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OPINION

How Canada must face its winter of reckoning

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Opinion: How Canada must face its winter of reckoning - The Globe and Mail

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Quebec Tercentenary - Homage to the Memory of Champlain, 1908.

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History sends us signals across time, if we're wise enough to receive them. As a historian who has studied Canada's public and private institutional evolution for decades, I see in our present dramatic Winter of Reckoning echoes of past challenges – and crucially, past responses – that might light our way forward.

As H.V. Nelles recounts, during Quebec's Tercentenary celebrations of 1908, our leaders promised to erect an Angel of Peace on the Plains of Abraham. Where Americans had their Statue of Liberty and France had Marianne, we would have our angel – a grand monument to national unity. It was never built.

This phantom monument illuminates something profound about Canada. We have historically been a nation that couldn't quite manifest our grandest aspirations yet found practical ways to flourish without fully resolving our foundational tensions. But now we face a national economic emergency, as long-standing sluggish growth runs up against geopolitical headwinds that threaten the trade on which we depend. This will demand more than our traditional pragmatism. A former Clerk of the Privy Council warns in these pages that we have allowed "threats to Canada to rise to Defcon levels." Alienated younger Canadians would now consider moving to or integrating with the United States.

This disenchantment is not merely the result of policy failures: It reflects the perils of organizational hardening of the arteries. Our major institutions have become fortresses where process often overshadows purpose disconnected from external accountability. Examples abound: the multiple federal scandals of the pandemic era, including the Accenture and ArriveCAN spending debacles. Toronto-Dominion Bank, a previously highly respected Canadian bank, is now entangled in anti-money-laundering quicksand in the United States. These issues draw from the same well: A bureaucratic tendency that has become particularly harmful in Canada's relatively small leadership class, hampering our ability to respond to multiple national challenges.

Yet our history offers instructive counterpoints. The Canadian experience has always been a partnership between public vision and private enterprise. The Bank of Montreal helped forge a nation, from railways to hydro to oil sands. Business, labour and government built a formidable postwar manufacturing base that transformed our economy and a universal health care system that offered us dignity and security.

Today's leadership crisis manifests across what I call the three Cs – courage, competence, and culture.

We see a deficit of courage – visible in the reluctance to engage in frank public dialogue, as policy debates become entangled in internal political games and ideological conformity. Contemporary challenges, be they in environmental, social, and governance (ESG) or pipelines or health care, require leaders who dare to question prevailing narratives. Maybe that's changing now, or maybe we have just switched which narratives we may be too cowardly to challenge.

Some institutions struggle with basic competence in execution. Policy failures in Indigenous services and immigration reveal epic mismanagement that affects thousands of lives. <u>Interpol</u> has identified Canada as a car theft capital of the world – a stark indicator of systemic mismanagement.

Significant parts of our post-secondary system are increasingly broke and broken: A recent <u>report</u> suggests that Canada's research granting agencies are subordinating research excellence to political activism. And how is it that we have failed to foster an innovation ecosystem – despite Waterloo, and despite all our AI godfathers? We manage but do not lead.

I'd argue the reason for this is that our culture has suffered from an active degradation of national identity beyond reimagination or redress – the church burnings, the pulled down monuments across Canada (so much so that there was an entire Wikipedia page dedicated to tracking it), with Sir John A. Macdonald most in the crosshairs. In 2022, author, Charlotte Gray examined the impact of historical education in Canada and concluded that "the Canadian history today has abandoned any attempt at a modern, integrated narrative that encompasses a far wider range of experiences." At the end of 2024, Angus Reid reported that the percentage saying that they are "very proud" to be Canadian dropped from 78 per cent to 34 per cent since 1985. Deep emotional attachment to the country declined from 62 per cent in 2016 to 49 per cent today.

Jonathan Haidt, in The Righteous Mind, argues that the systematic erosion of societal legitimacy undermines the institutional confidence vital for economic dynamism. Empirical evidence reinforces this claim – Robert Putnam's classic Making Democracy Work demonstrates that regions endowed with robust social capital and civic engagement achieve more effective governance and superior economic outcomes, a finding further quantified by Knack and Keefer's cross-country analysis linking institutional trust to economic performance. What empiricists confirm with data, the poet captures in essence – G.K. Chesterton distills the deeper truth: "Men did not love Rome because she was great; she was great because they loved her."

We need not demand unconditional love of country, but we must recover a basic respect for what generations have built – a nation that has offered a kinder prosperity and dignity to millions.

Canadian leadership lives in islands of excellence. In Saskatchewan, Murad Al-Katib has transformed a small agri-food commodity into a global billion-dollar value concern. In philanthropy, Miyo Yamashita leads transformative work at the UHN's Princess

Margaret Cancer Foundation. We need to forge institutional frameworks to connect these islands to a sea of national possibility.

The unbuilt Angel of Peace sends us a signal across the centuries. Canada has always lived with the gap between aspiration and achievement, but our success has depended on doing hard things and getting the basics right. We are typically an unreflective people. We have, however, reached a moment where circumstances demand we face the rude truth.

This isn't a counsel of despair, but a call to renewal. The task ahead belongs not just to political leaders, but to enterprise, academia and civil society. Our history tells us that when Canadians face defining challenges, we find ways to transcend our limitations.

Canada's next chapter, if it is not expropriated by our neighbour, will be written not by those who perfect our managerial machinery, but by those who dare to reconnect our institutions with their fundamental purpose – serving the promise of a nation that, despite everything, remains one of humanity's most remarkable experiments.