

Power versus the Public Good: The Conundrum of the Individual and Society

1996 Hagey Lecture¹

by

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I want to thank you very much for asking me here and for asking me to give the Hagey lecture. It is a great honour. I have looked at the list of the people that have already given it and I hope that you don't regret it afterwards.

I hope you are not in a hurry because I don't know how long this is going to take.

The great Italian thinker, Gramsci, in prison, imprisoned by Mussolini, wrote:

"All men are intellectuals, but not all men have, in society, the function of intellectuals."³

Now that is a very humanist argument. He is saying that each individual acting as part of the whole, as a citizen, is perfectly capable of processing the central ideas, choices, and choices that society must make and live by.

But they can't do it alone because they have other things to do in life. And in order to help them do that they require the *functioning intellectuals*. Who are they?

Well, let me take a step back from that and say that the ability of every body to act as an intellectual comes out of all sorts of cliches, I don't know, the *genius of civilization*, its *an emanation of the collective unconscious*, all sorts of phrases like that. But the *collective unconscious*, the *unconscious*, isn't enough. It isn't enough to make civilization work and that is why you need the functioning intellectuals to oil the works of the rest of the population.

So the function of the intellectual, of the functioning intellectual, is a very difficult function. It isn't a corporatist function. It isn't the function of specialists who know

¹ Transcribed and with footnotes by W-Robert Needham..

² The 1996 Hagey lecture was delivered at the University of Waterloo subsequent to the publication of John Saul's acclaimed 1995 Massy Lecture which is published as *The Unconscious Civilization*, (Toronto: Anansi, 1995). In the closing lines of that book he says: "The corporatist system depends upon the citizen's desire for inner comfort. Equilibrium is dependent on our recognition of reality, which is the acceptance of permanent psychic discomfort. And the acceptance of psychic discomfort is the acceptance of consciousness." Amongst JR Saul's other publications are: *Voltaire's Bastards: The Dictatorship of Reason in the West*. (Toronto: Penguin, 1992), and *The Doubter's Companion: A Dictionary of Aggressive Common Sense*, (Toronto: Penguin, 1994). These books ought to be on required reading lists in social science departments, perhaps particularly economics. See also: *On Equilibrium*, (Toronto: Penguin, 2001). Students of Canadian Studies ought to read, *Reflections of a Siamese Twin: Canada at the End of the Twentieth Century*, (Toronto: Penguin Books, 1997).

³ On Gramsci see: <http://www.infed.org/thinkers/et-gram.htm> and Alberto Luzarraga, *Gramsci And The U. S. Body Politic -- Who is Antonio Gramsci? You Better Learn!!!* http://www.grecoreport.com/gramsci_and.htm

more than any body else, something. It is not the function of dispensing solutions, that is the role of democracy. We have mechanisms for dispensing solutions.

It's certainly not the function of controlling knowledge particularly through specialist dialects that would come along with being a member of an intellectual corporation.

So in that sense the functioning intellectual has to be an integral part of the public good, because they have to serve the public good.

It is clear from what I am saying that the universities are at the very heart of the functioning intellectual, if they are doing their job properly.

In 1881, Laurier, I think described as well as anybody could what a functioning intellectual is supposed to do. I'll read it first in French. [citation en français]

"What we need to fight against is this destructive tendency to weigh only personal interest. This leads to venality, to the flattening of consciences, to this infamous behaviour which surrounds us."

Well, how are we to fight against these things?

The central tool of the intellectual is language. What does that mean? It means that we have to ensure that memory works, practical memory, real memory, remembering what we have done, in order that we are not, in effect, functionally senile as a civilization. Insuring that absolute truths don't stand, because absolute truths are ideology and are the opposite of language and the opposite of using the intellect and intelligence. Insuring that language, especially through complexity, doesn't become a protection for power.

In other words we have to fight against the complex language behind which specialists can hide themselves and protect themselves. In other words we have to ensure that language acts as a means of communication between all communities, between citizens.

The professor is paid to be a functioning intellectual on behalf of society. This can go wrong. I mean you live in universities -- you know how it can go well, and how it can go wrong.

I'll give you a small example. There is a tenured Professor of Economics at McGill called William Watson. He is a neo-conservative. He writes columns for the Financial Post. I heard him on the radio the other day supporting the removal of subsidies for publishers. I am not discussing the question of subsidies for publishers, that is another debate. I am just talking about what he said. He said,

"Well you know, I love reading, I read all the time. Ask my wife. I read more books than anybody else and I don't think they should be subsidized because

frankly I am willing to pay whatever it costs, I'll pay 25, I'll pay 35, I'll pay 45 dollars for these books, and I don't see why the citizenry should be subsidizing my reading."

Now that is an astonishing comment from a Professor. After all he is a Professor, which means that his entire salary is subsidized. And he is a tenured professor, which means that he has a guaranteed subsidy, unlike most people. What's more he seems to have forgotten a basic tiny detail in the history of the western university, which is, that the reason we went to the barricades to create the free university, you know, throughout the west, since the early Middle Ages, and gradually built this thing, this place of debate. The reason we did it was that while we were out building cars or farming, Professor Watson was going to be reading on our behalf, and that we were actually subsidizing him in order to read on our behalf, on behalf of civilization. He was a functioning intellectual. He doesn't know that. He thinks he is reading for the fun of it.

I am not blaming him. It is not his fault that he doesn't understand his role. And I don't believe in blame.

Students are in exactly the same position as professors. Students by entering into universities have automatically entered into what can only be described as the elite, which represents about a third of the population. And, by definition, whatever they do in their lives they have an obligation to act as functioning intellectuals, a responsibility and an obligation. What does that mean? What do these words mean?

Well, Joseph Howe, you remember the great Nova Scotia, lawyer, public figure, was subjected to the first important libel trial in Canada.⁴ The first attempt at libel chill. The first attempt at the sort of thing that Conrad Black was a specialist in. He defended himself. He boned up on law over a period of a few days, and, in 1835, defended himself in a speech which was even longer than this one will be.

In one of the great lines of it, he said, because people were asking, doubting why he was attacking the establishment:

"...the only questions I ask myself are: What is right? What is just? What is for the public good?"

Is that too simple? Clarity is the essence of language that works. It is at the very heart of democracy. If you feel uncomfortable before clarity like that then I promise you that your discomfort is not a sign of sophistication. It is a sign that you are afraid that if people on a wide basis understand what it is you're talking about it may some how undermine your power.

Clarity isn't simplicity. For example, in the humanist idea, which is essentially what I am talking about, what I am defending, what I am proposing again, thousands and

⁴ See the discussion in *Reflections of a Siamese Twin: Canada at the End of the Twentieth Century*, 172.

thousands of people having come before me. In the humanist idea, right at the center of the humanist idea, there is this thought of permanent tension, permanent tension in society. It's an idea which was born a long time ago, it was born with Socrates and Plato.⁵

A single written voice, speaking for two people. A single man, Plato, being obliged to write two completely contradictory messages. Mainly one message, in the first half of his writing when he didn't have the guts, or couldn't get away with saying what he really thought, and he said what Socrates thought, and then in the second half, when he said what he thought.

I know Professors of Philosophy out there are writhing at that, when I put it that way, but I'm not going to spend a lot of time on that. You know what I am referring to.

That Socratic/Platonic tension, (I've written about that various places, some of it was in the Massey Lectures), can be reduced simply to this idea, that the Socratic oral humanist tradition was doubt filled, always seeking an equilibrium, not a permanent equilibrium, but an equilibrium you could live with. Whereas, on the other hand, the Platonist was after absolute answers, it was the father of modern ideology. It left really only the micro management for humans because everything else was already structured in a pyramidal sense in order to control society. Intelligence was narrowed and reduced in a sense to an idea of power.

The Socratic, was about the trust of the human. The Platonic about fearing the human. The Socratic was about legitimacy being based in the human. The Platonic was about legitimacy being based in groups, in interest groups, it was the father, or the mother, of the corporatist movement. But beyond what I have written before what I am adding now is this sort of idea of the tension, the permanent tension between the two.

So when I say that we live in a corporatist society, which I have been repeating and repeating recently, I hope you understand this in the context of this Socratic/Platonist tension.

Today, to live in a corporatist society is to live in a Platonist society which is pyramidal, which is fear based, essentially, formalization of fear, if you like. It is not humanist. It betrays humanism, and it is not democratic. It betrays the basis of democracy and it denies the idea of tension, of equilibrium, because it requires absolute answers.

So, let me just talk very briefly for those of you who have not read these things about corporatism, what I mean by a corporatist society because, I realized, a few years ago when I first started talking about it, that a lot of people thought I was talking about companies, and then I realized to what an extent this word, which was a famous word in the 1920s, 1930s and 1940s, had disappeared from our vocabulary, had really been

⁵ See the discussion in *Voltaire's Bastards*, for example, 116-117, 541.

forgotten. And it was astonishing that we're living in a corporatist society that we didn't know what a corporatist society was.

Essentially, in the 1850s and 1860s, a certain idea of the individual as citizen started to roll across. And again I am doing injustice to the idea, because it was already in Europe at the same time. But again, the idea of the individual as citizen began to roll across in a certain form, marry certain other forms in mainland Europe. And at the same time the Industrial Revolution⁶ was rolling across into Europe. And the European elites, the established elites, the religious and civil elites, but also the new industrial elites, sort of looked at it in a surprisingly conscious way and didn't really like what they saw coming. And they basically said, there is not much we can do about the Industrial Revolution, and besides we're going to profit from it.

On the other hand they really didn't like the idea of legitimacy lying with these individuals acting as citizens together. And they came up with, literally came up with an alternative which was corporatism, which was to say, that legitimacy would not lie with God as it once had, or with Kings, who used to work with God, but the deal didn't work so well any more. And it wouldn't lie with the individual citizen, it would lie with groups, interest groups, and society would be run on the basis of negotiations between the groups, between the corporations, public, private, universities, writers, everybody would some how belong to a group. But what drove the groups would be their interests and therefore, of course, the whole idea of the public interest is squeezed out like a pip and disappears.

Among the fathers of corporatism, because right away, it is quite unusual, it all happened very fast, the intellectual fathers of it were people like Durkhiem, and Weber, who also played an important role in the founding of sociology. I don't know what to say about that.

Durkhiem was a terrible writer but then corporatism doesn't require good writing because it isn't interested in communication or language. It is interested in control and interest.

I am going to read to you a single quote from Durkhiem, which I translated into English, so, in the process, it is not because it was French that it was bad, it was his writing.

"The corporations are to become the elementary division of the state, the fundamental political unit. They will efface the distinction between public and private, dissect the democratic citizenry into discrete functional groupings which will no longer be capable of joint political action."

The passivity that runs through our society today, the furious passivity that one feels in our society today, is, in effect, the result of that division into corporatist structures

⁶ See discussion in *The Unconscious Civilization*, Chapter IV—From Managers and Speculators to Growth.

which makes it very difficult for this highly sophisticated and educated society to be active, for the citizen to be active without being punished.

There is a whole new neo-corporatist school around.⁷ There are a lot of people, I don't know whether they are tenured or not, but a lot of professors around in various places in America and Europe who are selling corporatism again, because it is out there, the reality, so why not sell it intellectually. And they cleaned it up. This is our sort of third run at corporatism and what I am going to read to you, is a quote from one of the best known of these neo-corporatists, about what were the aims, what lay at the core of corporatism in the 1920s and 30s, before and while and after, Mussolini and Hitler picked it up and took power in Germany, and France and Italy, what were they trying to do, all these philosophers, political scientists, and economists, and historians etc., who backed corporatism [fascism] in the 1920s, 30s, and they summarized it as follows:

1. Transfer power directly towards economic and social interest groups.
2. Introduce entrepreneurial initiative in those areas normally reserved for public bodies.
3. Erase the divisions between the public interest and private interest. That is, question the very idea of the public interest.⁸

Does any of that sound familiar to you?

Isn't that the political program of every political party in the west today? Isn't that what we are being told in universities, in arts organizations, every where where the public interest has existed. Isn't that what we're being told is the new truth? In other words, in a curious, irresponsibly, if you will allow an irresponsible phrase, a curious sort of way, it is as if, you know, we fought the Second World War, we won, only we didn't win, Mussolini won, because corporatism is in place, intellectually in place today.

What corporatism does is it reduces civilization to the sum of its corporations, to the sum of its interests. And, in the process it becomes a profound denial of everything that is actually positive in our history.

The dominant corporatist philosopher, the dominant modern philosopher, he is not taught that way, I don't think, but I think he is, is Hobbes, the 17th Century. He really put in place how a corporatist society would run. Essentially he is in a way the modern Plato.

⁷ See the discussion in *The Unconscious Civilization*, Chapter III—From Corporatism to Democracy, 83-112. Saul notes: Philippe C. Schmitter, "Still the Century of Corporatism?" *Review of Politics*, (XXXVI:1, 1974), 85; Werner Abelshauser, "The First Post-Liberal Nation: Stages in the Development of Modern Corporatism in Germany," *European History Quarterly*, IV: 3(1984); and Denis Mack Smith, *Mussolini*, (London: Paladin, 1983).

⁸ See the discussion in *The Unconscious Civilization*, Chapter III—From Corporatism to Democracy, 87. Traute Rafalski is footnoted by Saul.

And essentially he was saying, you know, human beings are smart but they are uncontrollable, you know they run on their spleen. You really can't trust them. Let them out of control and they'll kill someone so you've got to control them and you have to control them with fear and with a basically carrot and stick structure to society.

So a corporatist society is a formalization of those two elements, fear and the carrot and the stick.

This Hobbesian atmosphere that we live in certainly denies tension, the tension that I talked about. It requires absolute answers. We are always after solutions. We must have the solutions. It denies the citizen as the source of legitimacy, it makes fear a terrible thing, we lose completely the idea that we could live with fear without actually being afraid. In other words it denies that you can live and progress through doubt, and yet doubt lies at the core of a healthy society.

I don't think what I am saying, what I am going through here, is any more simplistic pedantry, than most of the absolute truth that we have been obliged to live our society under for the last quarter century. I mean, is what I am saying anymore simplistic than the way the religiosity which has surrounded terms like globalization, trade, debt, debt repayment of course, competition, privatization. I mean these are all things that are worth discussing, with tension. Talking about them, what is the good? What is the bad? How do we deal with these things? But we haven't had an opportunity to discuss these ideas, they have all been presented to us as absolute truths with complete solutions as to how they can be dealt with. For example, trade. Does trade bring prosperity? Some times it does, some times it doesn't. I mean, we are told and we continue to be told, that the only way out of 10% unemployment, low real growth, etc., etc., is trade, more trade, more trade.

We have had enormous growth in trade every year for the last, I think, 20 years. It hasn't produced what they said it would produce. We have never had so much trade, we are in multiples of trade of what we have had at any other time in history. So, clearly, enormous quantities of trade does not necessarily produce prosperity. What that must mean is that some trade produces prosperity and some trade doesn't, or trade in some circumstances produces prosperity and in other circumstances doesn't. But we are not allowed to have that kind of conversation because either you're a free trader or your lost in the past and you're a protectionist, which is a false schism of the debate and so there is no possibility of sitting down calmly and saying what is trade? How does trade work? Historically, you know, what happened the last time we tried free trade? Actually, the last time we tried free trade we ended up with dictatorships in Germany and Japan. That is one of the things that happened.

And England actually, after prospering for a very short period of time, leveled out and then went into a permanent decline from which it hasn't recovered and ended up as a sort of semi-third world country. So, I mean, there is no proof, in 2500 years of

history, that trade is the way. But we can't have that conversation. You have to be for, or be rejected as being against.

Now I am certainly not alone, there are certainly many other intellectuals, functioning intellectuals, out there who refute this idea of absolutes. But the form of corporatist debate makes the idea of two legitimate positions impossible.

If everything is interest based then it is impossible to imagine that there could also be two positions, because everything moves from the idea of interest, from the truth of self-interest. And all of this impossibility of having two ideas at the same time, you wouldn't have thought that is too complicated, we are not cows, after all. Two ideas at the same time that we could debate as if both had some merit. The impossibility of doing that seems to come, in part, from our theoretical success in the intellectual community. Which is to say, the elite is larger than it has ever been before, as I said before, more specialized, more competent, know more, we know more than we have ever known before, and yet the curious thing is that as the knowledge has got wider and wider and wider so it has become more and more fractured. And as it has become more and more fractured, being in a corporatist society, it has been divided up as if it were property.

You know, you endlessly see, come to a Conference, or you learn all these things because knowledge is power. That is one of the great clichés of the 20th century, *knowledge is power*. What that means — get some knowledge, and control it and you will have power. That is what it means. It is the exact opposite of the idea of the functioning intellectual. So what happens is that we have increasingly divided up this knowledge into small corporations, meaning that a large inclusive debate has become more and more difficult and the result is that we have moved from two extremes, these divided up little bits of knowledge where there are absolute little truths, and then an enormous leap to the big truths, which is the only thing we seem to be able to do, like, pay the debt, or free trade, or globalization, but this enormous space in between is empty. The space where most of the population live, including the 30% who belong to the elites. Where they live and function on a normal basis. Where society exists. Reality is what lies in between those two extremes.

In a sense, this enormous sum of knowledge divided up into specializations, for me it is like the shadow of the late Middle Ages, the shadow of medieval scholasticism hanging over us. The impenetrable jungle of detailed expertise, of the most intelligent people in society being reduced in their professions to working on marginalia. To being reduced to a stage where the need for textual proof deadens debate. Where the quantity of circumstantial evidence⁹ which exists in most of the areas that I have worked in, the social sciences, but in a lot of areas, the quantity of circumstantial evidence is mistaken for proof, simply because there is a lot of facts. So it must be

⁹ See the discussion in *The Unconscious Civilization*, Chapter II—From Propaganda to Language, 68; and, *The Unconscious Civilization*, Chapter III—From Corporatism to Democracy, pages 83 and following, for his reflections on answers to the question: "How is it then that we have fallen into taking seriously someone like the economist Milton Friedman who walks about equating, in a silly, indeed an immature manner, democracy with capitalism?"

true. He who has the most facts has the truth, when in fact we all know, the facts, there are a lot of them, and they can work in many different ways. The sort of mistaking of circumstantial evidence for evidence is something that a real scientist can't afford to do.

"I will not be held like a drunkard under the cold tap of facts. I refuse the universal alibi." Leonard Cohen.¹⁰

The poets often lead the way.

In a sense then this unprecedented knowledge has backfired because it denies the legitimacy of the alternate view and in the end has encouraged acquiescence in our society. And what is worse, it has created a situation where debate, real debate, debate where you actually believe that there is something on the other side, is neither admired nor rewarded. It is just words. And we are left with the false debate of the absolute—Are you for, or are you against it?

We have seen this recently with ten years of argument over inflation and interest rates and finally, finally, it is coming to get through to a few people that it is perhaps possible there is not a single narrow road that would deal with inflation and everybody would live happily ever after. That, perhaps, this sort of fairy tale approach towards economics simply won't work. But, in fact, when you look at the debate that is coming, even after it has been shown that it doesn't really work, that it has all sorts of side effects which are very disastrous for society, what we are seeing is people like Pierre Fortin, the ex head, I believe, of the Economics Association of Canada, who has always been against this economic policy, coming out and making a revolutionary statement which is basically about 1%. And there was a big debate, is he 1% right or 1% wrong? But still we are no closer to the idea that if we are going to talk about economics it isn't simply about inflation and interest rates. We have to stand back and say what are the real sources of inflation? Maybe the real sources of inflation are in fact what we are rewarding in our society. I would say to a great extent that what we do reward in our society is profoundly inflationary. But the people we're rewarding are the people who are saying that we have to kill inflation. So there is this sort of terrible contradiction at the heart of the way we run our society. But we are unwilling to look at that.

What, in effect, I am describing is the victory of econometrics, which is now called economics by many people. And even the real economists, of whom there are many, and some really are wonderful ones, are obliged to cushion their seat to a very high level with the work of econometrics in order to make themselves sound serious in terms of what is currently defined as serious economics. So, in a sense, what we have seen is a great defeat for the idea of economics as a broad, intelligent, inclusive way

¹⁰ Leonard Cohen, "What I'm Doing Here." *Excerpts from Stranger Music*; <http://www.geocities.com/TelevisionCity/Studio/9398/poetry/cohen.html>.
<http://www.geocities.com/SunsetStrip/Disco/8711/cohen.html>

of thinking, something which Canada has had a great deal of, with people like Harold Innis, who was perhaps the greatest thinker we have produced.

Let me give you another example — the invisible hand. You all know about the invisible hand, a very important economic idea. The Chicago School loves it. You know this invisible hand comes down and the market-place self-regulates itself on the basis of some hidden logic up there. You know the invisible hand is attached to something, obviously. Must be, otherwise how could it be high enough to be invisible?

Now the funny thing about that is, if you go into a Church like Cosmos and Damien, you know, 538AD in Rome, and you look over the apse at the back, that has one of the most beautiful series of mosaics in the world, and there is Christ, up there with his invisible hand. And then there are the disciples, the management sphere, just below. And then, below them are the people, and there are various sorts of clouds and things between them.

Piero della Francesca, [1416-1521?] some people think, I think myself produced the greatest painting in the world. It is a large fresco called "The Resurrection," in a town called San Sepolcro.¹¹ You can see it in the Hall of Justice, behind where the judges would have sat. There is an enormous Christ walking out of the tomb, an astonishing Christ, with his left hand resting on his knee. It is a false calm. It is as if his hand is ready to spring out to say, "You, I've got you. I'm going to control you. I'm going to make justice happen." Terrifying.

El Greco, one of the best invisible hands ever done of the resurrection in the Prado version. With the hands flying about and all the people are sort of somersaulting about from the energy, you know, getting themselves into a proper balance of equilibrium, natural equilibrium as a result of the force of the hand.¹²

You know Michelangelo 's Cistine Chapel, it is filled with invisible hands.

Now the funny thing is that Milton Friedman never cites in his footnotes Michelangelo, or Piero della Francesca and I don't get it. I don't understand, that when they talk about the invisible hand, which they dishonestly cite from Adam Smith,¹³ he didn't use it that way at all, nobody laughs! Most of their arguments are actually funny. Maybe it was always meant to be a comedy act, the Chicago School. I don't

¹¹ Apparently, the fresco is Piero della Francesca. *Resurrection*. 1463. Mural in fresco and tempera. 225 x 200 cm. Museo Civico, Sansepolcro. <http://www.christusrex.org/www2/art/images/piero01.jpg> Of course, Saul's words "You, I've got you. I'm going to control you. I'm going to make justice happen" are his imagined description of what Christ might be saying. Invisible hands must, of course, be imagined, and that is exactly the point Saul seems to be making. In short, Saul's words are terrifying, not the picture. Francesca. *Resurrection*. 1463 is the only Francesca Resurrection listing in Wright, Christopher, *The World's Master Paintings: From the early Renaissance to the Present Day*. (London: Routledge, 1992). Volume 1.

¹² Possibly: *Resurrection*, 1584-94, Museo del Prado, Madrid. <http://sunsite.dk/cgfa/greco/p-greco14.htm>.

¹³ See the discussion in *The Unconscious Civilization*, Chapter V—From Ideology Towards Equilibrium. On page 155 he says: "How poor Adam Smith got stuck with disciples like the market economists and the neo-conservatives is hard to imagine. He is in profound disagreement with their view of society."

know, but maybe that is what the Nobel Prize for economics really is, a sort of 'comics' prize. I don't know. Yet it stands as if it were serious. But if proper debate on these subjects isn't possible, relaxed debate, open debate, isn't possible. Tough debate also. If it can't be inclusive, moving across society, reflecting the essential tension in society, then that means that democracy isn't dominant as an idea or as a reality.

The corporatist answer is to blame the media. You can do that. Sure, the media likes short sound bites, do not really like real debate. You can do that if you want. But that sort of temptation has always been there. There is nothing new about that.

And besides, the corporatist structures are far better at using the modern formalization of propaganda than the media are. The lessons of Leni Riefenstahl¹⁴ have been totally and utterly digested by the public relations world and put into the various corporations. Why do you think there are 5000 communications officers in the American Army? Because they are there to prevent communications. That is what their job is. So it isn't really accurate to say that the difficulties of public debate come from the media, they also come from the impossibility of debate when you are based on a corporatist structure.

Besides, the Hobbesian view is: What you would expect from the public? How could they understand the truth? How could they engage in a serious debate?

Corporatism reduces the citizen to a function who owes their loyalty to the corporation by contract or by social pressure, and the higher we rise in each of our corporations the more silent we become, because our responsibilities to the corporation become greater. That means that whenever we have a crisis in a given area, the only people who are absent as independent voices from the public debate are precisely the people who know most about that subject. Because they are all working for one side or an other inside the debate. It's not their fault that's the only way they can work. In that context you have lost completely the idea of language and, therefore of functioning intellectuals and you have moved into dialects and into nonsense.

And I'm going to give you an example of pure nonsense. This is the Third Annual Report to the Prime Minister on the Public Service, signed by the Clerk of the Privy Council. And on page 12, under the heading *From the Present to the Future*. In corporatist society, in rational society, for that matter, there is never a past. You don't remember anything. There is just the situation today, We are going to deal with it and we have the solution for tomorrow. Now tomorrow, you probably would not have solved it, so you have to forget yesterday really quickly, its today and tomorrow again.

You know, you look at language, it's the exact opposite of what Derrida says, language means something. *From the Present to the Future: Rethinking the Role of Government and the Modernization of the Public Service*.

¹⁴ Leni Riefenstahl was Hitler's film-maker. See her: *Triumph of the Will*. John Ralston Saul, *Reflections of a Siamese Twin: Canada at the End of the Twentieth Century*. (Toronto: Penguin Books, 1997). 13.

Six headings, I'll save you five. Heading (4) —

"Client services is what counts. ... [See!—You should be laughing. If this was a healthy society you would be rolling on the floor, either that or you would go hit somebody. One or the other.] ...The Changing Needs and Perspectives of clients must be the basis of program and service delivery."

You just think about that. I didn't know that the government was a store into which I went to buy something. I thought that I was a citizen and it was my government. So that, if I was, just to make people feel better, torture myself into using false free market terminology to describe the government I would be the shareholder, and you would be the shareholders, not the clients.

The word client has meant the same thing for 2000 years. From Latin on it has meant the same thing.

1. Cliens from Cluons.¹⁵ "One who hears or listens." Client is passive, one way.
2. Webster's, 1828, (the real Websters, not the junk that they sell now, when it was really a wonderful dictionary in the encyclopedic tradition in the 18th Century tradition)—(1) Amongst the Romans one who put himself under the protection of a man of distinction and influence [That is how the elites see themselves] who is called his patron. Hence in modern usage (2) one who applies to a lawyer or counselor for advice and direction. (Passive) A dependent. Client-ship a state of being under the protection of a patron.¹⁶
3. Chambers, the English Dictionary, 1898—A dependent.
4. Larousse—The modern Larousse—One who receives from someone against payment, products, commercial products or services.
5. The Modern American Heritage—One for whom professional services are rendered. One dependent on the patronage or protection of another.

Nobody in government seems to read dictionaries. I'm not playing a game and this isn't a game. It's not a word game. Words aren't fashion. Language means something. If your government is saying you are a client it actually means something. Even *newspeak*, George Orwell's *newspeak*¹⁷ was garbage language, but it meant

¹⁵ *Cassell's New Latin-English, English-Latin Dictionary*. By: D. P. Simpson. (London: Cassell, 1966, c1959), p. 111 *cliens* archaic *cluens*, from *cleuo*, to hear; lit. a listener. In Rome a *cliens*, dependent, one under the protection of a *patronus*; *patronus* (p. 427) = protector, defender; p. 676 *cliens* (= both dependent in gen. and client of a lawyer; *consultor* (of a lawyer); in the courts, a lawyer refers to the client as *hic*.

¹⁶ *Webster's Dictionary: An American dictionary of the English language: exhibiting the origin, orthography, pronunciation, and definitions of words / by Noah Webster; to which are added a synopsis of words differently pronounced by different orthoŕpists and Walker's Key to the classical pronunciation of Greek, Latin, and scripture proper names*. Authrs: Webster, Noah, 1758-1843. Merrill, Gyles, Mohawk Screw Factory. (New York: Harper & Brothers, 1846), p. 152. **Client**: (1) Among the *Romans*, a citizen who put himself under the protection of a man of distinction and influence, who in respect to that relation, was called his *patron*. (2) One who applies to a lawyer for advice in a qestion of law, or commits his cause to his management. (3) A dependent. **Clientship**: the condition of a client; a state of being under the protection of a patron.

¹⁷ See: Excerpt from "The Principles of Newspeak" An appendix to 1984 Written by : George Orwell in 1948 <http://members.aol.com/orion1787/ns-prin.html> <http://www.homefilmfestival.com/ht/ht-xiii5.html>

something, it was about power. And a word like client carries enormous baggage with it. It has always described a subservient passive person receiving advice or buying something in the short term. It has always excluded the idea of the public good. It centers the citizen's relationship to government on two dangerous ideas. (1) Legitimacy lies with the one who holds power and that is not the citizen. (2) A state is just another company buying and selling goods.

And those paragraphs with the word client in them they are filled with words like *contract*, not the social contract, the commercial contract, *competition*, *efficiency*, *market*, *globalization*. Now, apparently, the newest word (client is on its way out, which I guess that is why the report to the Prime Minister is filled with it) --- *client* is being replaced now with *customer services*. Governments provide *customer services*. So we have moved from the insulting to the ridiculous.

And I think two weeks ago, or a week ago, a new government commissioned study on public servants was released and it recommends:

"Federal executives [they are not public servants any more, they are executives] must abandon their humanist educational background, etc., that these future managers must develop understanding of several business lines."

Are we talking about a democracy? Are we talking about a government? No, we are not. And yet these words just go by as if they meant nothing. But they don't mean nothing. They describe the society which you live in and coming from the mouth of the Clerk of the Privy Council it is as serious as if she had suddenly taken to reading Lenin, to reading lines of Lenin into a document to the Prime Minister.

Let me give you another example of what this language does to people. The Chief of the New York police forces, William Bratton,¹⁸ early this year, February, is quoted, in the New York Times, as saying:

"I try to manage the police force as if it were a private industry. The criminals are our competition. [This is why fiction is so difficult. You can't make it up.] In the private sector you must keep a close eye on your competitor's activity if you wanted to get an advantage on him."

If you were in a healthy society he would have been laughed out of his job. It just went by. But this is the way he is thinking, this is the way people are thinking.

¹⁸ *The Globe and Mail*, October 4, 2002, says. **N.Y. ex-commissioner named to head L.A. police. Los Angeles.** Former New York police commissioner William Bratton, who was formally named yesterday as Mayor Jim Hahn's choice for Los Angeles police chief, pledged to return a demoralized LAPD to its "shining" glory, which has been badly tarnished by more than a decade of scandal. Mr Bratton, 54, defended his reputation in New York of zero tolerance of minor street crimes. Reuters.

So when you wonder why there is no effective defense, or better yet offense, in favour of the public services, why we endlessly sound as if we are falling into a romantic air: "... .. Oh Medicare." As if it were a wonderful thing like grandma's cookies, in the past, in a perfect world with flowers growing on an arbour. The reason we fall into that kind of language is because we have accepted that the basic language of public discourse is a language which denies the possibility of the public good. A language which de-legitimizes the democratic state and the role of the citizen. And if you accept that language you are, in effect, committing suicide.

It is not surprising that in an atmosphere like that that we lose track of all sensible debates over debt and taxation. For example, individuals are allowed to in-debt themselves in their self-interest. Companies live on debt. We're at levels of corporate debt which have never been seen in modern times. And yet one after the other provinces and American states are passing anti-debt laws. There is already one in Manitoba; Quebec has announced that they are going to put one through and the unions have agreed to it. So, in other words, the only group in society which is not permitted to in-debt itself, with the interest of its community in mind, is the only mechanism which the citizen has, i.e., their government. These anti-debt laws are in effect, a way of saying that power does not lie with the citizen because the only mechanism the citizen has, which is their own mechanism, is their government.

The real issue, which lies behind this debt crisis, this lack of public money, the real issues that lie behind it, are the disappearance of the money from the real sources of wealth in the country. In 1950, the breakdown of income tax between corporate and personal income tax, 46.4% of income tax paid in Canada was paid by corporations in 1950, now there were other taxes, but this was a big chunk of the income tax.

In 1992, 7.6% of income taxes paid in Canada were corporate. In other words the citizens were paying over 90% of the income tax.

What we have seen in this period of the decline, our loss of the ability to tax the major sources of wealth, the major pools of wealth, in the country, we've seen the taxman's eye slip from the corporations, to the rich and the rich said, "Hey, I'm leaving. I'm going to another country." So we didn't tax them too much. There weren't many of them anyway, not enough to really replace the corporations. So then we moved to the middle class and we taxed the middle class as much as we could, and that's where it stands. So we moved on to the lower middle class and they're taxed about as much as we can tax them, and that's where it stands. And we moved on, still not enough money, because what we lost from the real pool of wealth cannot be replaced by these other sources. They're much too small. So then we moved on to the indirect taxes which stand, what ever they say during elections. And we have moved on from there to even more marginal sources.

Another way of looking at it, just so you know, is, that I talked not that long ago to an Assistant Deputy Minister of Finance, who said, off the record, (which is why I am not naming him, though I'm tempted) that "it is agreed amongst western countries that

the maximum tax rate you can apply to large corporations is about 13%." If you can only get 13% out of the major source of riches in your country and in all the countries in the west it isn't surprising that we are in debt because we are trying to work off a very, very, small part of our riches. In other words there is a desperate need today, for an international agreement on higher levels of taxation for transnational corporations. And yet that very simple idea is basically absent from the public place. There is no debate, there is no pressure to push governments to negotiate higher internationally agreed taxation rates for transnational corporations. There is a desperate need for intellectual leadership in that area to show that it is very easy to do it. But it is basically absent with the exception of a few people.

Meanwhile in the place of the real money we have fallen into a number of solutions, of which I am going to name three. Three solutions to deal with the short fall in public funds.

The first is to sell off public property, privatization. Now some times privatization is a good thing. I'm not necessarily against privatization, but, in general, you have to understand that what privatization principally does is indirectly create a way of funding political parties. In other words, the people who handle the privatization, the lawyers, the accountants, the management consultants, the financiers, the bankers, or private financiers, the managers of the soon to be private companies, reward the party which privatizes this operation by investing in their political parties.

Essentially privatization is dignified asset stripping of the public good. And the money raised is peanuts. You have to realize that we are doing this to pay the debt. But in reality the money that is being raised is peanuts in terms of paying the debt. It is having no real impact on paying the debt. And it is peanuts compared to the size of the long-term public investment in creating these public institutions. It is essentially a quick hit for short run needs, with a long term loss following behind.

Just take an example. It has been announced that Ontario is going to sell off its water, sewage management agencies. Now, just have a look at the history of water and sewage management in the west.

(Aside: Now there is an exciting subject, Right? It is nine o'clock and he's talking about sewage!)

First of all, I'm not an expert on all the countries, but I know a great deal about the French history, the famous Paris sewers that everybody visits when they have nothing else to do in Paris. I have never gone. But anyway, between about 1870 and 1900, there was a gigantic political battle in Paris and in the other cities, and this was duplicated around Europe, over whether or not there would be sewage systems, pipes in the streets, and whether there would be garbage collection. It was very simple. Any body who owned property was against the sewage system and against the collection of garbage, for a very simple reason, their taxes would have to pay for building it.

This was a fight that went on decade after decade. They fought tooth and nail, in the courts, head of state, they fought every way they could, for there not to be sewage. They wanted people to have the free choice and right to not have running water. And they were particularly exercised about the idea that garbage should be collected because they felt that it was a citizen's right to throw their garbage into the street. In fact the Prefect of the day, Monsieur Poubelle, for whom it is named, thought and was named a communist pinko, etc., etc., etc., because he was in favour of the collecting of garbage.¹⁹

So it is kind of astonishing to hear that what water management needs today is privatization. In other words that it would be put into the hands of the people who fought it so hard for so long.

The second thing I would say about it is that water and sewage systems require long term investment in management. They don't meet any of the real criteria of the market place because they need very, very heavy investments with very long term pay backs, and not very high pay backs, because you can't make it expensive because it is a public service. So it doesn't meet any of the requirements of the real market place. That means, that, in the end, whether it is privatized or public, the investments are always made by the citizens, because that is the only way you can get them.

Third, there are privatized systems in Europe, and we can look at them with great equanimity and see that they are used, almost without exception as a way to support political parties. War chests for political parties, that is essentially what they are, because an enormous amount of money comes, there isn't much risk it's very solid, and people are very grateful for the contracts they get to run these sewers and so they reward the political parties.

Fourth, We have recently seen privatization of these sorts of systems in the United Kingdom. It resulted in an enormous rise in management costs, particularly in the salaries of the managers. And, most interesting of all, it resulted in a court battle, a ferocious battle which is going on now, by the English privatized water and sewage companies not to meet the EEC standards of clean water, which they say are too high, by which they mean it would cut into their profits. So in other words, we are right back, intellectually, even though we have relatively clean water we are right back intellectually to the 19th century argument about which comes first when you talking about water, profits or the public good. So, privatization.

The second solution to financial short fall is that we should go back to charity. This question of charity has been with us for a long time. That's what Solon's²⁰ great actions in Athens were all about, when he revoked the debts. He said the citizens should not be dependent on the charity of the elites. We have to have a proper citizen

¹⁹ See the discussion in *Voltaire's Bastards*, 239. Prefect Poubelle is described there as the "cryptosocialist" of the hour." Based on: Roger-Henri Guerrand, *Les Lieux*, (Paris: Editions Découverte, 1986).

²⁰ See the discussion in *Voltaire's Bastards*, 540-541.

based society and the destruction, the ripping up of the debts, was a ripping up of the idea that society would run on charity.

The Middle Ages actually rejected the idea of charity -- when the Middle Ages were at their best. Especially, in the cities there was an idea that the cities were responsible for the public good and had to organize the public good. And so this idea of charity really comes back ferociously in the early Industrial Revolution, when the whole social structure breaks down, and you have all learned how people, decent people, were thrown on the charity of those who, basically, from the kindness of their hearts, or whatever reasons, might give a few pence. And there was a terrible degradation of the state of human beings under the reign of charity, which lasted for about 50-75 years, basically.

The Government message today is essentially "charity in a fancy dress," which is what you would expect from sophisticated corporatism. When it keeps turning to various public interest groups and saying, "We haven't got any money, you should go out and find money in the private sector." what they are really doing is using, from an ethical and philosophical point of view, exactly the arguments of charity in the 1820s.

The third solution to the financial shortfall takes me back to what I said, we're moving back to more and more marginal ways of raising taxes. And this is, I think, the clearest example of how far we have gone into corporatism and from democracy. This is an ad, one of many, from a tourist brochure in Ottawa. See the nice drawing of a building. I'm going to read bits from it. The heading is *Casino de Hull*. One word. "WOW!" ... "1250 slot machines, black-jack, roulette, baccarat and a variety of other table games. Just 4 kilometers from Parliament Hill."

It is astonishing.

There is a history of gambling in the west; there is a long history of gambling and what we know is that when governments move into gambling as an official public policy they're at the extreme end of intellectual and ethical degeneracy. There is a long history of that.

In Burma when the King started raising money through gambling it meant that he was within a very few years of being murdered or having his head taken off. Because why? Because it meant the government had lost all sense of what their role was as a government, which was to serve the public interest, not to attack the weaknesses of the citizenry.

I am not making a sort of personal moral statement against gambling. I like gambling. I am in favour of gambling. That is not the point. The question is, should the government of the citizenry formally be engaged in the corruption of the citizenry? That's the question. That's the philosophical question and it is a fundamental question. And yet there isn't any real debate today. The intellectuals aren't out on the street the tenured professors aren't out on the street, with perhaps a few exceptions. The social

sciences, which are the experts in this area, are not really saying much, the writers of fiction, etc., aren't really saying anything. It's just happening. It's being allowed to grow and to grow and to grow.

In fact, as the charity and gambling routine increases the elites are increasingly dependent themselves on gambling for their own income. Culture is to a great extent now, to a greater and greater extent, a prisoner of gambling. Hospitals are organizing big ticket lotteries.

Now you may say, what is he doing? This is a named lecture, this is supposed to be a think piece. He is talking about gambling!

George Grant—"Philosophy is always the account of actuality as it has become in a particular epoch."

That is why Socrates got up, you, know, a heavy drinker, got up, went into the market place in a bad mood in the morning and annoyed people. And went up to butchers and complained about the way they cut meat on a philosophical basis.

That is why Voltaire gave several years of his life to a sordid little murder scandal, the Calas²¹ affair, which changed our whole attitude towards public discourse.

I am not comparing myself to them, I am simply saying to you that philosophy is about reality, and the public good isn't some abstract, rarified thing, its reality.

State-led gambling is an important philosophical question. Margaret Somerville, from McGill, the wonderful thinker and writer on ethics said: "What happens in a legalistic society is that law replaces morality and ethics." Well, eventually, if you take the next step, beyond that, it becomes LAW, all in capitals. Gradually you erase the possibility of seriously thinking about the content, everything becomes the form.

Well what is the content of gambling?

The content is, first of all, that it's not just the provincial governments because it not only exists at the provincial level, thanks to exemptions in the criminal code made by the federal government in the name of, quote, *good physical management*. — See? Form, no content.

The provinces officially net about 5 billion dollars. But that is way, way out of debt and the figures are very, very badly collected. In fact what is happening now with the

²¹ See the discussion in *Voltaire's Bastards*, 319-325. In the Jean Calas (1698-1762) affair, the father was accused, found guilty and executed, of having killed his son (who had in fact committed suicide). Religious prejudices related to Protestants and Catholics were fanned by rumour. Voltaire: *Traité Sur La Tolérance À L'occasion De La Mort De Jean Calas*. <http://pages.globetrotter.net/pcbcr/tolerance.html>. Voltaire, *L'Affaire Calas Suivi de L'affaire Sirven et de La Mort du Chevalier de la Barre*, (Paris-VI^e: Nouvel Office D'Édition), 1963. See also: David D. Bien. *The Calas Affair: Persecution, Toleration, and heresy in Eighteenth-Century Toulouse*, (Princeton, N.J., Princeton University Press, 1960).

opening of casinos, is that, to give you an example, in Manitoba, where they have lotteries, casinos, and video lottery terminals, now only 25% of the income comes from gambling. In other words, the casinos are an enormous source of money and, in fact, we are probably on our way towards a figure like \$20 billion, in the relatively short term, being earned from gambling.

Look at the revenue breakdown in the provinces.

Nova Scotia—the corporate income tax is equal to the lottery income of the government.

Saskatchewan—the lotteries make more for the government than corporate income taxes.

Alberta—they are drawing even—in Alberta, with an enormous corporate wealth, their gambling is drawing up to corporate income tax.

Ontario—The lotteries represents 20% of the corporate income tax. But it is moving very, very fast and you are going to see a big change quickly.

British Columbia—the Minister responsible for this area is the Minister of Employment and Investment. That is how it is viewed. How are people thinking about all of this? —Employment and investment. It is justified. It is a source of job creation just the way the arms industry was in the '60s and '70s.

In Quebec—Monsieur Landry, the Deputy Prime Minister of Quebec and Minister of Finance in Quebec when they opened the Hull Casino said: " You have to go a long way back in the history of this region to find a single investment that created more than a thousand jobs."

What kinds of jobs? — Very low level jobs.

For what purpose? Are these the kinds of jobs [about which] we ought to be saying this is job creation for the citizenry?

Cliché: We know that it brings organized crime. But what is the idea behind that? The idea is that our governments are now entering into formal relationships with people whom we believe, accurately or inaccurately, are linked to organized crime. That's what gambling means. And we're not saying anything about it. We're just saying: "Oh, that's fine, it's OK, if our governments deal with people they make movies about with machine guns."

There is a reality there. When I talk about corporatism versus democracy, -- [let me] put it this way: How can the citizenry respect democracy and their government when their government doesn't respect them? The government says people have a choice, they don't have to gamble. If people have a choice and the government respects that

choice, why is the government spending millions of dollars in advertising in order to get them to gamble? It is trying to influence their choice.

Any way, what is a real choice in a case like this? Look in the 18th Century, and the 19th Century. Private companies came in and started selling liquor to Natives. The local governments, various governments, everywhere opposed it. They were weak, they were ineffectual, they were probably hypocritical and they failed. The question is: Did the Natives actually have a real choice? I think that we would agree they didn't have a real choice.

On October 12, 1996, the spokesperson for the cigarette industry in Canada, responding to comments attacking targeted advertising said: "People know there are risks, just as there are crossing the street."

Again you I can't write that kind of stuff. Well, if it is true what are you saying? Why are they targeting in their advertising those with less developed mechanisms of choice? What I am saying is that the role of government as a mechanism of the public interest is not to protect the public. We don't need protection as if we were children, in that sense, but one of the principle roles of government is to maintain a real stable form of public choice.

Private industry, and I'm in favour of the market place. Private industry has many characteristics but one of the basic characteristics is that it reduces choice to frenetic alternatives between organized temptation and private interest. That's fine. That's what the market place does. That is what it is supposed to do. We shouldn't be surprised or naive to believe it is going to try to do something else. But with gambling, the state is reducing itself to the lowest level of the market place.

The reality is that, as with the Natives and drink, as with cigarettes and the young, today, the government's aim is to remove choice by targeting the weaknesses of the citizens through its advertising and through the way it organizes gambling.

Who does it target? People with a lack of social preparation, people with a lack of education, poor people, people who are depressed because of the economic conditions that they are in. In effect, what the government is doing is denying the intent of 200 years of public education as a key to democracy. What they're demonstrating is that governments as the leaders of gambling, on a philosophical level, governments have given up on the idea of the public good, and of citizen participation. Given up on the idea of the role of public education, of the citizen as a source of legitimacy. Every ad they take for a lottery, is an illustration of their contempt for the citizenry, or at best their indifference to the citizenry. And this cuts across all political lines.

In a way, you know, we have regressed to those famous Opium Wars when the English and the French and the Americans decided it was worth going to war to protect the Chinese right to become opium addicts.

Now, of course, as a novelist, I'm delighted because, you know, I'm very attracted to dramatic irony. And, you know, we offered the Natives a false choice 100, 150 years ago. And now, through the growth, for example, of Native Casinos we are offering them the chance to offer us a false choice. On the other hand, it is a fairly twisted mind, which would produce that kind of dramatic irony. Is the solution to 150 years of mistreatment of the Natives, really that we should be financing their education and their social programs out of gambling? When in reality what it shows is that our structures continue to have contempt for their social structures and for their social problems, because we know very well what the effect of this gambling is going to be on their society.

So, let me step back from all this and talk for a few minutes about how I think really societies work. I think there is a sort of four-step process.

Human beings first identify reality, which we can do better than animals.

We then consider reality, which is doubting, thinking, considering -- that's the intellectual process, that's the functioning. That is the hard part. That's what only human beings can do.

Then we decide on what we are going to do, which basically any idiot can do if they thought correctly. So this whole business of electing leaders because they are decisive, without having thought about whether they can think, is a big problem, because you are actually choosing them on step three when the first two are the important steps.

And then, having decided, you have to manage reality, which is, of course the easiest part. Without going into it in great detail the origin of the word *manger*, *manage* -- is from the French *faire a ménage*, to do housekeeping. There is nothing wrong with housekeeping, But is it really the star towards which we have been heading for 2500 years? That the purpose of civilization was housekeeping? Because in essence, as many of you know, we are being turned more and more, even outside of business schools, to making education like a trade school for management.

In fact, this domination of management in our society has produced, I think, a profound inefficiency, ineffectiveness, because it has made it very difficult for us to make use of the qualities of our elites. In effect civilization has been blunted by the quantity of administration which lies upon it. And this is not an attack on the public service. The problem is far worse in the private service. And it doesn't have anything to do with public services, it has to do with the administration of public services, which is a completely separate function.

The reality is that a society, which is obsessed by decision-making management, is a society which ends up encouraging the short term. It is quite logical that it would fall into mergers and acquisitions, rather than building things or doing things.

The international money market is a dream of management, there is no reality involved at all. It is all the management of basically inflationary pieces of paper. There is a great fear in our society of really doing anything because you are not really rewarded for doing anything, In fact, now that management is to some extent under attack you will notice, if you look carefully at corporations, that everybody is renaming their function. So instead of being the Vice President, Manager, or whatever, they now have nouns which make it sound as if they are actually doing something, you know, Vice-President Construction, and if you look at it you will find they are no where near construction. They are actually managing construction.

These managers are also citizens and they are also suffering in the sense that the elite is both the victim and the villain in the story. They are also suffering from the fact that they are closed up inside these corporations. That they are eliminated from the public debate as I said earlier. The public silence is their silence, which they don't, I think, particularly enjoy.

Elites are also clients. It is not surprising that that word is so popular with them. Clients are for sale, they buy things, but they are also for sale.

The client state, the rise of the lobbyist and consultant is all about the elites as clients who are for sale. After all, management consultants are just tamed lobbyists who are hired by governments to give them the lobbying that they already want.

The end result of all this is a society which is looking more and more, intellectually, like the 18th century, a scholastic blockage, ethics marginalized, a rotten borough approach to public policy.

A few months ago the Thai Prime Minister,²² Banharn [Silpa-Archa], was attacked for -- and this was the line which brought him down "You have made the country into your personal factory, ...sort of 19th century."

But our corporatist elites are gradually turning western democracy into factories of interest devoid of responsibility.

It is very difficult to assume responsibility in society. It's as if we're constantly, replaying the Nuremberg Trails. You know, where we did actually manage to hang a few people for following orders, and ever since then have essentially regretted this idea that if you are employed you are not responsible. That is what the Nuremberg Trials were about. And as you go through the various crisis of the last 50 years, as they have attacked management at senior levels in the public and private sectors you realize that nothing was decided at the Nuremberg Trails. I'm not comparing the evil done. I am talking about the principle of responsibility for orders received and carried

²² According to Pitch Sookmark <supanail@magma.ca> attached to the Tech/Admin Staff Royal Thai Embassy, in Ottawa, "apparently we had 3 PMs during that timeframe. 1. Mr. Chuan Leekpai, September 1992-July 1995. 2. Mr. Banharn Silpa-Archa, July 1995-November 1996. 3. Gen. Chavalit Yongchaiyudh, November 1996-November 1997." The name Banharn fits with that spoken by JR Saul.

out -- we're not responsible. And I'm going to give you a little story, which I think illustrates the nature of this problem. A very 18th Century sort of story.

On your main street, here in the middle of winter, not properly plowed, a narrow sidewalk, you are on your way home from the gym. Having exercised, you are in very good shape. You are on your way home to pound the pesto, or watch over the pasta to make sure it doesn't over cook. And suddenly in front of you comes an old lady who is fragile and she is in your way. You have got something to do. She is in your way and there is a lot of traffic in the street. It's icy.

You have four choices.

1. You can shove her into the traffic. No body is going to see you. You just go like that-- and she's gone! You're very athletic. She will be killed. You won't be caught. And your pesto will be done on time. Now, I don't know, that represents 0.01% of the population. I don't know how many mass murderers there are but there aren't that many.
2. The second possibility is you would like to push her into the traffic but you're afraid you might be caught. 5%, 0.5%, 2%, whatever you want. I think 1%.
3. You believe that everybody else belongs to the first two categories. Clearly this is where Hobbes goes. Hobbes believes that every body would push or wants to push. But where did Hobbes get the idea? Obviously he wanted to. I mean you don't get ideas like that out of no where. And I would have to say that many of our senior management obviously are like Hobbes. So we could give that, 5%, I don't know.
4. And then the 4th category are the people who didn't even think about it and just stood aside, said "Good evening, Madam" and helped her by and went home and the pesto got done. And they represent about 95 % of the population, or something.

Now the two questions are:

A. Does society reward you for pushing the little old lady into the street? I am afraid that the answer is essentially yes. Yet, we resist, surprisingly well.

B. The second question is more important. Does society punish you for not pushing the little old lady into the street? And I think again that the answer is yes. And that is really what the Somali inquiry is all about. And that's what the refusal to deal with the reality of the public interest versus self-interest and the occupying of positions of power in society is all about. Just think about the choices that you have to make on a daily basis, whether they don't break down as I have just described them. The key, in my mind, to changing this, is to try to deal with this idea of tension, this idea of equilibrium in society.

I have talked before about my idea of what human qualities there are. There are other lists. There have always been other lists. I give them in alphabetical order.

- Common sense
- Ethics
- Memory
- Creativity
- Intuition
- Reason

But essentially, a healthy individual, and citizenry, a healthy society is one in which people attempt to make use of all of these qualities. You never make it, you never arrive. You never reach equilibrium. But the whole idea that you are not a prisoner of reason, not a prisoner of memory, or of creativity, but that you actually have several arrows in you quiver that you can use. That there is a sense that when one thing stops working you have something else to draw upon. I think that is intellectually the way out of the corner into which we have put ourselves in a corporatist society.

I talked about four steps, identifying reality, considering, deciding, and managing. Let me finish by considering and identifying reality on just a few points.

What are the priorities of the public good today? This is my list, you know, that's all it is.

I think in the west that we make change through language. That is the first step. At the moment we are victims of our own language. There is a major battle, which has to take place. When you hear people saying words like *client* you have to do something about it.

This week people are talking about the wheat pools as being totalitarian. When you hear that you have to say something. I agree, they are drops, but if you sit there and say nothing, if you let the stuff go by, if you let people talk to you about *customer services* when you are a citizen, it's all over, there is nothing left to discuss. You might as well not even vote, frankly. Because if you can't even get the language right. If you allow them to describe you and the public interest in a language which denies the public interest, the debate is over.

So there is an enormous amount of work to be done in the area of language and I think the universities have to be at the center of it as they have been at the center of creativity and the memory of the west for a 1000 years almost now. They have to be at the center of it. That means there is an enormous amount of work to be done, breaking up the dialects of the corporations inside of the universities. The intellectual dialects, or rather, the anti-intellectual dialects, because you can't be a functioning intellectual if your language doesn't communicate, if it blocks communication. And I sense in the universities that there is a great willingness to start down this road. I sense it in the sciences. I sense a great division in the social sciences. But a division is not a bad thing. That means there are some people who want to see this change take place. So I think that the first thing is that we really have to learn is to speak out every day, every single day. Because every day you are reading something, or doing

something, or signing something which is a form of acquiescence to corporatism, linguistic acquiescence which turns into reality.²³

The second thing is participation. Democracy is language and participation. The only way to break out of the power of the corporatist system is to find ways for our elites and the rest of the citizenry to participate. We have to find ways of formalizing, I think, participation.

At the moment participation has been squeezed to the edges of society to the voluntary area. I think that, since everything else is organized there is no reason why we can't, for example, through legislation, give people four hours per week in which they participate as citizens, according to what ever they want to do, with what ever their opinions are, whatever their interests are. You actually build it into the society that it is actually something that is admired and you then offer the elites a chance to move out of their interest groups to participate with their knowledge, with their information, with their intelligence in an area where the public good is being addressed as opposed to self-interest.

Both of these, language and participation, are tied to the idea of rejecting false individualism, the idea which reigns today — that individualism is walking away from society as opposed to participating in society, that individualism is the freedom not to be there, to go on a holiday, to go skiing, when in fact individualism is about participation and obligation. The more you participate the more you are an individual that is how a humanist democracy is built.

I think that, in terms of economics, we have to very, very sharply, reject the idea that civilization is led by economics. This is the dominant idea, this is what is taught, but it is also what is believed, and this is how actions are undertaken in our society. I am not going to go into this tonight. Economics does not lead society. Economics did not produce democracy. It did not produce individualism. It did not produce prosperity. Prosperity was wrested out of the hands of the market place by an idea of the public good. Economics only works as a servant of society's aims.

And also, to go back to the question of econometrics versus economics. It is essential that econometrics be reduced to precisely what it is, which is the details and not the central question. In other words, we need to re-establish economics as a wide interdisciplinary way of thinking.

We have to reject, I feel, the idea of management as a goal. Management can't lead society. Just look around, we're in a confused directionless society. We have more managers than ever existed in the history of the world, with better training, and we are going no where. Because management is about management. It is not about

²³ See the discussion in *The Unconscious Civilization*, Chapter 5—From Ideology towards Equilibrium, and where he says, p.173, "We know the universities are in crisis and are attempting to ride out the storm by aligning themselves with various corporatist interests. That is shortsighted and self-destructive, From the point of view of their obligation to society it is simply irresponsible."

doubting, considering, identifying reality or leading. It's about management. So the idea that you are going to find a direction through mangers is a false idea.

Finally we need a debate on how to give a practical form to the way the public good sits today in our society. What we have seen over the last century is that the organizing of the public good has gone from the city level in the Middle Ages—you know, when they, the citizens, built hospitals, to the regional area—during the Renaissance, to the nation state—in the last 100-150 years, and, now, to the international level.

None of these steps erases the previous step. The city is just as important as it always was. But there is a higher cap that has to be dealt with, other wise it escapes from you. You have to deal with that level. We spent from 1820 to the middle of the 20th century dealing with how to give a shape to the public good in the nation state. And suddenly it has escaped us, because again, it has gone off to another level. So we have to deal with that international level as a practicality, not as a false romanticism about "the nation state is over, internationalism reigns." It is not about that.

It is the practicalities of how do you structure the public good at the international level given that the nation states, and regions, and cities will continue to exist.

We now have a series of international trade agreements. They are incredibly complex. Forget about whether you are for or against them. They have got everything in them, from this sort of plastic glass of water, the water included. Everything is in them. Everything is detailed. Nobody has seen agreements as complex as this. And yet we are told that we can't have international agreements on work conditions because that is too complex. An international agreement on work conditions could be done is 30-40 pages. It is nothing compared to the trade agreements that we have signed.

So, I feel, that when you are actually thinking and talking to politicians, talking about what goes at the top of the public agenda, one of the things that has to be at the top of the public agenda is that you will vote for or against these people on the basis of whether they are willing to go out there and negotiate and fight for the negotiation of international agreements on work conditions. And, secondly, of international agreements on higher tax levels for transnationals.

Those are two things which are perfectly practical, perfectly do-able. They could be done within 5 years, if 2 or 3 members of the G7 put their minds to it. It would be very easy to roll it up. There are already people who want it. But it will have to start from the individual acting as citizen for it to get to the top of the agenda.

If you believe you live in a democracy then you have an obligation to influence that agenda.

But first you do have to refuse the Hobbesian corporatist manipulation by fear and the use of the carrot and the stick.

President Goncz²⁴ of Hungary, you know, the great playwright had to leave his country for years and years, speaking at the 40th anniversary of the 1956 Revolution, said that it was, in 1956, "a revolution of human dignity."

Is that romantic? This is from a very tough man. I have met him and he is tough. He is not a romantic. This is a man who was ready to give up everything because of what he believed about human dignity and the public good and democracy. He gave up probably more than anyone here, without knowing anyone in the room or what they have given up.

He was talking about a revolution of human dignity. That is a revolution of the moderates against the extremists. What I am talking about is a revolution of the moderates against the extremists who are in power today and who control today's language. That has always been the history of democracy.

The history of democracy is not about revolutionary citizens gone mad in the streets as it is often portrayed.

It is about the moderates in the streets against the extremists and all of that comes back to language. If you can refuse the word *client*, you are on the road to reformulating the idea of the citizen and democracy at the end of the century and from that the rest will follow.

Thank you very much.

²⁴ President Arpad GONCZ (since 3 August 1990; previously interim president from 2 May 1990) *1996 CIA World Factbook*. http://theodora.com/wfb/hungary_government.html. A playwright, Goncz's works are outlined at (<http://www.rferl.org/nca/special/GONCZ/bio.html>)

List of Footnotes

1. Transcribed and with footnotes by W-Robert Needham.
2. The 1996 Hagey lecture was delivered at the University of Waterloo subsequent to the publication of John Saul's acclaimed 1995 Massy Lecture which is published as *The Unconscious Civilization*, (Toronto: Anansi, 1995). In the closing lines of that book he says: "The corporatist system depends upon the citizen's desire for inner comfort. Equilibrium is dependent on our recognition of reality, which is the acceptance of permanent psychic discomfort. And the acceptance of psychic discomfort is the acceptance of consciousness." Amongst JR Saul's other publications are: *Voltaire's Bastards: The Dictatorship of Reason in the West*. (Toronto: Penguin, 1992), and *The Doubter's Companion: A Dictionary of Aggressive Common Sense*, (Toronto: Penguin, 1994). These books ought to be on required reading lists in social science departments, perhaps particularly economics. See also: *On Equilibrium*, (Toronto: Penguin, 2001). Students of Canadian Studies ought to read, *Reflections of a Siamese Twin: Canada at the End of the Twentieth Century*, (Toronto: Penguin Books, 1997).
3. On Gramsci see: <http://www.infed.org/thinkers/et-gram.htm> and Alberto Luzarraga, *Gramsci And The U. S. Body Politic -- Who is Antonio Gramsci? You Better Learn!!!* http://www.grecoreport.com/gramsci_and.htm
4. See the discussion in *Reflections of a Siamese Twin: Canada at the End of the Twentieth Century*, 172.
5. See the discussion in *Voltaire's Bastards*, for example, 116-117, 541.
6. See discussion in *The Unconscious Civilization*, Chapter IV—From Managers and Speculators to Growth.
7. See the discussion in *The Unconscious Civilization*, Chapter III—From Corporatism to Democracy, 83-112. Saul notes: Philippe C. Schmitter, "Still the Century of Corporatism?" *Review of Politics*, (XXXVI:1, 1974), 85; Werner Abelshauser, "The First Post-Liberal Nation: Stages in the Development of Modern Corporatism in Germany," *European History Quarterly*, IV: 3(1984); and Denis Mack Smith, *Mussolini*, (London: Paladin, 1983).
8. See the discussion in *The Unconscious Civilization*, Chapter III—From Corporatism to Democracy, 87. Traute Rafalski is footnoted by Saul.
9. See the discussion in *The Unconscious Civilization*, Chapter II—From Propaganda to Language, 68; and, *The Unconscious Civilization*, Chapter III—From Corporatism to Democracy, pages 83 and following, for his reflections on answers to the question: "How is it then that we have fallen into taking seriously someone like the economist Milton Friedman who walks about equating, in a silly, indeed an immature manner, democracy with capitalism?"
10. Leonard Cohen, "What I'm Doing Here." *Excerpts from Stranger Music*; <http://www.geocities.com/TelevisionCity/Studio/9398/poetry/cohen.html>.
<http://www.geocities.com/SunsetStrip/Disco/8711/cohen.html>
11. Apparently, the fresco is Piero della Francesca. *Resurrection*. 1463. Mural in fresco and tempera. 225 x 200 cm. Museo Civico, Sansepolcro. <http://www.christusrex.org/www2/art/images/piero01.jpg>. Of course, Saul's words "You, I've got you. I'm going to control you. I'm going to make justice happen" are his imagined description of what Christ might be saying. Invisible hands must, of course, be imagined, and that is exactly the point Saul seems to be making. In short, Saul's words are terrifying, not the picture. Francesca. *Resurrection*. 1463 is the only Francesca Resurrection listing in Wright, Christopher, *The World's Master Paintings: From the early Renaissance to the Present Day*. (London: Routledge, 1992). Volume 1.
12. Possibly: *Resurrection*, 1584-94, Museo del Prado, Madrid. <http://sunsite.dk/cgfa/greco/p-greco14.htm>.
13. See the discussion in *The Unconscious Civilization*, Chapter V—From Ideology Towards Equilibrium. On page 155 he says: "How poor Adam Smith got stuck with disciples like the market economists and the neo-conservatives is hard to imagine. He is in profound disagreement with their view of society."
14. Leni Riefenstahl was Hitler's film-maker. See her: *Triumph of the Will*. John Ralston Saul, *Reflections of a Siamese Twin: Canada at the End of the Twentieth Century*. (Toronto: Penguin Books, 1997). 13.
15. *Cassell's New Latin-English, English-Latin Dictionary*. By: D. P. Simpson. (London: Cassell, 1966, c1959), p. 111 *cliens* archaic *cluens*, from *cleuo*, to hear; lit. a listener. In Rome a *cliens*, dependent, one under the protection of a *patronus*; *patronus* (p. 427) = protector, defender; p.. 676 *cliens* (= both dependent in gen. and client of a lawyer; *consultor* (of a lawyer); in the courts, a lawyer refers to the client as *hic*.
16. Webster's Dictionary: An American dictionary of the English language: exhibiting the origin, orthography, pronunciation, and definitions of words / by Noah Webster; to which are added a synopsis of words differently pronounced by different orthoġpists and Walker's Key to the classical pronunciation of Greek, Latin, and scripture proper names. Authrs: Webster, Noah, 1758-1843. Merrill, Gyles, Mohawk Screw Factory. (New York: Harper & Brothers, 1846), p. 152. **Client**: (1) Among the Romans, a citizen who put himself under the protection of a man of distinction and influence, who in respect to that relation, was called his patron. (2) One who applies to a lawyer for advice in a question of law, or commits his cause to his management. (3) A dependent. **Clientship**: the condition of a client; a state of being under the protection of a patron.
17. See: Excerpt from "The Principles of Newspeak" An appendix to 1984 Written by : George Orwell in 1948 <http://members.aol.com/orion1787/ns-prin.html> <http://www.homefilmfestival.com/ht/ht-xiii5.html>

18. *The Globe and Mail*, October 4, 2002, says. **N.Y. ex-commissioner named to head L.A. police. Los Angeles.** Former New York police commissioner William Bratton, who was formally named yesterday as Mayor Jim Hahn's choice for Los Angeles police chief, pledged to return a demoralized LAPD to its "shining" glory, which has been badly tarnished by more than a decade of scandal. Mr Bratton, 54, defended his reputation in New York of zero tolerance of minor street crimes. Reuters.
19. See the discussion in *Voltaire's Bastards*, 239. Prefect Poubelle is described there as the "'cryptosocialist' of the hour." Based on: Roger-Henri Guerrand, *Les Lieux*, (Paris: Editions Découverte, 1986).
20. See the discussion in *Voltaire's Bastards*, 540-541.
21. See the discussion in *Voltaire's Bastards*, 319-325. In the Jean Calas (1698-1762) affair, the father was accused, found guilty and executed, of having killed his son (who had in fact committed suicide). Religious prejudices related to Protestants and Catholics were fanned by rumour. Voltaire: *Traité Sur La Tolérance À L'occasion De La Mort De Jean Calas*. <http://pages.globetrotter.net/pcbcr/tolerance.html>. Voltaire, *L'Affaire Calas Suivi de L'affaire Sirven et de La Mort du Chevalier de la Barre*, (Paris-VI^e: Nouvel Office D'Édition), 1963. See also: David D. Bien. *The Calas Affair: Persecution, Toleration, and heresy in Eighteenth-Century Toulouse*, (Princeton, N.J., Princeton University Press, 1960).
22. According to Pitch Sookmark <supanai1@magma.ca> attached to the Tech/Admin Staff Royal Tahiti Embassy, in Ottawa, "apparently we had 3 PMs during that timeframe. 1. Mr. Chuan Leekpai, September 1992-July 1995. 2. Mr. Banham Silpa-Archa, July 1995-November 1996. 3. Gen. Chavalit Yongchaiyudh, November 1996-November 1997." The name Banham fits with that spoken by JR Saul.
23. See the discussion in *The Unconscious Civilization*, Chapter 5—From Ideology towards Equilibrium, and where he says, p.173, "We know the universities are in crisis and are attempting to ride out the storm by aligning themselves with various corporatist interests. That is shortsighted and self-destructive, From the point of view of their obligation to society it is simply irresponsible."
24. President Arpad GONCZ (since 3 August 1990; previously interim president from 2 May 1990) *1996 CIA World Factbook*. http://theodora.com/wfb/hungary_government.html. A playwright, GoncZ's works are outlined at (<http://www.rferl.org/nca/special/GONCZ/bio.html>)