

Brexit and Trump: Lessons for Canada?

Keith Banting

Pathways to Prosperity: 2017 National Conference

Toronto, 16-17 November 2017

Sources of populist backlash: UK and US

- Economic insecurity
 - Inequality, precarious employment, economic anxiety
- Cultural insecurity
 - Diversity and cultural change
 - 'I don't recognize my country any more'
- Political incentives
 - Political incentives to mobilize anti-immigrant backlash

Economic insecurity in Canada?



Drivers of economic insecurity

- Growth of 'precarious' employment
 - 1/3 of jobs are non-standard; bit below OECD average
 - Risk of unstable incomes, unemployment
 - Less access to benefits, EI, training
- Pressures on the middle class
 - Polarization and shrinkage of middle-income earners
 - Low growth in average real wages
 - Young adults: loans, low starting incomes, delayed adulthood
 - Retirement: Inadequate savings among lower middle class
 - Personal economic situation vs direction of the economy

Public Attitudes: Sense of Being Middle Class

EKOS 2014

How important are the following aspects to your definition of what it means to be middle class?

Being able to retire on a secure income	70%
Having a secure job	68%
Being financially secure	68%

Would you describe you and your household as poor, working class, middle class, or upper class? *% responding middle class*

2002	68%
2014	47%

Public Attitudes: Weakening of Middle Class

EKOS 2104

Moved ahead, fallen behind, or stayed the same in the last 25 years?

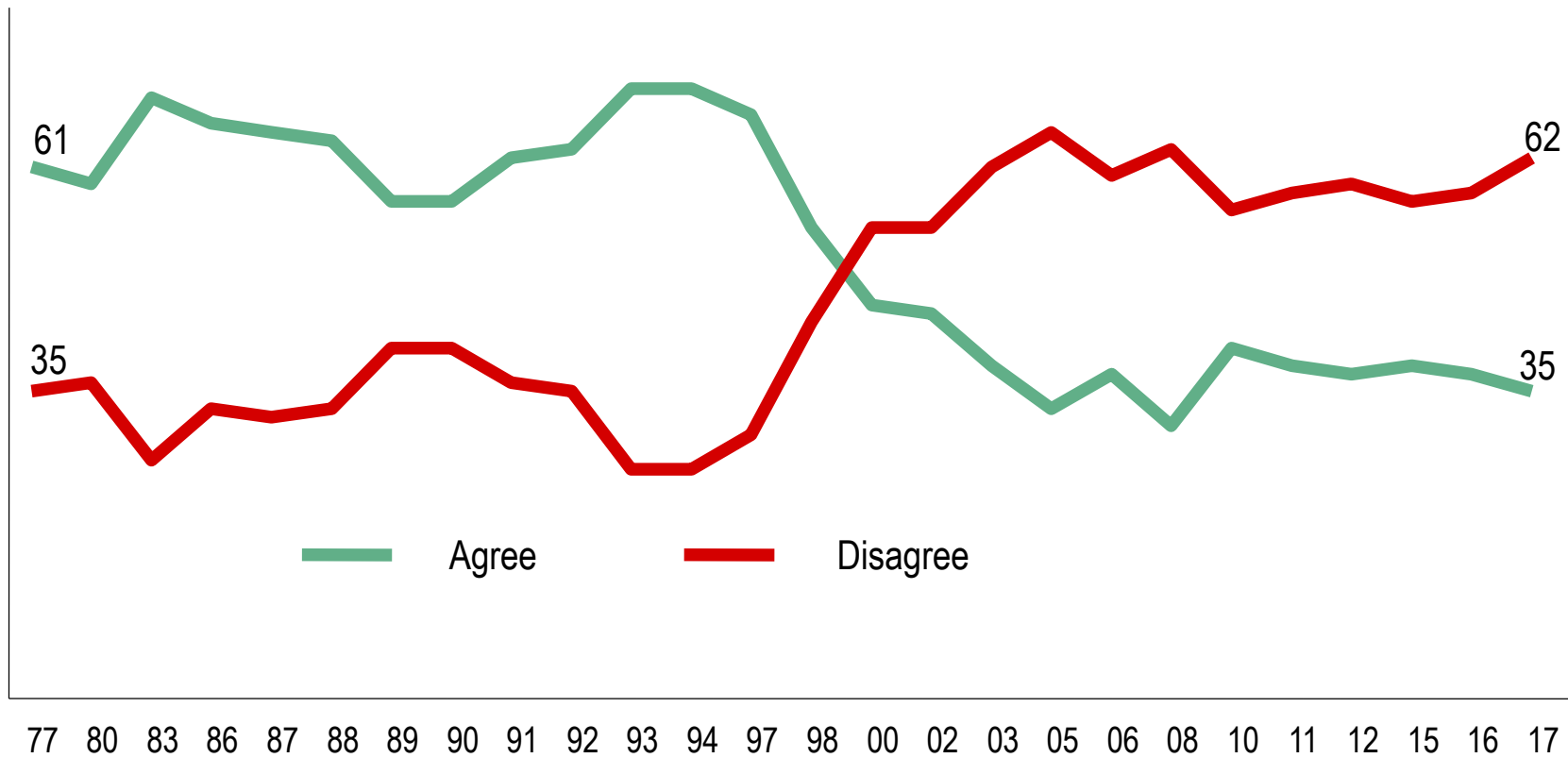
Moved ahead	CEOs of large companies	89%
	Banking/financial employees	63%
Fallen behind	Manual collar workers	56%
	Middle class	70%

Causes of stagnation or decline of the middle class?

Excessive concentration of wealth at top	69%
Wage and income stagnation	57%
Diminished universal social programs	39%
Reduced individual and corporate taxes	34%

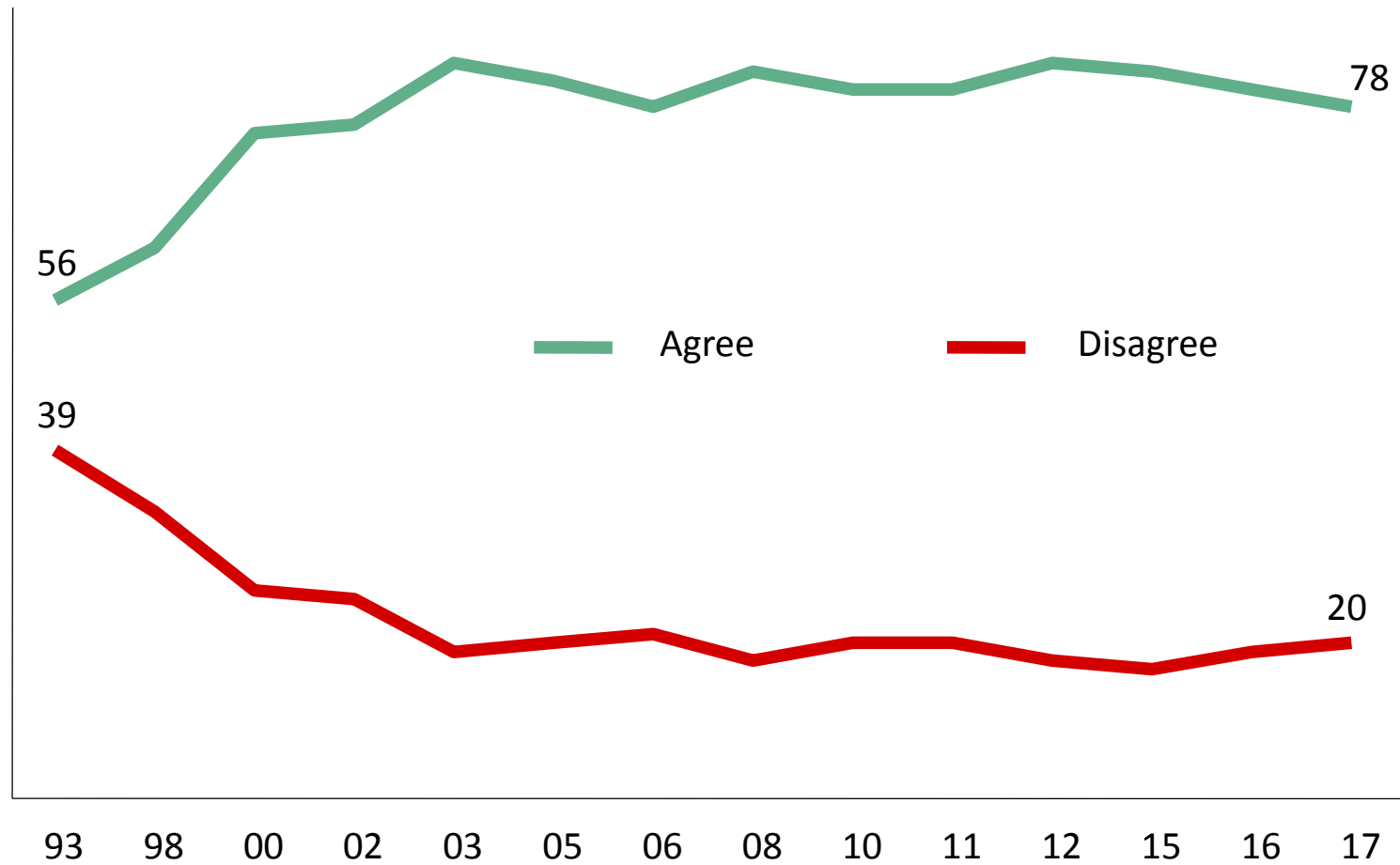
Economic anxiety and immigration?

Immigration levels are too high, 1977-2017



Economic threat?

The economic impact of immigrants is positive, 1993-2017



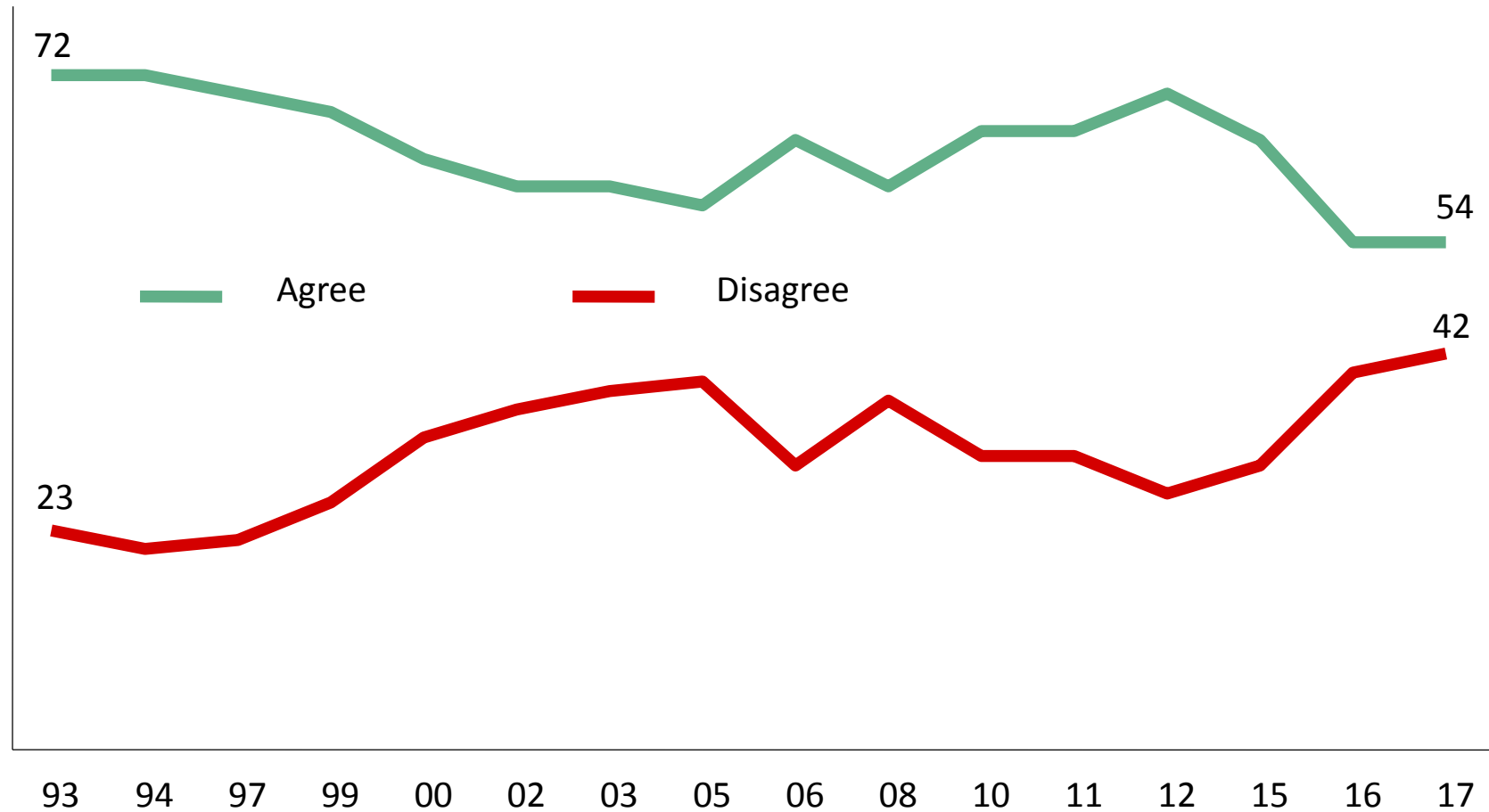
Focus Canada (2017)

Cultural insecurity in Canada?



Cultural insecurity? Canadian values

Too many immigrants do not adopt Canadian values, 1993-2017



Cultural Insecurity? Canadian Identity

How important is each of the following to being truly
[American / Canadian]?
Percent

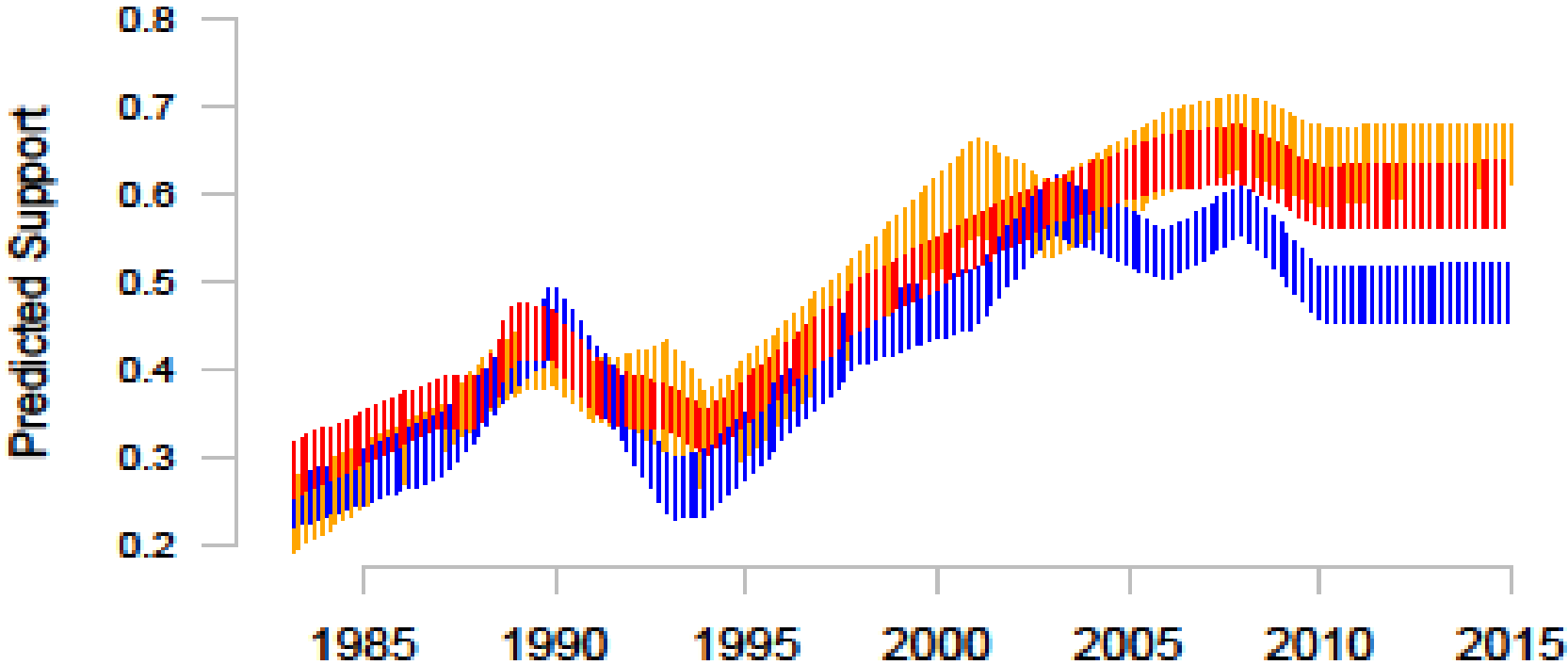
	To have been born in [the US / Canada]			To have [American / Canadian] ancestry			To be Christian		
	US	ROC	Que	US	ROC	Que	US	ROC	Que
Very	40	34	37	29	21	24	35	20	10
Some	29	30	31	29	34	30	20	21	19
Not very	21	23	22	27	26	31	21	23	34
Not at all	10	14	9	14	19	14	24	35	37

Source: Identity Diversity and Social Solidarity (IDSS) January 2014

Political Incentives: the Populist's Paradox



Support for immigration and party preference



Trends with 95% confidence intervals, based a model regressing support on year and party preference, interacted, as categorical variables. Environics Focus Canada surveys.

Clusters of attitudes: 2015 election

	Pro-immigration	Anti-Immigration
Pro-trade	39% Lib: 45% Con: 36% NDP: 36%	22% Lib: 17% Con: 32% NDP: 17%
Anti-trade	19% Lib: 22% Con: 10% NDP: 25%	20% Lib: 17% Con: 22% NDP: 22%

Source: Peter Loewen, CPSA Presentation, May 2017. (Data from Canadian Election Survey, 2015)

Populist's Paradox

- Electoral weight of immigrant votes
 - High level of naturalization; similar turnout to full electorate
 - First and second generation immigrants: large electorate
 - Concentration in electorally salient regions
- Electoral system
 - Barrier to smaller parties with diffuse support
 - Raises level of discontent for breakthrough
- Populist's paradox
 - Need to appeal to both immigrants and conservative base

Sustaining public support

- Economic policy
 - Reducing economic marginalization generally
 - Strengthening *inclusive* economic growth
- Immigration policy
 - Immigration as an economic positive
 - Levels versus speed of change?
 - Secure borders
- Multicultural discourse and norms of civility
 - Importance of framing
 - Political discourse and civility in public discourse