

## BOOK REVIEWS

Cohen, D., and Shannon, K. *The Next Canadian Economy*. Montreal, Quebec: Eden Press, 1984, 204 pp. \$9.95 (paperback).

In their book, *The Next Canadian Economy*, the authors Cohen and Shannon focus on a number of emerging trends in the world economy and the need for considerable change within Canadian economic and social institutions to meet the challenge of these new developments. Canada is in a transitional phase to a new economic order. Delaying changes within existing institutional structures will both prolong the transition period and raise the costs to the average Canadian. It should be mentioned at the outset that a considerable number of the issues raised in this book were also raised in the MacDonald Commission Report released in September of 1985. As should be expected, the discussion by Cohen and Shannon is considerably more descriptive and less detailed than that presented in the Commission's report.

The changing world order, according to the authors, is characterized by a growing level of economic interdependence in the world economy. Countries are increasingly relying on foreign trade for economic growth. The rising competitiveness in the world markets for manufactured goods stems from the industrialization of a number of the rapidly growing developing economies like Taiwan, Korea, Hong Kong and Brazil. These countries are utilizing western technology along with cheap local labor to penetrate and indeed threaten the existence of the manufacturing industries of the older industrialized economies. Canada has experienced gradually rising unemployment, some over the past decade only a portion of which can be explained by the decline in relative competitiveness of Canadian manufactured goods in world market. A more important reason, according to the authors, relates to the rapid technological changes which are taking place in most sectors in the Canadian economy. Workers are being replaced by machines as industry attempts to lower its labor costs and remain competitive. According to the authors, this process is both necessary and inevitable. These emerging costs, however, could be lowered considerably with focussed changes within the existing socio-economic and political system.

As Canada and other countries evolve toward a more information-based, technologically-transformed system, the key participants in this transition process have been unable to expedite the transition. Indeed, in the authors' view, their actions have been responsible for a slowing down of this transitional process by clinging to the status quo. Some of the culprits identified are groups ranging from journalists, economists and money managers to government, corporate and labor union bureaucrats. An example of this problem cited by the authors is the way that journalists and economists regularly report on the *cyclical* nature of today's economic malaise. Cohen and Shannon maintain that today's problems are of a structural rather than cyclical nature. Journalists and financial experts have grown used to describing the Canadian economy and its problems using dated jargon and models. Economists are still recommending solutions like war, inflation and 'mating like rabbits' to our current economic crisis. One of the effects of this, according to the authors, is to desensitize the Canadian public to the urgency of the present situation. With unemployment described as being cyclical, rather than structural, the average Canadian's normal interpretation of this description is that the situation is temporary and to some extent inevitable. This form of reporting and economic analysis, using old tools and jargon, reinforces the Canadian disease of complacency. The jobless growth experienced in most western industrialized countries is symbolic of deep-rooted structural changes taking place within their economies. High profile groups like economists, and more importantly journalists, must break from their old way of doing things to help expedite this transitional process.

The Canadian government has amassed a sizeable fiscal deficit over the past decade, according to the authors, and this is having a constraining effect on the rapid transition to the new economic order. Indeed, Cohen and Shannon point out that new permanent job creation will not come from indiscriminant fiscal spending as it has in the past. Government spending programs must be more finely targeted at expanding small business activities, encouraging entrepreneurship and research and development, and assisting in the retraining of Canadians for work in the new growth areas of the emerging Canadian economy.

The authors pay particular attention to the importance of downsizing for both government and private sector organizations. The new economic order will require considerable adaptability of economic organizations to new technological developments. Economic units supplying goods or services will have to pay considerably

more attention to quality. These requirements are more easily accommodated, according to the authors, in smaller organizations which have considerably more flexibility than larger ones. Labor unions will have to change their somewhat rigid, centralized organizational structure to smaller more flexible and adaptable organizational forms.

The authors identify a few government social service programs which are identified as being consistent with the old rather than the new economic order. Programs like UIC are at least partially based, according to Cohen and Shannon, on the principle that unemployment is of a temporal, cyclical nature. Recognizing the structural nature of this problem will require a revamping of the compensation program. The current tax system, according to the authors, is inordinately complicated and cumbersome, and encourages Canadians to expand valuable resources in an attempt to reduce their tax burden. The authors argue for modernizing our tax system, with a focus on simplification.

Cohen and Shannon maintain that the biggest problems we as Canadians face are intangible. They maintain that leftover assumptions, expectations, and institutional systems are simply getting in the way of moving to the next Canadian economy. Old patterns and social norms must be broken down. The Canadian people as well as their institutions must become more flexible to meet the emerging economic challenge and as we move toward the new economic order, cooperation must replace confrontation as the *modus operandi*.

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Gumbert, G.B. (Ed.). *A World of Strangers: International Education in the United States, Russia, Britain, and India*. Atlanta, Georgia: Center for Cross Cultural Education, Georgia State University 1985, 90 pp.

This book is volume 4 of a series produced by the Center for Cross-Cultural Education at Georgia State University. It focuses on international education in the United States, Russia, Britain, and India.

The book begins with an excellent introduction and overview by Edgar Gumber, who asks fundamental questions about how individuals gain knowledge about foreign nations. He discusses in some detail the similarities of the papers which follow, as well as the sources of information available to the different individuals and some of the cross-cultural differences in terms of comparing media systems in the various countries. The editor also correctly laments the proclivity of some nations to engage in hostility, mis-information, and even wars as a foreign policy strategy, rather than enlightenment and education which should be more readily available now given the rapid advances in the telecommunication sector.

The first article, by Judith Torney-Purta begins with a review of recent reports which reflect an ethnocentric viewpoint concerning the applicability of the American educational system as a universal model. In particular, she points out that senior policy makers in the international field tend to operate under a number of dubious assumptions, particularly with reference to the exportability and applicability of the American educational system to foreign lands. Unfortunately, the chapter does not go into sufficient detail concerning the disproportionate power wielded by senior administration and policy makers in the international educational field, as compared to the rather meager power and input of educators in the same domain. This article, together with the editor's introduction, refers to the paucity of sustained research on international political socialization. Together, both articles make such a convincing case that one would hope that as part of their future lecture series and publications, that they will concentrate on this specific issue.

Torney-Purta also details both historical and relatively recent research in the areas of nationalism and internationalism, although space limitations prevented her from including several of the methodological problems that exist, particularly with early research. The piece concludes with a short, yet pointed, discussion about what is needed for further research, emphasizing again the need to understand and expand upon underlying assumptions for cross-cultural research in the area of global information.

Stephen Kerr, in his chapter entitled "The Distance Puzzle: How Soviet Citizens Learn About the World", takes on a difficult task. It is a thorough review of information that is domestically available within the Soviet