

THE ESTABLISHMENT UNDER PRESSURE: CAN IT HOLD?

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The essential point is that how an Establishment organizes itself determines how a nation will pursue its objectives. Canada's Establishment consists of a self-perpetuating group of perhaps a thousand men - nearly all of them WASPS - who act as a kind of informal junta, linked much more closely to each other than to their country. Although their power is waning, they still possess the ability to compel obedience, to shape events and trends - political and cultural as well as economic - in their favour. Their exercise of authority is subtle, not always successful, but constantly aimed at fulfilling Bertrand Russell's definition of power as "the production of intended effects."

Without being a social compact, the confederacy of Canadian Establishments - loosely knit yet interlocking - forms a psychological entity. Whether by accident or design, French Canadians have been kept out of this magic circle.

Probably only about a dozen French Canadians qualify as full-fledged members: Paul Desmarais (the head of Power Corporation), André Charron (president of Lévesque, Beaubien), Jacques Courtois (the Montreal lawyer, bank vice-president, and Tory fund-raiser), Jean de Grandpré (president of Bell Canada), Claude Hébert (war hero, independently wealthy corporate executive), Pierre Nadeau (CEO of Petrofina and Royal Commissioner), Jean Ostiguy (head of his own investment house), Paul Paré (CEO of Imasco), and Lucien Rolland (the paper company president and corporate director).

The great corporations whose head offices dominate Montreal's skyline are all non-French Canadian: Sun Life (Alistair Campbell and Thomas Galt); the Royal Bank (Earle McLaughlin, Jock Finlayson, and Rowlie Frazee); the Bank of Montreal (Arnold Hart, Fred McNeil, and William Mulholland); Alcan (Nathanael Davis, Paul Leman, and David Culver); the McConnell interests (Derek Price, Peter Laing, and Peter McEntyre); Consolidated-Bathurst (Bill Turner); Iron Ore Company (Brian Mulroney); Royal Trust (Con Harrington and Ken White); Canron (Howard Lang and Cliff Malone); Genstar (August Franck); CPR (Ian Sinclair); Bell Canada (Robert Scrivener); Canadian National (Robert Bandeen); Seagram (Charles Bronfman); CEMP (Leo Kolber); Trizec (James Soden); and Steinberg's (Sam Steinberg).

Although the Canadian Establishment is coming increasingly under pressure, it remains dominated by Old Canada Wasps holding proud and together through the right career histories and, most emphatically, the right connections. The Canadian Establishment's leaders share habits of thought and action, common sets of values, beliefs, and enemies. They consider themselves an untitled aristocracy whose virtue has been certified by their elevation to the dominant elite. They are, therefore they rule. French-Canadians have been only at the fringes of this process.

What makes it practical for the Establishment to act and feel so unanimously on most issues has been this essentially WASP cast of mind. Power tends to connect; WASP power connects absolutely.

Canada's Establishment is oriented to everything that is or was British. The Establishment's true adherents live in very English houses - low key with lots of chintz, not much colour nervous maids, walls decorated with endless variations on bloodless hunting scenes, and formal dinners always including bloody roast beef. The senior Establishmentarians are intensely interested in all things British and have usually met various minor baronets at the Marquess of Blandford's or somebody else's country house. London, not New York - and certainly not Montreal or even Toronto - is their real spiritual home.

Montreal remains the country's most charming metropolis, the only large town, other than Quebec City, where the visitor can become aware of a strong sense of history and a feeling of continuity along with it. This tingle of past glories comes from the Mountain, the St. Lawrence River, the archbishop's palace, the restored buildings around Bonsecours Market, restaurants like Chez la Mère Michelle and Ste. Anabla, and, of course, the overwhelming French presence. Here are the men whose great-grandfathers auctioned the beaver pelts, ran the sawmills,

built the railways, dredged the rivers, founded the elites that first exploited the Canadian hinterland and, significantly, nearly all the members of this charter group were English-speaking Canadians. They are the people who have traditionally run the city's - and the province's - economic life, taking the risks, providing the leadership and the jobs.

But Montreal has, for a long time, not been the centre of Canadian banking, finance, or manufacturing.

The Square Mile (where the city's wealthy old families lived before and after the turn of the century) was decimated by World War I. The CPR fortunes moved into third-generation hands and ceased taking investment initiatives. Meanwhile, the Ontario government had been financing railway construction into its own northland as early as 1902, which triggered the Cobalt, Porcupine, and Kirkland Lake mining booms. The riches of the Canadian Shield thus came under Toronto's dominance.

None of this had much visible effect on the English Montrealers of the thirties, forties, fifties, or sixties, who lived out their lives with an imperviousness that Dickens would have found entirely contemporary.

Until recently, most old-family English Montrealers projected two somewhat contrary reactions to the sad state in which they found themselves: slight surprise and a kind of relief. They always thought the rest of Canada was a bore. It seemed relaxing, somehow to be able to sink back into the elegance of times past and go right on believing that Toronto was a place where only vulgar money-managers want to live, and that what lies west of Toronto is something no civilized person would ever consider.

Of course, all that changed last November 15. Instead of boredom and indifference, the Anglo reaction now, is panic.

No matter who has held power at Quebec City in the past, Quebec's Anglos have always managed to negotiate a separate peace. They traded off their political support for economic dispensations of various kinds and magnitudes, safe in the knowledge that they were needed, if not loved. But with René Lévesque categorically rejecting future ties with Canada on alternate Wednesdays, some of the province's mobile upper middle class has started to make plans for moving out.

Signs of the Anglo's sombre mood of acquiescence are everywhere, the currency of their lives being spent with a fright and abandon that belie the "muddling through" tradition of their WASP upbringing. Even the majority who are at least temporarily staying on are registering some mortgages in Toronto, sending their stock certificates to Vermont and nervously leafing through Tulsa telephone books.

A recent, still secret study, undertaken by a group of concerned Montreal corporations revealed that if the ten large head offices still left in Montreal were to move out, some 11,000 top jobs would go with them, accounting for an annual payroll of \$400-millions, and this, of course, measures only the most direct kind of impact.

Most of the large accumulations of private wealth have, of course, been moving out for some time. The Molsons have long since transferred their headquarters to Toronto; the Websters are investing heavily outside Quebec; even the Simard family (French Canada's richest clan) has moved most of its assets into the oil refineries of Corpus Christi in Texas. Financial power eventually moves - for its own protection - to where there is also political power. This is why Canada's Establishment has permanently altered its address from Montreal to Toronto.

Quebec separatism may yet turn out to be the Vietnam of the Canadian Establishment. It was Vietnam that humbled the American elite, in both the private and public sectors, because they never really comprehended the nature of the struggle that was being waged there. Similarly, the Canadian Establishment's leaders have mistaken the genuine populist revolution that produced René Lévesque for a temporary aberration - they still view him as a quixotic politician who will somehow recognize "the error of his ways", grab a few tax concessions from Ottawa and shut up. Because most English Canadians have historically treated this country's minorities with a mixture of enlightened tolerance and benign neglect, there has been a kind of floating consensus that the Parti Quebecois will do the same. As pleasant as this may sound, it has little basis in reality.

No matter how passionately we might wish it, René Lévesque will not go away, spend himself, run his course and disappear. The forces he has let loose transcend even his personal strength and magnetism.

The new government of Quebec is tough and single-minded, determined to have its way whatever the costs, to split up this country, to destroy the great Canadian experiment. In response, the paladins of the Establishment - the men who make the investment decisions that count - have retreated into a kind of protracted sulk. They have withdrawn vital

growth funds, cut Quebec right out of their capital investment plans, abandoned the province to its own dark devices. This, in my view, is an error of monumental proportions. It makes the Canadian Establishment unique in the history of national elites, in the sense, that if it continues in its present course, it will become the main agent of its own destruction, the chief decimator of its own influence. By opting out of the struggle for the future of this country, English Canada's Establishment has handed René Lévesque his greatest strength: the acquiescence of those who should know better.

The situation I am describing may not yet be apparent, but its impact has already been spotted by Guy Joron, one of the PQ's militant ministers who calls the English exodus "nothing less than a form of surrender. Already, a vacuum has set in at the decision-making level in the economy, as if part of the battlefield is conceded to us before we have even tried to occupy it."

As we begin to grapple with René Lévesque's terminal threat to Canada's continuity as a nation, it seems to me that only one direction offers any hope of success: the rallying of Canadians from all provinces (including Quebec, where sixty percent of the voters cast ballots against the Parti Québécois) into a nonpartisan movement dedicated to the idea of preserving Confederation, even if in radically altered form. This new

group would promote in a thoughtful manner the many practical advantages of Canada's continued existence by illuminating and magnifying the view we hold of ourselves and the society in which we live.

What we need, and need desperately, is a cultural co-revolution in English Canada which would excite us about ourselves. The concept of a nation is formed not on battlefields, nor even in business boardrooms, but in the soul of its people and the minds of their leaders.

The separation of Quebec, if it comes, will not be an isolated act. The choice between surrender and resistance is dictated not by material resources or available manpower, but by a nation's psychological state. It's time we began to sing some songs in praise of ourselves.

Despite the fruitless and sometimes tedious quest to define our national identity, it's time we realized that Canada is no mere accident of history or some earnest valedictorian's hazy dream. What we've got here is a daily miracle of a country. Ever since 1867 we seem to have lived out fairly successfully Ernest Renan's dictum that a nation "is a body of people who have done great things together."

In the past 110 years, we've civilized a subcontinent, taming one of the world's harshest geographies; attained for ourselves a high standard of comfort and contributed more than our share to the defense of freedom in two world wars. Compared with most other nations, we remain a relatively gentle and uncrowded society. Still a country in the process of becoming, our power structure is not rigid and the excitement of new frontiers beckons only an ax-fall away.

But despite our achievements and progress, English Canada has been agonizingly slow to recognize its own potential. Ours remains a putty culture, penetrable and unshaped. Anthony Burgess, the British novelist, beautifully pin-pointed our unyielding inferiority complex when he wrote: "John Kenneth Galbraith and Marshall McLuhan are the two greatest modern Canadians that the U.S. has produced." Only in Quebec has there grown a spirit of self-determination, an interior kind of romantic mythology which eventually translated itself into political power. The Quebec revolution proved that a vibrant politics requires a vibrant culture. It was the poets, painters, writers and singers of Quebec who gave the people enough self-confidence to push René Lévesque into office.

Such a giant step was possible because the acceptance of the separatist doctrine did not constitute surrender by the voters to some foreign or external doctrine, but rather a form of inner awakening - the release of a life force already within them: a blinding awareness of the potential blessings of cultural, political and, above all, psychological independence. The 200-year numbness of being a conquered people is being washed away and the long-slumbering child within each Québécois is being invited to come out and be filled with love and wonder.

The Parti Québécois is the political manifestation of a popular mood, a movement whose common bond is independence, feeding off a nationalistic sentiment nurtured over many generations, once by revolt, sometimes by episodes of violence, but more often by pen and voice in kitchens and drawing rooms, in bistros and classrooms, in poetry and songs, in prose and plays, in laments and celebrations, in periodicals and newspapers, on the hustings and on the air. No comparable federalist movement exists. Yet this nation will perish without one.

Unfortunately, like the participants in every revolution, the Quebec militants are carried along by the conviction that hostile forces are at work hindering their progress, and English Canada, of course, always gets the blame. They seldom acknowledge the fact that their revolution is at least as much a rebellion against the outmoded Quebec of the past, as it is a protest against outside influence.

The political revolution in Quebec has been a phenomenon that has proceeded not step by logical step, but by explosions, confrontations and eruptions of unequal period and unpredictable intensity, reminding me of Gunnar Myrdal's assertion that, "Often it is not more difficult, but easier, to cause a big change rapidly than a small change gradually."

As a result, Quebec now has a national purpose. The rest of Canada seems to have none. Quebeckers are well advanced in their agony of self-determination. Canadians are only beginning theirs. The West is alienated, having waited in vain for recognition for its legitimate aspirations. The East feels ignored. Ottawa has become irrelevant. Toronto has suddenly ceased having a psychological hinterland.

In a very real way, Quebec has always set the cultural tone of this country. Now it commands our political mood as well. The essence of politics is power, not law. Our current situation will require, at the very least, a brand new Canadian constitution. Not a frightening prospect. It would be the sixth in a series of fundamentally different arrangements that have historically governed French-English relations in this country. (The others were dated 1763, 1774, 1791, 1840 and 1867).

What must never be forgotten in any future collisions between Ottawa and Quebec City, is that the PQ was created for only one purpose; to turn Quebec into an independent republic. Nothing the PQ wants is really negotiable, at least until after the referendum. (Presumably, Lévesque will hold referendums until he wins one. As Richard Needham has written, Lévesque's slogan may be: "If at first you don't secede, try, try, try again.")

Present trends will be difficult, but not impossible, to reverse. If Jack Horner can become a Liberal, nothing is impossible.

The twentieth century was supposed to belong to Canada. The question which now begs asking is whether Canada will survive the twentieth century, or will this country, by 1984, the date which the PQ has ever so appropriately picked for the final implementation of its Language Bill, begin to disintegrate?

By the time of the next provincial election in Quebec, 42% of the electorate will be between 18 and 27 years old. This group is almost entirely separatist. And this is what Lévesque really means when he preaches that independence is inevitable.

Things have a way of coming most sharply into focus near the end of their historic cycles. Canada was run well into the 1970's by a tightly knit WASP-dominated elite - the business/government axis forged during World War II by C. D. Howe. Gradually these twin components grew apart, at first forming an uneasy alliance and more recently beginning to struggle for supremacy.

Faced with these and other unexpected onslaughts on its tranquil possession of power, Canada's Establishment is suffering a crisis of nerve and faith, a partial loss of the easy self-confidence that has always marked its passage. Classes in possession of what they believe to be unchallengeable doctrine do not change. They become extinct.

This is the fate now faced by the Canadian Establishment. What its leaders and members must do, if they wish to have any fragment of their power survive, is to call the politicians to account. Most particularly, to accuse Quebec's separatists of misleading their own followers.

The essential issue for French-Canadians must be the cultural survival of a proud people. While the advocates of separatism are promising a bright future to their disciples, all history points to the likelihood that in the short term, separatism would lower Quebec's standard of living; in the medium term, it would result in the restriction of fundamental civil liberties; and in the long term, it would mean the destruction of the French language and the French culture in North America. This is the message we should be carrying to Quebec.

The Quebecers' best chance of surviving as a proud, autonomous society is through a firm alliance with the larger powers of the Canadian nation. There is no other way to ensure that a highly individualistic culture of not quite six million people can stay afloat in a sea of more than 250 million strangers. To believe anything else is to ignore the very genesis of Canada: that we are and always will remain greater than the sum of our parts.