Towards a New Social Contract

Friday, February 1, 2002 – The idea of a *social contract* is an old and useful one. It goes back more than three centuries to political theorists like Hobbes, Locke and Rousseau. The term captures the implicit understanding among citizens about their obligations to each other and to the state, and what they can expect from each other and the state in return.

Clearly, while this social contract may be widely observed, there will be differences of opinion regarding its details. Such differences will grow in times of social, cultural and economic flux. The social contract may be so undermined by events that a reliable consensus is no longer in evidence. Then, it's time to rebuild that consensus for a new context.

This is the subject of a speech by Judith Maxwell, CPRN's President, to the Annual Conference of the Association of Canadian Pension Management in Calgary. In ***Our Promise to Canadians in the 21st Century: Social Health or Social Deficit?***, Mrs. Maxwell points to the changes that have taken place since the days when the post-war social contract in Canada created a strong synergy between economic and social policies.

Developments of the past two decades have undermined that consensus. Maxwell shows how efforts to put Canada's fiscal house in order have led to individualization of risk and a growing reliance on markets to determine who has more, who has access and who is excluded. The idea of self-reliance has drowned out that of collective responsibility. The old underlying consensus has been shaken. It's time to rebuild.

With our economic house in better shape there is new room to manoeuvre. We can seek a new synergy between economic and social policies, one that addresses the growing dichotomy in the new economy between the creation of immense wealth and greater social distress. Maxwell urges us to re-think our core principles, especially regarding education, the family and employment, and come up with a new set that ensures all citizens have the capacity for self-reliance.

You can access or download a Powerpoint version of her speech by clicking here.

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