

spotlight

Canadian Walker Makes Market Talk

By Patrick Cox

Canada is just to the north of the continental United States; its government, just to the left. In Canada, as in the United States, government is the occupation of a minority who enjoy the profession and does not necessarily reflect the views of the citizenry. The federal and provincial governments of Canada have managed to gain control over practically every aspect of Canadians' lives. Agriculture, medical care, housing, and banking are even more under the bureaucratic thumb in the land of the maple leaf than next door in the USA. And the government is aggressively encouraging nationalism, moving to rid Canada of foreign business interests as well as American television shows. But Dr. Michael Walker thinks that the Canadian people are beginning to assert their own individual sovereignties.

Michael Walker was born in Newfoundland to a man who went to work in the coal mines of Nova Scotia when he was orphaned at the age of 14. Walker says that his father decided after five years in the mines that "if they had to blindfold horses to get them into the mines, they were no place for him."

Young Michael went on to college, and it was in econometrics and monetary theory that he excelled. He earned his doctorate at the University of Western Ontario, where he worked on the cutting edge of econometric research. (For our readers who are not familiar with econometrics, it is a mathematical branch of economics using high-powered statistical methods to measure and analyze economic relationships.)

Walker was caught up in the general enthusiasm of the period. "It was believed," he says in retrospect, "that with a mathematical model of the economy, government could fine tune all the social problems out." Armed with his considerable econometric skills, he went to work for the federal Bank of Canada and later as a consultant to the Policy Branch of the federal Department of Finance.

Somewhere along the line, though, Walker began to lose faith in the very idea of mathematically controlling the multitudes of individuals who make up "the economy." He rejected his "mech-



Michael Walker

anistic" views of the economy, instead coming to see it as an "organic" system. He was ready when a former classmate, Csaba Hajdu, approached him in 1974 about the possibility of setting up an organization meant to counter the liberal economic ideas that have held sway in Canada since the election of the Trudeau government in 1968.

Along with economists Sally Pipes and John Raybould, Walker formed the Fraser Institute in 1975, with Walker as director. A group of businessmen put up the initial funds for the institute, and he managed to convince them that intellectual husbandry yields greater benefit than direct political involvement. The decision was made to locate the think-tank in Vancouver, British Columbia—far away from Ottawa, the Canadian version of Washington, D.C. As the institute has grown in prestige and influence, the Canadian government has several times offered to put the organization on the dole, but Walker has always refused tax monies because they are not strings-free.

As Walker and the group mapped out a strategy for attacking Canadian statism, they were blessed by a visit from Antony Fisher, England's foremost free-market spokesman and himself the founder of London's Institute of Economic Affairs. Having overcome obstacles similar to those facing the fledgling Fraser Institute, Fisher was able to offer expert guidance. "He knew more about our problems than we did," Walker says. Fisher also introduced many of his own large Canadian financial contributors to

the Fraser Institute. Today, the institute is operating on about \$600,000 a year and has registered as a nonprofit foundation in the United States.

As the free-market philosophy has gained in international respectability, Walker has come to represent it in Canada. He spends most of his time now giving speeches and his opinion to those who ask for it and has come to be called the "Milton Friedman of Canada." He does not sound exactly like the Chicago monetarist, though. He gives away his Canadian roots when he talks about the joys of getting his hands greasy and working on his 280 "Zed" or getting government "aoot" of the marketplace.

Much of the success of the Fraser Institute has come "aboot" through its 25 published books. It has pulled off a minor miracle with six Canadian bestsellers, all serious economic works. Most notable is the popular *How Much Tax Do You Really Pay?* Over 120 authors have been published under the Fraser label, including Friedrich Hayek, Milton Friedman, Martin Feldstein, Thomas Sowell, George Stigler, Walter Williams, and Richard Lipsey. "Virtually every Canadian university is using some of our books," Walker says, "and many are using all of them." In the United States, too, *Oil in the Seventies*, for example, and *The Illusion of Wage and Price Controls* are in use. The institute also conducts workshops and seminars for academic, business, and government people. The media have taken notice; in the past year, 40,000-plus column inches and hundreds of hours of radio and television have been devoted to the think tank and its work.

Walker says that he is not interested "in fiddling with economic policy" in an attempt to change society a little bit at a time. "I'd still be in government if I was. I'm interested in the 'Big Change.' My view is that we have to do an end run around the whole process." Citing the growth in attention to and support for the free-market position, Walker is confident that the Big Change will happen in the not-too-distant future in North Americans. North Americans, he says, "have been mugged by reality. Reality has simply overtaken them," and they are no longer swallowing the liberal "solutions." "It's not so much a philosophical revolution as a utilitarian revolution. People are just learning what works."

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arts & letters

movies

- Gallipoli
- Prince of the City
- True Confessions

Reviewed by John Hospers

• The Battle of Gallipoli is remembered as one of the disastrous campaigns of World War I. British forces attacked the Turkish peninsula of Gallipoli in order to capture the Dardanelles, and Australian troops were to create a diversion by attacking the Gallipoli heights from the shore. In this futile and uncoordinated attempt, many hundreds of Australians were slaughtered by well-armed Turkish troops ensconced in trenches on the heights. The campaign was a blunder as much in its conception (Churchill's) as in its execution (General Ian Hamilton), and the victims were the naively patriotic Australian volunteers who were led into this trap.

This incident is portrayed in detail in Peter Weir's newest Australian film, **GALLIPOLI**, and it is quite a departure from his cinematically innovative and heavily symbolic earlier works, such as *The Last Wave*. This is a traditional historical piece, done with unsparing realism and scenes reminiscent of Kubrick's *Paths of Glory*.

The best parts of the film are not the climactic battle scenes, however, which occupy less than a quarter of the time, but rather the native background of the recruits, coming from farms and mining towns in western Australia "to sign up for king and country." It is here that we come to empathize with those who are later to be slaughtered, and in this depiction there is a strong sense of humor and a fine feeling for characterization. It is here that the director is apparently most at home, and it is in these early sequences that the viewer is most likely to wring from the film some genuine warmth of feeling.

Especially memorable are the shots of the Great Desert of western Australia, through which two of the soldiers-to-be trek at length to reach Perth. At the edge of the desert they meet an old prospector who asks them why they are going to fight so many thousands of miles from home. It's the Germans, the recruits re-



Australian runner reaches safety in Gallipoli

ply; they're evil and dangerous. They were good to *my* family once, says the prospector; it's the *British* who butchered my Irish ancestors. But if we don't stop the Germans now they'll come here and take our land, comes the reply. Surveying the expanse of desert from which he tries to eke out a meager living, the old prospector replies, "They're bloody welcome to it." Apparently the post-Vietnam backwash has struck Australia too.

• **PRINCE OF THE CITY** is, as films go, an important one. It deals with an important theme—the corruption of a police department and the determination of one man to expose the corruption. It is almost three hours long, with hundreds of scenes, and is constructed with great intricacy and detail, with a masterful jigsaw-puzzle architecture reminiscent of the films of Fritz Lang. It is an organic unity: hardly a minute of those three hours could be cut without sacrificing an important aspect of plot or characterization. There are more than a hundred characters, and keeping abreast of every nuance of the story calls for one's full concentration. Unlike most current films, this one challenges our intellectual powers, besides leading us to forsake clichés in our moral judgments. All this requires complexity, which this film has in abundance.

Writer-director Sidney Lumet is most at home in making films about his native New York City, to which he returns in this one. It doesn't lead you on to heart-pounding involvement like his *Twelve Angry Men*; it just lays a moral issue before you, in all its real-life complexity. It is more than vaguely reminiscent of his earlier film *Serpico*, yet *Serpico* was in-

tellektual third-grade stuff compared with this one.

Whether it should be the duty of policemen to arrest dope pushers is a matter for controversy. What is *not* controversial is that they can't make many arrests without informants who are themselves junkies and that these junkies must be rewarded for their information with renewed supplies of drugs. And from what source shall these rewards come? From the supplies confiscated by the policemen themselves. But all this is highly illegal. The result is that the moment a cop succeeds in getting the other cops in the dope ring arrested so that the arrests will stick, he is himself on trial for the illegal gifts of dope to his informants. By a slow but steady process of attrition, he is made to do what he resolved never to do: inform on his friends.

This is not a film for everyone. Its ceaseless portrayal of the seamy side of city life, the scenes of junkies screaming for a fix, will be too depressing for many viewers. Many others will lack the patience to follow the complex interweaving of the strands of plot. But its great virtue is that it does not simplify moral choices: by presenting them in the intricate context of actual circumstances, it leads us to put ourselves in the place of the protagonist, sharing his moral conflict and his torment, and to ask ourselves, "In these circumstances, what would I have done?"

• Two brothers, played by Robert Duvall and Robert De Niro, are a joy to watch in **TRUE CONFESSIONS**. Though one is a policeman and the other a priest, both love power and the accoutrements of power. They show to one another a variety of subtle shades of emotion: competitiveness, hostility,