

Making sense?

By Bill Kilpatrick

While it's no secret that I'm not a fan of Pierre Poilievre, it might surprise you to know that I'm also not a fan of Mark Carney, but during the last election I viewed him as less of a threat than the career politician, woke-bashing, convoy supporting, hyper partisan Poilievre. My justification for supporting Carney was not only his impressive CV, but the fact that he claimed to be a defender of human rights at a time in history when the rights of minorities are under attack in many countries. And this, for me, was the number one issue. This is what swayed me to support the Liberals, but Carney's CV is also something that I'm concerned about because if we are to protect human rights, we need to promote not just social equality, but economic equality. We need to reduce debt and the close the massive income disparity that has developed between the rich and the rest. So, whose interests does the Prime minister serve?

According to his book *Values: building a better world for all* Carney's career has been impressive, especially when compared to Poilievre whose job experience consists of being a career politician. Carney, on the other hand has been around. He has served as the special envoy on Climate Action and Finance and as former British Prime minister Boris Johnson's finance adviser for COP26. He has been a member of The Group of 30, which Investopedia describes as a *private, nonprofit international body composed of academic economists, company chiefs, and representatives of national, regional, and central banks, [whose] members meet twice a year to discuss and better understand financial and economic issues in the private and public sectors worldwide.*

Carney was also a member of the Foundation Board of the World Economic Forum, Stripes (a financial services and software company), Bloomberg Philanthropies, and the Peterson Institute for International Economics. Carney was governor of both the Bank of England and the Bank of Canada. He was chair of the Financial Stability board from 2011 to 2018, was the first Vice Chair of the European Systemic Risk Board from 2013 to 2020, he was most recently the vice Chair of Brookfield Asset Management, and he had a 13-year career at Goldman Sachs. This is an impressive career, not to mention a double doctorate in economics and philosophy.

Putting this aside I would have voted for him solely for his comments that were made at a Calgary rally during the campaign where, according to The Pink News, he said *'he would defend the rights of 'all Canadians,'* adding *'We are all Canadians, but we all have different identities and distinctions, and one of the great strengths of this country is recognizing that people can be who they are, they can love who they love, they can live where they are, and it's fundamentally important that the federal government is the defender of those rights, defender of the Charter of Rights and Freedoms,'* further adding that *'access to health care in Canada is not a business, it is a fundamental right for all Canadians without exception.'* This was enough to persuade me especially as we continue to watch with horror as citizens and non-citizens are deported from the United States without due process. This is why human rights and the rule of law became number one on my voting check list. It was apparent to me that Poilievre was not a defender of all human rights, but just some human's rights, and once you start down that road it's not long before some people's rights are elevated above others who end up being dehumanized, demonized, and eventually stripped of their rights.

Does Carney understand that social equality is highly dependent on economic equality? While it's obvious that he has the knowledge, will he have the wisdom and more over the fortitude to implement policies that will begin to address the continually rising inequality? Carney argues in his book that the G20 reforms that took place after the 2008 financial crisis *'have created a stronger, simpler and fairer financial system. It has proven resilient through the Covid crisis, and it could, with time and continued service of households and businesses, regain people's confidence.'* I'm not sure whose confidence Carney is referring to here, because I can tell you many people lost faith in the system in 2008 and again in 2020 and it has not come back, mainly because inequality continues to rise.

Another Bank of Canada Governor, Stephen Poloz, pointed out that in the 60s *'it was common to see companies with an income hierarchy in which the CEO would earn 10 to 15 times the lowest-paid worker. This ratio trended steadily higher, particularly once stock options became a popular form of compensation for senior leaders. By the late 80s, the ratio had reached the forty times range and nowadays it is more than two-hundred times.'* In fact, an article by the Economic Policy Institute in 2022 asked why this

mattered and they answered their own question stating "Exorbitant CEO pay is a contributor to rising inequality that we could restrain without doing any damage to the wider economy. CEOs are getting ever-higher pay over time because of their power to set pay and because so much of their pay (more than 80%) is stock-related. They are not getting higher pay because they are becoming more productive or more skilled than other workers, or because of a shortage of excellent CEO candidates."

The point is to make policy that will redistribute money from the rich to the poor without as the article stated "doing any damage to the wider economy." The Liberal's had proposed such a policy not so long ago regarding the capital gains tax. A March article in the Walrus outlined all you need to know about this tax pointing out that "the term refers to profits made from selling an asset like property or stock. In Canada, capital gains are taxed at a 50 percent inclusion rate. Income, on the other hand, is taxed at 100 percent. So, if you work for a living, all your earnings are taxable. But if you make your money flipping houses or day trading, only half of that is taxable. Does that seem fair to you? Me neither."

The article goes on to point out that the Liberals proposed to raise the capital gains tax to 67 per cent which would have impacted .1 percent of Canadians, you know those people who can afford to pay taxes, but don't want to. The change would have also netted the government some \$19 billion in tax revenue over five years, but Carney quashed this proposal arguing that "Canada is a country of builders. Cancelling the hike in capital gains tax will catalyze investment across our communities and incentivize builders, innovators, and entrepreneurs to grow their businesses in Canada, creating more higher paying jobs?"

Surely Carney knows that the .1 per cent of companies who he claims will invest that money back into the economy are the same companies that are causing the income inequality to grow. Surely he knows that they will most likely invest that money in stock options and not in the wages of their lowest workers. And given his massive wealth of knowledge he has he must know that this move will continue to increase economic and social inequality by keeping wealth in a few hands.

When someone says that they care about human rights and the rule of law, but then enacts policies that cause more economic and social inequality and political instability which threatens human rights and the rule of law, it's called hypocrisy. In his book Carney said that he was "taught an invaluable rule by Bob Hirst, one of the partners at Goldman Sachs: "If something doesn't make sense, it doesn't make sense." Well, Prime Minister Carney, make this make sense to me, because you cannot both defend human rights while undermining them at the same time.