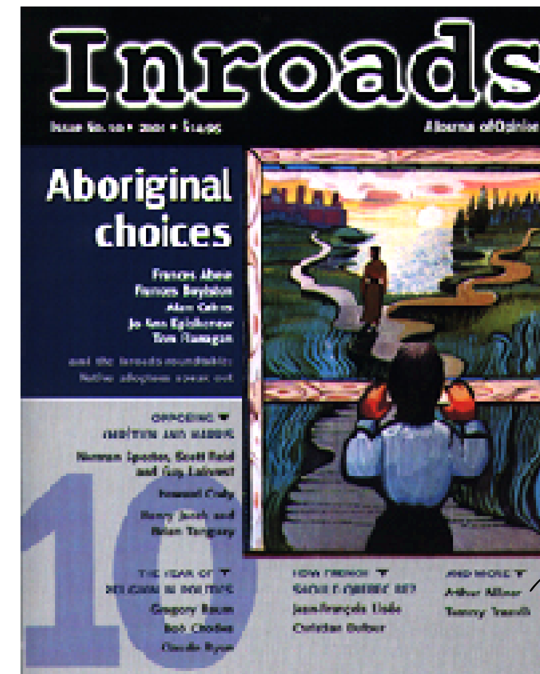
It is our pleasure to make this article from Inroads 10 available to you free of charge.

Please consider a subscription (or a small donation) to help us to continue to provide timely, thought-provoking articles in print – and often on-line – to readers across Canada and beyond.



On the last page, you will find information about subscribing. You can print it out or just send us an email or give us a call. Or you can subscribe on-line.

www.inroadsjournal.ca

Check out our website to find out more about Inroads 10, and our back issues.

Thanks.

A WORD ABOUT PRINTING THIS ARTICLE: These pages are intended to print on legal (8.5 x 14 inch) paper, two pages per sheet, in a horizontal landscape. Pages can also printed onto letter sized paper at a reduced size.

BOOK REVIEW

Remembering Kierans

Eric Kierans, with Walter Stewart. 2001. *Remembering*.
Toronto: Stoddart. 298 pages, with index and photographs.

Reviewed by John Richards

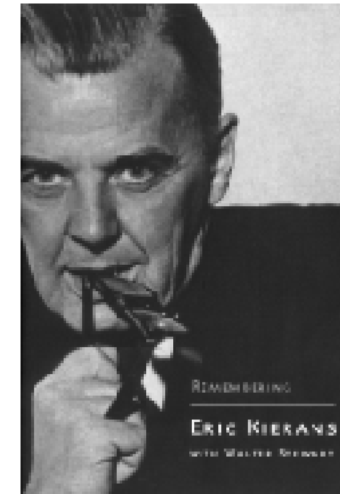
THIS IS NOT A PERFECT BOOK. TOO OFTEN, IT BECOMES A COLLECTION OF fragments leaving the reader wanting to learn more – and occasionally less – about the subject at hand. Here's an egregious example. Within 12 pages (209-20), the following events are evoked.

Kierans reports that René Lévesque considered resigning as leader following the PQ's disappointing 1973 election results. How about Jacques Parizeau as PQ leader, asks Kierans. "'No,' [says Lévesque.] Just like that. No explanation, just a flat refusal." On to the next subject….

Kierans gives an elliptic summary of bitter left vs. right ideological battles within McGill's Economics Department. Kierans, at the time a member of the department, sides with the left.

After resigning from Trudeau's cabinet, Kierans flirted with the NDP. He wrote the foreword to David Lewis's book attacking corporate welfare bums. He authored an important study advising Manitoba's NDP government how to increase resource revenues. In this passage, we learn that Sid Green, a prominent Manitoba NDP cabinet minister who took Kierans's report seriously – Premier Schreyer ignored it – asks Kierans to run for the federal NDP leadership. He declines.

Obviously, Lévesque did not resign the PQ leadership in 1973. Kierans here reports a conversation in which he tells Lévesque, now premier, that an independent Quebec must float its own currency. "'Hell!' said René, and slammed down the phone."



When, shortly after passage of Bill 101, Sun Life decamped its head office to Toronto, Kierans writes a letter to the Montreal Gazette denouncing the move: Sun Life should have adapted to the new law. "Bill 101 had to be seen," writes Kierans, "...as part of the province's assertion of its own need and capacity to govern itself within the federation."

Kierans comments on the affairs of Canadian Adhesives, the company he then owned. It is earning steady profits in the mid-1970s; it faces hard times in the early 1980s recession.

Finally, he analyzes two Quebec crown corporations, Sidbec and Caisse de dépôt, on whose boards he sits.

From Saint-Henri to McGill

If ideas and individuals often come and go before the reader appreciates what is happening, the charging-off-simultaneously-in-all-directions tenor of this book is a good indicator of the lifestyle of its protagonist. Starting from a third-floor flat in Saint-Henri, a working-class neighbourhood of central Montreal, Eric Kierans has stamped his ideas on the elites of the Canadian political, academic and business world.

Born in 1914, Kierans is the son of immigrants – German on his mother's side and Irish Catholic on his father's. As a young woman his mother independently travelled from Hamburg to London, and subsequently to Montreal. His father decided to leave a country riven by religious conflict. He found work as an electrician at the Canadian Car and Foundry shop, located on the edge of Saint-Henri; she did a superb job of raising a family.

"There were rows of vast Victorian mansions along Sherbrooke Street," Kierans writes, "and rows of working-class flats just down the hill. The population – in the language of the time – was divided among three 'races': the English, the Irish, and the French" (p. 3). Belonging to a minority "race" may explain something about Kierans's personality: the penchant to be the moralistic outsider. He participates in business, politics and academe without wholly belonging to any of these fraternities, and without fully adhering to any of their creeds.

Kierans profited from a rigorous Jesuit training at Loyola College ("a wonderful place for a youngster who liked to work hard"). He graduated in 1935 and, for the

John Richards is a professor at Simon Fraser University,
an analyst at the C.D. Howe Institute, and a co-editor of Inroads.

next 10 years, studied economics as a participant observer. He worked as a salesman for Ogilvie Flour and then became an entrepreneur (buying the company mentioned above). Kierans never doubted that capitalism was preferable to socialism but was appalled with the intellectual contradictions of his fellow capitalists: in principle they extolled competition and small government; in practice they ardently sought government subsidies and protection. In the late 1940s, Kierans decided to pursue formal graduate studies in economics and political science at McGill.

His practical experience led him to reject the emerging trend to turn academic economics into a mathematical modelling exercise divorced from politics. He devoured the masters of the liberal pantheon: Adam Smith, David Ricardo, John Stuart Mill and, of course, John Maynard Keynes (the "emerging giant"). What he liked about them, he writes, is "that they were moralists, not number crunchers:"

> *To such men, the notion that "efficiency" could be defined merely in terms of maximum gain, and that economics is a numbers game in which social, cultural, and political considerations are to be ignored, would have seemed gibberish. So would the notion that economics is somehow beyond politics, and that to attempt to impose social control on the workings of the marketplace is wicked* (p. 37).

Diverted by a tempting business proposition, Kierans never completed graduate studies. Despite an incomplete doctorate, McGill recruited him to "revamp" its Commerce School. From there, he went on to head the Montreal Stock Exchange. And then, in the early 1960s, he launched into what was probably the most satisfying of his many careers.

Quebec and Ottawa: a tale of two cities

Jean Lesage approached him: "I have a good cabinet, but there is one thing wrong. All …are French Canadian." Kierans replied: "What's wrong with that?" "Well, you know, …they like to be big spenders, and I need a *percepteur*: I need an Englishman." After winning a by-election, the son of Irish-German immigrants became the "Englishman" in a cabinet of nationalists who, between 1960 and 1966, refashioned francophone Quebec society.

Kierans clearly has a fondness and respect for Jean Lesage and the others who undertook the reforms of the Quiet Revolution. They founded CEGEPs and CLSCs, expanded universities, nationalized Quebec Hydro, negotiated the Quebec Pension Plan (and the Caisse de dépôt which accompanied it). In particular, he developed a friendship with René Lévesque ("every now and then you meet someone and instantly feel as if you had known that person for years. It was that way with René and me").

Following defeat of Lesage's government in 1966, Lévesque tried unsuccessfully to persuade the Liberal Party to adopt a strategy of sovereignty-association. When the party convention refused to follow him, he founded the Parti québécois. Kierans remained a federalist but sympathetic nonetheless to his friend's interpretation of events:

> *[Lévesque] was very much a Quebec nationalist, but that was not at all the same thing as being a separatist, a position to which he was forced, he believed, by the inability or unwillingness of the rest of Canada to accede to what he saw as Quebec's minimum conditions for survival. I agreed with much that he had to say in this regard, and I have no doubt I provided him with arguments.*
>
> *I was a federalist, not in the sense that the word now seems to command – one who believes in the domination of Ottawa over the provinces – but in the old sense of one who supports the union of disparate provinces in a wider federation, for the greater good of all* (pp. 110-11).

After a career as provincial cabinet minister came a career as federal minister. This new career began with an exercise in political hubris: Kierans ran for leadership of the Liberal Party of Canada in 1968, the year of Trudeaumania. He came last on the first ballot. Beaten for the leadership, he nonetheless won a seat in Parliament in that year's general election. Trudeau appointed him to cabinet, as postmaster general and minister of communications.

Under Lesage, Kierans had enjoyed politics:

> *In Quebec City, you were encouraged to speak up about anything; you were a member of the decision-making body, not just the Minister of Torn Pants, or whatever. If you didn't agree with what somebody else was saying, you didn't allow the fact that it was not your portfolio to muzzle you. As a result, we had some ding-dong battles, but .... when the issue was decided, the battle was over. As Lesage said, you defend the decision, or quit* (p. 151).

The charging-off-simultaneously-in-all-directions tenor of this book is a good indicator of the lifestyle of its protagonist.

Cabinet meetings under Trudeau were not the same:

> *Pierre was a good chairman, an incisive summarizer of discussion, and a ready listener; but if the matter was not something that he felt strongly about, he would simply defer to the minister in charge....*
>
> *However, his lack of attention to detail meant that policy issues were often decided by the people around the prime minister – the senior bureaucrats and advisers who made up what came to be called "the Supergroup," whose most powerful members, like Pitfield, Lalonde, and Gordon Robertson, had never been elected* (pp. 153-54).

Beyond the difference in style between Lesage and Trudeau as leaders, Kierans came away from the latter's government disappointed in what it did, and didn't do.

On the matter of the War Measures Act, imposed in 1970 after the kidnapping of a

British diplomat and a Quebec cabinet minister, Kierans is harsh on himself. He went along with the cabinet majority despite his personal conclusion that the rationale for doing so was feeble. Had he made a civil liberties argument in cabinet against imposition, he speculates that others – maybe even Trudeau himself – would have hesitated. Kierans has praise for Tommy Douglas who, as leader of the NDP, "stood in the House, day after day, and hammered the government for suspending civil liberties" (p. 184).

Kierans did not resign over imposing of the War Measures Act, but shortly thereafter, he did resign, over Trudeau's economic policy. Catalyst for resignation was an invitation from the Canadian Economic Association to address its 1971 meeting. He poured into this address all his misgivings about policies abetting American takeover of Canadian companies, and about government complaisance before corporate lobbying over the tax structure. Trudeau's government was ignoring, for example, a major contemporary study (the Carter report) which advocated more aggressive taxation of capital gains and resource company profits.

Before delivering this address, Kierans discussed it with Trudeau at 24 Sussex Drive over lunch. Trudeau's response was one of realpolitik: were the Liberals to do as Kierans wished, they would lose every Alberta constituency (which occurred anyway). By the time lunch was over, so was Kierans's parliamentary career. He immediately drafted a letter of resignation from cabinet.

Kierans never again held elected office, but his influence on Canadian public life continued. As indicated above, he flirted with the NDP and helped administer Quebec crown corporations during the first PQ government. And he obviously enjoyed being one of the country's three wise men – along with Dalton Camp and Steven Lewis – on Peter Gzowski's Morningside program on CBC Radio.

Three blunders

The most important chapter of this book is a short, too short, 14-page exploration of the federal idea in Canadian history. Kierans's thesis – which I share – is simple: "Canada, by its history, by its huge geography, its clearly distinct regions, varying resource bases, and differing economic challenges, cannot prosper under centralized policies" (p. 241).

Kierans starts with the beneficial impact of the Quebec Act of 1774:

> *The French of Canada saw nothing in the American experiment that would guarantee their language and religious rights, as the Quebec Act did. Language contains all that has meaning and value to a people – their culture and traditions, their distinctions, their identity – and the clear aim of this legislation was to preserve these for Britain's fractious new citizens. Thus, the tough nationalism of 65,000 Canadians, abandoned by a France that never understood what it had lost in North America, remained firmly fixed in place* (p. 238).

Like the Quebec Act, the British North America Act also succeeded as a constitutional framework. Thanks in part to appropriate decisions by the Privy Council in London (the ultimate constitutional arbiter over federal-provincial disputes until after World War II), the BNA Act enabled a worthy country to evolve creatively – up to World War II.

In Kierans's account, Canadian constitutional history has experienced three major blunders. The first was the 1840 Act of Union which unsuccessfully attempted to create a unitary state: ("the consolidation of Upper and Lower Canada occurred in name only"). The second major blunder came a century later with the attempt by centralizing mandarins to perpetuate Ottawa's wartime predominance into post-war Canada. The key event here was the 1945-46 Dominion-Provincial Conference on Reconstruction. In Kierans's view, the origins of the country's discontents in the second half of the 20th century can be traced squarely to the misguided Ottawa-knows-best biases of the mandarins who set the agenda for this conference:

> *We had been a federal state with a workable division of powers; now we were to be plunged back into the unworkable arrangements of the last century, aided and abetted by a centralizing bureaucracy led by Bank of Canada governor Graham Towers and the Department of Finance.... The separatist movement did not begin with the Quiet Revolution, but with the unilateral, illegal, and unconstitutional takeover of Quebec's financial resources and responsibilities by a determined Ottawa bureaucracy in 1946* (pp. 242, 246).

"Every now and then you meet someone and instantly feel as if you had known that person for years. It was that way with René [Lévesque] and me."

The third blunder was rejection of the Meech Lake Accord. Kierans is not an unqualified admirer of this document ("It said nothing about Senate reform; nothing about Aboriginal rights; nothing about equity between the sexes"). But, he insists:

> *The Meech Lake Accord was a commendable attempt to reduce the role of the Ottawa mandarins and return the nation to something like the federation that our ancestors originally agreed to. It recognized that the centralized control of a John A. Macdonald or a Pierre Elliott Trudeau left no significant role for the provinces to play. Provincial premiers and their cabinets are forced to wait patiently for the terms and conditions of policies and decisions in which they have not shared* (p. 244).

Not a perfect book, this is, however, an important book for anyone thinking about the governing of a country with "huge geography [and] clearly distinct regions." The former occupant of the third-floor Saint-Henri flat has, throughout a remarkable career, insisted on telling Canadians what they need to hear, not what they necessarily wanted to hear. ■