

ON CANADA'S MIND: *The cynical Canadian*

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Most *Monitor* readers believe in progress through politics by organizing, marching, teaching and voting – any means necessary. Yet the roads to the New Jerusalem, the workers' paradise or the just society are congested with pessimists.

Cynics suck the energy out of politics. They are the foes of change and the parents of apathy. To the Left, cynics are a greater enemy than the Fraser Institute or Stephen Harper.

Canadians are cynics because they believe some of the country's biggest professions and institutions are rife with liars.

We trust pharmacists, teachers, airline pilots, police officers, doctors, accountants, firefighters, nurses and professors. However, most of us tell pollsters we think business executives, lawyers, advertising people, real estate agents, union leaders and politicians are dishonest. The press falls between the most trusted and distrusted institutions.

Trust matters. To reverse the drift toward small-c conservative solutions such as privatization, people need to believe the state has solutions. They don't.

In an Environics poll in June for the Centre for Research and Information on Canada, 36% trusted the federal government "to do a good job in carrying out its responsibilities," a 13-point decline from 2002.

- In the same time, trust in local government increased from 64% to 69%, but faith in provincial government dropped from 51% to 46%.

Inevitably Canadians have grown more tax-resistant as trust in government has declined. When interviewers asked which level gives the most for the money, 34% said the local government, 32% the provincial government, but only 19% the federal government.

Cynicism about government isn't the same as faith in capitalism. We're cynical about the private sector's motives, too. In 2002 – when Enron, Nortel and other accounting scandals were newsworthy – only 58% in Canada sampled by Ipsos-Reid said they trusted corporate financial statements. In a Pollara national study two years later, confidence was up only marginally: 61% said they trust corporate balance sheets.

Leading by example? The chief executive of the big-box retailer Costco, James Sinegal, earned \$2.2 million (US) a year in salary and stock options over the past five years. That's modest in corporate terms. According to the New York Times, Costco provides salaries and health care benefits to lower level workers that are higher than average in the retail industry.

The Times credits this approach for Costco's lower rate of employee and customer theft than competitors, such as Wal-Mart. Costco's annual rate of "shrinkage" is under 2/10ths of 1 percent. Other companies have 10 to 15 times that amount of pilfering ("Two Pay Packages, Two Different Galaxies," April 4, 2004).

Even corporate executives are cynical about corporate motives. COMPAS Research polled business executives in 2004 about ethics initiatives at the CIBC, which include an “ethics hotline” to allow employees to blow the whistle anonymously on business irregularities.

- 22% said it’s “a public relations tactic for a problem that is not too serious.” Another 11% said the bank’s efforts would not improve business ethics.
- While 37% of the execs said the initiative will improve business ethics, 26% agreed they are “a good start, but stronger action is needed.”

Political scandals sap our confidence in politics, and the super-sized pay packages of corporate executives make us cynical about business.

- According to Fortune magazine, in 1970 the annual compensation of America’s top 100 chief executives averaged \$1.3 million (U.S.) in today’s money, 39 times the pay of an average worker. By the end of the 1990’s the average was \$37.5 million, 1,000 times the pay of ordinary workers.

In the Pollara survey, half of Canadians (47%) said they have lost faith in the ability of the police and courts to protect them from corporate wrongdoing and corruption.

A reason Canadians are skeptical about other people’s motives is that we confess to cutting ethical corners ourselves.

In August an Environics poll for the firm ADP Canada asked a national cross-section what they would do “if I mistakenly received a higher amount on my paycheque than I was entitled to.”

- One in four agreed that “I would keep the money unless the company demanded I return it.”

Older people are less likely to keep the overpayment, but among 18-29-year-olds, 38% would pocket it. Among low-income people, up to a third would keep the overpayment, and so would a third of the people in households earning \$60,000 to \$80,000 a year. In the \$100,000-a-year class, 28% would not return the money.

Are people willing to cheat because their leaders are greedy? Perhaps the moral lassitude of political and corporate leaders is leaching into the attitudes of their voters and shareholders. The appointment of an ethics commissioner as the conscience of parliament hasn’t improved public attitudes toward federal politicians, who habitually rank last in the whom-you-trust polls.

The point is that without a strategy to disarm cynics, progressive change can’t happen.

Candidates and party leaders sign pledges and get economists to cost their promises and platforms. But that doesn't work. Instead, try this:

- Listen to what people really are saying. What do the people want to hear?
- This doesn't mean pander to the public's mood swings. It does mean acknowledge the public's feelings.
- Show you care about the voters. Politics should be a conversation, not a one-way broadcast.
- Get people's attention with new ideas and a positive idiom.
- Do your homework. Back up workable ideas with evidence. Don't tell them your idea works; show them.
- Don't attack opponents. The public is fed up with trash-talking politicians, the least credible kind.

You can't fight cynicism by making people understand you. People want to know, do you understand them?

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