

Leaders can talk Canadians back from the edge

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How do you keep your head when all about you are losing theirs and blaming you? That's the leader's dilemma for 2009.

The economy has made “a structural break with the past,” according to *The McKinsey Quarterly*. The management gurus are advising executives to “assert a calm, calculating realism about business conditions, creating strategic options, making their organizations more resilient and responsive, and maintaining a forward-looking awareness of the changing competitive landscape.”

Political leaders should take this advice to heart. But their job is even tougher. They must strive to build a more trusting and constructive relationship with a highly skeptical and now fearful public, a public with little formal knowledge of economics and finance.

The way to do this is to anchor budget decisions to the deeply held core values of Canadians and respond to their thirst for understanding of a difficult and unpredictable economic situation. Those values surface when citizens have the opportunity to discuss priorities, risks, choices and tradeoffs. Governments can stimulate those public conversations and learn from the results.

The record on core values shows that Canadians are pragmatic and fair-minded. Looking back at all the deliberative dialogues convened by the Canadian Policy Research Networks since 1995, there is always a fine balance between individual and collective responsibility. Individual and family self-reliance exist in the context of community values – a sense that it is both efficient and fair to pool many social and economic risks.

Canadians stress that citizens must take responsibility for their own actions – as consumers, workers, parents, voters and investors. Yet when personal effort falls short, governments can and should help to level the playing field, ensure equal access and offer incentives that foster autonomy.

There are limits to the government role. For example, in a 2002 discussion on economic development, there was no support in any region of Canada for government subsidies to industries that cannot meet a market test – even though participants acknowledged that this approach would lead to further economic decline for many communities.

While values are constant over time, context can influence the tradeoffs Canadians make between deeply held values. In the mid-90s, Canadians came to terms with the harsh realities of deficit reduction in large part because they came to understand that the country had to get its economic house in order.

Those budget deficits, federal and provincial, were “our own mistake, and we paid our dues,” says Mary Pat MacKinnon, director of Ascentum, an Ottawa firm that supports online and face-to-face public engagement.

This time, the trigger is the global meltdown. It may not be our mistake but we still have to cope. With governments at all levels heading into deficit and elites weeping and wailing, the public has quickly picked up on the sense of panic and insecurity. This is a corrosive situation that can tear families apart, provoke unfortunate economic choices and undermine trust in public and private institutions.

Yet there is an opportunity here to rebuild public confidence and maybe even restore a bit of trust in governments. It is possible to use the situation to support public learning and tap into public wisdom about the tradeoffs and risks we face.

By fostering this kind of dialogue, the ties of community are strengthened. The hard knocks of recession become a shared experience rather than a source of personal shame or anxiety. Citizens acquire the tools they need to assess progress and to make informed personal choices.

Yes, finance ministers, it is a tough time to forecast the economy. So tell it like it is. Good leadership in this situation requires budgets that outline several possible pathways depending on how things unfold in the U.S. economy and in world trade.

Invite Canadians to join public discussion groups. With modest support, libraries, faith groups, community groups, city governments, schools and colleges can convene discussion groups where people from every walk of life can learn from others and share their own experiences.

The key ingredient for public discussion is clear background information on the choices and tradeoffs imposed by this economic situation, combined with a feedback mechanism so political leaders can hear the results of the conversation.

The information should be widely disseminated on the Web. Social networking techniques, like the ones used so effectively by the Barack Obama campaign, can be used to keep information flowing and bring people together.

The bonus is that by listening to the results, governments will have a much better understanding of how to adapt their strategies in the next budget.

Canada lacks the public spaces where citizens can engage in meaningful policy conversation. But the spaces are there in our communities. They can be mobilized if governments invite people to have their say, support the organizations that convene the conversations and assure participants that their voices will be heard.

Keeping your head in this time of discontinuity will require a constant dialogue in workplaces, in families and communities and, most especially, in political discourse.

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