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COMMENTARY/COMMENTAIRE

The Western Alliance: A Moral Superpower or Nothing

By Brian Lee Crowley

Executive Summary/Sommaire

The long-standing close relationship between the democracies of Europe and North America has been based on shared values. Joint policy objectives and the common struggle against Nazi and Soviet tyranny matter, but beneath them lies the reality of a common social grounding in responsible freedom. If that is lost, the relationship goes as well.

The central value we share is not “democracy” in the abstract. It is easy to state the principles of self-government, and too easy also to twist its slogans to justify undemocratic systems. But the forms of democracy, the mechanics of elections and legislative assemblies, are not what has bound us together. Rather, it is the spirit of individual liberty and the conviction, deeply rooted in the culture, that governments must be bound by a rule of law that preserves the rights of individuals and of minorities.

Those values have been eroding on both sides of the Atlantic. But with all due regard for the considerable differences among Europe’s nations and regions, the process of erosion is clearly further advanced there, in large measure because the welfare state is undermining the sense of self-reliance on which broad social support for ordered liberty rested and must rest.

The institutions of the welfare state matter enormously because when large portions of the populace become dependent on state aid it changes the culture in ways that become increasingly difficult even to arrest, let alone reverse. But these developments have brought Europeans to a crossroads where the signposts refer to values rather than social programs or technical details of defence issues.

Americans must resist the seductive urge to shrug off global responsibilities and retreat into isolation instead of tackling their own fiscal and cultural problems. But Europeans must beware of pushing their North American allies away. To preserve the transatlantic partnership they must grasp that what increasingly divides us is not policy disputes or political styles. It is the crumbling commitment, in the ancient home of Western culture, to the values that made it special and without which no will to defend it can possibly exist.

L’étroite relation établie de longue date entre les démocraties d’Europe et d’Amérique du Nord s’est toujours appuyée sur des valeurs communes. Les objectifs politiques partagés et l’alliance contre les tyrannies nazie et soviétique ont bien sûr eu leur importance, mais c’est l’enracinement de nos sociétés dans des valeurs communes de liberté et de responsabilité qui sous-tendait cette relation. Si ces valeurs disparaissent, la relation n’a plus de sens.

La valeur fondamentale n’est pas la « démocratie ». Il est facile de proclamer les principes du gouvernement par le peuple, et encore plus facile de déformer les slogans qui s’y rattachent. Les formes, la mécanique électorale et le fonctionnement des assemblées législatives ne sont pas ce qui nous unit. C’est plutôt l’esprit de la liberté individuelle et la conviction, fortement ancrée dans notre culture, que les décisions des gouvernements doivent être conformes à un ensemble de règles juridiques qui préservent les droits des individus et des minorités.

Ces valeurs ont eu tendance à s’effriter des deux côtés de l’Atlantique. Même en tenant compte des conditions très variées au sein des nations et régions européennes, il faut reconnaître que le processus d’érosion y est beaucoup plus avancé qu’ici. Cela est dû en grande partie au fait que l’État-providence a miné le sens d’autonomie individuelle sur lequel s’appuie, et doit s’appuyer, un large consensus social en faveur d’un système libéral ordonné. Lorsqu’une proportion importante de la société devient dépendante d’une aide de l’État, les transformations culturelles qui s’ensuivent deviennent très difficiles à arrêter, et encore plus à renverser. Les Européens se trouvent donc à une croisée des chemins, où la signalisation indique un choix de valeurs plutôt que de programmes sociaux ou des questions techniques de défense.

Les Américains doivent résister à la tentation de se rabattre sur une position isolationniste au lieu de régler leurs propres problèmes budgétaires et culturels. Mais les Européens doivent faire attention de ne pas éloigner d’eux leurs alliés nord-américains. Pour préserver le partenariat transatlantique, ils doivent comprendre que ce qui nous divise ne sont pas des questions de politiques publiques ou de styles politiques. C’est plutôt l’engagement de plus en plus déficient, dans la maison ancestrale de la culture occidentale, envers les valeurs qui l’ont façonnée et sans lesquelles aucune volonté de la défendre ne peut vraiment exister.

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A good friend of mine, brought as a young child from his native Netherlands to Canada, tells a story of how his family chose to come to my country. That story serves as a parable about the values that underpin the Trans-Atlantic relationship at its best, values whose absence will doom that relationship to impotence and irrelevance.

Why Canada?

Some in this audience will know that the liberation of The Netherlands from Nazi occupation was a job that fell to the Canadian forces in World War II. This job was carried out with typical Canadian effectiveness and self-effacement. The losses were considerable.

My friend's father was walking down the road not long after the Nazis were driven from Holland, and the sacrifices of Canada and its troops on behalf of that country were still fresh in his mind. Walking down the road in the opposite direction came a Canadian soldier. The Dutchman stopped the soldier and said, "You don't know me and I don't know you, but I know who you are and what you represent. You and your fellow Canadians came from across the Atlantic, from far away, knowing nothing of my country and having little at stake here. At great expense in blood and treasure you have freed us from cruel oppression, and I imagine you have lost friends and colleagues in the effort. The least I can do is to tell you how deeply grateful my fellow-countrymen and I are for what you have done for us."

According to my friend's father, the Canadian just looked at him quite calmly, smiled and said, "No need to thank me sir. We had a job to do and we did it." Then he saluted and carried on down the road.

Apparently my friend's father arrived home and announced to the family, "I think we have found the country where we must go to live." My friend is now a distinguished member of the Canadian parliament.



Alex Colville *Infantry, near Nijmegen, Holland* / *Fantassins près de Nimègue, en Hollande*
CWM 19710261-2079 Beaverbrook Collection of War Art © Canadian War Museum
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Please bear this story in mind as I tell you the rest of what I would like to say.

Why the trans-Atlantic relationship

Any discussion of the trans-Atlantic relationship, must avoid getting trapped in the techno-managerial jargon of competitiveness or climate change policy or Panglossian nostrums about the common values that unite both sides of the Atlantic Rim. All of these discussions beg the question as to whether these common values exist outside of pretty rhetoric. I believe that they do, but that these values are not self-evident, nor easily described or understood. They certainly are not eternal verities, but are fragile human achievements that must be nurtured and protected; they are not unchangeable facts about the world.

When we talk about the trans-Atlantic relationship as one worth preserving and nurturing, we clearly mean something more than that we can and should trade with one another. After all, the language of trade agreements is one that can and does apply to our respective relationships with China and the other BRIC countries, for example, at least as much as it does to our relationship with each other. I'd even



argue that the imperative to trade with fast-growing developing countries is perhaps greater than to trade with mature developed democracies. There is little difference between talking about Open Skies between Brussels and Beijing or Brussels and Boston. We have the same interest in creating stability and safety in global financial institutions based in China as we do for such institutions based in London or New York or Frankfurt. So this is not what the trans-Atlantic relationship is really about, or else that relationship is in deep trouble.

Form and substance

We've often heard over the past 24 hours that the relationship is about freedom and democracy, but surely while this is closer to the truth, it doesn't get us the whole way there. Hugo Chavez was democratically elected. The Castros think they have "freed" Cubans from American domination. The Iranian revolution served to "free" Iranians to live according to God's law as revealed to Mohammed and as interpreted by a theocracy. These people all have the mere form of democracy; they do not have its precious essence.

We believe in a special kind of democracy, where even the will of the majority is bound by laws and rules. We believe, in other words, that even majorities may be wrong and there are certain things majorities ought not to be allowed to do, such as oppress minorities. This means that constitutionalism and the rule of law are an integral part of the values that should unite us.

We believe in the supremacy of the individual, so that collective freedoms, such as freedom from Yankee domination or capitalist exploitation or want or sin cannot replace or substitute for freedom of conscience, association, thought and action. We believe in freedom, not just for itself, but because freedom alone allows the fully human life, in which we make choices for ourselves based on our own beliefs, ex-

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periences and priorities, not on those of dictators, mullahs, caudillos or even benevolent bureaucrats. Freedom is the essential means to the full flowering of the individual, to living a life of dignity and worth, and that is the highest good at which society can aim. Note, in passing, that this view holds that freedom is more valuable than prosperity. It's not that we are opposed to prosperity, and indeed we have an empirically well-grounded claim for thinking that freedom promotes prosperity compared to less free societies in the long run. But we do not believe that freedom and prosperity are denominated in a common currency and therefore that an increase in prosperity compensates you for a loss of freedom. A loss of freedom leaves you less free, full stop.

Two sides of the Atlantic

Now that we're slipping into a discussion about the moral value of freedom and the various definitions that can be given to that term, we can see that there is not perfect accord or congruence between the two sides of the Atlantic. For example, the idea of freedom I've laid out here presupposes not just a large degree of freedom of thought and action, but also of responsibility for the choices one makes. You are free, you make choices, you accept the consequences. Traditionally America, Canada and Britain have seen this connection clearly. More recently they have been joined by a number of the countries of the former Eastern Bloc countries. Europe, on the other hand, or at least the old Western Europe, the part which escaped Soviet domination, has been more ambivalent. These are not absolutes, but rather shades of grey, differences of degree and not of kind. Still, it is clear that many European voters and governments are very reluctant to follow through on people accepting the consequences of their choices. The result, again chiefly in the old Western Europe, has been the growth of a welfare state in which governments try to ensure that nothing bad happens to



people from their personal choices. This started as a policy where people were compensated, through the dole, or unemployment benefit, or state pensions, for their failure to make responsible provision for themselves. It quickly evolved, however, into an approach where governments take more and more powers to protect people from their own poor judgment, and this desire to prevent bad things from happening to people cannot help but begin a long slow encroachment on an individual freedom premised on individual responsibility.

Now there is clearly a continuum of policies, as I've already suggested, that are compatible with freedom, democracy, the rule of law and personal responsibility. A good part of Europe favours an approach more weighted toward collective provision. But I feel bound to point out something that we are often all too reluctant to recognise, namely that governments and their relationship with their voters also has a powerful formative influence on the character of their people, and the character of our respective peoples is one of the key factors determining the compatibility of our politics and institutions on both sides of the Atlantic.

State and society

What I mean is this: I would argue that the greater the responsibility the state takes for the success or failure of individual lives, the less responsibility individuals feel falls to them. Instead of the protector of individual liberty, through the rule of law, limited government and constitutional democracy, government comes slowly to be seen as the principal driver of individual success or failure in life.

And then something interesting happens. Because *your responsibility for yourself* is now replaced by *the state's responsibility for you*, the character of a large part of the population changes from one of responsibility for self to one of dependence on the state. And the continued political success of governments depends on a continuing effort to confer more benefits on voters.

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When this happens, it undermines the final value which we once shared, a value which is essential for us to forming a moral community, a value whose essence is summed up for me in the story I related at the beginning of my remarks, a value to which we now turn. That is the value of self-sacrifice, the belief that because individual liberty and responsibility for self is the highest good, because limited government and constitutional democracy and the rule of law are the essential means to those ends, that we are all prepared to make sacrifices in order to preserve and protect that good and those institutions.

Thus it was that when Europe was engulfed by Nazism and Fascism, the entire democratic world – Britain, America, Canada, Australia, New Zealand and others -- rose up and, at great cost to themselves, rescued Europe – to the wonderment of my friend's father. Thus it was when the Soviet Union threatened all the values I've described that link the two sides of the Atlantic, politicians like former trade union leader Ernest Bevin in the UK convinced his former members that they needed to sacrifice, through higher defence spending and a nuclear deterrent and membership in NATO.

Canada and America put military bases in Germany for the sole purpose of guaranteeing that if Soviet tanks rolled into Western Europe, they could not advance without attacking our two countries as well. We put ourselves intentionally in harm's way as a sacrifice to protect shared values. Thus it was that Wilfred Martens (who honours us with his presence at this event today) and others, decades later, made big political sacrifices in order to support American policy in Europe designed to turn the heat up on the USSR, policies that ultimately resulted in the failure of that society and a vast expansion of human freedom.

Now 20 years after the fall of the Berlin Wall, and as the "peace dividend" and more has been ploughed in many parts of Europe into an expansion of the welfare state, people on the other side of the Atlan-



tic have genuine worries about whether Europe still has the will to defend these essential values, to sacrifice to protect them, or if they will be too reluctant to expect such sacrifices by their own population. On the answer to this question, much depends.

I hasten to point out, by the way, that the value of a willingness to sacrifice in pursuit of high moral values and ideals is not limited to defence and national security issues. Its value is equally relevant in economic policy, for example. Canada's deep economic and fiscal problems, so ably described in an earlier session of this conference by Mark Milke, only became soluble when we stopped thinking about public finances as a technical or technocratic issue. After all, talk of whether the deficit should be two or three or four percent of GDP will appear

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to most people as a debate among Mediaeval Schoolmen about how many angels can dance on the head of a pin: entertaining for the cognoscenti but abstract and pointless for the uninitiated. It was only

when we were able (by dint of a decade long effort by think tanks, editorialists, politicians and others) to turn the debate into one over moral values that progress became possible.

Once it became an issue of the morality of the present generation passing along the costs of its choices to future generations, we were able to convince Canadians to sacrifice in order to stop a practice they came to regard as wrong and shameful. We were so successful that not only did we reduce state spending by 12 percentage points of GDP over a decade, while cutting our debt-to-GDP ratio in half, but even our social democrats now campaign on which taxes to cut and no party wants to own the recent deficits that are the outcome of the stimulus programme provoked by the recent recession. And I might add that not only did this usher in a long period of tremendous economic success for Canada, but as my [co-authored book](#) on the subject docu-

ments, it was a huge social policy success. While we cut welfare spending significantly, the share of the Canadian population living on low incomes *declined*. It declined because Canada became a job creation machine, creating huge opportunities and improved incentives for the less well-off to improve their lot through work rather than dependence on benefits.

My view, for what it is worth, is that strong societies can call on their populations to make sacrifices for values they believe in. We (by which I mean we members of the western alliance) are faced, elsewhere in the world, with regimes and peoples who are in absolutely no doubt about the values they embrace, and who demonstrate a willingness to make great sacrifices to preserve and promote those values at home and to project those values abroad. There are tests of strength going on all the time between our trans-Atlantic world and the Russians over energy supplies; or our own Muslim populations over social integration, equality rights and freedom for women or Middle East policy; or the Iranians and the North Koreans over nuclear proliferation; or international terrorist groups over our ability to live free from attack; or the Chinese over currency manipulation or dominance in the Asian seas or control over natural resources around the world. As America's relative power fades, all of us who believe in these values have fervently to hope that enough nations will be left with the will to defend the values I have described, for no one will be able to do it alone.

That is the real question we face.

No Canadian on the road?

Free trade and open skies and sound banking regimes, desirable as they are, we can have with anyone. Precisely for that reasons, however, they cannot form the core of the trans-Atlantic relationship. And in any case, they are issues of prosperity, and as I said earlier, there is no trade off between prosperity and freedom. So what makes the trans-Atlantic alliance worth while is the extent to which it repre-





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The notion that a new think-tank in Ottawa is unnecessary because it would duplicate existing institutions is completely mistaken. The truth is there is a deep dearth of independent think-tanks in our nation's capital.

Allan Gotlieb, former Deputy Minister of External Affairs and Ambassador to Washington

To surmount the enormous challenges of getting Canada's place in the world right and taking advantage of changing opportunities, we need more ideas, input, discussion and debate in Ottawa-- that is where the crucial decisions about our future are made. That's why MLI is so vital to Canada today.

Hon. James S. Peterson, former Minister of International Trade and Member of Parliament for 23 years

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WHAT PEOPLE ARE SAYING ABOUT *The Canadian Century*, THE MACDONALD-LAURIER INSTITUTE'S FIRST BOOK

It is not often that Canadians talk about moving out of America's shadow—for far too long we have simply assumed that being in that shadow was the natural order of things. Crowley, Clemens and Veldhuis remind us that Sir Wilfrid Laurier thought that all things were possible for us, and they show, with an impressive array of facts to support their argument, that Laurier's plan for Canada can still carry us through to that Canadian century we have all been eagerly awaiting for over a hundred years.
-Allan Gotlieb, from the foreword



*“As the U.S. and other nations struggle to defuse some potentially disastrous fiscal time bombs, *The Canadian Century* makes a compelling argument that the world should be looking to Canada for lessons on how to get reform right.”* - Robert Kelly, Chairman and CEO, BNY Mellon

*“*The Canadian Century* reminds us that the temptation for governments to solve all our problems with higher spending always ends in grief—a lesson the U.S. will soon learn. It’s a reminder that prosperity can be ours if we remember Wilfrid Laurier’s legacy of liberty, lower taxes and smaller government.”* - Patrick Luciani, author, *Economic Myths*

“Crowley, Clemens and Veldhuis show that if we establish a real advantage vis-à-vis the U.S. on tax and other policies, that will increase both our attraction with emerging pow-

ers and our leverage with the US. The question the authors pose is whether we have the wherewithal to finish the job.” - Derek Burney, former Canadian Ambassador in Washington

“The authors strike exactly the right balance with enough detail to keep the most ardent policy wonk captivated while writing in a breezy style that will engage non-economists. And as with a good novel, the authors leave us in suspense. I urge people to read this compelling tale and then, like me, anxiously wait for a sequel to see how the story ends.” - Don Drummond, Senior Vice-President and Chief Economist, TD Bank Financial Group

“Entrepreneurship, hard work and self-reliance are deeply ingrained in our psyche. During the Redemptive Decade of the 1990s these virtues were resurrected. In tandem with

concerted actions by the different levels of government, we put right the debt and despair created by a couple of dark decades when we wobbled towards what the Wall Street Journal described as Third-World Status. Limited government, light taxes and fiscal discipline, argue the authors, are the ingredients that bring gold in the Olympiad of nations.” - Colin Robertson, first Head of the Advocacy Secretariat at Canada’s Washington Embassy

“This timely and provocative book will remind Canadians that the smart fiscal and trade policies pursued by governments of all stripes in the past two decades has made Canada a star at the beginning of this century. But history should not repeat itself. What we have achieved recently is what Wilfrid Laurier understood to be the right path forward for the last century. Instead, wars and economic

depression led to inefficient government spending, high taxes and deficits, and protectionism. Canada should avoid this poisonous policy recipe in the coming years to fulfil Laurier’s dream of a truly great nation of the North, which we should rightly be.” - Jack Mintz, Palmer Chair in Public Policy, University of Calgary

“This wonderful book is an urgent wake-up call for Canada’s current leaders—of all political stripes—and raises crucial economic issues that should be top-of-mind in coming federal elections. Now is the time to reaffirm the power of Laurier’s vision, to make some courageous policy decisions, and to thereby ensure that the 21st Century belongs to Canada in the way Sir Wilfred intended a hundred years ago. Will Canada’s political leaders pay attention?” - Christopher Ragan, Clifford Clark Visiting Economist, Finance Canada