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THE FUTURE OF QUÉBEC

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Thank you very much. It is obviously a great honor for me to address such a distinguished audience, and
for this opportunity, I guess I have to thank Mr. Desmarais, who happens to own the newspaper for which
I have had the privilege of working. So you can, I guess, understand that I feel a bit nervous today. But it
also means that if I bore you to death for the next 20 minutes, you know whom to blame.

Now, before we try to ascertain what the future holds for Québec, I have to talk a little bit about the past,
and a little bit more about the present, obviously, because the past is very important for Quebeckers, as
for any minority or a small people.

In our case, in Quebeckers' case, few outsiders have understood this better than the American historian,
Mason Wade, who, in 1955—so that is 50 years ago—published what is still today, in my mind, the most
complete, most subtle, history of Québec, entitled simply The French Canadians.

Wade came to Canada to work at the American Embassy and obviously fell in love with Canadians,
Quebeckers, and their history. He spent ten years traveling across the Province of Québec, meeting
people, delving into the archives—probably more than most Quebeckers have ever done—and being an
outsider, he rightly believed, gave him a great advantage, the possibility of understanding and interpreting
history without wanting to prove a point about the present.

Although many things have changed since Professor Wade wrote this monumental book, our past has not,
so before saying anything about Québec, its present, its future, its relationship with the rest of Canada,
there are a few basic things that we have to remember, things that most of you, I know, are familiar with,
but that are always useful to remind ourselves.

Professor Wade wrote that "French Canadians are the Sinn Fein of North America, for their strong group
consciousness and cohesiveness arise from a basic loneliness and insecurity." Now, it seems a bit
awkward to speak of loneliness and insecurity when talking about Québec today. The Québec economy
has been growing fast, especially since the last ten years. Walking on the streets of Montréal, like you
probably did since you arrived, you can feel the dynamism, the diversity of this city, Québec's metropolis.

Our professors, engineers, doctors, and artists succeed remarkably well at the international level. Today's
young Quebeckers are no longer fearful of the world, like they were in Professor Wade's time. In fact,
they leave as early as possible to study outside, in the United States, in Europe, to come back. They're
very confident in their abilities and their future.

Still, French Québec remains somewhat insecure, because the challenges to its distinct culture are so great
—greater, in fact, than they were in the 19th and 20th centuries. At that time, French Canadians felt
threatened by the numeric and economic domination of English Canadians. When you walk in old
Montréal, you can see some of the remnants of this period. For instance, signs painted on old brick
commercial buildings and industrial buildings in English only, even if the owner of the shop was a French
Canadian. Today, our culture is perceived to be "threatened" by North American demographic trends, to which I will come back later, and by the status of English, obviously, as the international lingua franca.

Another history of signs: Driving around in any region of Québec today, you will find and see stores and restaurants, like Subway, Second Cup, Future Shop. You see this everywhere in the world, of course, but here, it has a special impact. Like other small phenomena, it is seen by many Quebeckers as an omen of a future where French would slowly but surely disappear from this continent. Now, whatever the reality of these threats, you cannot understand much about Québec, even modern Québec today, if you are not aware of this feeling that is still very present in Francophone Québec, even with the great progress that we have made over the last 40 and 50 years.

Québec's population is about seven and a half million people, 80 percent of which are Francophone. Our birth rate, after being one of the highest in the developed world is today one of the lowest. According to demographers, in 2050, we in Québec will be about seven and a half million people. In the U.S., there will be about 400 million, and the whole continent, one billion, 200 million people. Over one billion people speak English and Spanish, so more than ever, the French language and culture will be a drop of water in an ocean called America.

Another last important point to remember about our past is the crucial role of the state, the government of the province of Québec. In the 1960s, we started a process that we call la Révolution tranquille, The Quiet Revolution. During that period, and the following decade, French Canadians basically took control of their own development and economy. For instance, French Canadians in the '50s were way behind the rest of the continent in schooling. The government of Québec put in place a new public school, college and university network that made an education accessible to all.

Since there was not enough capital in private hands, the government of Québec played the leading role, through different agencies, some of which you know very well—Hydro-Québec, Caisse de dépôt et de placement—that garnered public funds and used them on economic projects desired and managed by Francophone. So because of that history, the government of Québec is considered here as sort of a liberator of Francophone Quebeckers, even if people here, like elsewhere in the world, criticize the amount of taxes we have to pay and the typical inefficiency of bureaucracy. The government of Québec as a liberator—I'll come back to this also a bit later.

So with this backdrop, let me describe briefly what I see as the current situation. In general, as I said earlier, Québec is a very healthy, vibrant, peaceful place. You know that many multinational companies have been created here. Many more operate here and have operated here with great success for many years. Our workforce has a great reputation, as have our universities.

But Québec's future and vitality are threatened by trends of which many Quebeckers are not conscious, or that they, encouraged by some political leaders, choose to ignore. The main challenge to Québec is demographic. Now, of course, many developed countries in the world—the U.S. being somewhat of an exception—will face not only population aging, but also what we call demographic decline—that is, total population decreasing.

But Québec's case inside Canada is particularly dramatic for a couple of reasons. Number one, obviously, for a small, distinct culture, demographic decline automatically means cultural decline, and that will tend to increase Quebeckers' sense of insecurity. Québec's decline will happen faster than most other regions of the world, Japan excepted. Our population, seven and a half million, will basically remain stable for the next 20 years, and then start declining. Our workforce—that is, people aged 15 to 65—will start diminishing five to seven years from now. Québec's part of Canada's population is slowly decreasing,
and will go on decreasing, unless demographic trends change, which will mean—could mean—that Québec's impact on the rest of the country will slowly, very slowly, but will diminish.

More important than all these, population aging and decline will worsen some weaknesses that are already hurting Québec's economy, and especially our government's finances, because behind Québec's current prosperity lie some sources of vulnerability that have to be addressed. The government of Québec carries what is by Canadian standards a huge $120 billion debt, by far the largest of all 10 provincial governments. Servicing that debt costs $7 billion—small amounts, of course, when put in the U.S. perspective, but an important amount put in a Québec perspective. Seven billion dollars a year is a third of our current health care budget, and finances are extremely tight.

Although Québec's economy is somewhat less prosperous than other provinces—prosperous, but less than the majority of other provinces—the provincial government spends more on more generous social programs than all other provinces. Quebeckers work less hours a week than most societies in America, they retire earlier, and each hour we work is less productive, not because the workers are not very good and dedicated, but simply because most companies invest less in machines and equipment and technology. That makes us a little poorer and yet, with a society model that is not only a Canadian model, but a Québec model—that is a Canadian model plus, if you want. And, of course, it puts us at a disadvantage when we have to face very strong competition from countries like China and India, especially in manufacturing, which is a very important sector here in Québec.

Quebeckers realize what demographic decline means for cultural aspects of their life, but they have a great difficulty understanding what it means for the economy. The Québec Department of Finances recently projected that simply because of this phenomenon of demographic decline, our economy growth will be cut by half in the next decade, compared to this one. What that means, obviously, unless something happens, is a less prosperous province and also, less revenue for a provincial government that is already in a very tight situation.

Now, these challenges are not insurmountable, and our history—Canadian history and Québec history—has shown that Quebeckers can certainly successfully face and tackle any challenge that destiny puts in front of them. But in the current situation, as some of us worry, Quebeckers have been led to believe by some political leaders and opinion makers, number one, that these are not real problems and, number two, that to the extent that they are real problems there also is an easy solution. So many Quebeckers are unaware, maybe complacent, and oppose any changes to the way the province is currently managed. I think that state of mind that Mr. Heredia described a bit earlier—that is, forget reality, give us promises—is exactly the mood that many Quebeckers are in today.

Now, two years ago, in 2003, a new provincial government came in power, led by liberal leader Jean Charest, who you will meet tonight. Mr. Charest was elected with a mandate to reform government. Make it less costly, more efficient. Reduce taxes. Concentrate government action on health care and education, those priorities. In a word, better prepare Québec to tackle the challenges that I just mentioned.

Now, barely a week after the election, the Union Movement took to the streets, accusing the Charest government of dismantling what is called here the Québec Model—that is, our own brand of the welfare state. In fact, what Mr. Charest aimed to do was to correct excesses of the model, but, in part because of his own failures, and in part, because of the cleverness of his adversaries, Mr. Charest lost the public relations battle. His government action on the front of reform has been paralyzed, except in a few files, health care being one of them, and the promised reforms have not yet materialized.
Now, in any society, reforming the welfare state is difficult, and creates obvious resistance, but it is more so in Québec because, as I said earlier, the government of Québec is seen here as a liberator. We once received a letter or an email at *La Presse*, which, I think, described the situation very acutely. The reader wrote us that the state of Québec is seen as a liberator and there is nothing more difficult than to liberate one from his liberator. I think that's exactly part of the difficulty.

Here we come to the part that Roy MacLaren will not like, and that is a part that I would like not to talk about, but it is still there. I remember, I was a very young journalist in Ottawa in the early 1980s and Peter Lougheed was around the table, mostly to discuss the national energy program, but also to discuss the constitution. Here we are, 25 years later, and this problem is still there, unfortunately.

Now, it may seem unbelievable to many of you that this issue of a possible separation of Québec from the rest of Canada still haunts us, that such a comfortable society would think of separating from one of the richest, more prosperous, peaceful, tolerant countries of the world. So I will spend a few minutes trying to explain what sometimes I myself have a great difficulty understanding.

For some months now, polls have shown that if there was a referendum today in Québec, separation, or at least a very soft version of separation called sovereignty partnership. I won't try to explain what sovereignty partnership is. But anyway, it would gather the support of at least half the Quebeckers. Sometimes, it's a bit less; sometimes, a bit more.

There is, unfortunately, a possibility that there will be a third referendum on separation some years from now. Now, this morning, Jeffrey Simpson said that he was certain there would be a referendum. Well, I think there is a possibility. I don't think it's certain, but there is a possibility, and we certainly have to take this possibility and we have to think about this possibility and prepare.

Now, again, I recall, there were two referendums already; one in 1980, won handily by the Federalist forces, and one in 1995, 10 years ago, which was won, but fairly, by the Federalist forces. Now, the current provincial government, Mr. Charest's government, is staunchly committed to Canada and Federalism. That is the good news. The bad news is that Mr. Charest's government is presently extremely unpopular, not where Mr. Charest is, but not very far.

Now, I think this is incredibly unfair for Mr. Charest. You will see, meet, and hear him tonight, and you will see that he is an intelligent and very articulate leader. However, the mistakes he made early in his mandate have stuck with him and it seems that these days, everything he does, even when it is very good and very good for Québec's interests, apparently, seems to have no effect on his popularity.

Politics being politics, everything can change very rapidly, and we certainly hope it will change. The next provincial elections are at least two years away, so many things can change. But there are possibilities, and I will try to explain what goes on in Quebeckers' minds. Now, there are at least 30—maybe 30 percent of Quebeckers, maybe 35—who would vote for sovereignty, whatever the context. That is because, I think, they are very aware of the past of Québec and they react to that past even today. But between that 30, 35 and this present score of 50 percent in the polls, there is a group of 10, 15 percent, at least, of Quebeckers who, if they voted yes today in a referendum, would not vote for separation. They would vote out of protest for current events, or anger at governments, be it in Québec or Canada or in the world, or because they are not satisfied with Québec's present status inside the Canadian Federation.

Now, this means that there is a group that, I think, we can easily convince to vote no in an eventual referendum, and we only have to have the correct message and the correct leaders to express that message: number one, that an independent Québec would obviously lose a lot, prosperity—I don't think Québec would become an underdeveloped country or anything of that sort, but obviously there would be
some economic impact; number two, that the rest of Canada still welcomes and respects Québec, even though some of us apparently have forgotten or do not understand that; and third, that because of the challenges I mentioned earlier—demographic decline, competition from China and India—there would be no worse time to attempt such an adventure than today.

Now, these arguments seem very obvious to anyone from outside Québec and outside Canada. The problem today is that recent events, what has been referred to as a "sponsorship scandal," have hurt Federalists' credibility in Québec tremendously, and because of, I believe, a lack of leadership in Federalist forces, this message is very rarely heard or poorly heard by Quebeckers.

It says a lot that in recent years probably one of the best speeches in defense of Canadian Federalism was made by Bill Clinton in Mont Tremblant. Also, Federalists, for many different reasons, have sort of kept quiet in recent years. The idea was, for many years, not to rock the boat, and it was a good idea for many years. I mean, if you don't talk about those issues and manage the country well, Quebeckers will realize that they're comfortable, everything is going well, and there is no problem. Now, it worked for many years, but apparently, is not working now.

I want to quote briefly Michael Ignatieff, a Canadian former Harvard professor, whom you know well. In his recent speech in Toronto, he said that Canada just happens to be one of those countries that is committed, as a condition of its survival, to engage in a constant act of self-justification and self-invention. If we are tired of the arguments—we are all tired—but if we are tired of the arguments, says Ignatieff, we are tired of our country, and if we are tired of our country, we are done for.

Now, I have two sons, 17, 18 years old, both in college, different colleges, and we talk a lot about colleges in our home. I am struck by the fact that practically every week, one of them comes to my home and says, hey, we have this leader of the Sovereignist Party, the Bloc québécois or the passé québécois that came to our college this Friday or this Wednesday, made a speech, and talked to students. It is very frequent, it happens. Now, the opposite, my kids have probably never met a Federalist politician that has gone to their college and talked to the young people, so the only Federalist leader or spokesman that my kids know is their father, and I am not sure that is too helpful for the cause of Canada.

So today's Québec youth are, in a majority, Separatist, not because they feel dominated by the English, because obviously, that is not the situation. Not because they are insecure, because young people here today are very confident in their abilities and are willing to move anywhere in the world and do their life. They want to learn English, they want to learn Spanish, they want to learn Chinese.

They are Separatists, or at least they think they are, because they don't know anything about Canada and because the only message that they hear is the Separatist message. Now, I talk a lot with young Quebeckers and I am always struck by how easy it is to change their views when you put in front of them very basic arguments. For instance, very strangely, one of the main reasons young Quebeckers feel that sovereignty would be a good idea is because they are afraid—no, they are not afraid, they are worried about globalization and they think that an independent Québec could play a major role for a fairer globalization.

Now, it seems very strange to say that you have a country, Canada, with such a reputation, with some weight in the world, and we will make a smaller country and have more weight. So I start asking those young Quebeckers questions, like, what is it in Canada's foreign policy that makes you uncomfortable, that you disagree with? Were you opposed to Canada's decision to join the Kyoto protocol? Were you opposed to Canada's decision not to go to war in Iraq? Are you opposed to Canada's role in peacekeeping?
The answer to all of these questions is no. In fact, they are proud of all that. They are proud of Canada's foreign policy. They just simply don't realize it, and no one goes to colleges in Québec to explain the role that Canada is playing in the world.

And of course, Canada's policy is what it is because Quebeckers play an important role in Canada's foreign policy, like Jeffrey explained, and Alan Gregg. And it is also because Quebeckers and Canadians, the rest of Canadians, share the most basic values, and basic values are, of course, the driver of foreign policy.

So I think the message to Quebeckers and the message that will succeed—and I am very confident it will succeed—is simply to come back to the real thing, the real country that is Canada. Because Québec's history is full of myths, like any country's history, and right now the myths have taken hold of many people's thinking, I think when we come back to reality, Quebeckers will choose Canada every time, whether there are 50 referendums, and I hope the last two were the last ones.

So I am sometimes very worried, but again there are many things that happened recently that make me much more optimistic. There have been a couple of difficult years for Canada and Québec because of the scandals and because of difficulties in leadership, but I think the wind is turning now and it is pretty clear.

For instance, last month, I was part of group of Quebeckers that signed a short document entitled, "For a Clear-Eyed Vision of Québec." The group is made up of 12 people from all walks of life, and its originality lies in the fact that it comprises both Federalists and Separatists, including former premier Lucien Bouchard.

In a word, the document warns Quebeckers of the challenges that lie ahead. Nothing very original, but what struck me and what makes me very optimistic is the popular reaction to the document. Obviously, some union leaders and commentators criticized and attacked us, but there was a tremendous popular reaction. We had a small website set up and I was told by the small firm that put this site up that in the first week, we had over 80,000 hits. I am not exactly sure what a "hit" is, but apparently it is positive in that case.

Since then, all our members have had offers to attend conferences, university groups, and researchers have proposed to look at some of our ideas and do research, publish documents. I know the government is looking at all this. So I sense that we sort of very modestly opened a door for what a lot of people in Québec thought, but for many different reasons we are afraid to say.

A week ago, a prominent Québec business leader, formerly a Separatist, Raymond Bachand, joined the Federalist Québec liberal party. Mr. Bachand, who was very respected in Québec, explained that modern Québec had no time for another constitutional debate, and that our energies should be focused on our real problems. I think, and I am very confident, that Mr. Bachand will be followed by many others.

Walking on the streets of Montréal today, like you probably did, you can feel, like I do, how modern, dynamic, vibrant, and beautifully different Québec is. Canada and North America are enriched by Québec's difference, as Québec is enriched by its partnership with the rest of Canada and its role in North America. There is every reason to believe that that difference will remain and prosper within Canada.

I have been talking about Québec for the last 20 minutes and I can realize that you are not asleep, and maybe you can appreciate how passionate I feel about Québec and about Canada. There is more to this passion that many Quebeckers share than simply the normal love of country, culture and nation. For many of us, Québécois and Canadians, Québec's future is important, not only for us and for Canada, but also North America and the world.
I talked to you at the beginning of this presentation about Mason Wade. He wrote, "Canada's and Québec's history, French Canadians' history, is of concern to all North Americans, whether citizens of Canada or the U.S., and indeed, to all mankind, for only by the acceptance of diversity, through the understanding and reconciliation of cultural differences, can the great world problems of our time be solved." Thank you very much.

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