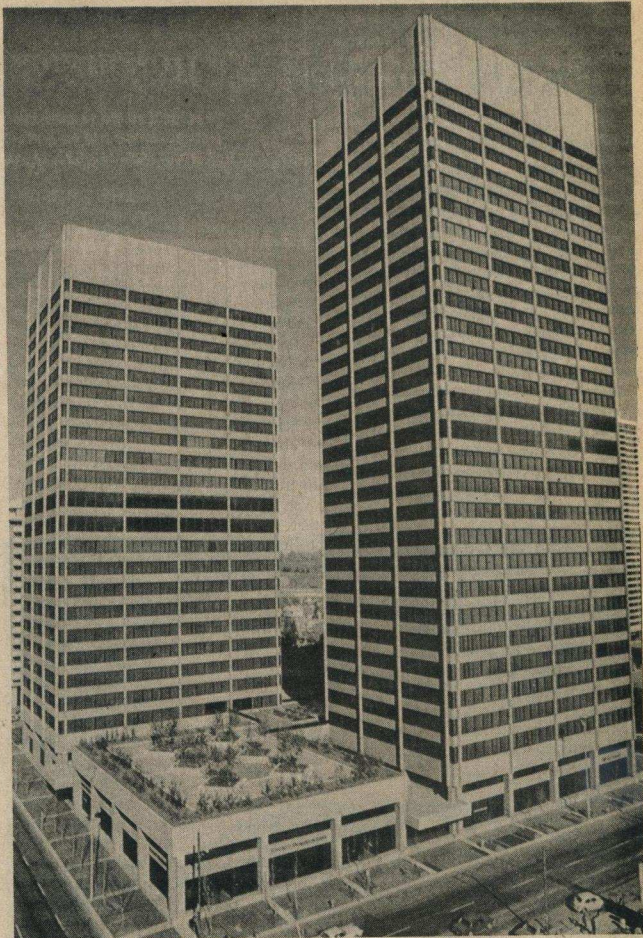
What many city councillors did not fully appreciate was that they had just been sold a bill of goods by the second largest real estate development company in Canada — Trizec's assets of \$875 million (1974) make it second only to Cadillac-Fairview. What is more, some recent sales of stock have given the Bronfman family of Montreal interest in both corporations, making Trizec's negotiating power even more awesome.

Trizec may have spent months preparing to bid — it only took city council two meetings to respond. Two weeks after accepting the corporation's dream "in principle", they signed a memorandum of agreement that still has people wondering. It gave Trizec essentially everything it had asked for and asked for almost nothing for the city.

By a 30 to 5 vote, council committed the city to expropriating and preparing the southern two-thirds of the block (about 20 separate parcels), to building a 1,000 stall garage to suit whatever building the developer was planning, and to leasing the air space above the site to Trizec for 99 years at a rate based on one-half of the cost (not the value) of the land (you see, once the city has acquired the land, Trizec becomes an equal partner). Rental payments would only begin two years after the city completed the garage.

In return, Trizec apparently committed itself only to the construction of 300,000 square feet of office space, but with no specified date for completion. Their repeatedly-claimed plans for 1.5 million square feet of building space were not part of the agreement.

The city made its first actual commitment of funds in October of that year, settling with Oxford leaseholds for a small parcel of land for \$475,000. By June 16, 1974, when the city acquired most of the southern two-thirds of the block at a cost that would finally amount to about \$4.2 million, councillors voted 21 to 12 to approve the lease with Trizec. According to estimates,\* Trizec would be paying about \$11,600 a month; previous to the expropriation, the city had



Trizec's 'Calgary Place': Winnipeg project was originally supposed to be roughly twice this size

been collecting about \$7,500 a month on taxes (subject to increases).

On March 5, 1975 council agreed to include \$9.5 million in capital estimates for the construction of the garage. Not surprisingly, by this time some things about the whole deal were beginning to bother some councillors; a motion to hold up the money until Trizec released specific details of the plans was only narrowly defeated by a vote of 22 to 19.

What the minority group in council did succeed in obtaining was the release of a *Report on Downtown Development*

completed a year earlier by the Winnipeg Tri-Level Committee composed of federal, provincial and municipal representatives. Months of stalling on the report's release appear to have been prompted by a small section which recommended:

1. that the lease between the City of Winnipeg and Trizec Ltd. be rescinded by mutual agreement;
2. that the site be sold to the Government of Canada for construction of office space;
3. that the City of Winnipeg reduce the capacity of the proposed under-

\*Information supplied by Dr. David Walker, Univ. of Winnipeg, Institute of Urban Studies.



ground parking structure to a minimum;

4. that a significant portion of the site at grade be developed for civic open space purposes; and
5. that provision be made in the site design for the accommodation of a public transit node.

Back out of its agreement with a private developer and pursue a strategy of public development (complete with a concession to public transit)? Not the ICEC-pro-development group — and they held the majority.

### Ottawa wouldn't commit itself

Shortly after, as if to test council's stand, Bud Drury, then federal minister of public works, announced that his government couldn't commit itself to participate as tenants in the Trizec development, in spite of their need for 600,000 square feet of office space in Winnipeg. The federal government's policy has been to pursue agreements that make them equity partners or future owners of any space they rent.

On May 13, 1976 Trizec chairman James Soden met with the Executive Policy Committee of Council to inform them that the city would have to proceed on schedule with the parking garage. Trizec, on the other hand, could not be held to any schedule, only the vague promise of 300,000 square feet of building.

The city was quick to demonstrate good faith. On May 27, the Policy Committee, on the advice of the Board of Commissioners, recommended to council that the garage be built on the site, and that tenders be called three months after council's agreement. The motion was passed one week later by a vote of 25 to 17.

However, when council met last December to approve the contract, they found themselves voting on another gift from the city to downtown businesses — an underground concourse linking the four corners of Portage and Main, an "underside" of the Trizec deal which James Soden had been apparently demanding for some time, but which hadn't emerged previously as an important side to the negotiations.

The cost of the concourse, complete with city utility works and other costs, council was told, would be approximately \$6.5 million. Contributions from businesses operating on the four corners would total \$1.45 million; therefore, cost to Winnipeg taxpayers of the new dream

would be something over \$5 million (before inflation).

The concourse is obviously designed to serve business interests, and especially Trizec's tenants. It is not only a convenient means of access to the development and surrounding buildings, but as councillors learned "the project was subsequently modified in order to provide for some commercial space within the concourse." And, furthermore, anyone wishing to cross Portage and Main will be forced through this "commercial space" as "upon completion of the concourse, all surface pedestrian traffic across the intersection of Portage Avenue and Main Street will be prohibited," and no other crossing will be constructed in the vicinity of the concourse.

Before inflation (which surely renders any present figures almost meaningless) the city of Winnipeg has committed itself to about \$16.57 million of expenditures on the Trizec project (1976 estimates). Interest charges could easily drive that up over \$25 million. What is important is that, meanwhile, Trizec has committed itself to nothing more than 300,000 square feet of development to be completed by some unspecified date.

### Revenues to Winnipeg won't be great

Furthermore, revenues to the city, even if the development giant does decide to go ahead, will not be all that great, as we have seen. Several studies have been done on this subject; a recent one in San Francisco indicates that the original cost to a city of this kind of support and incentive is never recovered for several reasons, amongst which is the increased cost of municipal services which have to be supplied out of tax revenues.

Meanwhile, Winnipeggers are facing commitments that are sure to cost between \$25-30 million. However, even this amount is insufficient to induce

Trizec to unveil its plans. Winnipeg's huge "partner" can afford to wait. As a multinational, its existence isn't dependent upon one project in Winnipeg, but upon the international investment market. Council has placed the city at the mercy of a corporate giant which has no loyalty to any nation, let alone a single medium-sized Prairie City.

### The lesson

The Trizec agreement is simply another in a long series of object lessons which show what is likely to happen to a development-hungry council blindly committed to a strategy of attracting private developers. Even free enterprisers in Winnipeg are willing to admit that, in this case, the private enterprise lobby has been given too much.

However, the Manitoba government of Premier Shreyer must also be made to line up for its share of the black marks. When any municipality committed to the private development view allows itself to be led astray to this extent, it is incumbent on the province, in the public interest, to review any agreements made, and to modify them whenever it is necessary to prevent massive public expenditures in urban development over which neither level of government will have any ongoing influence.

It can, and will certainly be agreed that had the province intervened and altered the course of development, the city could have been persuaded to at least negotiate for an equity interest in the Trizec development based on an appreciating value of its investment over time.

But that didn't happen. The people of Winnipeg have been committed to pay, while Trizec hasn't. Once again, the taxpayers of a Canadian city are being forced to pay for a corporate dream. Now, word has it, Trizec is being courted by Calgary city council for a similar development. Whose side was history supposed to be on, anyway?

### THE ENGLISH HAVE A WORD FOR IT

Royal circles say there is no chance of a reconciliation between the 46-year-old Snowdons. What the Queen is trying to do is reverse an old English truism:

## Boy attacks dad's slayer

— Ottawa Journal, December 21, 1976



## † CANADA'S TEXTILES POLICY: DOUBLE-TALK IN DOUBLE-KNIT

photo: David Lloyd

by **BOB CARTY**,  
Canadian News Synthesis Project

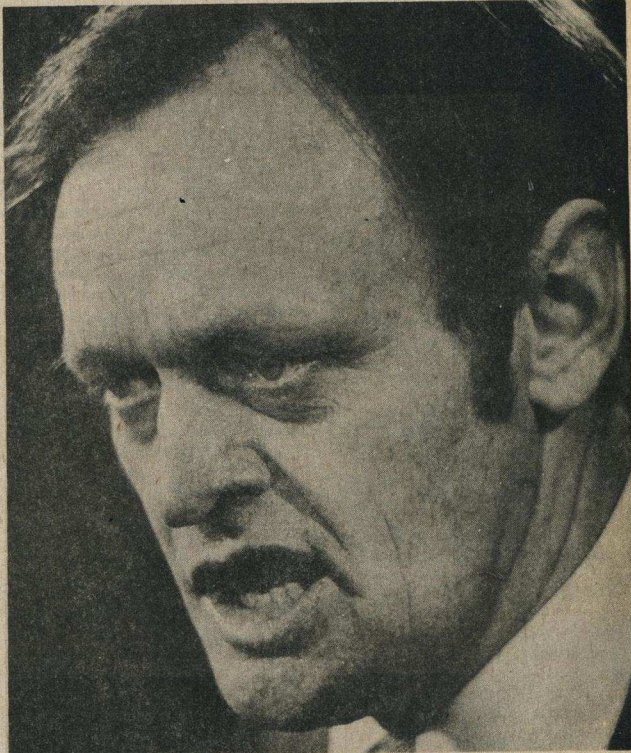
**TORONTO** — The official from Simpsons-Sears tore a page out of the store's catalogue for dramatic effect. Last year, he explained, the catalogue advertised an imported child's snowsuit for \$9.99. This year the catalogue was advertising a Canadian-made snowsuit selling at \$16.99. The reason: the federal government's policy of restricting imports of clothing from abroad. The effect of this policy, according to the Simpsons man, is higher priced clothing for the lower-income Canadian worker. The little guy is being hurt because the federal government will not allow as much low-priced clothing to enter the country. And at the same time, says the Simpsons representative, returning to the topic of his own business, sales by the store in this product line are down 70 per cent this year.

This presentation, and many like it, was part of hearings being held across the country this winter by the federal Textile and Clothing Board. The Board is charged with making recommendations for permanent government policies regulating the textile and clothing industry and, in particular, suggesting how the federal government should deal with imports of such goods from abroad.

The hearings have also heard testimony from advocates of more, not less, restrictions on imports from other countries. Textile and clothing manufacturers, along with trade unions in the industry, say that thousands of Canadians have already lost their jobs because of cheap imports from low-wage countries such as Hong Kong, South Korea and Taiwan. And more jobs will be lost, they say, unless more restrictions are placed on foreign imports.

The textile and clothing debate concerns an industry that is the country's second largest employer after the food and beverage sector. About 200,000 Canadians — especially in Quebec and Ontario — make their living from the production of textile fabrics, garments and associated products. Annual sales amount to over \$5 billion.

The industry's situation has steadily deteriorated since the 1973 high point of production in Canada tied to world



**Industry Minister Jean Chretien announced his new import restrictions shortly after Quebec election**

shortages of textile products. Since that time imports, particularly from Asian nations, have been on the rise and the federal government has come under increasing pressure to protect the Canadian industry from what it feels is unfair competition.

After taking some steps to selectively limit clothing imports, on November 29, Industry Minister Jean Chretien announced new restrictions. Import quotas, set according to the 1975 level, were established as an "interim" measure to prevent the loss of 10,000 jobs in the coming months. The minister explained that 10,000 jobs had already been lost in recent months due to a rise in imports

from low-wage nations. He hoped that the new measures would save Canadian jobs at a time of high unemployment, especially in Quebec where much of the industry is located. Observers, understanding the delicate political nature of the textile debate in Canada, also noted that the announcement came just two weeks after the Quebec election of Rene Levesque. It would appear that Ottawa wanted to be quick to give the image of "responsiveness" to Quebec concerns.

The debate itself is clearly divided into two camps. The federal government projects the image of impartial mediator sitting between the two positions and deciding what is best for all Canadians.



Judging by its past decisions on the issue, however, it remains to be seen whether Ottawa is acting on the criteria of long-range policy and planning, or just doing what is politically expedient.

On the pro-restrictions side are the textile manufacturers and garment makers. The textile companies want the import of both foreign textiles and clothing restricted so that their industrial clients and garment-manufacturing clients have little alternative but to buy Canadian. The garment makers themselves would prefer cheap imports of foreign textiles for use as their raw material. But for now they have forged a convenient alliance with the textile companies to keep out those "cheap oriental products" which are stealing their market.

Joining these two groups of companies are the provincial governments of Quebec and Ontario. Quebec, with 55 per cent of the clothing and textile industry, claims that over 5,000 jobs have been lost since 1973 due to low-priced imports. Ontario Industry Minister Claude Bennett is concerned for the 35 per cent of the national industry located in small towns of the economically-depressed eastern part of his province.

The pro-restriction lobby, along with some of the unions involved in the industry — the Amalgamated Clothing and Textile Workers Union, the International Ladies Garment Workers Union and the Centrale des Syndicats Démocratiques — says that their primary enemies are the low-wage countries. How can they compete, they ask, with products from nations where the hourly wage rate is as low as 19 cents compared to the Canadian rate of about \$4.40? The Canadian industry has not been as well protected as the domestic industries in the United States and the European Economic Community, where foreign imports account for only 10 and 20 per cent of total sales respectively. But in Canada, 54 per cent of the domestic market has already been lost to imports of clothing from other countries.

So, they are asking for more restrictions on foreign imports. They would like to see imports limited to the average of the 1973-75 period rather than the present formula which is tied to the somewhat higher levels of 1975 only. However, prices of clothes may go up. But the Canadian Textile Institute says that price rises will be "marginal" and that this is a small cost to pay for keeping jobs in Canada and saving what is otherwise an efficient industry.

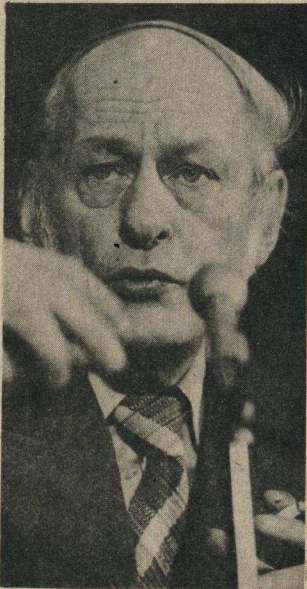
## OBITUARY OF THE MONTH

He designed and built the first feed mill in the district in 1941 and operated it until 1945, when he returned to Smoky Lake. He then built a feed mill there, and operated it until his retirement in 1974. He continued to live in Smoky Lake after his death.

— *Saint John's Edmonton Report, January 31, 1977*

The opposition disagrees. Advocating the removal of import restrictions are the retail stores which sell clothing to the public, wholesalers, importers of textiles and clothing and the Consumers' Association of Canada. Through the CAC, the Canadian Importers Association, the Canadian Textiles Importers Association and the Retail Council of Canada they argue for more cheap imports as a benefit to the low-income earner. The Consumers' Association claims that "the cost of protection is very high, amounting to perhaps one billion extra consumer dollars every year." They say that the Canadian textile and clothing industry is basically inefficient and that as a result the import quotas imposed by Ottawa will result in clothing price rises of 20 to 30 per cent in the coming year.

The partisans in the debate, however, don't always explain all that should be known about the textile and clothing industry in Canada.



Premier Levesque: Quebec has over half Canada's textile industry

For example, the manufacturers of clothing — especially the larger ones — are at the same time also importers from low-wage countries. They profit from both the international trade in the goods and from domestic production in a protected marketplace. At the same time as they are complaining about the lack of protection, these larger firms are guilty of cutting back domestic production, and laying off workers, in order to import cheaper, and profitable, products from abroad.

But the smaller companies in the industry — and there are many of them — do not have the same financial capacity to play both ends of the clothing and textile game. They are the most vulnerable to both international competition from imports and to domestic competition from the larger firms. Large clothing companies — such as Stanfields Ltd. which controls an estimated 30 to 35 per cent of the men's underwear market — have not been as severely affected by imports as other smaller manufacturers.

The claim that the main problem comes from low-wage, Third World countries has also been questioned. Substantial quantities of textiles and clothing products are imported from the United States and the European Economic Community (EEC). But there is very little outcry against competition on these fronts. One such critic is Henri Deslauriers of Mondor Hosiery Ltd. He says that the greater foreign threat to his production comes from the industrialized countries rather than those of the Third World. He also cites the protectionist practices of other industrialized nations which exclude Canadian exports. And finally, he told the Textile and Clothing Board that large corporations in the field can sew up markets, to the exclusion of companies like his own, by virtue of their financial access to massive advertising.

Meanwhile, some questionable practices are developing among the advocates of imports. Since import quotas came into effect, the practice of selling quotas has allowed for the reaping of windfall profits. Although it is illegal, some holders of quotas, or the right to import a certain quantity and type of product,



have begun to sell these rights to other importers. The money paid to the quota holder in such an instance is a purely speculative and parasitic addition to the cost of clothing imports borne by the general public.

And despite their rhetoric of concern for the little guy, importers of cheap foreign clothing products can profit handsomely in their trade. A Canadian-made sweater may sell for \$10 in the store and include a mark-up by the retailer of about 54 per cent. But a foreign-made sweater, sometimes costing the importer only \$2 can sell in Canadian stores for \$8. That's low enough to undercut the Canadian product but high enough to include a wholesaler and retail mark-up of about 400 percent along the way.

### Canada under fire at GATT meetings

Nor is the Canadian textile debate solely a domestic concern. Canada has come under fire at the General Agreement on Tariffs and Trade (GATT) meetings in Geneva for discriminatory trade practices. South Korea has sent a ten-member delegation to Ottawa to protest the import restrictions which will cost them millions of dollars; and there is some speculation that they may be somewhat successful since they hold the bargaining card of having bought a Canadian nuclear reactor.

The Chretien restraint policy is also raising eyebrows among those concerned for international development issues. By refusing to allow unrestricted access to the Canadian market for the manufactured products of Third World nations, Canada seems to be going against its promises to aid underdeveloped nations through trade liberalization. "The Government's action," comments Carleton University Professor Peyton Lyon, "runs directly counter to Canada's commitment to a new and more equitable international economic order."

The traditionally delicate, political

aspects of the textile issue are now more acute since the election of the Parti Quebecois in Quebec. How Ottawa deals with the issue could become fuel for either separatist or federalist fires as the debate over the future of Quebec continues.

Fifty-five per cent of the national industry is located in Quebec employing almost 28 per cent — or in every four — of the manufacturing workforce. There are more than 1,500 companies in the garment-making sector alone. A total of 67,000 people work in garment making and an additional 68,000 earn their living in the production of textiles.

But since 1973, there has been a 23 per cent decline in textile employment. The garment industry has seen the loss of 5,000 jobs over the same period. With such a problem in a key segment of the Quebec economy, and with an overall 10 per cent unemployment level throughout the province, it is not surprising to find Quebec Industry Minister Rodrigue Tremblay taking a protectionist position and urging Ottawa to impose further import restrictions. Tremblay is telling Ottawa to get moving on this federal responsibility, and to restore employment levels in the industry to those of 1973.

With so much of their federal political base located in Quebec, and with growing unease there about the general economic picture, the Liberal party simply cannot afford offending Quebec voters over the textile issue. And especially not at a time when they are planning a federal election within the next 18 months and staking their political existence on the current debate over separatism.

The final question in the textile debate is whether the industry in Canada is viable. Will it survive?

Viewed internationally, more and more textile and clothing production is moving to the Third World. It's part of a historical trend towards the establishment, by multinational corporations and

national governments in the Third World, of labour-intensive industries in relatively low-wage nations in Asia, Africa and Latin America. Multinational corporations find they can make more profit by setting up shop there and exporting goods back to their "home" countries. Many Third World nations, ruled by obscenely affluent elites, welcome any such industrialization and go to extremes to offer their cheap labour forces to the multinational corporations, even by severe repression of trade unions and democratic rights. However, this new international division of labour is also criticized by those who see it as a continuation of exploitation and underdevelopment under new names and forms.

In the long run, if the Canadian textile industry is to stay in existence it will probably need protection indefinitely. It is unlikely, as some proponents of protectionist textile policies suggest, that the Canadian industry will ever be able to "get on its feet" within a protected market and later be able to stand on its own.

### Import restrictions a stop-gap measure

In this light, the recent import restrictions are a stop-gap measure. While it may be sound to try to save jobs in the industry in the short run, the government is merely sticking its fingers into crumbling dikes if it thinks that such policies are a solution in the long run.

If some labour unions are strong advocates of protecting the Canadian textile and clothing industry they should not be quickly chastised however. They are working in a relatively non-unionized sector where a largely immigrant and female workforce struggles for better wages and working conditions. Companies may tell the Textile and Clothing Board that they hold a grave concern for the protection of jobs, but all too quickly dismiss employees, order layoffs or close down plants when their balance sheets show the least sign of red ink.

Unions in the textile sector know that when jobs disappear government takes little or no responsibility for finding new employment for the affected workers. It is not surprising, then, to find them taking a short run perspective of promoting import restrictions. The Canadian Labour Congress, however, with a wider perspective on the national economy, has taken a consistently antiprotectionist position and has recognized the potential use of textile trade to assist Third World

MODEST AMBITIONS DEPT.

## MP vows to keep Hull in Canada

— Montreal Star, November 24, 1976



nations. Instead, the CLC argues the need for structural changes in the Canadian economy and readjustment programs for the textile sector.

It is not surprising that no such comprehensive strategy for the textile industry exists. Neither is there one for energy, science policy, manufacturing or resource development. Planning along these lines has to begin now if it is to have any effect in the years to come. For the textile industry, it's a question of supporting a perpetual social subsidy — social wealth which could be used elsewhere in job creation or meeting social needs — or finding ways to dismantle much of the

industry while simultaneously applying comprehensive efforts to put the industry's workers into jobs where real social needs are met or where there is a real Canadian competitive advantage. Affordable housing is an example along the first line and processing of Canadian raw materials into fully-finished goods is an example of the second.

But the present economic and political system does everything to avoid such an approach. To begin with, it would demand greater intervention by government in planning and running the economy, a fate worse than death in the eyes of private enterprise. Textile companies

and promote government intervention in the form of protection and handouts, but not when it comes to long-range economic planning.

And political parties which are dependent on the private sector — for votes, finances, ideology and personnel — are not likely to go against the wishes of business. They will not see the obvious nor, it seems, act in the longer-range interests of ordinary Canadians — those who work in the textile industry today, and the rest of the population who buy textile products and are daily affected by similar structural problems of the national economy.

## CANADA IN BRAZIL:

# BRASCAN'S PLAN TO DUMP THE 'LIGHT'

### BY THE LATIN AMERICAN WORKING GROUP

Brazil's opposition politicians and most prominent newspapers are levying heavy criticism against one of Canada's better known multinational corporations, the Toronto-based Brascan Ltd.

The uproar concerns Brascan's proposed sale of its electricity utility, Light Servicos de Electricidade, to a group of private Brazilian investors on terms that have been dubbed the deal of the decade.

The 'Light', as Brascan's subsidiary is called in Brazil, is that country's largest distributor of electricity. In addition, Brascan interests in Brazil include 30 other ventures such as meat-packing, railway equipment, mining, forestry and banking, making it the single largest foreign private investment in that country. As such it has come under repeated public criticism by Brazilian nationalists, especially before the 1964 military coup, after which government censorship effectively restrained outcries against foreign investors.

Few multinational corporations are better known in Brazil — and perhaps so little known in Canada — as Brascan and the 'Light'. Its operations date back to 1899 when a small group of Canadian entrepreneurs set up the Sao Paulo Light and Power Company to distribute electricity to Brazil's growing industrial area. Its original owners were the same groups of promoters who made their fortunes in the government-sponsored construction of Canada's first railway systems. They then went on to electrify the streetcar systems of Toronto and



**Tony Abbott, corporate affairs minister, is former Brascan lawyer**

Winnipeg before turning their sights to Latin America, where profits were higher and government regulation lower.

Over the next 60 years the company, then known as Brazilian Traction, Light and Power prospered, in part at least, because of good relations with Brazilian government officials. A similar pattern adopted back home saw the company developing close ties with the Liberal Party while several Cabinet ministers — Mitchell Sharp, Robert Winters, and

former Brascan corporate lawyer (and currently minister of consumer and corporate affairs) Anthony Abbott — apprenticed with or retired to the Brascan management.

But by the mid-sixties, it was clear that the worldwide movement towards state ownership of public utilities would soon affect Brascan. The corporation began a program of diversification; new investments were made in more lucrative ventures while profits were remitted to Canada to purchase ownership in a handsome set of companies in the food, resources and service sectors (Labatts Breweries, Laura Secord Candies, Cattell Foods, Canadian Cablesystems, Hudson's Bay, Western Mines).

Meanwhile, company spokesmen let the word get out that Brascan was prepared to sell the 'Light', 'if the price were right'. In the midst of arranging the possible sale the previously secret negotiations were leaked to the press in mid-November. With the details known, the uproar began.

The proposal calls for the establishment of a special company, called Embra-par, by a group of 21 businessmen, representing some of the country's richest industrial groups. Without investing any of their own money the Embra-par group is asking the government's blessing to take ownership of the 'Light' and pay off Brascan out of yearly profits over the next ten years. The 21 entrepreneurs would receive at least \$394,000 each every year — and without running any risk. The transaction is conditional on an official government guarantee to



## BET THEY WERE A STEAL IN 1276 THOUGH...

A University of Ottawa student has warned of a disaster unless student housing standards are not improved soon...

The 700-year-old houses are in varying stages of disrepair. Those in the Sandy Hill area seemed in such decay, porches were falling apart, flapping plastic served as insulation, wiring, plastering and plumbing repairs are badly needed in some, and others desperately need coats of paint.

— *Ottawa Journal*, November 11, 1976

pick up all the bills should anything go wrong.

What does Brascan stand to gain? The Brazilian periodical *Veja* calculates that over ten years the deal would yield Brascan — from income on the sale, interest payments on the unpaid balance, and new monies earned from reinvestment in Brazil — about \$555 million for remittance to Canada, and another \$454 million in new investments in Brazil. That's a substantial sum in anyone's books and will allow the corporation to expand rapidly in high-profit Brazilian industries while simultaneously sending greater-than-ever profits back to Canada for new investments here.

One speculation about the use of funds remitted to Canada is that with corporate connections to, and existing interests in, companies now developing northern sources of oil and gas, Brascan is most likely to use its new purse of capital in Arctic, Beaufort Sea and Mackenzie Valley developments. All of which provokes the question about the impact of one of "our" multinationals returning home to roost on top of the hot social issue of native peoples rights and resource development.

Meanwhile, Brazilian critics of the proposed sale are angered by a number of aspects of the scheme. The news magazine *Movimento* notes that Brascan's concession to operate its electric utility ends in only four years in the Sao Paulo district, and in 13 years in Rio de Janeiro. Brazilian law states that at the end of such concessions for companies operating in the public service, the company, with all its assets, reverts to the state without any right to remuneration. Therefore, the critics say, the government should either simply allow the concessions of the 'Light' to expire or use its power to expropriate, paying little compensation. *Movimento* points to the fact that over the years Brascan's total investment from abroad has only amounted to \$102 million while remitted profits have surpassed this figure many times over. Why should Brascan be treated so generously when in the last decade alone

the company remitted \$114 million in profits and dividends to Canada?

Other critics say that because of its flagging interest in the electric utility Brascan has intentionally reduced the 'Light's' expenditures to a minimum over the last few years. As a result much of its equipment is run-down and needs urgent replacement. Throughout southern Brazil the 'Light' is known for its miserable service. People say it's efficient only in cutting off service for tardy payments. Annual investments of over \$300 million are needed to replace aging equipment and upgrade service.

But that is a cost that neither Brascan, nor the group of 21 businessmen, want to incur; and this perhaps explains the insistence upon government involvement in the transaction. Should it become the new owner of the 'Light', Embrapar would neither be prepared nor able to proceed with needed capital investments. The government would be forced to move in and pay the bills in order to avoid serious energy problems for the country's most industrialized region.

The result would be eventual state ownership of the 'Light', but only after Brascan had received "over-generous compensation" through the intermediary owner — Embrapar. Such an arrangement, while confusing at first sight, may actually prove quite convenient for some sectors of the Brazilian ruling elite. It allows them to gain eventual state ownership of the 'Light' while protecting their pro-foreign-investment image in the international financial community. They will not be seen by outside investors to be taking over a private corporation, since the sale, as proposed at this time, is to Embrapar. And should the government later have to pick up the debts of Embrapar by taking over the 'Light' it can do so without any questions being asked about the amount of money paid earlier to Brascan.

But even the conservative press in Brazil sees through the scheme. The *O Estado de S. Paulo* criticizes the plan as a back-door government takeover of the 'Light', leading to greater state involve-

ment in the economy. Meanwhile, Mr. Jorge Moura, a federal representative to the Brazilian House of Deputies, has demanded a parliamentary inquiry. Another Brazilian citizen, Barbosa Lima Sobrinho, a jurist and former governor of the state of Pernambuco, is more direct in his criticism. Says Sobrinho, "I am against this type of operation where the 'Light' ends up selling us a patrimony that is practically our own, and at an astronomical price."

Canadian criticism may not be long in coming either. Churches and development agencies have long expressed concern about Canadian corporate involvement in countries where fundamental human rights are violated. While on a recent trade tour of Brazil, External Affairs Minister Don Jamieson was questioned by Canadian reporters about such human rights violations. Jamieson replied that he is "not as acquainted with the internal situation in Brazil" as he is "in relation to Chile and Argentina." Incredulous as the minister's statement appears, it does resemble one made by Brascan president Jake Moore to the 1974 annual meeting of the company in Toronto. On that occasion Mr. Moore told a Brascan shareholder that while he had read reports about the systematic use of torture in Brazil, he had visited the country numerous times in previous years and had not seen anything of the sort.

Such convenient myopia by corporate and government leaders is unlikely to satisfy the advocates of human rights who suspect — with more than coincidental evidence — that immediate financial interests are impairing the vision of both parties. Brascan, after all, stands to gain handsomely from the proposed sale of the 'Light', a fact recognized on the Toronto Stock Exchange where the company's share price jumped over 40 per cent upon first announcement. Jamieson, for his part, explains that economic and commercial concerns were primary to his Brazil visit. Over the next ten years he hopes commercial exchanges between Canada and Brazil will grow to the \$2 billion range.

For the moment, there seems to be little doubt that Brascan profits in Brazil from a system that represses workers' rights and condemns the majority of people to poverty and oppression. Should the company succeed in bringing its profits back to Canada for investment in northern resources it may soon hear the same accusation from Canadian Inuit and Dene peoples.



**For Canada's Generals, now there's ....**

# 'Dinner with wine'

by Ernie Regehr

photo: David Lloyd



**General James A. Dextraze, Canada's armed forces chief, now has a billion dollars a year to spend on new armaments**

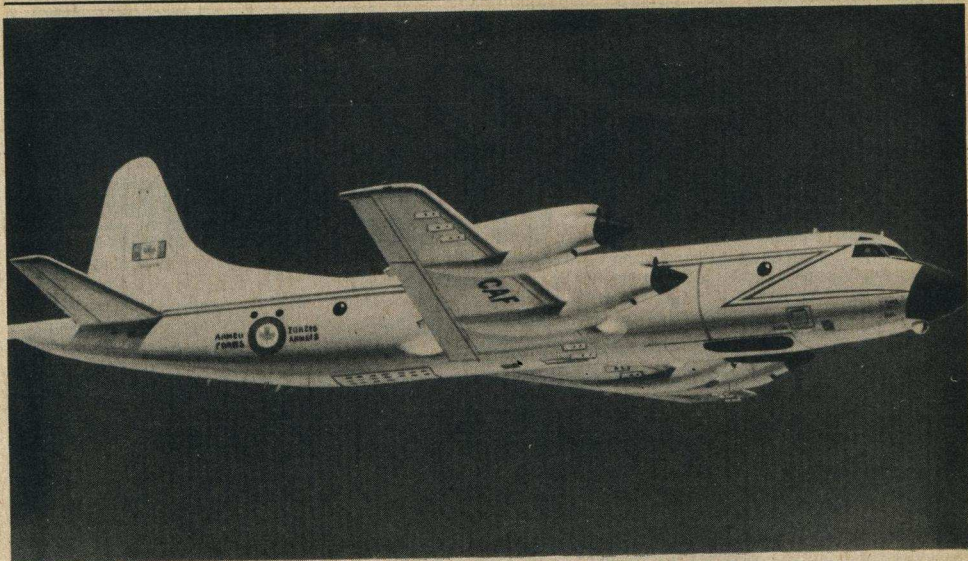
"To me", says Lieutenant-General W.K. Carr of the Canadian Armed Forces, "an air force without fighters is like a dinner without wine, a day without sunshine, or an army without infantry."

As a rationale for spending \$2.5 billion in tax money on a new fleet of fighter aircraft it may be a little thin, but in Canadian military procurement you learn to make do. And while the military rationales for the acquisition are themselves something less than convincing, a new funding formula that promises to raise the defence department's annual

capital budget beyond \$1 billion in a few years has put the Canadian Armed Forces in a mood for shopping.

Scarcely less in the mood are the department of industry, trade and commerce, whose chief mandarins persist in the belief that military spending is good for the economy, or the majority of the House of Commons standing committee on external affairs and national defence, which for years has suffered what has apparently been the acute embarrassment of seeing "our boys in uniform" denied the proper equipment to "do the job".





The Lockheed 'Aurora' long-range patrol plane: Canada has ordered 18 for a billion dollars

The Defence Structure Review, the work of an inter-departmental committee reviewing the tasks and equipment needs of the armed forces, has already given us a 12 per cent (after inflation) annual increase in the capital portion of the defence budget, an order for 18 long range patrol aircraft from Lockheed Corporation (\$1 billion) and another order for 128 Leopard tanks from Germany (\$160 million), and now is about to expand the shopping list to include 130 to 150 fighter aircraft (\$2.5 billion) and a major ship replacement program (\$3.5 billion). Add to that the airborne warning control system being considered by NATO and the 350 armoured vehicles already on order (\$87.9 million), and the military's shopping trip tallies well over \$6 billion — all undertaken amid the federal government's high-profile austerity drive. While over-all government spending is to be kept within a growth rate of seven per cent, leading to the withdrawal of such programs as federal assistance for public transportation improvements, the department of national defence embarks on an unprecedented peacetime spending spree.

No new military threats have been uncovered to explain this extraordinary quest for new military hardware. The explanations lie elsewhere — notably in European and American pressures on Canada to beef up its military contributions to the NATO and NORAD alliances and, perhaps more important, in the myth, widely adhered to in Ottawa, that military procurement and the export of military commodities represent an effective way toward technological advancement and the revitalization of the economy.

Ottawa's immediate aim is to give the aerospace industry another major boost with the imminent order of a new fleet of fighter aircraft. What are we replacing and what will we be getting for our two-and-a-half billion dollars?

Within weeks the federal cabinet is expected to approve in principle the purchase of one of five models of new fighter aircraft to replace the CF-104 Starfighters and the CF-101

Voodoos now in service in Canada and Europe.

Current inventory of the CF-104s is about 100. Three squadrons are assigned to the Canadian Air Group based at Baden-Soellingen, West Germany under NATO, and another squadron is based at Cold Lake, Alberta and used for training as well as in an identification-interceptor role over the prairies. The NATO CF-104 squadrons are in a fighter-bomber attack role and have been modified to carry an external bomb load.

Three squadrons of CF-101s are stationed at Chatham, N.B., Comox, B.C., and Bagotville, Quebec, with a training squadron also based at Bagotville. The three operational squadrons are part of NORAD's anti-bomber force and are also available for positive identification of unauthorized intruders into Canadian air space that have been detected by radar.

While some defence planners still insist there is strategic utility in the anti-bomber role — the argument being that Soviet capabilities for a bomber attack, rather than their intentions, demand the maintenance of an effective defence — Canadian contribution toward that "defence" is minimal. Canada operates a total of 66 CF-101s, compared to 600 U.S. aircraft in a similar role.

The Canadian contribution to active "air defence" hardly warrants continued membership in NORAD, and from a strategic point of view, the more important Canadian role is that of reconnaissance and control of Canadian airspace in aid of civilian air traffic control. The main argument in favour of a fighter aircraft in that role is the need to deter "blatant probes" of Canadian airspace — i.e. enemy violation of Canadian airspace in order to test Canadian ability and willingness to retaliate.

In any event, the CF-101 is considered incapable of fulfilling any of these roles for much longer. The aircraft has been out of production for 10 years, stocks of spares are



running low, and the U.S. is planning to phase out its last Voodoos in 1977-78.

A third fighter, the Canadian-built CF-5 Freedom Fighter, still has many years of life left in it but is universally considered to be strategically useless. Essentially the Northrop Corporation's NF-5 tactical fighter, the CF-5 was built by Canadair in Montreal under a licensing arrangement with Northrop, in one of the Canadian government's more conspicuously misguided make-work schemes.

The Canadian Armed Forces still have about 115 CF-5s (although never more than one half of those are in use at any one time) and sales were made to the Netherlands and Venezuela. The aircraft has a short range and is nominally assigned to photo reconnaissance and something the defence department calls tactical support for ground forces — though what that may be in a Canadian context remains unclear — in addition to training. Two squadrons of the aircraft are earmarked for NATO's northern flank in event of emergency, although no one seems quite certain of how they would actually get there. Northern surveillance has been suggested for the CF-5, but that would require the construction of durable airstrips in the areas serviced due to the aircraft's short range. Two squadrons are based at Bagotville and Cold Lake and in the future they are likely to be maintained exclusively as training aircraft.

Since the CF-104s and the CF-101s are both considered to need replacement, the defence department is considering a single order of about 130-150 aircraft that would be capable of performing the NATO, NORAD and domestic tasks. As of now, the following options are the main ones being considered:

**The Grumman F-14 Tomcat** — A twin-engined fighter, powered by Pratt & Whitney engines, it was designed for the U.S. Navy, which has 350 on order. The aircraft are now entering service and Iran has ordered 80. As part of its bid, Grumman is promising return orders with the Canadian aerospace industry valued at about 80 per cent of the purchase price. The orders would not necessarily be for components for the F-14 itself but for other Grumman products. Another part of the package would be the acquisition by Grumman of minority interest in the Canadian aerospace industry represented by Canadair and de Havilland, both currently under exclusive federal government ownership.

**McDonnell-Douglas F-15 Eagle** — Also a twin-engined fighter powered by Pratt & Whitney, the F-15 is in service with the U.S. Air Force (which has over 700 on order). The McDonnell-Douglas proposal may include the integration of Douglas Aircraft of Canada, a wholly-owned subsidiary, into the Canadian aerospace industry along with Canadair and de Havilland. Under the proposal the U.S. company would assume 45 per cent ownership of the industry, in partnership with the Canadian government, and the industry would then receive substantial subcontracts for the F-15 as well as for the Douglas line of airliners (the DC-9 and DC-10 in particular).

**General Dynamics F-16** — This is a single-engined aircraft also using a Pratt & Whitney engine. It is a less likely choice because of the single engine — considered to be risky for northern surveillance.

**McDonnell-Douglas-Northrop F-18** — A twin-engined aircraft using General Electric engines, the F-18 is a new model not due to enter service until around 1980 and not likely to be available to Canada until a few years later. Current procurement plans would therefore require the leasing of interim aircraft from either the U.S. or other NATO ally.

**Panavia Tornado** — This is a new twin-engined European fighter developed jointly by the British, Germans and Italians. This choice would clearly do wonders for Prime Minister Trudeau's hopes for a "contractual link" with the European Economic Community.

The proposed purchase of the 130-150 aircraft, unlike that of the Lockheed deal, has to date raised little public interest and few disagreements among the strategic planners of the armed forces. While army and navy planners are looking for assurances that their own shopping plans are not prejudiced by the lavish spending on aircraft, General Carr's "dinner without wine" view clearly prevails.

Furthermore, Ottawa political support for the purchase is virtually unanimous. Appearances by defence department officials before the defence committee usually end up with the politicians pushing the generals for more ambitious procurement plans. Following the government's announcement, for example, that the capital portion of the defence budget would be pushed beyond \$1 billion annually within a few years, one committee member asked the then defence minister, James Richardson: "Can you do anything with a billion dollars a year in air, land and sea, that is really going to be worthwhile?" In response, the chief of defence staff, General James A. Dextraze, had to assure the committee that this was indeed adequate: "Surely the capital portion which you are referring to, a billion dollars, is a large sum of money for us."

## IF THE RECORD IS ONE OF PROMISES FULFILLED, WHAT BUT GOOD CAN FOLLOW?

It may all have been even earlier, but it certainly was no later than one day in the late 1930's — when a DC-3 airliner first touched the soil of Canada — that history began to record the mutually beneficial relationship between McDonnell Douglas and the people, the industry and the government of Canada.

That friendship has been as lasting, as the DC-3 has been venerable.

Tens of thousands of Canadian Aerospace Workers have been employed on McDonnell Douglas projects, principally at Douglas Aircraft Company of Canada. More than \$1.5 billion in McDonnell Douglas contracts have been signed and fulfilled by Canadian firms coast-to-coast over the past dozen years.

Every DC-9 and DC-10 jetliner — and there are more than a thousand of them — flies on Canadian-built wings, is air-conditioned by Canadian-manufactured systems, and communicates with Canadian-made radios. Many land on Canadian-made landing gear.

McDonnell Douglas military aircraft have been a part of Canadian defence since the selection of the Banshee a quarter-century ago, followed by the F-101B Voodoo a decade later. Even now, the McDonnell Douglas F-15 Eagle is being considered for Canadian missions. Even now, every McDonnell Douglas Skyhawk and Phantom and Eagle fighter flies with Canadian-supplied systems and components. Satellites now serving Canadian communications needs were placed in orbit by McDonnell Douglas Delta rockets.

Even now DC-8 and DC-9 jetliners serve Canadian transportation needs. Even now, new DC-9 and DC-10 jetliners are being considered. And even now, Canadians still board the DC-3, the airliner with which the friendship began.

The past, so productive for all, gives promise for the future — that McDonnell Douglas products will continue to serve the interests of Canada and that the Canadian Aerospace Industry will continue to serve a major role in their production.

McDONNELL DOUGLAS

A recent ad by McDonnell-Douglas, which wants to sell Canada new fighter aircraft



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- comprehensive weapon options
- high accuracy of weapon delivery
- automatic terrain following
- fully autonomous navigation system
- minimum airfield requirements
- 1 engine configuration, 2 crew operation

**PANAVIA**

BRITISH AIRCRAFT CORPORATION  
MESSERSCHMITT-BOLKOW-BOHM

PRODUCT OF EUROPE

**The 'Tornado', seen in this ad, is Europe's bid for Canada's dollars**

Basically, three separate rationales for the purchase of a fleet of fighter aircraft have been developed: economics, Canadian nationalism, and the need to maintain strong conventional forces as alternatives to nuclear warfare.

The economic argument has traditionally been the key one in any major equipment acquisition by the Canadian military, and General Carr once again dusts off the old proposition that the fighter aircraft purchase "will contribute significantly to the stimulation of Canadian technology and employment." In that notion he has the enthusiastic support of the department of industry, trade and commerce, whose defence programs branch is devoted to the promotion of an expanding Canadian defence industry, and the department of external affairs. In a January 1977 statement replying to a United Nations questionnaire on "the economic and social consequences of the arms race," external affairs repeats the same myth of the economic benefits of military spending. The statement stresses the beneficial effects of military spending and production on national development:

— "... a considerable portion of military expenditure finds its way back into the public economy in the form of income taxation and labour-capital expenditures."

— "Defence expenditures are congruent with and supportive of the attempts of the national government to equalize regional development activities. . ."

— "The broadly-based educational and training activities of the military provide the labour force with many qualified persons on their return to civilian life."

— "Special expertise and equipment developed by the military are available and utilized in national development projects which require such participation."

In fact, economists have largely demolished the argument

that military production is good for the economy, pointing out that it retards civilian technology, has a negative effect upon employment, concentrates expansion capital in particular industries and regions, and is inflationary into the bargain.

The development in Canada of a military commodity industry, consciously integrated with the U.S. arms industry through the Canada-U.S. defence production sharing arrangements formally entered into in 1959, has from the beginning been defended as an effective means towards technological advancement by Canadian industry. In 1967 Lester Pearson claimed that a "major benefit (of defence production sharing) to Canada is the large contribution which these arrangements have made and are continuing to make to Canadian industrial research and development capabilities which in turn are fundamental to the maintenance of an advanced technology in Canada."

In fact, the opposite has happened and we have no less an authority than the Science Council of Canada to confirm it (see *Last Post*, Vol. 3 No. 1, January 1973). Special Study reports No. 22 and No. 23 on multinational corporations and innovation in Canadian industry show that the links between Canadian and U.S. industry lead to the transfer of research and development activities to the U.S. and to increased Canadian reliance on production licences from the U.S.: "With the highly fragmented and limited markets available to manufacturers in many areas, the only viable option is often a limited degree of manufacturing from designs, specifications and components imported from abroad. For an international corporation, this can be profitable; for the nation, it can have disastrous consequences in the long term."

The process described by the Science Council defines clearly the effect, and one might add the intent, of defence production sharing. Under these arrangements Canada undertook to specialize, to supply component parts to U.S. designed and manufactured weapons systems. The result is that some assembly-line production is done in Canada on behalf of the U.S. war industry, but the technologically innovative aspects of that industry all end up in the U.S. In the process Canada even undermined its ability to supply its own armed forces because the technological capability to develop equipment has been exported.

Furthermore, the U.S. defence industry, to which the Canadian industry is tied, has been shown by U.S. economists to undermine rather than enhance civilian technology. U.S. civilian industry must increasingly rely upon European patents because American research and development funds go heavily toward the military, and even the U.S. department of commerce admits that the transfer of technology from defence research to civilian technology is little more than five per cent.

Military spending is commonly cited for its ability to create employment in the domestic economy. This too is a myth that has little foundation in fact. The aerospace industry, a highly capital-intensive industry, is one of the least effective job-creating industries. In the U.S., a national survey conducted by a Michigan Public Interest Research Group found that the defence industries and the space industries required more capital investment per job created than any other segment of U.S. industry. As huge government orders concentrate on the aerospace industry, capital investment is drained from other, more labour-intensive segments of the economy (public transportation, for example) with the result that military spending on equipment actually creates unemployment.



photo: David Lloyd



Defence Minister Barney Danson will oversee billions in new arms deals, a process begun by his predecessor, James Richardson

Even when money is spent directly on military personnel, it costs much more to provide a single military job than it does to provide a non-military job in government. Canada's soldiers have the dubious distinction of being the third most expensive in the world. Only the United States and Israel spend more money per soldier.

While the *Financial Post* produces a 20-page supplement on "What Canada's new Defence policy means for business", it fails to do any reporting on what that policy means for the Canadian economy, and part of what it means, in ment, is inflation. Military procurement has a number of inflationary pressures built in, not the least of which is the inflationary pressures built in, not the least of which is the fact that there is an incentive to maximize cost (procurement funding is based on cost) in defence commodities with the result that the costs of comparable civilian technology and technical services are driven up.

Further inflationary pressures occur in that while consumer income is generated through military production, no consumer products are created to meet the increased demand. Normally such increased demand is absorbed by increasing taxes accordingly, but borrowing and reduced funding of social services are the preferred means of paying for military procurement. This leads to increases in the costs of social services to the consumer and to additional stress on the national currency.

There are those, of course, who argue that though the cost may be high, we need new fighter aircraft to protect Canada's independence — particularly from the U.S. Canadian air space, runs the nationalist argument, must be adequately patrolled by Canadians if we do not wish to grant the American military unconditional access to Canadian territory.

Unfortunately, in the process of exercising control of our airspace we systematically relinquish control of our political and economic space. The purchase of the new fleet of fighter aircraft will lead to a reorganization of the Canadian aerospace industry to result in a partnership between the Canadian government and a major U.S. military contractor. The Canadian industry will be organized to supply various parts for Pentagon-designed weapons systems and will be made dependent for its short-term and long-term survival on decisions taken in the U.S. defence department. So much for Canadian independence.

Canadian independence is further undermined by the overwhelming dependence of Canadian armed forces on American designed equipment. Defence strategists insist that defence policy cannot be divorced from equipment and that if two armed forces rely on the same source for the design and manufacture of equipment they are unlikely to develop differing defence policies. Canadian procurement policies make our defence policies an addendum to those of the United States.

Military planners advance a variety of defence and security arguments in favour of a major procurement program for the armed forces, others argue that Canadian defence demands innovative alternatives to the current arms race and nuclear deterrent systems, but whatever the merits of either set of arguments, a minimum requirement is that the Canadian people be given an accurate accounting of the real costs of military procurement. Instead of that accurate accounting, however, we are given the myth that not only does military spending not cost us anything but even adds to our prosperity and well-being.







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# Racism in Canada: So you think it's just a few punks in subway stations

by Rose Tanner Brown

I had just come off the plane from a week's vacation in the Caribbean.

"You bought that camera in the Toronto Camera Centre, eh? Where is that? in Jamaica?" quizzed the sarcastic customs inspector. Meanwhile, I could not help noticing, for the umpteenth time in my ten year sojourn in Canada, that I was the only one among a plane load of 105 vacationers, who had been pulled aside for a customs inspection. The inspector near the cordon line had indeed singled me out for a thorough search, although I held the same colour-coded card as all the other passengers on that flight. My skin colour, you'll realize, is different. We had all made "verbal" declarations; no one else had been searched.

"Were you on an optical tour, ma'am?"

"Optical Tour, what is that? I was on vacation for a week, recovering from a three-week flu, on a tour package."

"Those two bamboo mugs. How much did you pay for them?"

My only souvenirs. "Twenty-five Jamaican cents each."

"Are you sure?"

"Yes".

Meanwhile, the customs inspector had turned all my belongings topsy turvy. I had packed my suitcase meticulously (I always do) following one of those brochures that Canada Customs issues: put "all" your purchases together, so as not to embarrass yourself or the inspector. He emptied out my dirty laundry bag, only to find a week's worth of soiled underwear.

I explained to the customs man that the camera, the only 'incriminating' evidence, was bought several Christmases

ago in Toronto. I also told him that a last minute problem had prevented me from getting a 'green card' for my camera (Green cards? What are those, my Canadian co-vacationers had questioned, flashing their complicated expensive camera equipment by the poolside of that Jamaican hotel we stayed in). I had mailed a letter to my husband to bring the camera purchase receipt from our files, when he came to the airport to pick me up (this is the normal pattern of my experiences with Canada Customs, so I wrote that letter). My husband, who was outside the cordon line, came in, explained where that cheap lousy camera had been bought, all the time waving the old tattered receipt.

The frustrated customs man not only could find nothing wrong with me and hated the fact that I had indeed told the truth, but now I had produced a white husband. He was not going to give up.

"You were on an optical tour, weren't you?"

I had, by now been at that desk for over 20 minutes. All the white companions from the flight (I was the only non-white) were out. You could not possibly blame me for not pointing out to that befuddled customs man, that during the last 20 minutes, he consistently misread the word 'optional' as 'optical'! In addition to my bamboo mugs the other "souvenir" I had carried with me was a one page mimeographed sheet listing the 'optional' tours, available to the hotel guests.

Did I say that I was the 'only' person singled out for customs inspection? Yes, the only one from my flight. But the only *other* person on that line, on that busy winter night, was a Chinese looking chap. Born in Canada. So, poor man, he did not even carry a passport with him.



All that while, (as I had many dozens of times before), I waited and looked on, in vain hoping that at least a 'token' white would be singled out just to show that there was no racism involved. The dictum 'guilty until proven innocent' was applied to me and to that lone Chinese-Canadian.

The experience that I just described is not unusual, though my recording of every single detail of it perhaps is. I travel abroad often. I have always been subjected to thorough customs inspection, when I have come back into the country all alone, or accompanied by other nonwhites. And *never*, when my white husband accompanied me and acted porter. We hardly ever make 'duty-free' purchases characteristic of tourists, because the novelty of such indulgences wore off for me ages ago, long before I ever set foot into this God's chosen country.

Here is the last straw on the camel's back (or maybe the penultimate straw) that sums up all the ingredients of the racial scene in Canada, from that same experience, making that experience fairly typical and representative. Several well-meaning co-vacationers, all white, had lounged around with me in that Jamaican hotel (with flashing camera equipment appended to their tanned chests) completely disbelieving my rather pessimistic, anecdotal analysis of racial discrimination in Canada. I had begun to believe them: indeed, to the point where we were even joking about who might be scrutinized by immigration and customs, when we got back to Canada.

Many of those same whites witnessed the treatment I got at the cordon line that was the symbolic border into the myth of lily-white, non-racist Canada. All of them, bronzed in the 80 degree Jamaican heat, had completely denied that anything like that could happen in Canada. We even offered one of my recent tour-acquaintances a ride to his hotel in downtown Toronto, and said good-bye to many who looked on my customs inspection.

When it did happen, not one of them said anything. It was too much to expect white Canadians, who always mind their own business, to say anything to those officials in uniforms, but they did not say anything to me or to my enraged husband. *It can't happen here. So, it doesn't happen here.*

What followed is enlightening too, readers. My enraged husband called Canada customs the next day. The friendly officer that answered, first expressed disbelief, then after he had listened to the details, suggested that such treatment of nonwhites was normal, scoffed gently that we should expect anything different, would not identify himself and hung up. That is perhaps the last time, either I or my husband will even bother to seek redress.

We have increasingly begun to adapt to the Canadian way. Pretend it doesn't happen here. Accept the fact that this society, all of Canada, is bigoted, hypocritical, pays lip service to justice, has really no tradition of redress. And we hope to get the hell out of here as soon as possible, until things get better, if they ever get better. Because, my prediction is that they are going to get a hell of a lot worse first.

Early one morning, some time ago, I heard my radio turn on and the show-host enquired, "What do you mean Mr. . . . there is Racism here? What is racism?"

It was then I decided that I would try to describe anecdo-

tally a few everyday situations where I, or some of my non-white friends, have experienced "racism". I have deliberately left out serious situations such as all job discrimination impossible to describe casually. I have also deliberately left out all of my experiences (and those of very close friends) that I consider seriously demeaning and demoralizing. Yes, readers, there are some experiences that have been so demeaning that I am not ready to talk about them yet, and perhaps never will.

But it is time to describe those other 'trivial' incidents, from all over Canada, from Toronto, from Ontario, from Vancouver, from interior B.C., from the prairies, if only because I feel a sense of duty to Canada. Maybe, if only people began to realize "it" can happen here, and try to recognize what "it" is when they see it, or practise it, then maybe, perhaps, they will begin to do something about "it". This article, at least as it was originally conceived and drafted, was written in the hope that, more often than not, the discriminator is not aware of what he is doing. I have tried to put all incidents in the least offensive if occasionally caustic and powerful prose. It is written in the belief that, ten years from now, wherever in the world I might be, I will not regret that fact that I too, behaved like an Uncle Tom. Maybe there is hope for Canada yet.

"You do think of yourself as coloured, eh?" quizzed the kindly old Toronto banker, who was sitting next to me on a plane, on a recent trip to Europe.

"You know, I never did. Until I moved to Canada. Never in my travels and sojourns all over the world have I felt that I was treated like a 'coloured person'."

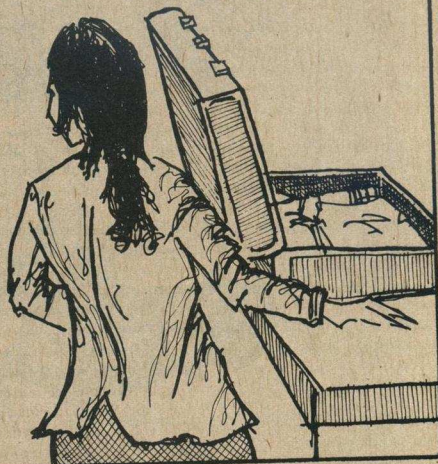
"I have never thought of Asians as coloured. And besides, you have light skin and an excellent command of English" (The first is a white-lie, the second is for my readers to judge). He continued: "I have a number of Asians working for me in my division of the Bank, and they are all excellent, hard-working, non-complaining." He felt compelled to make a positive statement. The Canadian version of that oft-repeated joke, "Some of my best friends are Jewish", is something I have heard a million times, and was to hear it from this banker again. Some of my best employees are Asians. I felt enough comradeship with this old banker, I came back without any sarcasm: "Some of my best employees are Asians, too."

It is very difficult either for that radio announcer, or that banker, or for that matter any White Anglo-Saxon to understand and empathize with a victim of racism. I know some French-Canadians who think they have experienced it. Women, students, pensioners, handicapped, have all had experiences similar to those of racism (called discrimination) at one time or another. But the crucial difference is simply that all other discrimination is a transient phase in one's life, but racism is more pervasive, more devastating and far more permanent. And the variety of racism based on colour (unlike that against Jews or French Canadians) has no obvious long term remedy. That is why it is serious and damaging.

When the victim of racism begins to identify with the majority society as one of its members, then the discrimination is permanently ego-damaging. That is indeed why Canadian racism is as severe a 'problem' as the American



## CUSTOMS ↓



variety, and I happen to think it is far more serious. Many non-white immigrants are now Canadian citizens. And many white immigrants, who have chosen *not* to become citizens, get better treatment in Canada.

There is another crucial difference between racism in the United States and in Canada, at least as I have experienced it. American society has a solid tradition of accepting the remedy of 'fighting back' against all injustices, racial and otherwise. There is a constant, consistent effort in Canada to deny the existence of the problem or to minimize it. As far back as 1964, I recall being told by a Canadian friend in Chicago, that among all of the job options around the world I was then considering, the Canadian one would turn out to be the best, because Canada was the least racist country in the whole world. Since I had visited Canada several times before that, I expressed scepticism and suggested that it might really be a matter of time and the numbers of visible people in any area. He was outraged, upset, and suggested that Canada was morally superior, because it had a 'non-violent' tradition. This is a crucial, though not the only way, in which Canadian racism is "worse".

During the racially troubled sixties in the U.S., only once was I a victim of racism *per se*. And then, just about every American I knew and talked to was outraged, and eager and willing to help remedy the "injustice".

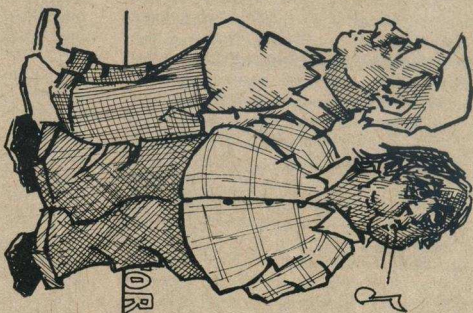
It was the familiar case of housing discrimination. I had preceded my white room-mate to this new city (without many white friends in that city at this point either), and was trying to rent a particularly beautiful apartment; only it was on the wrong (the white) side of the tracks. Although the place was

vacant, when I called they said it was taken. I persisted. One agent at that real estate office finally goofed (he got mixed up about the several places that I had looked at) and he told me that the place was vacant. Then many of my white acquaintances called the agency. I got the place. They even told people that called on my behalf that I looked so young that they mistook me for an undergraduate (who could not afford the place, they thought) not a graduate student (who could afford). To top it all off, less than two years later, they rented the place to a mixed couple just to prove to the tough housing enforcement agency that they were not the type who would ever discriminate! Throughout the initial fight with the realtor's office, all my American friends helped.

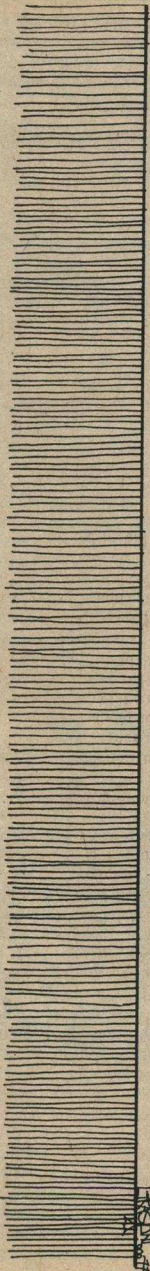
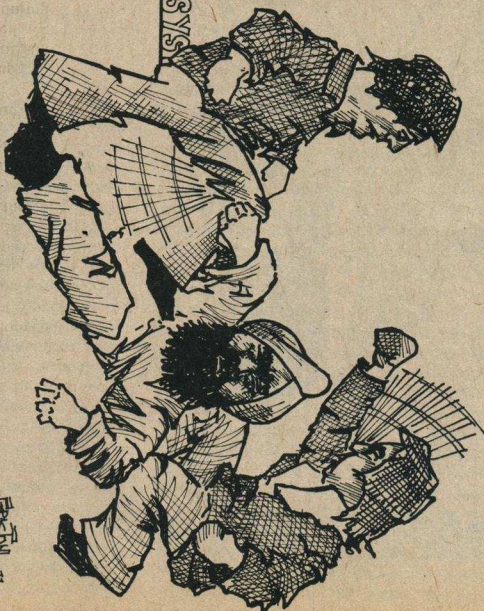
With Canadian friends that I have known for at least five, nay even ten years, reactions in similar situations, even to narration of such incidents, is invariably in the form of denial. [You must have misunderstood. Are you sure that's what happened? The guy probably would have said the same thing to me. And so on.]

Ironically, in all these ten years, I can only recall one instance of a Canadian admitting racism in a non-work situation. Ironically, because I had become such an Auntie Tom by then, that I refused to see the racial overtones of the particular situation, and kept on trying harder and harder and harder. This friend, who had been witness to the hassles of that horrifying episode over two weeks (she worked alongside me) finally said, "that person is blatantly racist. Can't you see what is going on? Why don't you just give up? If you pursue this any further you'll just end up frustrated." And I gave up.





TORONTO SUBWAY SYS.



THE LAST POST



The thing about racism is simply that, most of the time, it is impossible to prove it, even if you tried. (You've heard that one before). Even when as a potential victim, you are alert to symptoms of racism (as I was on return from Jamaica) you can be quickly classified as 'paranoid' and 'looking for trouble'. You see the double bind in that exercise? I'll give you two small examples of what I mean, and both these have to do with interactions with Toronto and area police.

In one case, I was driving and a pedestrian entered a marked crosswalk after I had crossed the line, from the opposite side. I kept on going. The white teenaged driver *behind* me, who had been tailgating me for blocks on end, also kept on going. Meanwhile, a policeman had approached the same intersection from the other side, stopped for the pedestrian, and saw me as I drove by. He kept on going for several blocks, then, as if he had decided on something, made a U-turn in busy 9 a.m. traffic, came back, and sired me off the road. (The tailgating teenager had passed me and had speeded off.) He told me I had violated the law by not stopping. I explained. I also pointed out that the car behind me, which was not into the intersection yet, had also proceeded. The policeman chided me not to argue. He wrote up a ticket. I politely asked him if he was giving me a court date.

"You are not going to court on this, are you?" he said. I dodged. "Oh, I don't know."

I did go to court. The officer did not show up.

Here is another instance. An acquaintance of ours, a non-white who has driven in Canada for about ten years, finds himself being stopped by police frequently during the last year or so. Recently he was stopped, for the third time that week, at about eight in the morning, with his old mother and baby-child in the car. The police, he says, had been proceeding the *opposite* way, never followed him, saw him, made several right turns off side streets and came and stopped him. They were at right angles to him, even at this point. They checked him, and asked him to proceed. Since this had happened to this friend so often in the recent past, he asked the officer what the problem was.

"It looked as though you were not steady on the road. We thought you may have been drinking." Until that moment when they had to give an explanation, they never thought of that one. Finally, after a year of such history, this friend was charged recently with passing on the right, on a city street. He must be a bad driver, right? (Why did he get so much worse in the last one year?) Many non-white friends in Ontario and B.C. have been stopped very often in the recent past by the police. Police harassment? Oh no, not at all. Isolated minor incidents? Of course, yes. When a white friend of ours called the police recently about such a harassment of his non-white relative, the police laughed it off. They seemed to imply that no white in his right mind would want to make such a complaint. And after a few days of pursuing the matter, this white gave up.

And here is an incident that illustrates racism in a work environment.

I was once an invited guest at a government seminar. The tension of the day, induced by the presence of high level cabinet officials, left the participants understandably exhaus-

ted. But no amount of exhaustion could be an excuse for what followed.

A Chinese Canadian had made a super-professional report at the meeting. In the opinion of many, he had literally saved the day, and the jobs, of almost all the participants, at least for the time being.

The group adjourned for drinks at five. Since meetings were to follow later that night, drinking was light. In fact, only one round had been poured. I was the only non-white in the room.

A white, who had the misfortune of following the Chinese Canadian during the day's proceedings, and had done a particularly bad job of reporting (I was to find out later that bad presentations were the norm for him), quipped, "I will follow no bloody Chinks in these sorts of seminars ever again." Everyone laughed.

The remark was bad enough. The sad part of it was that no one in that room seemed upset at this racist remark against the only member of the team who had made the effort to save the day.

I walked out of the room. Being a stranger to the group, I just murmured to someone in horror. Belatedly, a senior member of the group came back to the room, and joked, "No racist slurs tonight please. We've got company. And that too, a woman."

Mercifully, the Chinese Canadian had skipped that "happy hour", to go home and do a report for the night. I regretted I ever went to that "happy hour".

---

I started out by saying that it is inherent in the nature of racial prejudice (or for that matter any other kind of prejudice) that it is impossible to document it, so it is easy for the prejudiced to completely deny it. But I am glad to report, readers, that for your sake, and that of the radio announcer I mentioned earlier, I have had some unique opportunities to document Canadian racism, only to find out that there was no one willing or able to do anything about it. I'll just give you one example.

Back in late 1974 we were desperately fighting the racist scene, trying to find household help for our then two-full-time-professional household. Only recently did I realize that the fringe benefits I offered had to match those of ministers like Otto Lang — no wonder I lost so consistently. But let me be serious. This is no topic to joke about. A helpful white friend of ours, who had just hired help through an agency, maintained that our trouble was bad luck, not racism. She called me as soon as she had selected a girl from the agency's files, and recommended that I go down there right away because they seemed to have lots of qualified help and few takers. I called. I went through the whole speech of who I was, what I did for a living and what we were looking for in an employee, and told them of my friend's testimonial. I could have been talking to the telephone receiver. The lady at the other end (two of them in turn, in fact) told me they had no one "on file" now, but they would call me back as soon as they had someone. It did not seem to occur to them, though it did to me, that they had neither asked, nor written down my name or phone number. Right away, I asked my WASP husband, with the right accent, to call them again, coaching him carefully on what to ask for. I listened on the other extension.



The same ladies were politeness incarnate. "Could you come down to our offices right away Dr. . . . .? Of course we have a number of potential candidates available immediately. They are all excellent. Please, if you can, bring your wife with you to help make your selection. . . ."

My shocked and confused husband murmured something about his wife being very busy, and made an appointment to go down to the office the next day. We went down together, and while I pretended to be delayed parking the car, my husband went in, filled out their application form, and discussed our needs. The helpful agency ladies had over a dozen files of "suitable" prospects out on the table for his inspection.

Then I walked in.

"May I help you?"

"No, thank you, I am with him." "Yes, this is my wife,

.. . .  
Silence.

Magically, all the files on the table began to disappear, one after another. Rose had been promised to a lawyer in Rosedale, only the other clerk didn't know about it until the moment I walked into the room; Betty, the girl from Scotland, had just written yesterday to say she would not come until next year; Mary, Rosalie, Jennifer, True, Beth, Ruth, Joan and all the rest of the dozen files, all available ten minutes ago when my husband was there by himself, were now suddenly not available.

The time had come to confront them, or so we thought.

I said politely, "How long have you had all these candidates on your files?"

Mrs. X was defensive, and, to her own disadvantage, misinterpreted the motive of my question.

"Oh, we check out all our girls thoroughly, so we have had these candidates on file for at least a month or two."

"That's interesting," I said. "I called you yesterday at 10 a.m., and both you and your partner here said you did not have a single candidate available."

They suddenly realized what had happened. They simply said that they were in business to make money, and since demand exceeded supply, they were free to choose who they would serve. After all, Mrs. X said, "most of our girls go to homes in Rosedale and Forest Hill." But my husband had never told them he *didn't* live in Rosedale or Forest Hill.

We walked out of that office, furious. I made a phone call to the Ontario Human Rights Commission. Someone on the phone told us that we were really employers in this case, and so nothing could be done about it. I had used up so much nervous and emotional energy by then, I said to hell with it. I am not sure that I would have approached the Ontario Ombudsman's office, even if there were one then. My general experience has been that the effort, the energy and the time involved in the pursuit of such justice in Ontario and in this country, is wasted, because you hit a blank wall, sooner or later, in the form of a white liberal who suggests that you should be nice about this "isolated incident."

---

Racism in Toronto? Oh, no, of course not. Listen to this incident. My son goes to school in this neighbourhood. We pay for the privilege, just the way all the other parents do. Our French-Canadian babysitter used to drop him off there,

and my white husband always picked him up. Well, one day I had to show up to pick him up after school myself, and the children were all rolling on the grass in front of the church building that houses the school.

"Are you John's babysitter?" asked one mother, who was also watching the children play. "No, I'm his mother." "Oh, I am sorry, I was really thinking of another John. The one who gets dropped off by a white lady with black hair."

"Oh, yes, that's our babysitter," I said. But this bigot would not give up. "I am sorry. I was really thinking of John Brown. The John whose daddy picks him up on a motor-bike?" "Oh yes, John Brown is my son. And the man who picks him up is my husband."

The lady took the three kids who she was supposed to be picking up after school (who were then playing with my son), and reacting like someone who had just heard of an outbreak of smallpox in the school classroom, walked swiftly away.

And there was my answer to two questions: Why on earth were we having trouble getting into a car pool at school? Why were we getting no response to our interest in participating in a babysitting cooperative? The polite explanation of many other mothers who had even bothered to say hello to me was, that "the group of parents this year is very unfriendly."

Oh no, Toronto is not racist. No, not us, Canadians. We're just generally unfriendly to all our children's friends who look different and wear a different coloured skin most of the time. That's all. And all non-white adults coming to pick up kids at a school that you have to pay tuition to, must of course be babysitters. Who else?

I know what my white liberal friends will say this time.

"Oh I don't know about your particular neighbourhood, but it's not that bad in our area. I haven't heard of any complaints. . . ."

I'll tell you why you haven't heard. Most non-whites are dead scared to complain and make it worse, so they act like Uncle Tom and pretend not to notice. Yes, if you pretend long enough that it does not exist, it must go away, right? Even non-whites think so. But this one won't go away, any more than our economic problems will go away as long as we want to subscribe to the post industrial leisure ethic, let those "dirty" ethnics work for low wages at jobs we need done but don't really want to do. And then pretend that things must really be rosy over here compared to that country they left behind them. Otherwise, why would they come?

Why indeed? I'll give you one reason why they would come: false propaganda. Canadians have had such a "holier than thou" attitude to those "ugly racists" south of the border that they really have begun to believe in their holiness and preach it all around the world. It's like a Yoga mantra: constant repetition automatically cleanses.

I hope my readers have not missed the point that just about every episode described here deals with middle-class or institutional racism. As soon as one mentions racism, just about every middle-class white turns away as if it does not concern him. Middle class whites don't identify with hoodlums who beat people up on subways. Or White Power groups that burn swastikas on lawns. But that is also why racism in Canada is so much more prevalent and worse than in the States. It transcends class barriers. And when middle class teachers don't come to the rescue of subway victims, or deny that there is racism in the classrooms, and that derogatory slurs are common among whites as well, they are not just condoning racism, they are actively encouraging it. Racial stereotypes can at times be very positive. And Canadian





Many non-whites are scared to complain and make things worse, so they pretend not to notice

schools condone the negative side. Almost all newspaper episodes in Toronto and Vancouver deal exclusively with working class racism, so the middle class readers of newspapers can harbour the illusion that they have nothing to do with it. If only TTC hired more cops. But twenty of you are just as good as one cop, if a potential attacker is apprehensive that you might actually *do* something.

---

I vividly recall a television program on which a Vancouver WASP volunteered, "They got good people over there in Asia, but those ain't the ones comin' here." Well, mister, it's Canada's self-seeking immigration policy that brings largely unskilled manual labour from the "third world". And that's only because "there ain't no more whites nowhere that wants to come and work for them low wages at menial jobs," no, not even from inside Canada.

But not all of us non-whites came here because we couldn't go anywhere else. Many *chose* Canada for idealistic and political reasons, and for meagre professional fulfilment at (yes) lower pay, higher taxes and lower living standards, in lower positions, than the U.S. or other countries had offered.

Well, Mr. Harry Brown (then host of "Metro Morning" and the announcer who mused about what racism is all about) let me sum up for your benefit what discrimination has been, to me. Whenever I return to Canada in my white husband's company on a Canadian (ugly, drunken Canadian) flight, we

pass right through Toronto and Vancouver or Montreal customs, immigration, and all the rest. Whenever I come back alone, my baggage, me and my Canadian citizenship are thoroughly searched and scrutinized, and overturned. I had the unique privilege on that return flight from Jamaica of being the only one who had made negligible purchases in Jamaica (I was very sick with a Canadian winter flu and went there to recover), while my fellow Canadian tourists seemed to be buying up the whole place during their stay. I was, though, the only one who was thoroughly searched by that frustrated customs man who was then astonished that I had told the truth. Many of my co-passengers had, of course, "whitelied". But then, I was the only non-white on that place.

Oh no, Toronto customs is not unique. Many times, I drove across the border from Vancouver to Seattle and back. I was never stopped even once by Canada Customs if the majority of the passengers in the car was white. We were *always* stopped when I was with Chinese or other non-whites. Discrimination? Oh no, of course not. Sheer coincidence? Indeed, yes.

Liberal 'friends' are always reassuring you about the absence of racism. One Jewish friend of mine told me, after I described a very racist attack, "Oh, that happened to my grandmother when she first came here in 1901. She could not speak a word of English and..."

Well, I can and do speak better English, not only better than my friend's grandmother, but even better than this "liberal" friend herself. And this is the twentieth century,



fourth quarter. And you, your grandmother's granddaughter, are practically indistinguishable from WASP Canadians. But my grandchild may not have that fortune, though she might be a Canadian citizen.

If it were not so tragic, it would be very funny that a saleslady with a Scottish accent politely tells you you should not be in her store because you can't afford their merchandise. Once in Vancouver, I bought a lovely spring coat from a store with precisely that kind of saleslady just to show I could afford it. I needed the coat, but ever since I have been unable to forgive myself for descending to her level of pettiness. But racism is being continually told by salesladies in mediocre stores that you can't afford their wares.

Oh yes, my liberal friends explain that away too. "That happens to me all the time," one will say. "You see, I was on Yonge Street (or Granville Street), wearing tattered jeans and this lady in a store almost threw me out." Well, that's precisely it. I was *not* wearing tattered jeans. I just wore my brown skin under respectable clothes, as I always do.

And I also get the "other" explanation. "Us Canadians have always been insecure about jobs." Well you don't demonstrate that to Scots or the English or all those others who come here, by beating them up on subways, do you?

And do you know that many white friends and colleagues of mine, here for well over five years, don't ever contemplate taking up Canadian citizenship? Why? They don't see any "good" reason to, they want to "keep all options open", and "be realistic". Maybe Canadian self-identity is so ambivalent that only those immigrants get treated right.

What little of 'Uncle Tom' there is left in me urges me to find a basically non-racial explanation, at least in part, for what I have been describing as "racism" in Canada.

It has to do with what I have begun to loosely call the lack of a positive identity: a basic ambivalence of most Canadians. In the darkest of moments, I have even begun to wonder if any strong, positive identity, even an abhorrent identity (such as the counterpart of 'ugly American') is better than no identity at all. Canadians perpetually imply that if you are any good in any way, including your own field of expertise, you couldn't possibly want to come to Canada, or stay here, especially if you are non-white. It may have been true that a lot of really competent Canadians and (mainly British) immigrants went south of the border if they excelled in their own fields, back in the forties and fifties.

But Canadians seem to forget that the only country in the world that unequivocally benefitted from the Vietnam war was Canada. I know very few Canadians who lost any sleep over the fact that Canadian industry (with less productive and higher-priced labour than U.S.) was making hay while the war-sun shone over Vietnam. They let the left hand pretend not to notice the fact that the right hand was benefitting from the war effort.

And Canada benefited in another way, as well. A number of well qualified, internationally trained people with survival skills, capable of taking care of themselves anywhere in the world, with a lot to contribute, came to Canada by choice, although the pay was not as good, the taxes were higher, the material comforts considerably lower. They came, only because they bought the Canadian propaganda about how tolerant white Canadians were. Holier than thou and smug as hell has always been the Canadian attitude toward other countries and people.

Perhaps most Canadian people don't really know this, but it is quite easy to document, from government sources alone,



**Canada doesn't do well in providing support services for immigrants**

that Canadian immigration policy has been basically selfish, short-term economic growth oriented. It has paid very little or no attention to the provision of support services to the immigrant, unlike the policies of Australia, Austria, U.S. or even for that matter, Britain. Canada always skims the cream off any refugee or mass immigration, and claims as much credit as possible for humanitarianism. (The latest examples of this in a long and rich history, are the educated Ugandans and the fabulously wealthy Vietnamese.)

And if you keep insisting that all non-whites who come here must be good-for-nothing, dirty, poor, lazy (the way that outspoken WASP on the Vancouver TV show did, and many not-so-outspoken WASP "friends" do, in conversations all the time), then pretty soon, that's all that Canada will have left! Any non-white who is any good, will go elsewhere at the first chance. And for that matter, whites too.

A number of the nationalist aspirations and policies are misguided, and if translated into everyday language most Canadians would disagree with them because nationalism has a short-term economic price. Still I sincerely wish that the Jim Lorimers and the Mel Hurtigs of Canada will soon succeed in instilling a national identity and a strong sense of what being a Canadian is all about, into Canadians. (They'll have to somehow overcome trying to define it all as "not being Rhoda", "not Archie Bunker", "not Mr. Kotter", and get more Canadians to identify positively with Larry King, Margaret Atwood and the "survival" themes.) Then and only then, and if it is not too late by then, will Canada begin to appreciate what "others", (visible, audible, even smellable immigrants) might have to contribute to this country.

There is another, related reason, and this time, the nationalists are right, too, only they might make the whole scene worse. I'll describe a small anecdote that happened about seven years ago, but it is just typical of something that



happens several times a week, to me, and to many of my friends.

A colleague of mine in his mid-forties, well-educated, a university professor, outwardly quite civilized and cultured, was talking about languages. He expressed disbelief that south Asia could have so many languages. He politely corrected me. "You mean dialects, such as the various kinds of German?" It was nice to know he knew there were several dialects of German.

Jokingly, I said that there were indeed many dozens of languages, not just dialects, each with its own script, and I wrote down his name in five different scripts on the cocktail napkin. You won't believe what happened.

He said, "You don't have to lie. You are really good at making up scripts at a minute's notice, aren't you? Luckily, I don't have to believe what you have just said, in order to keep working with you as a colleague." He was dead serious.

Incredible? Yes. Unusual? No.

But that story, and thousands like it involving Canadians of a similar "cultural socio-economic level" (I use the jargon for want of a good shorthand substitute) also had a motto. The Mel Hurtigs are probably right on when they say that Canadian schools teach little about Canada, but a newspaper editor who commented on that story was also right when he said Canadians seem to know little about anything at all, except about the Fonzies of popular American television.

In six years in the U.S., not once has such blatant ignorance and smugness been so insultingly displayed to me or to any of my friends. If Americans don't know, they shut up or laugh it off, or apologize. They are not self-righteous about their own ignorance, and they don't try to call you a liar. Ignorance is one thing, and can be excused. But insensitivity and self-righteousness is another. This same man has advised the Canadian government on developing educational programs on another continent. This ignorance about the "Third World" explains racism. This makes many "average" Canadians equate poverty with laziness.

I often have a nightmare. It is 1985 and all the blue-eyed, blonde-haired, pink-skinned oil has run out. A non-white is advising the Arab sheiks about who to sell their limited oil to. The customers are Australia, Austria, Britain, Canada, France, Rhodesia, South Africa and the U.S., in alphabetical order. I am horrified when I wake up from this nightmare that I had not seen anything wrong with the advice that the coloured economist gave to the oil sheiks: U.S., Austria, Australia, France on the top of the list of priorities, and Canada all the way down with South Africa and Rhodesia. Surely that economist knew that Canada might freeze in the cold and dark, and needed the oil most? But he had experienced racism in its most devastating form in Canada in the sixties and seventies.

I hope it is not too late for Canada to see itself as it really is. In general, no better or worse than any other nationality or race of human beings. In practice, because of historical accident, good luck, insularity and a lot of other factors that would take me volumes to write about, much worse than any other country in the world except maybe for South Africa and Rhodesia.

As that tea ad goes, "Only in Canada" have I consistently met whites who have tried to explain away every single racist incident. Only in Canada have I met bleeding heart white liberal friends who imply that I must be lying if I ever described a "racist" incident. And only in Canada have I had white friends and acquaintances turn away embarrassed when

they have witnessed a scene with racial overtones that they can't explain away, either to make sure they won't have to "get involved" or to pretend it never happens here. Only in Canada, what a pity!

Only in Canada have I had the privilege of taking my "acquaintance" of ten years out to dinner (I have ceased calling such people "friends") only to sit and listen to his wife remark, "Isn't it horrible? All those coloured people on Toronto's streets nowadays? You can't walk one block anymore without seeing one!" (Belated addition: "I mean those West Indians.")

Come on, I hear all you readers saying, these racist experiences must have lighter moments too. Ah yes, they do. And that's how I have learned to keep my chin up and survive.

There was the time the dog catcher came. People across the street from us hate the fact that we moved in, and so are continually harassing us. One way they used to do it was to call the pound every time our dog went out on our front lawn. One day, after a frustrating shopping trip (being told directly and indirectly by salesladies that I could not afford their wares and all that stuff) I walked into the house and let our dog out onto the lawn so he could relieve himself. I saw the lady across the street, who always sits at her window sill, go to the phone. I knew what to expect. Ten minutes later, the dog catcher showed up, caught my dog on the lawn, and was irately knocking on my door. He had not seen that I saw him. There was no use arguing with a white dog catcher, acting on a white complaint, that my dog was not trespassing. I had tried that before, without success.

I was vacuuming.

"Does this dog belong to the people who live here?"

"I think it does."

"Is anyone home? We have complaints about this dog."

"I am home. I am cleaning."

"Could you tell the people that live here not to let this dog out?"

The dog catcher left.

You get the story, don't you, the joke? I held the vacuum cleaner. He looked at my skin colour, not my clothes, nor did he listen to my English diction. He assumed I must be the cleaning lady, who else? So, knowing ahead of time that that is what he would assume, I chose this time not to enlighten him because it was to my advantage.

Do you know that the only way to get fast service in department stores in Canada is to be non-white and roam around the aisles? I use this tactic in Canada nowadays whenever I go shopping without the company of my husband. All you have to do is linger in the aisles for 30 seconds. If you wear non-white skin, suspicious sounding salesladies, perhaps even sales supervisors, will rush to you with plastic smiles and "may I help you?" Try it, it always works. Only if you have brown skin. Because, if you wear brown skin in Canada, it doesn't really matter what else you wear. They might come and tell you afterwards that you can't afford what they are selling, but they are sure to come running.

No, Toronto, you are no racist city. And no, Canada, you are not a racist country. All of this, these last ten years in Canada, must be a bad dream.



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# Pity the poor farmer

by Bob Trotter

Ontario farmers have been complaining for years, but nobody seems to know what they are bitching about.

It's similar to the Prairie wheat farmer who hears the Pequistes screaming for independence but feels Canada has been sold down the St. Lawrence River for 110 years now.

Why are almost all segments of agriculture in Ontario complaining?

Start with dairy farmers. Better still, start with one dairy farmer who is typical of hundreds of young men trying to get a start in milk production these days.

His name is James Martin. He's 24 years old, married, has a small daughter. Three years ago he bought a farm near the village of Alma in Wellington County, one of the many former railroad whistle-stops sprinkled across rural Ontario.

With his father's help, he invested heavily to build a modern dairy farm stocked with top-producing cows. Four months after he started milking, the federal government announced its dairy policy for 1976-77. The policy wiped out Jim Martin's dreams.

The barn was built to handle 70 milking cows and Mr. Martin was encouraged by the provincial government and its many advisers to plan for a herd that large. Mr. Martin started milking a herd of only 30. But the federal government's policy changes reduced his marketing quota to that of nine cows, far from enough to cover the bills even though his father, Aaron, offered all the help he could.

By September, James Martin had given up all hope of surviving as a dairy farmer. He sold his remaining herd soon after his milk cheque arrived stamped "void, void, void." Despite pruning his milk shipments, the amount produced exceeded his quota. Under Ontario Milk Marketing Board policies, the penalties for producing surplus milk wiped out his entire income.

He filled his barn with beef cattle owned by others to make a few bucks by the pound of weight gained. He started feeding pigs owned by other farmers at so much per pig plus a share of the profits, a form of contract farming. But beef prices are lower now than a year ago, almost the same price as they were 20 years ago, so he won't make enough to pay his bills. And hog prices as this is written have dipped to less than 55 cents a pound, down from a high of 77 cents a year ago.

In December, the Martins figured they had lost their dreams of hanging on to the farm and were making plans to sell the spread this spring, shop for a small house in town and for a factory job so they could raise their two-year-old daughter.

The Martins are not alone.

Every farmer in Ontario should have been protesting with union members last October. Workers had their wages held to an increase of around eight per cent by the Anti-Inflation Board. If the cost-of-living index was held to 6.5 last year, then some small gains were made.

But pity the farmer. His net income will go down by at least 25 per cent this year. Add to that the fact that the dollar today is worth less than a year ago and most farmers will end up with a standard of living 30 per cent lower.

Dairy farmers, beef farmers and hog farmers have been hit. Grain farmers are also faring poorer than government economists figured. Canadian farmers harvested a record wheat crop but that, as usual, helped depress prices to about \$3.50 a bushel, down by about \$1 a bushel since last July. And the whole grain-growing picture was thrown out of kilter by the Great Grain Robbery perpetrated by the Soviet Union two years ago.

Americans allowed Russia to buy the grain at depressed





**Agriculture Minister Eugene Whelan does a little politicking in the Ontario countryside**

prices just to get rid of it and have been sorry ever since. It was another hard lesson in economics that the American capitalists learned. They were simply out-foxed at their own game by the Russians.

Much the same story holds true for barley, oats and corn. Ontario farmers have watched corn prices drop from more than \$2.50 a bushel to about \$2.25 a bushel as this is written, with predictions that it could drop as low as \$1.50.

So it's a cinch that net income from feed grain sales will be at disaster levels this spring.

Net income for turkey, hog and egg producers will certainly not increase because higher production costs in all areas — especially energy — will spoil any profit picture they may have been expecting. Broiler chicken farmers will have much lower profits because prices have plummeted due

to stiff import competition under out-dated tariffs (and protection for the importers) under the General Agreement on Tariffs and Trade (GATT) which the federal government is most reluctant to tamper with.

After all, more jobs — votes — are up for grabs in the steel and automobile industry than in the farm sector.

Fruit and vegetable farmers will have red balance sheets this year, too, ranging from a disaster in cherries a year ago when the crop was virtually wiped out by frosts to a bumper crop for grape growers who faced a market last fall so flooded with their product that federal and provincial aid had to bail them out.

Contract prices for pea crops, sweet corn and tomatoes were lower last year than in 1975 yet, in all cases, production costs were higher.



Beef farmers have figures to prove they are losing as much as \$100 a head on feedlots that stock up to 2,000 or more cattle. Some dairy farmers claimed they were losing as much as \$5,000 a month until quota arrangements were changed.

Yet the potshots at farmers keep coming with the Consumers' Association in the forefront blaming farmers for increased food prices when, all the time, any decreases in the cost of living come from food.

Too many people still think of farmers as the Hey-Rube-Medicine-Man dupe. The expression "dumb farmer" has become idiomatic. Yet, successful farmers today — and there are a few of them — have to be soil specialists, geneticists, mechanics, welders, bookkeepers, managers, foremen and you-name-it. They get justifiably angry when the mass media misrepresents them to the general public.

One of the worst examples of information based on half-truths was printed in the *Toronto Globe and Mail* more than a year ago.

Commenting editorially on a report prepared by the Economic Council of Canada, the paper, in a backhanded reference, claimed that agriculture "has a productivity level below the average for the economy."

The assertion was not qualified or explained and another big lie about farmers was born.

The truth is that between 1961 and 1972, output per employee for commercial industries in Canada increased by three per cent according to StatsCan. The non-agricultural, goods-producing sector increased about four per cent while service industries grew 2.1 per cent. Government employee output, it might be noted, dropped three per cent since 1968.

What about agriculture? The average annual — get that: annual — increase in agricultural productivity was a whopping 5.1 per cent every year! More than a 50-per-cent-increase in a ten-year period when other sectors were satisfied with increases of two or three per cent.

The average Canadian with no rural connections doesn't realize that the average Canadian farmer feeds 50 people while his counterpart in Soviet Russia feeds six. An Asian or an African spends five days in the field to produce 100

pounds of grain but the Canadian farmer does it in five minutes.

And farmers have trouble telling the consumer that it took the average worker 20 hours a week on the job to buy food for a family of four 20 years ago. In 1969, it took 11 hours. In other words, the relative cost of buying food has been almost cut in half in 20 years. This is not to suggest that food costs have gone down. Nobody, not even that misnamed "dumb farmer" chewing on a straw and walking across the manureyard to slop the hogs, is going to suggest a decrease in food costs.

What farmers are saying is that total food costs have not risen as high and as fast as other sectors of the economy. Canadians, in other words, spend less of their disposable income dollar on food than any other country in the world except the U.S.A. Canadians spend approximately 17.5 cents of their disposable income dollar on food. In the United Kingdom, it's 29.8 cents and going higher every month. In Ireland, it's 32.6 cents. In Austria, it's 28.6 cents. In Sweden, it's 27.1 cents and in France, 23.4 cents. And in India, it's more than 81 cents.

Individual farmers are finding it impossible to compete in the open market place and have fought long and hard to establish their own marketing boards. They get accused of using these boards to get inflated prices for their products. Last summer, the Consumers' Association grabbed national headlines with an accusation that supply management marketing boards — marketing boards that had the power to tell farmers just how much to produce — "gouged" consumers for an extra \$470 million in 1975 adding a full percentage point to the consumer price index. But the Canadian Federation of Agriculture refuted the figures, and other statisticians agreed, the most that supply management boards cost consumers was two-tenths of one per cent in the consumer price index.

Farmers know they simply cannot compete against giant corporations such as the Weston empire or Argus Corp.

Fiercely independent, perhaps the last genuine entrepreneurs in the nation, they have had to forego independence to compete.



Erratic government policy leaves dairy farmers not knowing whether they're coming or going



How, for example, can an independent farmer compete with Argus Corp. which owns or controls Dominion Stores, General Bakeries Ltd., Massey Ferguson Industries, Hollinger Mines, Standard Broadcasting, New Idea Farm Equipment, Maple Leaf Mills, Crown Trust, Trans-Canada Freezers (See *Last Post*, January 1975).

Or the Weston conglomerate?

Here's what happens: Weston bread goes up in price. Loblaw's sells the bread and gets a piece of the increase. The price goes up again because milk and sugar prices have increased from Donlans Dairy or Royal Dairy and from West Cane Sugar. Flour, too, goes up in price because McCarthy Mills wants a piece of the action. The Soo Line ships the wheat. The distributor also gets an increase: National Grovers and York Trading. The retailer gets a piece of the action, too: Loblaw's, Red and White Stores, Lucky Dollar Stores, Super Save, Shop-Rite and Zehrs Markets.

But every one of these companies is owned or controlled by the Weston empire. (See *Last Post*, October 1975).

Farmers have been forced into organizing their own marketing boards simply to stay in business. And, make no mistake, agriculture is an important business. City-dwelling Canadians believe this is an industrialized nation but the facts prove otherwise. More than 43 per cent of the economy of Canada depends on farmers and farming. No other sector of the economy is as important to Canadians as agriculture.

The farmer is bitching because he gets one price for his product: at the farm gate. The conglomerates get a bite all the way along the line. The degree of manipulation that could be done is astounding. Which is why farmers have had to resort to marketing produce through their own organizations.

For beef producers, prices are slowly inching up the scale but that's only because it rained in Australia. What does rain in Australia have to do with Canadian beef? Simply this: A prolonged drought in Australia forced ranchers there to cull their beef herds and keep only the best cattle for the restricted grazing caused by lack of rainfall. Millions of pounds of beef culled by the Australians ended up in Canada. This influx of Australian beef depressed an already low price in Canada because too little was done — too late, again — by the federal government to restrict imports of beef.

For those who still believe that farmers here are molly-coddled with subsidies, it might be well to remember that compared to most developed countries, Canadian farmers are undersubsidized.

Consider: West Germany spent \$670 per farmer in subsidies in 1972. France, one of the worst offenders in international farm trade, spent \$980 a person in farm subsidies. Britain spent \$1,058 per farmer while the United States spent \$1,287; Switzerland, \$1,052.

And what did Cah-nah-da pay her farmer? The federal government spent \$350 per farmer. Direct federal support for agricultural purposes amounted to 3.3 per cent of the total budget, a paltry sum, say farmers, to keep a major industry healthy.

Just one small example — which can be magnified in hundreds of other areas — of the effect a healthy agricultural situation has on the economy. When Canada made those mammoth sales of wheat to China in 1972, one week after the announcement of the sale, the National Steel Car Corp. of Hamilton received an order for 6,000 hopper cars from the Canadian wheat board.

That's the effect that a healthy agricultural economy has on this nation and farmers are well aware of it.

They know they are an important part of the national economy, but they're afraid everyone else may be forgetting it and that's why they have become more vocal. They know, too, that they are lacking in political clout and have had to form strong organizations to stay in business.

Louis A. McLean is one of the most respected economists in North America. He has written:

"It is no accident that societies prospered, after the Crusades, as they provided tenure systems for the farmer, thus creating initiative. And it is no accident that the great bulk of man's other advances have occurred in these same societies. It is no accident that health is best and life the easiest in societies that have encouraged a prosperous and respected agriculture.

"It is no accident that garden plots in Russia produce out of all proportion to collectives. And, finally, it is not surprising that poor health and hunger walk hand-in-hand in lands where land tenure is difficult, where farming is considered a second-class occupation and where farm incentives are lacking. History teaches that the five essentials for civilization — food, clothing, shelter, health and an incentive-fostering government — are group dependent."

So says Mr. McLean and farmers know this. They are simply waiting for the rest of the world to find it out. As proof, let's go back to the dairy-farming friend, James Martin.

In late October, Agriculture Minister Eugene Whelan eased the dairy quota policy and 160,000 pounds of milk quota became available to the Martins in early December.

But the family no longer had the cows. When they had the cows, they didn't have the quota. When they had the quota, they didn't have the cows.

And they couldn't afford to buy back their precious high producers, especially because prices for dairy cows doubled and tripled when more quota became available. In early January, the OMMB relented, too, and allowed farmers to rent quota.

Mr. Martin was astounded in late January when he had a visit from a neighbour, Murray Bast of Wellesley. Mr. Bast offered Mr. Martin some of his cows.

"I came over originally to negotiate renting some of his (Mr. Martin's) quota but when I saw how bad off he was, I realized that I'd be putting him out of business just to save my own skin. I couldn't do that," said Mr. Bast.

And Mr. Martin got some of his cows. Not only that: Mr. Bast canvassed other dairy farmers and friends who offered more cows.

Martin's financial problems are far from over but he has a chance now. Some farmers are offering cows to him as an outright gift. Others are asking for the return of the first heifer calf or that he raise the first heifer calf to a two-year-old and return her.

And Mr. Martin is brought close to tears when he talks about it.

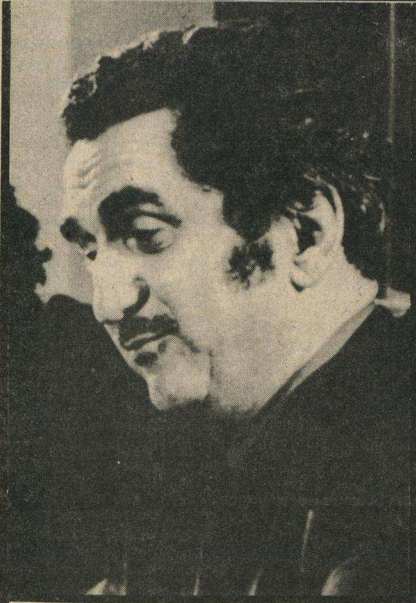
"If we lose the farm, we'll never get another chance," he said. "I'd sure like to be a dairy farmer. They're going to need young fellows in the industry."

"It goes to show what true Christian love means," he added.

Farmers, then, are sticking together, and you and I better listen.



# Rear View



Jean-Luc Pepin, head of the Anti-Inflation Board, a Canadian on the Trilateral Commission — page 42

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## Jimmy, we hardly knew you!

by DRUMMOND BURGESS

**Imperial Brain Trust: The Council on Foreign Relations & United States Foreign Policy**, by Laurence H. Shoup & William Minter. Monthly Review Press, 64 West 14th Street, New York, N.Y., 10011. 334 pp. \$17.50.

What do President Jimmy Carter, Vice-President Walter Mondale, Secretary of State Cyrus Vance, National Security Adviser Zbigniew Brzezinski, Defence Secretary Harold Brown and Secretary of the Treasury Michael Blumenthal have in common? Apart, that is, from the fact that they form the heart of the Carter administration.

Well, they are members of the North American section of the Trilateral Commission, and one of them, former Montrealer Zbig. Brzezinski was, under the guidance of Chase Manhattan Bank Chairman David Rockefeller, a founder of the Trilateral Commission; he was also the Commission's Director until he joined the Carter administration.

All together, Carter has drawn some 16 members of his administration from the Trilateral Commission.

Further, three of the six top leaders listed above — Vance, Brzezinski and Blumenthal — serve or have served on the Board of Directors of the Rockefeller-backed Council on Foreign Relations. At least one other, Walter Mondale, is a Council member. And one of them, Michael Blumenthal, was, until he joined the administration, a member of the co-ordinating group of the Council's 1980's Project and, it seems, the man who inspired David Rockefeller to set up the Trilateral Commission.

As you may have guessed by now, we are discussing here the American business establishment's highest policy-planning and decision-making bodies and how they guide the U.S. government regardless of what party is in power. We are definitely not talking about 'ah shucks, I'm just plain old Jimmy Carter, peanut farmer from Plains, Georgia'. Unless, that is, someone has found a way to transmute peanuts into baloney.

That 'Good Old Boy', President Jimmy Carter, sure has done a job on a lot of people, including some of his closest advisers during his presidential campaign who, apparently, really thought that their Jimmy would be different from Jerry, Dick, Lyndon, John, Ike, Harry and Franklin.



For example, in an interview with *Playboy* magazine last November, Carter's campaign manager, Hamilton Jordan, said: "If, after the inauguration, you find a Cy Vance as secretary of state and Zbigniew Brzezinski as head of national security, then I would say we failed. And I'd quit. But that's not going to happen. You're going to see new faces, new ideas. The government is going to be run by people you never heard of."

Famous last words. Jordan, incidentally, did not quit.

But let's examine these non-governmental, establishment planning groups as they are described in Shoup's and Minter's excellent book, *Imperial Brain Trust*.

The grand-daddy of them all is the Council on Foreign Relations. It was founded in 1918 as a sister-organization to Britain's Royal Institute of International Affairs (Chatham House). Although of importance during the inter-war period, it really came into its own with the outbreak of the Second World War when it assumed the leading role in studying alternative world setups to decide which would best serve the interests of the U.S. business establishment.

Through its War and Peace Studies Project the Council concluded that an internationalist policy was essential, and it defined a huge slice of the world known as the Grand Area (approximately similar to what we call the Free World but then excluding German-occupied Europe) comprising the Western hemisphere, Great Britain and its empire and the Far East, which the U.S. must control if it were to both achieve economic expansion and avoid domestic upheavals.

Its recommendations were, one after another, accepted by the government. For example, its conclusions on the need for the U.S. to control the raw materials of southeast Asia led to economic decisions that made war with Japan inevitable. Its plans for the postwar world were essentially those that were later adopted, carried out and made the U.S. the world's leading power and organizer during the past 30 years. In some of its recommendations there lay, very early on, the seeds of the Vietnam war.

For decades, Council members have flowed back and forth between the Council and high office in government. It could be argued, on the basis of this book, that the Council has been the real U.S. government, as far as world policy is concerned, and that the administration in Washington has been an executive arm of the Council.

Until the early fifties its main patrons were the financial empire around the House of Morgan; since then, the Rockefeller interests have had first place. It represents basically the New York financial oligarchy, or what, in shorthand, we usually call Wall Street. Among Council members, 22 per cent are non-financial business executives, 10 per cent are financiers and 8 per cent are corporate lawyers; among its directors, non-financial business directors drop to 7 per cent, while financiers and corporate lawyers are 35 per cent; of the Council officers over the years half have been financiers or corporate lawyers. The highest officer has always been a Wall Street lawyer or banker. The Council readily co-opts academics, journalists, politicians, and others as suits its purpose. Of its directors, 85 per cent live in the northeastern U.S. and another 10 per cent in Washington.

The Council is not, in other words, Ronald Reagan country although, if by some mistake he had been elected, they would no doubt have gotten him lined up too.

Many of the leading figures, past and present, are familiar to those who have followed U.S. affairs over the years — David Rockefeller, John J. McCloy, Allen Dulles, John Foster Dulles, Hamilton Fish Armstrong, Adolf A. Berle,



**President Jimmy Carter: strong ties to the Trilateral Commission and the Council on Foreign Relations**

Dean Acheson, Dean Rusk, McGeorge Bundy, William P. Bundy, George Ball, Henry Kissinger — all the old, familiar names, and this is only a small sampling.

Well, it's not exactly a blinding revelation to say that the United States, or any other country, has a ruling class. But it is important to know how and through what connections our "betters" exercise their power to achieve the results they want in a society with a democratic electoral system. The Council on Foreign Relations is the vital institution and





**President Carter's National Security Adviser, Zbigniew Brzezinski, was executive director of the Trilateral Commission and on the board of directors of the Council on Foreign Relations**

conduit that new Presidents regularly turn to for personal advice and policies.

The full details of the Council's history, of which the foregoing paragraphs have been the barest outline, are all in Shoup's and Minter's important book.

However, Shoup and Minter deal mostly with the Council's history. What is the situation today? What is the Council doing about the defeat in Vietnam, the rising power of Japan and Germany, growing problems with the Third World, and the phenomenon of Euro-Communism?

Well, of course, the quick answer is that the Council, or rather the related Trilateral Commission, is running the Carter administration. But leaving that aside for the moment, how is the Council deciding what America's new world role should be in the latter part of the twentieth century? Shoup and Minter go into this to the extent they can in the last part of their book.



**Carter's Secretary of State Cyrus Vance was a member of the Trilateral Commission and has served on the board of directors of the Council on Foreign Relations**

The Council's major pre-occupation these days is its 1980's Project, begun in 1974. Its job is to plan a new world order to replace the American-dominated one that has been slowly disintegrating since the late 60s. The Council hopes it will have the same success as the earlier War and Peace Studies Project that played the key role in planning the postwar world order.

Council on Foreign Relations President Bayless Manning has explained: "The last systematic, overall examinations of the international system — its structure, key relationships, rules, processes and institutions — took place during the Second World War and the early years of the cold war . . . scientific and economic developments have eroded the traditional insulators of time and space and given rise to new interdependencies, population has soared, power has shifted, new states have proliferated, and the number and importance of non-state actors in international affairs have increased. The institutional components of the post-World War II era, such as GATT, the IMF, and NATO, increasingly seem out of gear with changed conditions. The time is ripe for an attempt to analyze the characteristics of the kind of international system that would be suited to deal with the conditions and problems of the upcoming decade. . . . The Council's 1980's Project will undertake that effort."

Next to the 1980's Project, the most important attempt to find a way out of the developed world's current crisis is the Trilateral Commission, whose members dominate the Carter administration. It brings together some 180 leaders from the Western world's three major industrial areas — North America, Western Europe and Japan. It is transnational in character; representation is from the three regions mentioned and is not broken down further into nation-state representation.

The idea for it apparently emerged at a 1972 meeting of the Bilderberg Conference, the well-known but secretive series of meetings of U.S. and European political and business

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leaders under the patronage of Prince Bernhard of the Netherlands, a man whose reputation these days is marred by bribery scandals. Michael Blumenthal, now President Carter's Secretary of the Treasury, is said to have spoken of the urgent need for greater unity of the developed world. David Rockefeller agreed and set up the Trilateral Commission to study how and when.

There are numerous interlocks between the Council on Foreign Relations and the Trilateral Commission. Most U.S. Commission members are also Council members. Eleven Council directors sit on the Commission. The Commission's overall chief was Council director Zbigniew Brzezinski, until he became Jimmy Carter's national security adviser. The Commission includes important financiers and businessmen, leading academics, parliamentarians and labour leaders.

### Canada and the Trilateral Commission

Canadians on the Trilateral Commission include *Doris Anderson*, editor of *Chatelaine* magazine and a director of the Maclean-Hunter communications empire; *Robert Bonner*, former attorney-general of British Columbia, former chairman of Macmillan-Bloedel and today a prominent lawyer and director of a number of companies; *Alan Hockin*, executive vice-president of the Toronto-Dominion Bank, formerly a top civil servant in the field of Canadian and international finance policy; *Michel Belanger*, president of the Provincial Bank of Canada and formerly a senior federal civil servant; *Jean-Luc Pepin*, formerly the federal minister of industry, trade and commerce and today the man who runs the country's Anti-Inflation Board; *Claude Masson*, Prof. of Economics at Laval University and formerly a member of Walter Gordon's task force on the structure of Canadian industry and foreign ownership; *Michael Kirby*, Nova Scotia public utilities commissioner; *Maurice Strong*, the chairman of Petro-Canada and a trustee of the Rockefeller Foundation; *Louis Desrochers*, Edmonton lawyer and a director of the Bank of Montreal; *Peter Dobell*, Parliamentary Centre-for Foreign Affairs and Foreign Trade; and two parliamentarians — former External Affairs Minister *Mitchell Sharp* and Conservative front-bencher *Gordon Fairweather*.

The Canadian group is funded by the External Affairs department, the Weston Foundation and the Donner Canadian Foundation.

There are some indications of the directions in which both the 1980's Project and the Trilateral Commission are looking as they plan a new world order, though the results are not yet in.

First, the authors of *Imperial Brain Trust* find, there is to be a considerable movement away from the nation-state to a trilateral grouping heading towards political and economic federation, marked by international corporations, freer trade and collective transnational management of problems and trends.

One 1980's Project study is based on the need for a world political economy where management of the global order is shared by the United States, Europe and Japan. The Soviet Union, Eastern Europe and the Third World are slated for eventual integration into this system, creating a genuine world economy. The study recognizes that the Third World's resentment of a system so clearly dominated by the developed world could be a serious difficulty, although, it would seem, the integration of the Soviet bloc is not seen as posing much of a problem.

Next, there seems to be a conclusion that the developed world has too much democracy, creating problems of management, and that some of this is going to have to go. Domestic constituencies are apparently regarded as too parochial in their interests and too demanding, not to mention just plain stupid. The Trilateral Commission study, *The Crisis of Democracy*, feels democratic demands on governments are too great, "the balance has tilted too far against governments in Western Europe and the United States," and they are going to have to "restore a more equitable relationship between government authority and popular control, and Japan will probably face this necessity in the not too distant future."

### The Trilateralists and democracy

To bring that down to earth it is worth mentioning that one of the study's authors, Samuel P. Huntington, was the man who thought up the "forced urbanization" project in Vietnam that used bombing raids to drive villagers into relocation camps and cities.

At a 1974 Trilateral Commission meeting Harold Brown, now defence secretary, said that "unfortunately, in my view, there is an increasing tendency toward egalitarianism" in the U.S.

The 1980's Project has a working group that plans to concern itself with "various methods of defusing or depoliticizing issues such as inflation or unemployment, and also of depoliticizing intergovernmental relationships."

Maybe Canada's wage and price controls is only a forerunner of what's to come in the 'new society'.



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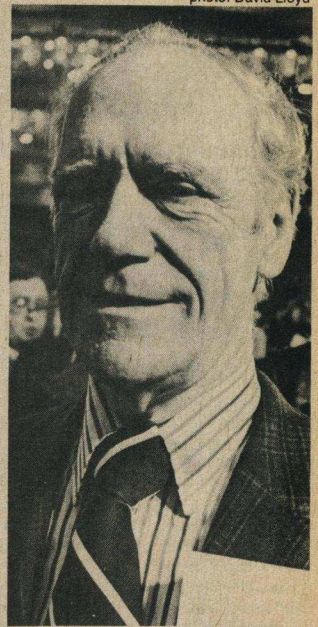
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**Four Canadians on the Trilateral Commission (clockwise): Michel Belanger, president of the Provincial Bank of Canada; Jean-Luc Pepin, head of the Anti-Inflation Board; Mitchell Sharp, former external affairs minister; Doris Anderson, editor of *Chatelaine* magazine and a director of the Maclean-Hunter communications empire**

Another crucial problem is the "threat" from the Third World, with its vital energy supplies and other raw materials. Thinking doesn't seem to have gone much further than offering more markets, an increasing shift of industries based on older technologies and more capital investment to keep the Third World happy and willing to part with its raw materials. Clearly, the 1980's Project and the Trilateral Commission will have to come up with better ideas than that. But since the whole idea is to maintain the dominance and, as far as possible, the affluence of the developed countries, the Third World is going to have to get the short end of the stick, even if the stick is coated with sugar, and made to like it.

The importance of these imperial planning bodies can scarcely be underestimated in view of the crucial role the Council on Foreign Relations has played in the past. And it's worth saying, once again, that the key figures in the Carter administration, including President Carter himself, come straight from the Trilateral Commission.

It's not going to be easy in the years ahead to see through Jimmy's image, as he delivers his "fireside chats" wearing a sweater instead of a suit-coat, or as he lets "the people" question him on phone-in shows, or as he smiles and says "you can depend on it." But anyone who wants to know what our "betters" have in store for us will need to remember that Jimmy Carter wasn't put on the Trilateral Commission to keep the members supplied with peanuts.

And the men Carter has switched from the Trilateral Commission to his administration aren't in the peanut league either.

Defence Secretary Harold Brown, when he was Secretary of the Air Force from 1965 to 1969, oversaw the bombing of Vietnam to the tune of more than three million tons, more than the U.S. dropped during the Second World War.

Secretary of State Cy Vance turned against the war in Vietnam in 1968, but only because the Tet offensive convinced him the U.S. could not win and because he feared revolution at home. As he put it: "We were weighing not only what was happening in Vietnam, but the social and political effects in the United States, the impact on the U.S. economy, the attitude of other nations. The deviousness in the country was growing with such acuteness that it was threatening to tear the United States apart."

As for National Security Adviser Brzezinski, these were his thoughts on the 1968 student uprising at Columbia University: "The use of force must be designed not only to eliminate the surface revolutionary challenge but to make certain that the revolutionary forces cannot later rally again under the same leadership. If that leadership cannot be physically liquidated, it can't at least be expelled from the country or area in which the revolution is taking place."

These are serious men.

In understanding all this, Shoup's and Minter's *Imperial Brain Trust* is an important study. It probably won't make the best-seller list — but it deserves to. If you can't get it through a Canadian book store, it's available from Monthly Review Press at the address noted at the beginning of this review.



# MOVIES:

by  
Thomas E. Reid

## Islands in the stream

George C. Scott has rescued another film for one of the world's least gifted directors, Franklin J. Schaffner. The film is *Islands In The Stream*, based on an uncompleted novel by Ernest Hemingway. Scott worked with Schaffner on *Paton*.

Schaffner is the moonraker that gave us the sluggish and ignoble *Nicholas and Alexandra*, and the creatively inept *Papillon*. With *Islands In The Stream*, he follows us with yet another soporific that will appeal only to slow-witted novel junkies and tired octogenarians.

Schaffner is the master of illuvium. He takes lush novels that bristle with vigor in the greenhouse of words, and attempts vainly to transplant them to the icehouse of sound and cinematography.

Watching a Schaffner film, I warn you, is like watching the face of a straining infant with a blocked lower intestine.

I must admit though, there are moment in *Islands*. Some of the scenes are Scott's best ever, in spite of dialogue that rambles from true to blah. Examples:

### TRUE

**Father:** (to a son whose skin on hands and feet has been worn away as a result of more than three hours of severely strenuous angling of a giant sailfish) "... the bleeding doesn't matter."

### BLAH

**Father:** (realizing his ex-wife has come to tell him his oldest son was killed in the war of 1940) "He's dead!"  
**Mother:** "Sure".

Sure?! Would any director that is receiving enough oxygen to the brain allow that dialogue to play?

*Island In The Stream* is a story of an artist living in the Bahamas. His three sons from two failed marriages have come to spend the summer. The artist (Scott) bears a strong resemblance to Hemingway himself. In fact, the Caribbean setting, the beard, "Papa" to his kids, fond remembrances of a much leaner existence in Paris, right down to the details of Hemingway's bare-handed pigeon hunting (He lured them with popcorn), the hero's black moods, all bespeak Hemingway.

Like Hemingway, the orgulous giant, Hudson senses his growing impotence and declining strength in a world of incessant seduction and menace.

After concluding that he can no longer live away from the objects of his love, his sons and his first wife, he decides to abandon his Camelot and return to the cacophony of the mainland. On his way he meets a boatload of European emigrants being secretly transported to Cuba. They ask his aid and he gives it, with no prudent consideration for his own safety. It all leads to a noble climax, unlike the real Hemingway's inelegant finish, sucking on the business-end of a 12-gauge shot-gun.

Technically, *Islands* is grand. And the performances are dedicated. But it's all for nought, because Schaffner is a blemish on cinematic art, and because Hemingway is

and was an egocentric bore whose genius flashed only sporadically. Otherwise he might have written a more human tale that could have inspired a more tolerable movie.

## The late show

Now, for real movie entertainment, there's *The Late Show*.

Imagine Sam Spade living to retirement age without ever improving his circumstances: a "\$25 a day and expenses" private detective. That's Ira Wells, intelligently and wryly played by Art Carney, the central character in this happy throwback of a movie.

The format of the story follows closely those cagey and witty-gritty private-eye movies of the 30s and 40s.

Well's long-time associate Harry Regan dies after taking a .45 slug point blank in the belly. (Regan is portrayed by Howard Duff, radio's Sam Spade of years ago). Regan had been working on a case of a kidnapped domestic cat, which needless to say led him to a more complex set of circumstances. The feline's owner asks Wells to take over where Regan left off in his search for the errant cat.

Lilly Tomlin, as Margo, a 40-year-old hippy of sorts, is the cat's mistress. (She ain't no Mary Astor. But then who is in 1977). Margo grubs for a living as a "mule" for a couple of B and E bandits, as an occasional pusher of quality Columbian Red, and as a sometime talent agent, booking her act into Holiday Inns.

Tomlin is a first-class actress and she positively bubbles in this role as a manic-excessive, whose enthusiasm for gumshoeing, once ignited, knows no bounds. She's a delight, as are all the performances and performers.

A particularly slick depiction was turned in by Bill Macy, who will be best remembered as Maude's husband on television. As one of Wells old cronies, Macy, from his 25-year-old Cadillac convertible down to his yellow socks and white bucks, is the personification of a second-rate Los Angeles grifter.

Even the villains, masterfully drawn by Eugene Roche, as a fence who knows and loves intimately his whole storehouse of diverse consumables, and John Considine, his natty, if impertinent, bodyguard, are likely to become as well regarded by movie fans as Sidney Greenstreet and Elisha Cook Jr., the originals, from John Huston's *The Maltese Falcon*.

The director genius behind this smart comedy drama is Robert Benton, who wrote *Bonnie and Clyde*. Benton both wrote and directed *The Late Show*, under the watchful eye of producer Robert Altman, and it's generally agreed by reviewers and industry insiders alike that Benton has launched himself stylishly on a major career. The script is at once taut and quirky, and Benton's pacing and technical director are as smooth as silk on satin.

While Benton has not created a monument of the stature of *Bonnie and Clyde*, he has given us a wonderful picture for the times: 1930 to 1977 that is.



## By light of day...

### How Levesque Won

by Pierre Dupont

An immediate best-seller in Quebec, this is the story behind the campaign leading to the stunning election of the Parti Quebecois on November 15, 1976. Robert Bourassa's reasons for calling the early vote, the federal Liberal domination of the provincial party, the role of the language question and of militant Quebec labour — journalist Pierre Dupont covers the major issues and provides a useful profile of the new cabinet and PQ plans for Quebec. Paper \$5.95, cloth \$13.00.

## and dark of night

### The Assassination of Pierre Laporte

by Pierre Vallières

Pierre Vallières, journalist and militant advocate of Quebec independence, hangs out the dirty laundry of Canada's constitutional crisis for public inspection in this review of old and new evidence on the 1970 October Crisis. A powerful case for a public inquiry to further penetrate the mysteries surrounding Pierre Laporte's death and the official cover-up organized under the protection of the War Measures Act. Paper \$6.95, cloth \$15.00.

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# Canada's Caribbean Connection

by JOHN STONE

**The Caribbean Connection**, by Robert Chodos. A Last Post book. James Lorimer & Company / Toronto. 272 pp. \$13.00 cloth. \$7.96 paper.

Not long ago, the well-known American news service, United Press International, sent its clients a "back-grounder" on Jamaica under the recently re-elected government of Prime Minister Michael Manley.

Strangely however, the "back-grounder" had very little to say about the people of Jamaica apart from a few statistics on unemployment, price increases and currency restrictions. Mostly it dealt with the tough times being faced by the rich, especially the foreign rich, and the international jet-set.

"No return of tourists," the feature said. "No return of the rich internationalites who make their winter home here. No return of the tens of thousands of Jamaican emigres who have left the island to find employment or escape an increasingly restricted way of life."

The feature quoted an anonymous Montego Bay businessman: "I think it is obvious that the Manley government would not be concerned if the rich white Jamaicans and rich foreigners departed altogether. The jet set is imply not in the picture of the new Cuban-style Jamaica envisioned by the socialists."

There followed a lengthy period of foreign socialites who make, or used to make, Jamaica their part-time "home".

The impression left was that Castroism and destruction were just around the corner. The American wife of a Montego planter was quoted: "I think we only have a year or two left."

As a corrective to this UPI "back-grounder", so typical of what both Americans and Canadians read about the Caribbean, it's necessary to look elsewhere, to that too-small body of knowledgeable writing about the Caribbean, to which Robert Chodos' *The Canadian Connection* is a new and important contribution.

Chodos lays particular stress on Canada's links, historic and current, with the Caribbean, and therefore especially with the former British colonies, but also provides useful information on the U.S. and British presence and on the non-British islands.

The former British colonies, such as the Jamaica described in the UPI feature, provide endless pitfalls and problems for Western journalists wishing to simplify things. A country like Cuba is easy — it has left the former colonial system, is highly dependent on the Soviet Union and can be damned with no praise. Easy to type, too, are those who have followed the opposite strategy — Guadeloupe and Martinique which are departments of France, and Puerto Rico which has a customs union and close political links with the United States; these can be praised without reserve.

More difficult are those with what Chodos calls the "catch-as-catch-can politics of the West Indies". They do not, for now, fit into either camp. Guyana, at one extreme, has nationalized its bauxite and sugar industries, though foreign banks remain, under the "Co-operative Republic" of Forbes Burnham, who, ironically, reached office with the help of Great Britain and the American CIA.

On the other hand, the situation of the Bahamas is evident from even a cursory look at its tourist statistics, its wealthy retirement or tax avoidance estates in which Canada's E. P. Taylor has played a major role, and the proliferation of banks in Nassau to serve the international money market — a trade in which Canada is prominent and powerful.

The Jamaica that so worried the UPI feature-writer is, for now anyway, somewhere in between. Its leader, Michael Manley, espouses a brand of socialism that reminds one more of the British Labour Party than of Fidel Castro. The country has a well-rooted two-party system — although, as a result of the opposition's serious setbacks in the recent election, this may now be in question. Manley has always said there should be a role for private enterprise.



Jamaica, unlike Guyana, has not even nationalized bauxite operations, although it has moved in on them.

There are numerous gradations and combinations of politics in the Caribbean and no simple theme for them — except the theme of greater or lesser degree of continuing foreign metropolitan control in the interest of the metropolitan countries — the major theme of Chodos' book.

Chodos examines a number of fields in which foreign countries generally, and Canada in particular, continue to have their way with the Caribbean — tourism, the role of foreign banks serving Caribbean customers, the way in which banks use the Bahamas as a centre of international finance, foreign aid programs, trade relations and especially the decline of sugar, foreign investment and emigration. He gives some historic background, outlines the current situation in detail, examines the so often disappointing results and looks at the island's efforts to make the two-way relationship less of a one-way street.

Canadian banks, for example, have been prominent and powerful in the West Indies for decades. The Bank of Nova Scotia got its start in Jamaica in 1889 and it, along with others such as the Royal Bank and the Commerce, has hardly looked back since. Although Britain's

Barclays bank is the largest single such institution in the islands, the three large Canadian banks combined make Canada the largest banking country there. The banks have successfully gone after local deposits and over the years the volume of deposits has exceeded the volume of loans and investments; the islands have suffered a net drain in funds. In recent years there has been a major development of the consumer loan business. Chodos quotes a senior Scotiabank official as saying: "Everybody thought that we were crazy, and that we would lose our shirts. But we didn't. We made a fortune." But the consequences for the islands have been less euphoric; for example, as a result of the consumer loan bonanza, the historic dependency on imports has been seriously worsened.

Most serious of all, the banks that have been so enthusiastic about consumer loans have been notably unenthusiastic in their attitude to loans for small businesses and agriculture that might make a positive contribution to the Caribbean economies. This skinflint attitude to a key sector may seem to make sense to a banker sitting in a skyscraper in Toronto; it looks very different indeed to a West Indian. The islands have not surprisingly been moving against the banks, but cautiously; the flow of funds is still an outward one and the banks' policies still

basically reflect metropolitan concerns.

Chodos traces this pattern of continuing dependency — a dependency essentially serving outside interests — in one field after another, and by so doing places the frustrations and tensions of the area in a context too little understood in Canada.

Canadians may not appreciate that, in the Caribbean, their country is a powerful influence, and, something of a bad guy. That reputation is supposed to be for the greedy Yanks and the nasty Brits. The British, through their former imperial control, and the Americans, through their history of armed intervention in the region, are well-known villains. "Boy Scout" Canada does not have that sort of record — does it? Obviously not, but Canada has benefitted from the overt actions of the others and has been able to shelter under the umbrella the others held up.

It's a story too little known by people in this country, and one they should learn. Although the veritable apocalypse that the UPI feature writer seemed to view just over the horizon may be a ludicrous distortion, that doesn't mean there couldn't be some rude awakenings in the years ahead. Canadians, because of their ignorance of their country's role in the region, may find the awakening rude indeed.

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## Robert Bourassa: a final word

by MALCOLM REID

This will be, by all appearances, a last chance to talk about Robert Bourassa, so let's do it right. He was premier of Quebec for seven years, and the October Crisis and the James Bay project took place within that period. The period may also be seen by history as the eve of independence. Those details put him into history (enough, I fear, to blur the memory of Henri Bourassa), so it's interesting to know what kind of person he was. And what kind of political phenomenon he was.

\* \* \* \* \*

Robert Bourassa was a nice guy. That fact is of small historical importance. But it was a problem for most of us who covered Bourassa as journalists.

The reporters in the press gallery in Quebec were in a rather degrading position most of the Bourassa régime. Though they tended to like the man and to appreciate his easygoing ways and closeness to them in age (stern souls like Claude Ryan wrote editorials about "the strange world where

prime ministers are addressed as *tu*"), and they were guilty, yes, I confess it, of giving him a good press on the way to the Liberal leadership, though they mostly despised his politics. They were either separatist or progressive, or, in the case of the English reporters, simply turned off by the obsequious way he conducted himself toward the big U.S. and Canadian investors he saw as the keys to jobs and prosperity for Quebec. They did not *esteem* him. Their papers, however were all pro-Liberal, or at least pro-Bourassa, as the only force for federalism and stability on the scene. Hence the banter among reporters in the press conference room would all be raillery, abuse, scorn, sarcasm against Boubou the weak-willed, Boubou the twit, Boubou's Bunker. And when he came in, this raillery would scarcely stop, would be felt even in the questions asked.

Bourassa never was withering or angry in response. It wasn't his way, and he felt confident in his power, which sprang from the general cautiousness of the Québécois, from the anti-separatist unconditionalism of the Quebec English, and could not be damaged by a few reporters' wisecracks. (Some pompous aides like Charles Denis tried to be outraged



for him.) Then the reporters would go back to their typewriters, and all wrote stories taking the man seriously, treated his excuses for his spinelessness before the capitalists as worthy of consideration. The papers all put sober headlines on them, and if there were a few darts and arrows among the questions, they were reported well down in the copy and did not have effect.

Hence, a premier humiliated by the familiarity of young pups; journalists humiliated by power's serene certitude that the newsmen's scorn would never be in the headlines. "Cheap shots," as one of the chief humiliated-humiliators said in telling a colleague a little fact against Bourassa for the bottom paragraph of a story, "are the only shots we get."

The one journalist who wrote *his* raillery into his copy daily, the tabloid columnist Jacques Guay, got kidded for it by those who could not. I felt this lack of solidarity among the anti-Bourassa writers for the pro-Bourassa press one day when I had a bit of a scandal about the October Crisis on Bourassa and his justice department. "You woke me up at 5 a.m. today," a reporter joshed me, his boss having phoned him to ask if he was aware of this prison-conditions business the *Globe* was carrying. But nobody backed me in questioning Boubou about it at that press conference. They knew he would dodge the questions, and their papers would take his dodges seriously. Watergates take more than facts; they also take confidence and fellowship among those digging them.

\* \* \* \* \*

Later, when I had quit the press gallery, I had a funny continuing contact with Bourassa. It happened that he and I swam in the same municipal pool. This was part of his plain-folks image, and he always greeted me in a friendly way. But I didn't like his presence there. The attendants at the pool were tickled at having the PM there, and I had to nod to his chauffeur, his cops, his hairdresser, arrogant people all, as I went in.

But what should my attitude be? I was a private citizen now, and could snub the St. James Street Kid if I wanted. But simply as a personal petulance, this seemed small; I didn't hate the guy. Nor did I want to chat in a friendly way, which would imply political approval too, and awe for high office. Bourassa always electioneered a little in his small talk — politicians can't help it. On two occasions, I solved this problem. Once by true scorn, once by true affection.

The scorn flowed freely the day I met him in the midst of a fight the co-operative day-care centre I belonged to was waging against the government. We were fighting against

being bulldozed out of our government-held building. "We're having a damn hard time with one of your ministries," I said, and he said, "It's hard to govern such a nervous society. . . ." My anger for once did not seem small, because I felt in it the anger of a whole co-op up in arms over an arrogant social policy, and beyond that the anger of all that was leftwing and popular in Quebec society.

The affection came the first meeting after the elections. Not being irritated by the halo of power around this decent, ordinary young man, now that the Parti Québécois had wiped that halo away, I told him it was tough, what had happened. People seemed to want change, that was the way it went sometimes. Yes, he said, it's hard to govern, and he was taking time out for reflection. (As I write he is in the Florida sun, and they say he may have a job lined up with the Common Market. Rumours that he might work for Lévesque's separatists are called "wild.")

\* \* \* \* \*

An American friend asked me once: "How can he be like that?" A version of Montesquieu's question, in the mouth of an imaginary Persian visiting Paris: "*Comment peut-on être français?*" How can you be Bourassa? How can you be a decent young man and sell your province out to the American ravagers? (His sale of the North Shore forest to ITT has almost literally gone into the folklore: I know of three Quebec pop songs that murmur about it.) I could only reply, from my several low-keyed, logical conversations with the man, that his reply would be: *I am doing the best I can. Realistically, this is how much control over our resources and how much social justice we can afford without bloodshed. Some, but not tons. And why pick on me? All through the history of French Canada, its leaders, including some sagacious and honoured ones like Honoré Mercier, have done as much.*

This last observation is true. And the only important thing now is to see to it, through pressure and movement-building, that Robert Bourassa is the last such leader of Quebec.

\* \* \* \* \*

Postscript: In a piece on Quebec and the War a few months ago, I referred to Jean-Louis Gagnon as having died recently. I learn by today's paper that he is alive and fighting for federalism. Sorry, Mr. Gagnon. In your youth you were pro-English and left-wing, I had said. You seem still to be pro-English, but how about trying to recapture that left-wingness!

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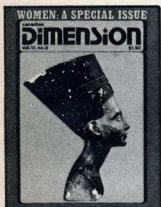
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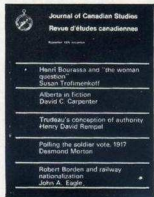
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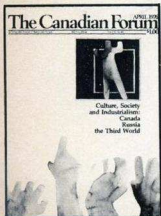
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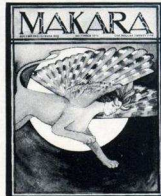
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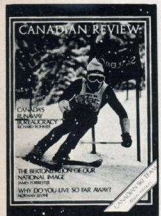
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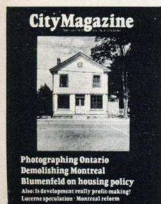
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