



## Austerity Economists Erred

by Mary Bottari

A team of economists at the Political Economy Research Institute (PERI) at University of Massachusetts, Amherst, broke a huge story this week [April 18, 2013] that was promptly picked up by the *New York Times*, the *Washington Post*, the *Financial Times*, and newspapers around the globe. The economists proved that the essential underpinning “of the intellectual edifice of austerity economics,” as Paul Krugman put it, is based on sloppy methodology and spreadsheet coding errors.

### Reinhart-Rogoff Study Debunked

Three years ago, Harvard economists Carmen Reinhart and Kenneth Rogoff released a study that presented empirical evidence from 44 nations over a 200 year time span to demonstrate that countries with a public debt over 90 percent of GDP (the United States is at about 100 percent, Japan at 200 percent) have average growth rates one percent lower than other nations.

Forty-four countries, 200 years, Harvard—pretty convincing, huh?

Except it was wrong.

When the PERI team finally got hold of the data used by Reinhart and Rogoff, they uncovered gaping problems. They found that “coding errors, selective exclusion of available data, and unconventional weighting of summary statistics lead to serious errors that inaccurately represent the relationship between public debt and GDP growth.” Adjusting for these errors, the Amherst team contends that “the average real GDP growth rate for countries carrying a public debt-to-GDP ratio of over 90 percent is actually 2.2 percent, not -0.1 percent.”

It would all be a Massachusetts “Ivory Tower” kerfluffle if the Reinhart-Rogoff study were not cited by practically everyone in Washington, including Paul

Ryan, Simpson-Bowles, and the entire “Fix the Debt” crowd. It is cited to justify harmful cuts and a stalemate on stimulus that currently condemns millions to mass unemployment.

### Study Used to Justify Harmful Cuts and High Unemployment

It is hard to overstate the importance of the Rogoff and Reinhart study. It has been cited around the globe by academics, politicians, and the mainstream media. In the U.S., it is one of Paul Ryan’s favourite justifications for his draconian Path to Prosperity budget, for GOP rejection of further stimulus, and the Fix the Debt crowd’s frenzied calls for urgent action. President Obama is now on the austerity bandwagon, enacting numerous cuts and proposing new cuts to programs like Social Security in order to achieve a “Grand Bargain” on deficits. As a consequence, mass unemployment is a new normal.

In Europe, “Reinhart & Rogoff’s work and its derivatives have been used to justify austerity policies that have pushed the unemployment

rate over 10 percent for the euro zone as a whole and above 20 percent in Greece and Spain. In other words, this is a mistake that has had enormous consequences” for real people, says economist Dean Baker in a piece called “How Much Unemployment Did Reinhart and Rogoff’s Arithmetic Mistake Cause?”

Time and time again, economists tried to replicate the Reinhart-Rogoff results, but to no avail. Now, Thomas Herndon, Michael Ash, and Robert Pollin show us why. One mis-



Economists Kenneth Rogoff and Carmen Reinhart

### Inside this Issue:

- President’s Annual Report
- CUSJ AGM Summary
- New Social Progress Indicator
- Refugees Denied Medical Aid
- ...and more.

take, admitted by the authors and gaining the most attention, is an Excel spreadsheet error. *Mother Jones* dubbed it “the Excel Error Heard Round the World.”

### Pete Peterson's Fingerprints

It will come as no surprise that Reinhart and Rogoff have ties to Wall Street billionaire Pete Peterson, a big fan of their work. Peterson has been advocating cuts to Social Security and Medicare for decades in order to prevent a debt crisis he warns will spike interest rates and collapse the economy. (Peterson failed to warn of the actual crisis building on Wall Street during his time at the Blackstone Group.)

When *Washington Post* writer Suzy Khimm pointed out to Peterson that the U.S. built significant deficits during the financial crisis but maintained very low interest rates, Peterson responded that America still needed to be on high alert: “you know [Kenneth] Rogoff and [Carmen] Reinhart—I’ve talked to them, and they say [debt crises] are sudden, they’re sharp, they’re very substantial. The risk is simply too big. At some point, if we lurch from crisis to crisis, then confidence will decline on our economy in general.”

The Blackstone billionaire turned philanthropist has spent half a billion dollars to promote this chorus of calamity. Through the Peter G. Peterson Foundation, Peterson has funded practically every think tank and non-profit that works on deficit- and debt-related issues, including his latest astro-turf supergroup, “Fix the Debt,” which has set a July 4, 2013 deadline for securing an austerity budget.



Pete Peterson

### Bankrupt Analysis

The authors have issued two rebuttals to the Amherst study. In their latest, they object that anyone would think they were “misconstruing analysis to support austerity” or a political agenda. Perhaps it had to do with pieces like this one entitled “Too Much Debt and the Economy Can’t Grow” that warns against further stimulus at a time when mass unemployment is wreaking devastation on the lives and livelihoods of workers young and old.

Economists like Herndon, Ash, Pollin, Baker, and Krugman have never bought the argument that economies can cut their way out of a crisis, and now data from the Reinhart-Rogoff study, from numerous European countries, from the IMF, and even from CMD’s home state of Wisconsin (now ranked an astonishing 44th in job creation), support their contentions.

If only they had half a billion to spread the word.



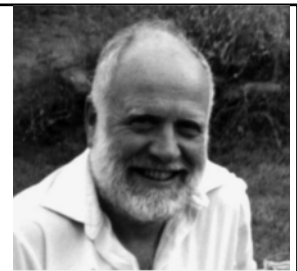
**Mary Bottari**, Center for Media and Democracy’s Deputy Director, is an experienced policy wonk and consumer advocate. When “too-big-to-fail” financial service institutions collapsed the global economy, like most Americans, Mary was steamed. When financial reform legislation started winding its way through Congress, Wall Street wizardry put too many of the policy debates out of reach of average Americans. Mary launched the “Real Economy” project at CMD, where she has worked hard to demystify complex issues (synthetic derivatives anyone?) and give average Americans a role in shaping the policy solutions being debated in Congress. Published April 18, 2013.

### From the Editor

Democracy, economics and social justice are inextricably intertwined. Small “c” conservative politicians, with their ideology of smaller government and lower taxes, have touted economic studies showing that austerity was needed for economic growth. Economic growth was not only good, it was necessary. Never mind if austerity meant slashed social programs and the poor on the streets—austerity and economic growth were not only vital, they were the cure.

Now that whole ideology has proven to be based on arithmetic errors. It is doubtful that small “c” politicians and their business supporters will want to hear this, so expect no change in policies while conservatives are in power. Also, the Harper Government has muzzled scientists, chilled free speech and done much more to weaken our democracy. Canada is in bad shape.

Fortunately, we have some excellent social justice organizations that stand up for citizens and fight against corporations and their governments. Canadian Unitarians for Social Justice (CUSJ) is one of them. Our president’s report details much of what CUSJ has done this past year, and the Board of Directors for 2013-14 will be supporting and continuing that good work. There is other hope in the articles covered in this issue of JUSTnews.



## President's Report 2012-13



### Gratitude

A big thank you to all those people who continue to make CUSJ a stronger and more vital presence among Unitarians in Canada. In particular I'd like to note the hard work of Joy Silver who has contacted every member of

CUSJ in the process of updating our membership list and continues to keep us connected on the listserv as well. Bob Staveley faithfully gives us clear, accurate reports every month. Adina Lyon kept us on track with good minutes every month even while she was in the midst of a major life transition. Thanks to all the members of our dedicated board who decided to return for another year, and a warm welcome to new members coming on. I'd also like to thank all of our dedicated CUSJ members who work hard on social issues and who faithfully renew their memberships every year so we can thrive. What wonderful work our chapters are doing! I am particularly pleased to welcome our fourth CUSJ chapter into the fold this year—The Calgary Chapter.

### Issues and actions in 2013

We have stayed focused on the environment and climate change, democracy issues, and human rights, (including First Nations concerns and Idle No More). The new season began with a rally on Parliament Hill for the Death of Evidence. We are concerned about the attack on knowledge, the cuts to environmental science, and the cut backs to Library and Archives and Statistics Canada. We opposed Bill C-38, the omnibus bill that removed federal responsibility for environmental regulation of our rivers and streams, attacked First Nations rights, and worker's wages, and cut regulatory activities such as food inspections. We opposed Bill C-31, the refugee reform bill that took away refugee rights to health care and legislated incarceration without due process. We will now join our partner, Canadian Council for Refugees, in a 3-year "Proud to Support Refugees" campaign.

In September, I joined Climatefast, an action to ask politicians and other leaders to commit themselves to policies that will bring about a reduction in our greenhouse gases. I did a carbon fast rather than a food fast. We tweeted

and blogged and held events and lobbied politicians by e-mail and in person on the Hill. One hundred and sixteen MPs and Senators (no Conservatives, and neither Mulcair nor Trudeau) took the pledge.

We attended conferences: Powershift on climate change and building connections with young people, and RODC (Reclaim Our Democratic Canada) on what we can do about the challenges to Canadian democracy. Our West Coast chapter was on the line fighting to stop the Gateway and Kinder-Morgan pipelines. Along the way, we continued to support Hassan Diab, Moe Harkat, and others subjected to the humiliation and injustice of security certificates or unfair extradition.

We signed on to:

- An appeal to the US to work towards a treaty to reduce nuclear weapons;
- A healthcare campaign to secure the future of Medicare;
- The Athabasca Chipewyan First Nation protest against Shell expansion in the Tar Sands;
- The Canadian Drug Coalition campaign for the decriminalization of drugs and a more sensible, harm-reduction approach to drug policy;
- The campaign to make use of physical punishment, such as spanking children, illegal.

We wrote 29 letters:

- To protest cuts of chaplain specialists of minority groups to the prison system;
- To oppose the Darlington Nuclear Power Plant refurbishment;
- To stand against the China FIPA [Foreign Investment and Protection Agreement] deal that would sell out our control over environmental regulation;
- To our members to support Buy Nothing Day and a general boycott of consumerism;
- To campaign for C-400 (bill to commit to a National Housing Strategy), supported by congregations across the country;
- To the government and the media in support of Chief Spence and the aspirations of First Nations to respectful consultation in matters affecting the environment in their territory;
- To the Ontario Government on the importance of a strong local food policy and the priority of local agriculture over other kinds of development including mining and quarrying;
- To the federal government against Bill S-7 which renews the possibility of security certificates—arrest and imprisonment without charges or rules of evidence.



We aligned our social action donations to support the people, groups, coalitions and issues that were our focus for this year's actions (listed in the treasurer's report at the AGM).

### Working in Coalitions

A big thank you to Vyda Ng, April Hope, Leslie Kemp, and Jorge Moreira for excellent communication and cooperation between CUSJ and the CUC this year. The new arrangements with the CUC reflected in the democracy resolution are working well. We have representation on SR Chairs. We have had a good connection with and support from the CUC in setting up our AGM. We have cooperated on social issues like Bill C-400. We supported the development of social action resolutions.

We learned more about working in coalitions. We decided to support Common Causes, a coalition of the Council of Canadians, Amnesty International, labour unions, democracy groups, environmentalists and First Nations that will try to bring together the liberal front on important issues. The coalition has not organized any large rallies yet. We joined Dignity for All, Citizens for Public Justice and many other groups promoting Bill C-400, a National Housing Policy. Together we conducted a massive letter and MP contact campaign. We didn't get what we wanted, but at least the government renewed existing funding for low-cost housing.

We worked with Jewish Independent Voices and Canadians for Justice and Peace in the Middle East to start an in-depth discussion on Israel and Palestine. We walked all year with our First Na-

tions friends and Idle No More. We supported their demonstrations and Chief Spence, and attended "First Nations-Settler dialogue." Congregations across the country did the same, having speakers and holding or supporting events. We joined Dying with Dignity. Our local chapters joined coalitions against the Line 9 pipeline going through Toronto and the Gateway and Kinder-Morgan pipelines through BC.

We continued to try to improve our website and are receiving feedback that people visit it and are finding useful information there.

### Future Challenges

This coming year, climate change will continue to be a major priority. We will continue to work for the transition from carbon and nuclear to renewable energy. We are already seeing the negative impact of both Bill C-10 (the legislation that increased mandatory minimums on non-violent offences) and the new refugee legislation. The need for a national housing policy does not go away. I anticipate much work to bring together the coalitions to change the Federal Government in 2015.

This will be my last year as President of CUSJ. Next year I must pass on the reins to someone else. I anticipate that several other board members who have served for more than seven years may step down at the same time. We have a major challenge to renew our leadership this coming year and to have new people make CUSJ their priority. Whoever takes on this wonderful job will have my full support.

Faithfully,  
Rev. Frances Deverell

## CUSJ AGM 2013

by Joy Silver

On May 20<sup>th</sup>, our esteemed president, Frances Deverell, was presented with the *CUC Social Justice Award*. She received a standing ovation from the delegates and CUC members attending the Award Dinner. Frances was joyous to have her leadership in CUSJ work recognized and to have so many of our CUSJ members in attendance to honour her achievement, including her 'consort' husband, Ron Wilson. Without Ron, Frances wouldn't get the groceries in or the other domestic necessities seen to while she does the many tasks to help us address the complex issues that come to the attention of the CUSJ.

Today (Monday May 20<sup>th</sup>), we had a very successful Annual General Meeting. Our chapter groups shared their social justice activities which spoke volumes about the diversity of issues that members are addressing. Four chapters in B.C. and the Calgary Chapter are addressing the Enbridge Pipeline issue in B.C. and they will now be supported by the passing of the CUC resolution to stop the construction of the Enbridge Pipeline. Our theme speaker spoke about how belonging to cooperative groups can change the world and our feature film graphically addressed the rapid displacement of people from their homelands due to climate change.



Hazel Corcoran and Greg O'Neill discuss the benefits of cooperatives.

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We also proudly showed off our newest T-shirt issue—it's **RED!** Our blue issue is still popular, and our red ones sold like hotcakes. You can order a red one online at <http://cusj.org/get-involved/buy-a-cusj-t-shirt/attachment/t-shirt-order-form/>. Please note that we are selling the red T-shirts for \$15.00 plus shipping not \$20.00. They are the same good quality as the blue, so what a deal to dress in at your social justice causes.

We are excited to have one of our new members, Carol Kergan from Kelowna, join our Board. Carol is a strong social justice advocate, particularly for safe and just mining practices in Canada, and she is a Raging Granny. Our work this year may be laced with a bit of political fun with Carol on Board.

The Board apologises for those who had technical difficulties linking into our AGM today. Many of you were successful, and we were warmed by your presence.

May you all be moved to renew your memberships. Your CUSJ membership renewal donation for May 2013 to April 2014 is now due. You can go online at <http://cusj.org/get-involved/become-a-member/> or fill out the form on the back of this newsletter and send it to our treasurer, Bob Staveley. His address is on the form. **If you do not wish to renew at this time, please let me know so that you won't be receiving reminder letters.**

*Joy Silver is the CUSJ Membership Coordinator and Listserv Manager and a member of The North Shore Unitarian Church.*

### 2013-14 CUSJ Board Members

*President:* Rev. Frances Deverell

*Vice President:* Margaret Rao

*Secretary:* Adina Lyon

*Treasurer:* Bob Staveley

*Membership:* Joy Silver

#### **British Columbia**

Carol Kergan

Bill Woolverton

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Ahti Tolvanen

#2 Vacant

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Debra Mair

Alastaire Henderson

#4 Vacant

#### **Quebec**

Christina Duvandar

#2 Vacant

#### **Maritimes**

#1 Vacant

#2 Vacant

**Website:** Ellen Papenburg



### Ruth (Margo) di Giovanni

**Obituary:** Ruth di Giovanni (née Margo) March 18, 1934 - April 29, 2013, died unexpectedly but peacefully in her sleep. She is survived by beloved sons Julian and Adrian, and brother Peter (Miriam) Margo, loving nieces Deborah and Naomi, and nephew David and her cherished Lhasa Apso dog Spunky.

Ruth will be remembered for her sharp wit and humour, her huge and sentimental heart, and for always being willing to lend a hand, in whatever small way, to a good cause.

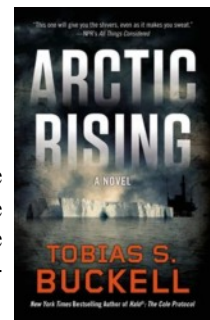
She was a proud member of the Unitarian Church of Montreal and the Montreal Raging Grannies right up to the end.

Ruth served on the CUSJ Board for over 10 years and graced us all with her passion and her sense of humour. She proofread every issue of JUSTnews. She was last seen on Parliament Hill protesting against the attacks on science and evidence within a month of her death.

### Book Review

#### by Bob Stevenson: *Arctic Rising* by Tobias Buckell

I am not a regular reader of science fiction but this novel depicting the possible changes in our Arctic due to global warming caught my attention.



The complicated plot is set a few decades in the future. Global warming has melted much of the Arctic ice sheet allowing Big Oil to have extensive drilling operations in a race against Peak Oil. An environmental group is conducting a massive geo-engineering project using aerial mirrors to reflect sunlight as they try to cool down our atmosphere. This is against the interests of Big Oil and when a nuclear missile is detected by the Polar Guard, the adventure begins.

The twists and turns of Buckell's imagination make for an enjoyable but uneasy ride.

*Bob Stevenson is a member of First Unitarian Congregation of Ottawa and is a past president of CUSJ.*

# New ‘Social Progress’ Tool Measures National and Global Social Shortfalls

by Penney Kome

“The ‘Arab Spring’ of 2011 and the challenges in Mexico over the last decade, have illustrated the shortcomings of economic growth as a proxy for social progress,” said Harvard Business School Professor Michael E. Porter. His team has produced a new 12-point measurement tool by which governments and social agencies can evaluate the social value of their investments and policies.

“In both business and economic development, our understanding of success has been incomplete,” said Porter. “Previous efforts to go beyond economic measurement alone have laid important groundwork, but we need a more holistic, comprehensive, and rigorous approach.

“The Social Progress Index is an attempt to address these gaps and opportunities. Social progress depends on the policy choices, investments, and implementation capabilities of multiple stakeholders—government, civil society, and business.”

“The Social Progress Index shows that countries with similar levels of GDP can have very different levels of social progress,” said Michael Green, Executive Director of the Social Progress Imperative.

The Social Progress Imperative asserts that traditional indicators of economic growth do not tell the whole story of a country’s progress. While greater income usually leads to higher average standards of living, the two measures do not always correlate.

Some countries achieve a high level of social progress at a relatively modest income level; others have seen social regression over time despite a higher average income.

No countries score in the top half for all 12 components of the Social Progress Index which are:

- Nutrition and Basic Medical Care;
- Air, Water and Sanitation;
- Shelter;
- Personal Safety;
- Access to Basic Knowledge;
- Access to Information and Communication;
- Health and Wellness;
- Ecosystem Sustainability;
- Personal Rights;
- Access to Higher Education;
- Personal Freedom and Choice; and



Professor Michael E. Porter, Harvard Business School

- Equity and Inclusion.

The SPI ranks 50 countries by their social and environmental performance. Sweden is the most socially advanced country globally, according to the SPI. Britain is ranked second, above Germany, which ranks fifth, the United States, sixth, and Japan, eighth.

The SPI provides a rigorous statistical technique to show where nations should focus their efforts to improve the wellbeing of their people. Adding the SPI line to the economic chart also produces important information about how effective government spending is—or isn’t.

Some of the key findings from the Social Progress Index include:

- Scores on the health and wellness component show no correlation to spending on health as a percent of GDP for the 16 Organisation for Economic Co-operation and Development (OECD) countries in the Index. This finding poses particular challenges for countries that spend the most on healthcare. The United States, for example, leads OECD nations in total spending per capita on healthcare, but ranks only 11th of the 16 OECD countries in the Social Progress Index on health and wellness.
- Spain: 10<sup>th</sup> overall, and 11<sup>th</sup> in terms of GDP, ranks 22<sup>nd</sup> for Personal Freedom and Choice.
- Britain (2<sup>nd</sup>) and Sweden (1<sup>st</sup>) perform highly on the Social Progress Index when compared to their performance on the United Nations Human Development Index because they perform consistently across the three dimensions of social progress—basic needs, foundations of well-being and opportunity—whereas the United States is weaker on foundations of well-being, and Germany and France are weaker on opportunity.

Nearly all rich countries perform poorly on ecosystem sustainability—especially large countries with abundant natural resources like Australia (46<sup>th</sup>), Canada (47<sup>th</sup>), and the United States (48<sup>th</sup>).

“The Social Progress Index shows that countries with similar levels of GDP can have very different levels of social progress,” said Michael Green, Executive Director of the Social Progress Imperative.

“We expect some surprising transfers of knowledge in the next few years, as standout performers—among government, civil society, and business—document and share their approaches.”

The SPI has much in common with Genuine Progress Indicator initiatives such as the Pembina Institute’s Genuine Progress Indicator and the GPI Atlantic. One difference, though, is that high-profile accounting firms are endorsing the SPI. Porter’s team worked with economists at the Massachusetts Institute of Technology (MIT) and leading international organisations in social entrepreneurship, business, philanthropy, and academia including Cisco, Deloitte Touche Tohmatsu Limited (DTTL), Skoll



Foundation, Fundación AVINA, and Compartamos Banco. All these important partners are involved in implementing the SPI, as well as developing it.

“Paraguay will be the first country to adopt the SPI by incorporating it into its national development framework. Costa Rica may follow suit,” *The Economist* reported in the April 18 issue. According to *The Economist*, “The idea came out of a working group of the World Economic Forum, a think-tank and conference organiser. Its members wanted to interpret progress differently and were influenced by the writings of Amartya Sen, Douglass North, and Joseph Stiglitz, three noted economists.”

The Social Progress Index is the first project of the Social Progress Imperative, as part of a wider set of initiatives to guide the investment and policy decisions of governments, the private sector, and civil society, with the goal of having a positive impact on ordinary people’s lives.

“The Social Progress Index is an attempt to reshape the debate about development,” according to the SPI website. “We are also building a Social Progress Network of organizations that share our desire to find better ways to solve the world’s problems, who will use the Index to analyse their countries’ development challenges, help us make the model even better, and share lessons about what works.

“This network of partners from research and academic institutions, think tanks, for-profit and non-profit private organizations, and international development organizations in our sample of countries will facilitate feedback, local research, learning, and action. Partners will also help to identify the policies, institutions, legal frameworks and financing mechanisms that can drive more effective and efficient social progress, through international benchmarking and fostering specific research projects among the network of partners.”

**Penney Kome** is an award-winning author and journalist who has published six books with major publishers. She is also the Editor of *Straight Goods*. She is co-editor with Patrick Crean of *Peace: A Dream Unfolding* (1986, Sierra Club Books). She started marching against the atomic bomb when the placards were taller than she was, and she emigrated from the U.S. to Canada in protest against the war in Vietnam. Penney is a member of the Unitarian Church of Calgary.



Photo by Suzanne Swibold

## On Inequality: Is Government the Answer?

by Reilly Yeo

*The complex forces of globalization and technological change have not eliminated the ability of citizens to use the state as a means to fight inequality.*

Inequality is finally, mercifully, a topic of common concern. Articles are regularly popping up in the mainstream media, expressing relief at our newfound willingness to address the topic, from people who had a platform for addressing such issues well before the Occupy movement did. Lately, these articles seem to support a common premise: inequality is driven by complex forces some of which are, to quote Globe and Mail columnist Jeffrey Simpson, “beyond the reach of government.”

### Are technology and globalization beyond the reach of government?

Technology and globalization are most often singled out as examples of these forces. From global editor-at-large Chrystia Freeland of Reuters, “[Rapidly rising inequality] is the consequence of a massive—and broadly positive—economic transformation ... the big drivers are the twin revolutions reshaping the world economy—globalization and new technology.” From Vancouver Sun columnist Craig McInnes, “Why are we working harder and earning less? ... technological change and globalization.”

Certainly, technology and globalization—if they can be so neatly separated for analytical sake—are playing a major role in structuring the world. But instead of simply suggesting that this explanation is “politically inconvenient,” as Freeland does, we need to take a careful look at how government shapes, is shaped by, and responds to these forces.

Globalization and technological change are the result of our collective actions. So, we need to remember, is government. It doesn’t take much to realize that very selective, government-driven trade liberalization is a key component of globalization. Government decisions to enter trade deals also coincided with decisions to de-fund education and social services—to ignore the effect that both globalization and technology would have on the working class, who faced either a transition into high-skilled labour, or the decline into informal and low-paying service-sector jobs that has gutted wages on the lower end of the spectrum.

### We need more than a return to “big government”

To be clear, looking back to government doesn’t mean blind support for the postwar consensus model of big government. It’s past time for us to innovate

beyond that model, not by abandoning the idea of government, but by being both imaginative and pragmatic about what it can look like in a networked society. Abandoning the idea that government—which, we easily forget, can simply mean the body of people who make and enforce laws, a body we are all potentially part of—can solve problems is some of what has gotten us into this mess of inequality in the first place.

When people are increasingly in dire need, we should be loath to see government get smaller. Even many economists would agree with this statement. Instead we should focus on seeing how it can become more open, more democratic, and more widely distributed. Words like “capitalism,” “socialism,” or “anarchism” have utterly failed to help all of us come together to agree on what a more equitable distribution of governing powers might look like.

Looking to government is essential if we want a meaningful democracy that combats inequality. So is re-conceiving what government means to us. What we’re learning from this crisis and the response of Occupy movements is that “grassroots” democracy is the logical response to political systems that have lost touch with the body politic. That lesson is long overdue.

#### **Needed: grassroots participatory democracy**

What we may be learning, too, is that democracy at a “grassroots” level is the only real kind of democracy, since the alternative—representative and bureaucratic—has failed to meet the basic condition of striving to serve all people equally. The postwar consensus was fantastic for producing a large middle class, a great achievement; but let’s not forget that it still left a marginalized underclass who were alienated both

**Looking to government is essential if we want a meaningful democracy that combats inequality.**

**“Grassroots” participatory democracy is the only real kind of democracy**

from and by the bureaucratic structures of a centralized government.

That bureaucracy, which is more easily navigated and manipulated by those with power and resources than by anyone else, has also contributed to the creation of a dominant class who can curse and cajole the state into doing its bidding. This undermines democracy. That shouldn’t shock us, because former American president Franklin Roosevelt predicted it in 1938 and former president Thomas Jefferson predicted it almost 200 years ago.

Globalization and technology have helped produce such shocking inequality in large part because the policies that shape the development of these two forces have systematically been made through bureaucratic processes that exclude and alienate the “grassroots.” As a result, “public” policy has failed to prioritise the public good. Turning away from government now because of the complexity or inconvenience of these two forces would only increase their negative effects.

Inequality cannot be addressed without confronting complex technological and globalizing forces—forces that both drive, and are driven by, government policies. If we ignore either of those realities, we’re mystifying a conversation that desperately calls for clarity.

Let’s focus like a laser on re-imagining what democratic government looks like by returning to the pure and simple roots of the concept: equal participation in making laws and policies that leave us free to flourish, that help refine and articulate our notion of and commitment to the public good. Almost nothing is beyond the reach of this force.



*Reilly Yeo is Managing director of OpenMedia.ca. First Posted: Jan 05 2012.*

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## **Less than a quarter of eligible voters supported Liberals: Democracy Watch**

by Aurora Tejeida

According to a report published by Democracy Watch—a national non-profit that advocates for democratic reform and government accountability—the BC Liberals won Tuesday May 14<sup>th</sup>’s election with the support of 22 per cent of eligible voters.

The number proves one thing for Tyler Sommers, Democracy Watch coordinator: the system is broken. In his opinion, low voter turnout is the direct effect of a loss of faith in the political system.

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He figures that people don't vote because they feel no matter what, the winner will be dishonest. If they're assured the winner will be honest, platforms will matter again, he added. His suggestions? End negative campaigns, and make it easier for voters to file complaints to the Integrity Commissioner—although voters should first be informed about what constitutes a violation on behalf of representatives, he added.



Tyler  
Sommers

Sommers also proposes changing the current democratic system to a model that ensures the number of MLAs each party receives matches the popular vote percentages more closely. He suggests a mixed member system—in which voters cast two votes, one for the party and one for their constituency representative—and the Best Loser System. That system is used in Mauritius to ensure minorities have representation in congress, but Sommers says it could be applied to B.C. by reserving additional seats for the runner-ups with the highest percentage of votes.

In the past, B.C. has unsuccessfully attempted to switch to the single transferable vote system (STV) twice—once in a 2005 referendum and again in 2009.

Single transferable vote is a system where voters rank candidates in order of preference. The candidates that get the most support are elected and the ones with least support are eliminated so that the second preferences of voters can be taken into account. This system guarantees more parties can receive seats, but [like all proportional systems] it can also make it harder for a single party to obtain a majority.

More recently, Vote BC conducted a study with support from the University of British Columbia in which participants were asked to use three different systems to cast their vote for a simulated provincial election.

The three systems in the study were single transferable vote, first-past-the-post (B.C. and Canada's current system), and mixed-member proportional representation. Results for this study have not been released, but researchers expect the different systems to have an impact on the results of the simulations.

While another attempt to change B.C.'s electoral system isn't on the horizon yet, one new solution Sommers' organization would like to see is a "none of the above" option on ballots. That would encourage voters to participate in the voting process, while still making their distaste for the available options known, he said.

*Aurora Tejeida is completing a practicum at The Tyee. The Tyee is your independent daily online magazine reaching every corner of B.C. and beyond. Published May 17, 2013.*

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## Science for Peace creates Science- anti-muzzling Society

*The following is a letter by Margrit Eichler to members of Science for Peace. All scientists can support this new society.*

Last year, I started a Working Group on the Muzzling of Science in Canada. We began with the intent of looking at muzzling in all its shapes and forms, trying to understand it and track whether the muzzling occurred in universities, government or industries, and regardless of who did the muzzling. As we became more and more familiar with the subject matter, we realized the incredible degree to which the federal government is muzzling its scientists. We decided to focus on this aspect only, because it is clearly the most urgent and pressing one to address.

This urgent concern led to discussions with the executive, committees and the board. As we focused on the actions of the federal government, concerns about the charitable status of Science for Peace came to the fore. The federal government is in the process of destroying basic science in Canada. To give just a few examples, the

National Research Council is, as of now, to serve as the concierge for industry. According to its current head, John MacDougal, "Scientific discovery is not valuable unless it has commercial value." The Department of Fisheries and Oceans not only screens every article before it can be submitted for peer review, but can also pull articles after they have successfully passed peer review. Employees of Libraries and Archives Canada and of Statistics Canada had a Code of Conduct imposed on them that requires them to "show loyalty" to the elected government and prohibits them from criticizing the government on and off work. The interesting thing is that the Codes of Conduct are not publicly available [a leaked copy is].

We realized that what is needed is to inform the public about the muzzling taking place, in a manner that is directly understandable to non-scientists as well as scientists. To do so in the name of Science for Peace would endanger SfP's charitable status. We therefore decided to start a new organization that is frankly engaged in advocacy and that will not have charitable status. And so Scientists for the Right to Know was

born. Our current executive consists of myself as President, Phyllis Creighton as Treasurer, and Sue Kralik as Secretary. We are in the process of incorporating.

We hope that you will join this sister organization—the easy way to do so is via <http://scientistsfortherighttoknow.wildapricot.org> and in addition send the attached membership letter to all of your networks.

Once science itself is discredited, there is no room for Science for Peace to manoeuvre!

*Margrit Eichler is Secretary of Science for Peace and President of Scientists for the Right to Know.*



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## Why Austerity Kills

by Jerry M

Economist David Stuckler and physician Sanjay Basu have written a just released book, *The Body Economic: Why Austerity Kills*, in which they look at how austerity programs across the world affect the health of people in these countries.

The authors estimate there have been more than 10,000 additional suicides and up to a million extra cases of depression across Europe and the United States since governments started introducing austerity programs in the aftermath of the economic crisis. For example, in Greece, where spending on public health has been slashed by 40 percent, HIV rates have jumped 200 percent, and the country has seen its first malaria outbreak since the 1970s.

An economist and public health specialist, Stuckler is a senior research leader at Oxford University. Dr. Basu is a physician and epidemiologist who teaches at Stanford University. “Had austerity been organized like a clinical trial, it would’ve been discontinued given evidence of its deadly side effects,” Stuckler says. “There is an alternative choice that we found in the historical data and through the present recessions: when we place people and their health at the centre of economic recovery, it can help get our economy back on track faster and yield lasting dividends to our society.”

*Babble is rabble.ca’s discussion board, but it’s much more than that: it’s an online community for folks who just won’t shut up. It’s a place to tell each other—and the world—what’s up with our work and campaigns. Posted May 21, 2013.*

## Federal cuts deny Refugees Life-saving Treatment

by Matthew Behrens



Ahmad Abdorahman Awatt faces serious threats to his health because of his immigration status. Awatt, a Kurd originally from Iraq, came to Canada in 1999. Although he lost his refugee case, he cannot be deported because his country of origin is on a moratorium list of unsafe countries that prevents Canada from returning him there.

### Conservatives deny health care

Like many “failed refugee claimants” who have endured years of status limbo in Canada, Mr. Awatt lost his access to the Interim Federal Health program (IFH) last summer when the Conservative government enacted massive changes to an initiative that has provided health care to immigrants since 1957. Those health care cuts, decried at the time by doctors, nurses, lawyers, pharmacists, and a range of human rights groups, have had a devastating impact on a range of immigrant communities, among which are people like Mr. Awatt who face life-threatening illnesses. Those affected are legally in Canada, pay taxes, and often work, yet they are unable to access a system that by law is supposed to be accessible to all in Canada.

For Mr. Awatt, who has the genetic disorder Wilson Disease, which prevents his body from eliminating excess copper, the prognosis is potentially lethal organ damage because of a copper buildup in his brain, eyes, and liver. A minimum-wage, occasional labourer, he requires ongoing blood and urine tests and monthly liver ultra-sounds to monitor the progress of his medication, but he can no longer receive them because, under the government’s new guidelines, he is now deemed ineligible to access health care in the same manner as any Canadian citizen.

As a result of this constant threat to his life, Mr. Awatt last month joined two other rejected refugees, who are also facing similar health care issues, in a legal challenge to the federal government cuts to refugee health care. One of them—Daniel Andres Garcia Rodrigues—fled from Colombia and, in danger of losing his sight, is unable to get his detached retinal surgery covered even though his wife, a Convention refugee, is sponsoring him. The other plaintiff is Hanif Ayubi, who came to Canada from Afghanistan in 2001 and who, since June 2012, has been denied insulin and appropriate medical care for his diabetes.

Because of the fear associated with speaking publicly about these challenges, the courage required for these three men to step forward was considerable. The fact that they represent what doctors say is only the tip of the iceberg is what gave rise to the lawsuit, as months of public education, lobbying, street protests, and occupations of MPs' offices by groups unused to hoisting placards—physicians, nurses, and medical students—failed to generate a response from the Harper government.



University of Toronto law professor Audrey Macklin: “No other country with a publicly-funded health care system does this to refugees.”

### CARL mounts court challenge

The Canadian Association of Refugee Lawyers (CARL) argues that these cuts violate the Canadian Charter of Rights and Freedoms as well as international human rights instruments to which Canada is a signatory, from the Refugee Convention to the Convention on the Rights of the Child. Indeed, among the many case studies of individuals being denied health coverage since the cuts were enacted are pregnant women and babies as young as six months. Opponents of the cuts believe the cuts are ideologically driven, especially considering, as CARL notes in its court challenge, that “as recently as 2011, representatives of the [Canadian government] publicly acknowledged to a Parliament committee that the IFH [Interim Federal Health program] was inspired by Canada’s international obligations toward persons seeking its protection, a commitment to protect their health, a desire to protect the Canadian public from infectious diseases and an undertaking to ease the strain on provincial and territorial health systems.”

As University of Toronto law professor Audrey Macklin pointed out at a late February press conference, “This isn’t about cavities getting filled; it’s about life-saving treatments. This

is about children’s lives that are at risk. No other country with a publicly-funded health care system does this to refugees.” She declared that the policy amounts to cruel and unusual treatment, and the government’s rationale—saving money, something for which she says no statistics have been provided—is without substance, as the annual cost per Canadian taxpayer of the IFH program is approximately 59 cents.

In another conundrum, eligible individuals who have their claims turned down can have coverage cut off even though they have not exhausted their appeals process.

While some immigrants to Canada will retain health care (a concession the government made following an initial storm of protest), the rules are so convoluted that many of those who have a right to IFH are nonetheless being turned away by some emergency rooms, clinics, and physicians because of the uncertainty.

Dr. Phil Berger of Canadian Doctors for Refugee Care, which also joined the legal challenge, said a fall 2012 survey of some 30 Toronto clinics revealed only five were accepting IFH clients. There is a chill factor causing some refugees to avoid approaching physicians for fear of being turned away or saddled with a hefty bill.

Dr. Berger said it was “a measure of contempt” that the government has refused to meet despite repeated attempts by such august bodies as the Canadian Medical Association, Canadian Nurses Association, the College of Family Physicians of Canada, Royal College of Physicians and Surgeons of Canada, pharmacists’ groups, and numerous others.

“This is an untenable decision for doctors, unseen since the introduction of public health care,” Dr. Berger continued. “We are being asked to make medical decisions based on immigration status and not on patients’ health-care needs.”

*Matthew Behrens is a freelance writer and social justice advocate who co-ordinates the Homes not Bombs non-violent direct action network. He has worked closely with the targets of Canadian and U.S. ‘national security’ profiling for many years.*



*Tuesday, 19 March, 2013.*

**JUSTnews** is published by  
Canadian Unitarians for Social Justice

**www.cusj.org**

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The CUSJ purposes are:

- to develop and maintain a vibrant network of Unitarian social action in Canada and elsewhere and to proactively represent Unitarian principles and values in matters of social justice and in particular
- to provide opportunities, including through publication of newsletters, for Unitarians and friends to apply their religious, humanistic and spiritual values to social action aimed at the relief of (1) poverty and economic injustice, (2) discrimination based on religious, racial or other grounds, (3) abuses of human rights whether of individuals or peoples, (4) abuses of democratic process, and
- to promote peace and security, environmental protection, education, and literacy in keeping with the spirit of Unitarian values.

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Publications mail agreement No. 40037866



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