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OttawaWatch 26: Walter Block and the budget vote

By Lloyd Mackey

It was an intriguing exercise, given the possibility that, within the next year, Canada might be led by a prime minister who was a fiscal conservative and trained economist. While wondering about that prospect, I surveyed some of the work that had been done by Walter Block, a fiscal conservative who saw social, moral and, yes, religious justice in a market economy. Today, I would have a question for Block: What, if anything, would he do differently in the market, if he was faced with a global pandemic?

By tomorrow night we will know whether Belinda Stronach's jump to the Liberals will have done anything to improve or detract from the falling of the government.

My bags are packed to hop on a campaign bus. As of this moment, however, I feel as if the chances of a spring election are fading into the sunset.

That situation provides opportunity for some comment on why we came to the brink of an election. And the "why" has its roots, in part at least, to some questions about fiscal ideology and morality.

The leader of the Conservative party – Stephen Harper -- has pressed the case for bringing down the government on two fronts: the corruption related to the Adscam scandal and the Liberal-NDP deal on the budget.

It goes without saying, of course, that supporters of traditional marriage are praying for the fall of the government for a different reason: The death of the bill that would redefine marriage as being between two persons, rather than between a man and a woman. That act, known as Bill C-38, will die automatically, if the government falls.

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An examination of Stephen Harper's grounding in fiscal conservatism – as well as a little story about Walter Block – goes some distance to explain why the Conservative leader has made it such a point to try bringing down the minority Liberals on the corruption/budget issue cluster.

In 1991, Harper completed his thesis in defense of his master's degree in economics from the University of Alberta.

The main burden of that thesis was to examine the assumption that governments upset the natural time cycle of our market economy by inordinate spending in pre-election periods.

Harper's thinking, in that thesis and in his subsequent activity as an economist, in both the political and advocacy spheres, is rooted in the kind of fiscal conservatism in which he has steeped himself.

That thinking holds him to a position that would tend to oppose on principle, any kind of overt command-economy thinking, especially when it runs interference with what he would believe, as a fiscally conservative economist, to be a healthy run of market forces. Government interference with the markets, in this view, leads to a worsening of the conditions of hardship caused by such things as inflation and depression, repression and poverty.

Conversely, Harper would argue against those who see market freedom as a dark thing, requiring regimentation of a powerful state.

That kind of market economy thinking, held on a principled basis, would give any fiscally-conservative political leader reason to oppose the Liberal-NDP budget pact, and to tremble on the edge of ambiguity with respect to the Goodale budget which preceded it.

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I hope that my point will become more obvious when I briefly retell the story of Walter Block. Retell, I say, because, since when I first met Block, in the early 80s, I have found occasion, from time to time, to reintroduce my readers of the moment to him.

When I first encountered Block, he was director of the Centre for Religion and Economics (CRE) of the Fraser Institute, the Vancouver-based economically-conservative think tank.

Block told me, at the time, about how he first came to propose the idea of a body that could research the relationship between religion and economics from a market-oriented viewpoint. It happened after he returned, one Sabbath, from having heard his rabbi suggest for the umpteenth time that faith-based social justice required the subjugation of market forces and the acceptance of a Marxist-based understanding of economics.

Block spent the next few years working with a whole range of academics and leaders in religious groups, to acquaint them with the idea giving free reign to a market economy. He advocated that such thinking needed the under girding of a compassionate religious and ethical sub-culture, because the markets, in and of themselves, could at times, be hostile.

Block's chief contribution to the thinking of that period was the organizing, in August, 1982, of an International Symposium, by the CRE. The subject of the symposium, held in Vancouver, was *Morality of the Market: Religious and Economic Perspectives*.

The event drew together a number of the best minds in the field, from a range of religious, political and economic viewpoints. Probably the best known, at the time, was Michael Novak of the American Institute. His seminal work, *The Spirit of Democratic Capitalism*, created among many religious people, the idea that faith was not incompatible with capitalism.

In 1991, after 12 years at the Fraser Institute, Block let it be known that he wanted to research and teach in a religious academic setting, believing that academe could benefit from a disavowal of the resident intelligence that the God is on the side of Marxian analysis.

While remaining devoutly Jewish, he recognized that his best teaching opportunity might be in a Christian university.

So, in 1991, he became an associate professor of economics at Holy Cross College in Worcester, Massachusetts, where he stayed until 1997.

After a stint at the University of Central Arkansas, he moved, in 2001, to Loyola University, New Orleans, a Jesuit institution, where he holds the title Harold E. Wirth Eminent Scholar Chair in Economics and Professor of Economics.

All of which is to say that faith-based fiscal conservatives, if they wish, can find the same academic and cultural support for their positions as do their brothers and sisters in the social conservative world. It is a good deal more cerebral and less emotive than some of the efforts to advocate for traditional family and life viewpoints.

But this kind of support is just as significant in the interplay of faith and politics as is social advocacy.

That is why there will be something for me to write about next week, in the wake of Thursday night's budget vote.

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