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Gregory Inwood. *Continentalizing Canada: The Politics and Legacy of the Macdonald Commission*. Toronto: University of Toronto Press, 2005. xiv + 471 pp. \$75.00 (cloth), ISBN 978-0-8020-8729-4.

Reviewed by Stephen Burgess-Whiting (Department of History, The University of Western Ontario)

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The Other Macdonald National Policy

It is hard to believe that students entering university and college today have never experienced life without the Canada-U.S. free trade agreement (FTA). If I had been a less typical child perhaps, I could share with my students what the free-trade debate was like. But the best anecdote I can remember is listening to my parents debating its merits with friends and co-workers over dinner, while my brother and I impatiently waited for permission to leave the table and resume our equally intense knee-hockey game. Gregory Inwood's new book *Continentalizing Canada* is a good starting point for students to gain a better understanding of how the once taboo subject of free trade with the United States became an acceptable policy option amongst Ottawa's decision-makers. *Continentalizing Canada* provides readers with an in-depth analysis of the politics behind how the Royal Commission on the Economic Union and Development Prospects for Canada (or the Macdonald Commission's) reached the final recommendation to support free trade between the two nations.

The chairman of the commission was Donald Macdonald, a former Finance Minister under Prime Minister Pierre Trudeau and staunch economic nationalist during his time in public office. The commission was unnecessarily (but politically correct) comprised of thirteen commissioners in a vain attempt to be representative of the Canadian citizenry. Combined with its ill-defined mandate it is little wonder the commission was the largest and most expensive royal commission at the time of its an-

nouncement. Making matters worse for the commissioners was the fact the commission's existence was leaked to the media, who, along with the general public immediately questioned its necessity. Inwood explains that the legacy of the Macdonald Commission was its endorsement of a neo-conservative free market economic policy over the Keynesian inspired left-nationalist policies that had been the cornerstone of Canada's post-war economic development. In short, the Macdonald Commission initiated an ideological transformation of Canada's economic policy.

Inwood begins by reviewing the evolution of Canada's post-war economic policy and the reasons for the shift away from left-nationalist policies and towards a neo-conservative free-trade agenda. He also explains how royal commissions act as temporary policy infrastructures, and outlines the composition and mandate of the Macdonald Commission. An examination of the public hearings highlights how the Commission's support for the neo-conservative agenda ignored the fact that the vast majority of the public testimonies supported the existing social democratic left-nationalist economic model. The role of the research groups exposes another paradox. In spite of the massive research program "most of the research had little impact on the sections of the final report dealing with economic development strategies for Canada" (p.14). Economists, who were over-represented and who consisted of a near ideological hegemony in favor of free-trade, dominated the policy group's decision

making process. In the end, an oligarchy within the policy group, led by Macdonald, held control over the final report. As a result, the report's most significant recommendation, namely support for a free trade agreement between Canada and the United States, was essentially the majority opinion of several economists, bureaucrats, and Macdonald. The report was not a unanimous decision, nor was it reflective of the broad interests of Canadians. Fittingly, the dissenting opinions of six of the commissioners were hidden at the end of the final published report to mute the opposition to free trade. This decision, as Inwood discovered, was done unbeknownst to those who wrote them.

Although a review can never capture all the nuances of a book's argument, and this is the case here, the dominant role played by economists will not surprise specialists in the field. But, as Inwood so effectively demonstrates, the commission's headlong "leap of faith" in favor of free trade came with little analysis of the policy's social impact. The economists' domination of the policy group ensured that the only issues discussed were measurable, and therefore reflective of the "scientific" costs and benefits of such a policy change. In fact, readers will discover that the presence of any investigation opposed to free trade financed by the commission was completed as an afterthought and acted as window-dressing for the final report. This leads us to the final chapter, which assesses the legacy of the Macdonald Commission. Although the chapter does not extensively examine the free trade debate, what it does summarize for the reader is that the "importance of the commission lies in its role as the institutional embodiment of the requisites for transformative change which facilitated the legitimization of the concept of free trade. The commission crystallized the set of ideas, interests, and institutions necessary to allow the dramatic break from an old but not-yet dead paradigm and condition Canadian society to accept the idea of free trade in the abstract" (p.312). Royal Commissions, therefore, can act as temporary political institutions capable of providing seemingly non-partisan legitimacy to significant public policy changes. But as one would expect, not all those commenting at the time, shared this feeling [1]. Moreover, while Inwood's work demonstrates that royal commissions can successfully direct public policy, it cannot be forgotten that they can just as easily be ignored. Combine this with the fact that only a minority of Canadians voted for the Mulroney government during the free trade election of 1988, and it becomes clear that a broad based acceptance for free trade did not occur simply with the publication of the Macdonald Commission.

As a political junkie I got much satisfaction from reading Inwood's description of the commission's inner workings. Inwood makes excellent use of the secondary literature and the printed materials of the Commission. More importantly, his interviews with the major actors within the commission provide an insider's view into its work, although they are sometimes awkwardly introduced. Unfortunately, the book's style and presentation made it, at times, difficult to follow. Problems with fluency are evident; for instance, Inwood's organizational scheme results in several chapters reading more as separate articles rather than as part of a whole, leading to unnecessary repetition of non-vital points. Even though the writing style is serviceable, several glaring slips such as improper punctuation (p.231), incorrect spellings (p.69), and misplaced words in crucial transitional sentences (p.133) all draw the reader's attention away from his analysis. Inconsistent capitalization of the "Macdonald Commission" or the "Commission" (p.13) and hyphenating of one of Inwood's key ideological terms, "left-nationalists," also proved distracting (pp.155-156). The failure to provide the reader with a list of abbreviations (of which there are no fewer than twenty-three) at the start of the book is characteristic of questionable editorial decisions. Given that the book is deeply submerged in political science jargon, the inconsistent use and spelling of abbreviations (the Association of University of New Brunswick Teachers is spelt AUBNT and AUNBT in the same sentence [p.120] and misspelled in the index) contributes to the work's inaccessibility to a larger audience.

Historians should consult Inwood's book when planning their lecture outlines on free trade and the economic policies of the Trudeau and Mulroney governments. But depending on your lecture's emphasis, Inwood's conclusion that the Macdonald Commission was a watershed in Canada's economic policy may appear overstated. After all, over 85 percent of goods traveling across the border were already doing so duty free before the FTA was signed. Thus, one could argue that the FTA was simply the official stamp of approval of an existing unofficial policy of freer trade with the United States. Others may wish to include select chapters to complement Neil Bradford's work in a seminar on the functioning of royal commissions in shaping public policy in Canada [2]. Moreover, Inwood's book not only serves to confirm historians' treatment of the commission and the economists who dominated it, but it adds to our understanding of how the commission came to support free trade. If you are wondering about what the rest of what the Macdonald Commission reported on, you will have to dust off

copies of its published report.

Notes

[1]. Daniel Drache and Duncan Cameron, *The Other Macdonald Report: The Consensus on Canada's Future*

that the Macdonald Commission Left Out (Toronto: James Lorimer & Company, Publishers, 1985).

[2]. Neil Bradford, *Commissioning Ideas: Canadian National Policy Innovation in Comparative Perspective* (Toronto: Oxford University press, 1998).

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