



## A Question of Confidence

*Confidence, it is said, is a plant of slow growth that withers easily in a climate of slow growth in the economy. It comes in several different varieties, the hardiest of which is a cross between faith and hope. Here we examine it, and consider the question that has been on everybody's mind lately: Just what have we got to be confident about?*

□ It has become almost habitual in these grim days for political and economic commentators to speak of a "crisis of confidence." The expression has a suitably heavy ring to it, like the bells of doom. It has also proved to be a convenient device for explaining away problems for which there is no other obvious reason. As a catch-phrase, it has the merit of being at once both resounding and vague.

Its wording might be confusing to anyone who has not heard it before. It actually means the reverse of what it says. It refers not to confidence, but to the lack of it. This lack of confidence in the economic future stands in the way of efforts to pull the Canadian economy out of its present slump.

Similarly, there is some confusion over the word "crisis" in this context. Viewers of television news programs, hearing the word two or three times a night, may be forgiven for mistakenly believing that a crisis is a problem that won't go away. But it is not what many journalists seem to think it is. A crisis is a turning-point at which a condition either gets worse or better. Doctors use the word advisedly. A patient in a crisis can be expected to recover or die.

Chinese people have a clear idea of the nature of crisis because of their lexigraphy. Sociologist Saul Alinsky observed: "The Chinese write the word 'crisis' with two characters. One means *danger* and

the other means *opportunity*." If we think of a crisis that way, a crack of daylight appears in the picture. If people are able to clutch the opportunity, they might be better off than ever once the danger has passed or been overcome.

The question is, does this encouraging thought apply to the peculiar state called a crisis of confidence? The answer depends on what kind of confidence we are talking about. The *Oxford English Dictionary* lists no fewer than seven definitions of the word, three of which have a direct bearing on the question. All refer to an individual condition as opposed to the mass psychology that steers public attitudes, but all can be easily converted into mass terms.

The first definition in the *Oxford* is "the mental attitude of trusting in a person or thing." To adapt this to mass psychology, let us put that "person" in the plural, and say that those persons are our political and economic leaders. Then let us say that the "things" referred to are our political, social and business institutions. In earlier times, it was in their leaders and institutions that people placed their trust.

This is not, however, a trusting age. It sometimes looks as if the guiding principle of modern journalism, literature and higher education is that everyone is guilty until proven innocent. The

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relentless scepticism with which the mass media views the world has come to be reflected in public attitudes.

Scepticism is a healthy enough trait up to a point, but when it becomes a dominant state of mind, it can develop into outright cynicism. The original Greek word for cynic was derived from the image of a surly dog snarling at everything it sees. "A cynic is one who never sees a good quality in a man, and never fails to see a bad one," wrote Henry Ward Beecher. "The cynic puts all human actions in two classes — openly bad and secretly bad."

Cynicism may not yet have gained control of the public mind, but it has at least made enough inroads to affect confidence in the sense of trusting in someone or something. At a time when its every move comes under suspicion, the leadership of society finds it difficult to retain public trust. The trouble is that the less trust leaders enjoy, the less they are able to lead . . . and the less they are able to lead, the less they are trusted. It becomes a vicious circle: a lack of trust destroys the grounds for trust, and so on.

If one does not feel confident *in* something, it is hard to be confident *of* something. Specifically, it is hard to be confident of a secure economic future when one does not feel confidence in the leadership of the nation or the world. Here is where the second definition of confidence comes in: "The feeling sure of a fact or issue; assurance; certitude; assured expectation." This variety of confidence now appears to be in short supply.

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*He may not see the horizon,  
but he knows it's still there*

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In these shifting times, it is virtually impossible to be certain of any eventuality. The only people who are sure of what they think are the inveterate pessimists who declare that the situation can only grow worse. To some extent, this is self-fulfilling prophecy, because negativism is contagious. "To believe a business impossible," said Jeremy Collier, "is to make it so."

*Between Calls*, a publication of Industrial Sales Development Inc., recently recounted a little parable to this effect entitled "The Man Who Sold Hot Dogs." It evidently dates back to the 1930s, but it bears repeating today:

There was a man who lived by the side of the road and sold hot dogs. He was hard of hearing so he had no radio. He had trouble with his eyes so he read no newspapers. But he sold good hot dogs.

He stood at the side of the road and cried: "Buy a hot dog, Mister?" And people bought. He increased his meat and bun orders. He bought a bigger stove to take care of his trade. He finally got his son home from college to help him out. Then something happened.

His son said, "Father, haven't you been listening to the radio? Haven't you been reading the newspapers? The European situation is terrible. The domestic situation is worse." Whereupon the father thought, "Well, my son's been to college, he reads the papers and he listens to the radio, and he ought to know." So the father cut down his meat and bun orders, took down his signs, and no longer bothered to stand out on the highway and sell his hot dogs. And his hot dog sales fell almost overnight.

"You're right, son," said the father to the boy. "We certainly are in the middle of a great depression."

With so much gloom hanging in the air, people are unable to see what is ahead of them. They naturally hesitate to move into the unknown. They want reassurance that they will not stumble — or fall and break their necks — before they commit themselves.

They — and the economy — are suffering the pangs of uncertainty. Uncertainty is associated with a lack of confidence, but the two are not necessarily synonymous. Uncertainty will stop some people in their tracks, while others will take it in

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stride as a normal part of living. In fact, a person may well feel uncertain and confident at the same time.

That is, he may have doubts about his prospects in the short run, but still be confident of reaching the goals he has set for himself in the long run. He might not be able to see the horizon in the current murk, but he has not forgotten that it is there. He does not ask for certainty at any time, because he knows that "sure things" do not exist in real life any more than they do at a racetrack. There are no certainties, only probabilities. He calculates that those probabilities will work in his favour over time.

This is a manifestation of confidence according to the third definition of the word: "Assurance, boldness, fearlessness, arising from reliance (on oneself, on circumstances, on divine support, etc.)." Note the difference between this and the other two. With this kind of confidence, you do not depend on something or somebody else; you do not depend on a guarantee of security. You depend on yourself, on your surroundings, and on the things you believe in. You make your own way.

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### *It is natural to wonder whether you will ever be the same again*

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At the crossroads of opportunity and danger, you clearly recognize the danger. You also recognize, however, that there is a fighting chance that danger can be overcome. For societies as for individuals, the worst danger of all lies in the loss of this cool assurance. In warfare, it is what turns an orderly withdrawal into a bloody debacle. "Self-distrust is the cause of most of our failures," wrote Christian Novell Bovey. "In the assurance of strength, there is strength, and they are weakest, however strong, who have no faith in themselves and in their own powers."

We all occasionally lose faith in our ability to cope with the world, especially when we are not feeling well. To people who are used to an active life, the sudden loss of strength due to illness comes

as a distinct shock. They are likely to wonder whether their strength, or at least a significant part of it, has permanently deserted them. Their doctors may tell them that the loss of strength is only temporary, but there are dark moments when they feel that they will never be the same again.

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### *A strength that lies so deep that it is almost out of sight*

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Economic problems are often likened to physical ailments (investment analysts like to refer to a falling market as "sick") and they have much the same psychological effect on people. They experience periods of depression when it seems that all is lost. To hear some Canadians talk about the present slump, one would think that the reserves of strength in this young and basically robust nation have been almost exhausted. This is simply not so; our basic strengths are intact, but they need more exercise.

Still, it is fair enough to ask just what those strengths might be, considering all the signs of weakness around us. Our standard of living relative to other countries has slipped in recent years, a large proportion of our labour force is unemployed, and our dollar certainly is not what it used to be. The answer is that the strength is down so deep that it is not immediately apparent. It lies largely in things which we take for granted, but which are greatly envied in other parts of the world.

For example, we are accustomed to living with generally high standards of health care and education, with political stability and democratic institutions. These might be considered mere social niceties from a hard-headed economic point-of-view. But think of what our economy would be like without them — if our labour force were not adaptable and trainable, if we were regularly subject to civil violence, if people did not feel that they had a stake in the system. Things like these make up

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the tissue of a fundamentally healthy body politic — one that is able to rally and recover from its periodic economic ills.

In strict economic terms, Canada has pronounced underlying advantages. It is an advanced country technologically. Its manufacturing plant and equipment, on the whole, is reasonably up-to-date. Its agriculture is highly productive, its financial system functions well, and it has excellent transportation and communications facilities. In other words, its economic infrastructure is sound.

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*A nation founded on boldness,  
hope, and precious little else*

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Then there are Canada's abundant natural resources, which continue to hold great potential for the future. Historically, the discovery and development of the natural riches of this harsh and inhospitable land have been among the stiffest challenges Canadians have had to surmount. We should never forget that the national bounty in which we all indirectly share would have remained in the ground and under the water if our pioneers had not risked their lives, limbs and money to release it from the hard grip of nature. Canada's good fortune in this respect was not given; it was earned.

To discover the reserves of strength in themselves, present-day Canadians could do worse than look back to those who have come this way before them. These were the people who shot the rapids, climbed the mountains, cleared the forests, dug the mines, broke the sod and built the dams. They did not let adversity get them down for long — how could they in a land of such ruggedness and loneliness, such cruel weather, such endless distances to conquer? They had an abundance of the

combination of faith and hope that makes confidence. And when they came together to form a nation, critics called it a triumph of confidence over common sense.

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*"In self-confidence, and that  
alone, we have gone downhill"*

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"Let us confess the truth: in self-confidence and self-confidence alone, we have gone downhill since 1867," Bruce Hutchison wrote on Canada's centenary. It is strange that the people of a nation that was founded on boldness, hope and very little else should from time to time show a serious lack of faith in themselves.

True, confidence in Canada has always taken wide swings. A decade-by-decade study of public mood since Confederation shows an almost manic-depressive pattern. Canadians have been over-confident at some times and under-confident at others. In our spells of over-confidence, we have tried to take more out of our economy than it was capable of giving. The under-confidence occurred when we had temporarily run it down, then doubted its ability to bounce back.

But this "is a goodly land, endowed with vast recuperative powers," as the early Liberal Party leader Edward Blake once commented. Through the best and worst of times, Canada has always managed to make real progress — progress being, in the memorable words of Will Durant, "the domination of chaos by mind and purpose, of matter by form and will." In the long run, the land has more than repaid the hope and faith which generations of Canadians have poured into it. No doubt it will continue to do so as long as Canadians have faith in it — and faith in themselves.