Our Nation's Finest

The Globe and Mail photographer John Lehmann

2011

FINALISTS

THE GLOBE AND MAIL

The Globe and Mail
Nominees of the 2011
National Newspaper Awards

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NATIONAL NEWSPAPER AWARDS

2011 NOMINEES

A 24-hour news operation generates hundreds of stories from hundreds of journalists every year – stories that bear witness to everything from political uprisings to pop culture, in forms ranging from short videos to long-form essays. So what makes the work collected here stand out? Why have these stories from The Globe and Mail been nominated by judges looking at the best in journalism from across Canada?

Guts and tenacity are a good start. Mark MacKinnon risked radioactive fallout to report on Japan's nuclear crisis. For years, Stephanie Nolen pursued access to the film adaptation of Midnight's Children, then snuck past Sri Lankan authorities to get on set. Patrick Martin won unprecedented access to Hamas members – from bomb-planting militants to senior members of its cabinet – for the ground-breaking multimedia project Inside Hamas.

This collection also includes breaking news that matters: Andy Hoffman and Mark MacKinnon uncovered the troubling story behind Sino-Forest Corp. – which has since collapsed under accusations that it overstated its assets (mainly forestland in China.) A team of reporters chronicled the shocking murder-suicide that left four dead outside Claresholm, Alta.

Of course, insight is a must for outstanding journalism: Carolyn Abraham's piece on advances in reproductive technology explains a complex science, but also the ethics of creating "the perfect child." Eric Reguly writes from Italy on the fall of Silvio Berlusconi, and offers some surprising insight into why this girl-obsessed modern-day Nero may not be behind the country's economic troubles.

All of this comes before a writer even tackles the blank screen. From there, that rarest of gifts – creative genius – is summoned. This is what makes Ian Brown's piece on his severely disabled son not only a moving personal reflection but a lyrical meditation on what makes a life matter. It's what Patrick White brings to his piece on death at the 64th parallel – a look at the tragic troubles of Nunavut.

Whatever the intangibles behind the best of the best might be, we celebrate these journalists not only for winning a coveted nomination, but for the bigger prize: creating work that moves you – our readers.

John Stackhouse, *Editor-in-Chief, The Globe and Mail*

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MULTIMEDIA REPORTING

Inside Hamas

PATRICK MARTIN
MAY 24, 2011

About the Inside Hamas series

May 24, 2011

Inside Hamas is an unprecedented examination by The Globe and Mail of the militant organization shunned by the West, embraced by many Palestinians, and feared by Israel.

The series comes at a time of crucial importance for Hamas. The organization has drawn renewed attention in recent days from U.S. President Barack Obama and Israeli Prime Minister Benjamin Netanyahu after agreeing this month to join with more accepted Palestinian organizations and support a unified Palestinian government to try to gain international support.

Middle East correspondent Patrick Martin and film crews spent more than a year on the project, gaining rare access to officials and operatives of Hamas, including founders of the movement and influential imams, as well as rank-and-file supporters.

The series includes video documentaries, interview footage with Hamas members, accompanying analyses and multimedia reports. It paints a multi-faceted portrait of Hamas, which has changed itself from an organization best known for throwing rocks in the streets and carrying out suicide and rocket attacks into a powerful force using both violence and political means toward its goal of establishing a Palestinian state.

The series doesn't endorse the extreme views of Hamas, but brings a greater depth of understanding to a group that will remain a critical player in one of the longest-standing conflicts of the modern age. What you can expect from Inside Hamas:

» Six exclusive documentaries exploring the complexities and challenges of Hamas
» 16 longer interviews where you can hear what Patrick Martin heard during his year long examination.
» Photo galleries, the history of the organization, interactive maps and more

Please find the full Inside Hamas series, a 2011 National Newspaper Award nominee in the category of Multimedia Journalism, by clicking here.

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NEWS FEATURE PHOTOGRAPHY

Pulling together in a canoe

JOHN LEHMANN
DECEMBER 20, 2011

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

EXPLANATORY

Are sperm concerns the product of premature evaluation?

CAROLYN ABRAHAM
SEPTEMBER 17, 2011

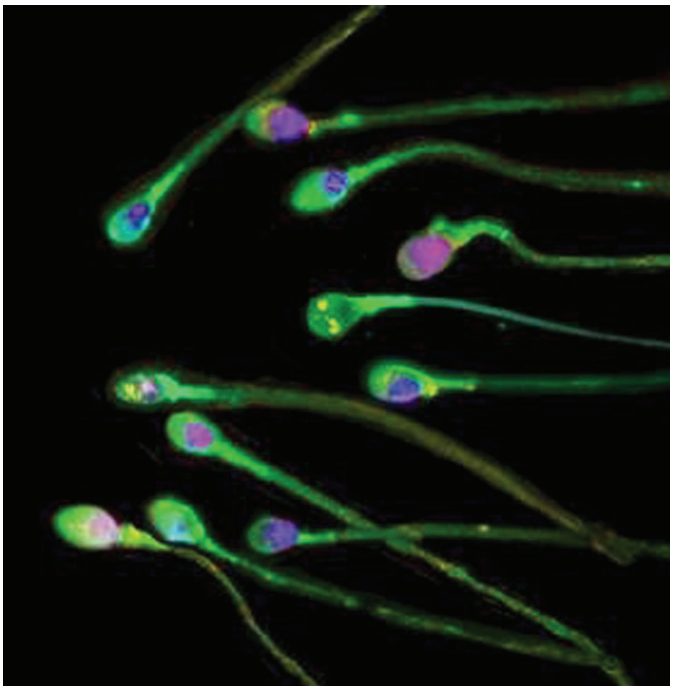
In the Danish city of Aarhus, a big university town by the sea, young men stream into the offices of Cryos International each day to fill a cup with their semen – so many that there's a 600-person waiting list. Guinness World Records lists it as the planet's largest sperm bank: It has 140,000 samples available, ships to more than 65 countries and helps to impregnate close to 2,000 women a year.

International headlines have compared it to the new Viking invasion: "How Danish Sperm is Conquering the World," said one; another, "the Viking Baby Boom." Yet beneath the big horns and bravado, there has been more fretting in Denmark over the future of manhood than in most places on Earth.

One reason they are such avid sperm donors is that their own country is in need: Danes have among the world's lower sperm counts. They also have one of the highest rates of assisted reproduction (more than 8 per cent of births), testicular cancer and male genital abnormalities.

If the sperm story in a tiny country like Denmark can appear to have two very different sides, it's no wonder that it has become an epic saga of confusion and conflict in the rest of the world.

It was Danish scientists who first reported in 1991 that sperm counts were in free fall around the globe. They announced counts



had dropped by an alarming 50 per cent worldwide between 1938 and 1990 and predicted the trend would continue, painting a picture so bleak it suggested all men were on the road to sterility.

Many scientists hammered the study as flawed, but the news went off like a bomb in the news media, igniting debates over a long, worrisome list of possible causes, from estrogen exposure to toxic chemicals to long car trips and tight pants.

Yet 20 years later, despite everything riding on it – male sexual health and the very survival of the species – researchers are split over whether it's true.

"We don't even have consensus about what determines quality sperm – is it density, shape, total number? … Is it big head

movement, or big tail movement? It's like comparing apples and bananas," says Ole Schou, founder of Cryos. "But everybody in the general population thinks there's something wrong with sperm."

"This area is a mess," says Keith Jarvi, head of urology at Mount Sinai Hospital in Toronto. "The only consensus is we really don't know."

Some experts think things are looking up; others still fear that society may face the kind of apocalyptic scenario depicted in Children of Men, the 1992 P.D. James novel and 2006 film about a chaotic, wartorn world of humans unable to procreate. (The novel was in fact inspired by reports of falling sperm counts.)

It's a long route from the day that pure curiosity drove a 17th-century Dutch scientist to peer down his homemade microscope at the fluid he had captured from a conjugal romp.

Anton Van Leeuwenhoek worried that his descriptions of the wee creatures he saw swimming vigorously might "disgust or scandalize the learned." But the Royal Society of London took a longer view and published his descriptions of spermatozoa, the "sperm animals" he saw, as well as his hunch that sperm had something to do with fertility – even though many people for the next hundred years thought they were parasites.

Only in the 19th century were sperm recognized as the cellular seeds of male fertility. And soon after, people started counting them as a measure of such – in frogs, roosters and, eventually, men. By the 1930s, studies had stacked up enough to define a normal range, which led to international comparisons. It was in October, 1991, at a World Health Organization meeting on environment and reproductive health that researchers at the University of Copenhagen shocked the world with theirs.

Tracking sperm counts of nearly 15,000 fertile men published in 61 studies over 50 years, researchers led by Niels Skakkebaek found sperm concentration in human semen had fallen worldwide by nearly half – a progression they depicted with a dark line sloping down through the decades.

"It looked like a scatter-gram," said Dolores Lamb, president-elect of the American Society for Reproductive Medicine. "If you followed the linear, downward trajectory that the researchers had drawn through it – it said all men would be infertile by around 2010 … if the line continued."

Along with a reduction in male fertility, they wrote that the falling counts coincided with a troubling rise in abnormalities of male genitalia – testicular cancer, undescended testicles and misplaced urethras. Together, it looked to them like a collection of new disorders striking males, one they

would later call "testicular dysgenesis syndrome." And the speed of it suggested an environmental culprit.

Bottom of the animal kingdom

In the days before Viagra, when issues around male sexual health were still in the closet, these findings stoked anxieties: Man's fertility had been measured, and he was falling short.

Yet, said Dr. Lamb, a fertility expert at Baylor College of Medicine in Houston, "people had a field day with this graph. Some researchers did their own analysis and said it wasn't a downward trajectory, but a U-shape, that something catastrophic happened to sperm counts in the 1970s – maybe something to do with Saturday Night Fever – and that things were on the upswing."

Bernard Robaire, a professor of pharmacology and expert in male reproduction at McGill University in Montreal, calls it "the worst statistically analyzed study that I've seen."

Yet even Dr. Robaire feels that "it was a good thing because it got people talking about men's health."

And so began a flurry of studies to investigate if human sperm was truly headed for extinction.

For Richard Sharpe, the world's interest in testes could not have come sooner. An expert in male reproductive health at the University of Edinburgh, Dr. Sharpe is troubled by the health of human testes. For the size of them, he says, men don't produce nearly enough sperm, and most of what they do make is useless – only 5 to 15 per cent is viable. For other male animals – "dogs, cats, sheep, mice, rats, cows, rabbits" – the ratio is nine out of 10: "We're in League Division 7, and every other animal is in League 1."

At the time of the Danish report, he and Dr. Skakkebaek were leading proponents of the idea that overexposure to the female hormone estrogen had put male reproductive health in peril.

The hypothesis suggests that estrogens found in everyday foods such as milk and soy, along with synthetic estrogens in pollutants, were wreaking havoc with male reproductive systems. It seemed to jibe with reports at the time of testicular cancer rising more than two-fold, news of fish (and other wildlife) becoming feminized and vexing reports, one of them from Canada, that the number of male children being born was lagging behind the number of females.

But studies since have not borne out the estrogen threat and most scientists have largely abandoned the idea, Dr. Sharpe included. Neither has research revealed any one environmental contaminant to explain lower sperm counts in the general population. Dr. Sharpe still suspects a combina-

tions of chemicals play a role, but studies have yet to identify them.

Instead, he says, he now feels that the best predictor of a man's reproductive health is what happened with his mother while he was still in her womb.

Geography is destiny

Researchers trying to confirm the falling-sperm-count story were finding different answers all over the map. Numbers looked higher in Finland than Hong Kong, Scotland and parts of Africa. Recent Finnish numbers have fallen, while Sweden's are stable. Counts look good in France, and bad in Thailand. The U.S. tally plots east over west, with sperm counts higher in New York and lower in California.

"There's a difference between countries, there's a difference between men living in different parts of countries. There is just so much variation," Dr. Jarvi says. But he says no one can explain if it reflects differences in geography, temperatures, environment or genetics.

What's more, with all the things that can foul up sperm counts, experts say most studies to date are unreliable, including the Danish report that raised the flag in the first place.

A healthy man makes about 80 million sperm a day, or 100 a second. But these numbers can change with age, and by season, and dwindle for any number of reasons – if a man gets too hot or has too little sleep, has a car accident or, of course, has sex – suddenly his count lands in the low range.

A good study should have men abstain from ejaculation for two to five days to collect an accurate sample – but it's difficult to know for sure. "The most striking thing missing from [nearly half the papers in the Danish report] was the duration of abstinence prior to the sample collected," says Vancouver's David Mortimer, past president of the Canadian Fertility and Andrology Society.

In his controversial book The Skeptical Environmentalist, Bjorn Lomborg, a former member of Greenpeace, argues that semen samples collected in the 1930s before the sexual revolution and the birth-control pill should not be compared with those gathered after it: Modern men are far more sexually active, which might also explain why sperm counts seem lower.

Besides, sperm counts are "one of the least useful measures of fertility," compared with how well a sperm swims and its shape, Dr. Mortimer says. The trouble is that picking individual sperm out of the crowd under a microscope is tricky.

"It's like looking down on a very busy street from the 11th floor on Bay Street – you see cars … but you don't know anything

about their engines," says Sergey Moskovtsev of the Create Fertility Centre in Toronto.

Labs are also notorious for miscounting sperm. Four times a year, the American Association of Bioanalysis sends out batches of the same semen sample to 500 U.S. labs for proficiency testing, Dr. Lamb says. Most fail.

Dr. Mortimer cites a study in which two labs tested a sample from the same man and found that "at the one lab the fellow would be identified as infertile, at another he could be a sperm donor."

Still, he adds, "I would say there probably is a decline in sperm counts worldwide – but I would not stand up in a court of law and say so."

Nor can anyone at the moment, says McGill's Dr. Robaire, who also serves as editor-in-chief of the Biology of Reproduction Journal. "I've seen too much garbage, too many bad studies."

His own reading of the numbers is that counts clearly fell after the Second World War, stabilized and then picked up slightly. The big postwar dip coincides with women picking up smoking, he suspects, as animal studies show maternal smoking can reduce the number of stem cells in the developing male that make sperm. (Danish women had the highest smoking prevalence in Northern Europe after the war, studies find, peaking at about 40 per cent in pregnant women in the 1980s.)

In Canada, meanwhile there have been no national sperm-count studies at all. "No one's bothered to put it together," Dr. Mortimer says. "The drive has not been there."

Yet, as the experts like to say, testes are like those old canaries in a coal mine – they die first if there's trouble. "Semen is a reflection of overall health and well-being," Dr. Moskovtsev says.

Down for the count

Over time, the World Health Organization has dramatically lowered the bar for a normal sperm count, based on sperm concentrations among men who impregnated a woman in a one-year period of unprotected intercourse. The guidelines used to peg the low end of fertility at 60 million sperm per millilitre, Dr. Moskovtsev says. Then it fell to 40, then 20 and in the most recent edition, published last year, it sits at 15 million.

Some researchers worry that this is a move in the wrong direction. In a letter published last week in the journal Science, Dr. Sharpe wrote: "It is time to stop accepting low sperm count as normal and confront the possibility that the fertility of present and future generations is at risk."

He says the latest research shows that the proportion of men with high sperm counts is declining, while the number of men with low counts is rising. And it's not just sperm

counts, he says, but testosterone levels too – that hallmark hormone of manhood.

"It's declined, independent of age, on both sides of the Atlantic," Dr. Sharpe says. This could be due to the increase in obesity, he says, since abdominal fat can lower testosterone levels, or to conditions when a male fetus develops in the womb – one of the few areas of consensus in sperm studies today.

A woman's diet, lifestyle and environmental exposures, particularly in the early months of her pregnancy as male sex organs are forming, can have a major impact on the man her baby boy will grow up to be.

This is good news, Dr. Sharpe says. "It suggests the low-sperm-count trend is preventable." And in his opinion the need is urgent. "Men who have low sperm counts also tend to have more abnormal sperm," and if they make few sperm to begin with, and they delay having children and fertility declines with age, "there's not a lot of room to manoeuvre," he says.

But Dr. Lamb doesn't see the urgency. "If it was something terribly dramatic already, you should see evidence of it in infertility rates – and the incidence of that has not increased," she says. "In most Western countries, it hovers around 15 to 17 per cent of couples of reproductive age."

The number of people seeking infertility treatments has risen, she adds, but that's a reflection of the fact that it has become more socially acceptable to do so, and that more treatments are available.

"It's still an important hypothesis that sperm counts are falling," she says. "But there's no strong data, rigorously controlled, to suggest that men are at huge risk right now of becoming sterile."

Meanwhile, one of the more rigorous studies under way has crashed into controversy. A few years after the Danish study appeared, Dr. Skakkebaek and his team began an ambitious project to track sperm counts not by looking back at dubious data, but by looking forward. They began following 5,000 18-year-olds bound for the military, taking detailed histories and sperm samples year after year.

This spring, they sent a confidential interim report to the National Board of Health, showing they had found no decline in sperm counts over the past 15 years. Without the researchers' prior knowledge or permission, the board posted the report on its public website and refused to take it down. Another research team then analyzed the data in the journal Epidemiology.

It was billed as optimistic news, though it still carried a note of caution, warning that "it may be too early for society to dismiss the concerns" depicted in Children of Men.

Dr. Skakkebaek and his team faulted the other researchers for drawing misleading conclusions from the raw and incomplete

data, which they said should have run at least 20 years to be remotely comparable with the older study's 50-year range.

Yet Peter Saugmann-Jensen, an official with the Danish health board, said the agency felt compelled to publicize the interim finding, given the widespread anxiety, especially in Denmark, over sperm.

He told the journal Science in June that the board "had concerns about a negative stamp being put on a whole generation of men," pointing out a Slate.com article that dubbed Danish men "Little Princes of Denmark."

Before the board released the research, an official visited the sperm bank in Aarhus. He wanted to know if Mr. Schou, who has operated Cryos since 1987, had noticed any decline in semen.

"We told him we hadn't seen any decline, and he was glad to hear it," Mr. Schou says. "We're not about to be a dying species here. We're doing quite well."

THE GLOBE AND MAIL
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EXPLANATORY

Funny money: How counterfeiting led to a major overhaul of Canada's money

GRANT ROBERTSON
MARCH 12, 2011

In the fall of 2004, a Brinks truck loaded with cash was rumbling down highway 416 south of Ottawa, picking up bank deposits from stores and restaurants along the way, when the driver noticed something troubling in his rearview mirror. It was a grey Hyundai.

As the Brinks driver glanced behind him, he couldn't help but notice it was the same car he and his partner had seen at the last two gas stations. And the Tim Horton's before that. And the McDonald's before that. Something wasn't right.

When police stopped the car several minutes later, they expected to find an armed robber. What they discovered instead was just as unsettling – stacks of near-perfect counterfeits of the Canadian $20 bill. Better forgeries than had ever been seen before.

The two men inside the car were on a mission of their own that day, and hadn't noticed the Brinks truck on their route. At each stop along the highway, they used the counterfeit cash to buy small items – a coffee, a package of gum – and pocketed legitimate money as change, amassing a small fortune as they went. This is how counterfeit money is typically laundered.

What police didn't know at the time was that they weren't just looking at a pair of small-time forgers. They were getting their first glimpse of the largest counterfeiting ring this country has ever seen, a group responsible for passing more than $11-million worth of known fake $20 bills, and many more that were never discovered and are still circulating in wallets and cash registers across the country.

It was a dream bust for police. But it led to a disturbing revelation inside the Bank of Canada: The central bank was losing the war on counterfeiting.

Canada's paper money, with its rainbow of colours and picturesque drawings, had become one of the most forged currencies in the G20, a group of the world's biggest economies – ranking behind countries such as Brazil, Argentina, Mexico, Italy, France and Spain for the number of counterfeit notes detected in circulation. For every one million legitimate banknotes out there, Canada was finding 470 counterfeits.

While that figure seems small – representing less than 1 per cent of bills in circulation – it was almost 10 times what countries in the G20 consider acceptable, since small amounts of counterfeits are typically symptomatic of a much bigger problem.

That grey Hyundai set in motion a chain of events that would ultimately lead Canada to undertake one of the most dramatic overhauls of its physical currency in decades.

It is a revamp of Canadian money that begins now and will last for the next two years, as the country's first polymer banknotes – made of thin pieces of plastic rather than

paper – are put into circulation. The first denomination to get the makeover is the $100 bill, which began circulating a few weeks ago, followed by the $50 note in March and smaller denominations in 2013.

The effort to replace Canada's paper money with polymer notes is rooted in a theory that has been around as long as currency itself: If you can limit access to the material the banknotes are made out of – known as the substrate – you can choke off counterfeiting. To ensure the integrity of its new banknotes, the plastic material for Canada's revamped money will come from a tightly controlled recipe for polymer developed in Australia.

The $100 bill is a fitting place to start, since it has been targeted so consistently by counterfeiters over the past decade. Businesses such as the Wendy's hamburger chain and several national gas stations now post signs saying they no longer accept that denomination.

This threat to hard currency comes at a time when electronic payments such as credit and debit cards are eating away at the need to carry cash. But even as digital transactions proliferate, more than half of all retail transactions in Canada are still conducted with paper money, suggesting cash won't be rendered extinct any time soon.

The remake of Canada's money, at a cost of nearly $300-million, will be the biggest and most expensive change to the national currency since multicoloured bills replaced monotone banknotes in 1969.

It's a crucial change: Counterfeiting undermines the credibility of a currency and the confidence people have in it. Since the last person holding a counterfeit is the one who gets burned with the loss, forged bills have a direct impact on businesses and consumers, and the economy as a whole.

Despite the talk of technology and innovation that surrounds the new money, the makeover of Canadian banknotes is a project designed specifically to lower Canada's counterfeiting rates – and keep them low.

This is the story behind the planned scrubbing of Canada's money, the shift to polymer bills, and one unusual discovery by an Australian scientist that changed currency as we know it.

HOW COUNTERFEITING BOOMED IN CANADA

The first time Wesley Weber forged a $100 bill, he scanned the image on his home computer, just to see what would happen.

It was late 2000, and the 25-year-old self-professed computer geek from Windsor, Ont., was flat broke and enchanted by the idea of being able to print money himself.

He focused his attention on the $100 bill from the Birds of Canada series – a brown

banknote with a picture of a Canada Goose on the back – which was a challenge for most counterfeiters.

The series was first introduced in 1986 with the sole purpose of thwarting a new technology: the colour photocopier. The design made the notes difficult to reproduce by machine. Fine details in the face and hair of the Queen and former Prime Ministers depicted on the bills were too finicky for photocopiers to handle and appeared fuzzy in reproductions. A shiny gold metallic patch placed on each bill turned dark when replicated, further thwarting the forgers.

In 1990, only a few years after the Birds of Canada series was introduced, the country's counterfeit ratio – the proportion of counterfeit bills in the money supply – was admirably low.

Counterfeiting is measured using a system borrowed from chemistry known as parts per million (PPM). Normally used to judge the potency of molecules in a solution, PPM in the counterfeit sense refers to the number of fake banknotes found in circulation for every one million genuine notes. In 1990, Canada's counterfeit ratio was just 4 PPM, ranking its currency among the most secure in the world.

But the Bank of Canada made a crucial error. Amid tight budgets in Ottawa, the series was allowed to stick around longer than it should have. By the late 1990s, the rise of powerful and affordable home computers, store-bought graphics software, easy-to-use scanners and colour ink-jet printers were breeding a new generation of counterfeiters.

Fake bills started seeping into the monetary system in greater quantities. The number of fake Canadian bills rose as high as 117 PPM by 1997. Most G20 nations used 50 PPM as their benchmark to stay below.

Inside the Bank of Canada, there was growing concern. Though the number of fake bills in circulation was arguably microscopic compared to the 1.5 billion legitimate banknotes that circulate annually, the counterfeit ratio was becoming a black eye. Foreign banks were casting a skeptical eye on Canada's currency.

"Let's just say that colleagues of mine, internationally, recognized that we had to do something," said Gerry Gaetz, chief of the Bank of Canada's currency department. "There was clearly organized groups in Canada targeting banknotes."

In Windsor, Mr. Weber figured out that if he scanned the Canadian $100 bill on his computer, he could enlarge the image thousands of times the normal size. Using commercially available graphic-design software, he spent weeks correcting the fuzziness of the image, pixel by pixel, making the forgery sharper and more convincing.

Mr. Weber then began researching the best paper to use, shopping around for the right

weight and colour to mimic the feel of money, which is made out of cotton fibre. He also needed paper that didn't glow under UV light, another key trait of banknotes.

He settled on 24-pound Mohawk Super Fine soft-white stock with an eggshell finish – long a favourite of counterfeiters, according to Corporal Tim Laurence of the RCMP's Integrated Counterfeit Enforcement Team. Because a fake bill only needs to be passed once to profit the counterfeiter, it doesn't need to be a perfect match; it just needs to be good enough. So the substrate – the material out of which the banknote is made – merely needs to resemble the real thing.

To forge the metallic patch on the bills, Mr. Weber found a supplier in New Jersey who sold foil that looked similar, which he stencilled onto each note. When police finally caught up to him at his rented cottage near Windsor in July, 2001, four HP DeskJet printers were in the middle of spitting out $233,000 worth of hundred dollar bills, three per page. The paper fluttered in the air as officers wrestled Mr. Weber to the floor. All told, police believe he produced more than $6-million in fake $100 bills that made it into circulation.

By the time of his arrest, Canada had 129 counterfeit banknotes for every one million legitimate bills in circulation, and the trend was not slowing. A Bank of Canada survey in 2002 found that 10 per cent of retailers were no longer accepting the $100 bill, to shield themselves from losses.

Mr. Weber represented a new problem for the Bank of Canada: the computer-savvy do-it-yourself counterfeiter. He proved that with enough ingenuity, millions of dollars could be printed illegally by only a few people working on equipment bought at Office Depot.

The year Mr. Weber was arrested, Canada introduced a new design for its money, known as the Canadian Journey series. The banknotes were again said to be the most advanced yet – and the most resistant to counterfeiting.

The bills, which depict scenes of Canadian culture such as hockey and Inuit carvings and are the ones widely circulated today, ushered in new security features aimed at beating the counterfeiters. Most noticeable is a shiny holographic stripe down one side of the bill that shimmers in the light. Less apparent is a ghostly image of the Queen or prime minister featured on the bill, which is watermarked into the paper. Hold the note up to the light, and the hidden face becomes visible.

In spite of these measures, Canada's counterfeit numbers continued to climb. Currency designers had been working fast to create the new series, but technology was moving faster. Counterfeiters were able to get newer and better computers and printers. And

there was no shortage of incentive.

The production and distribution of fake money works a lot like illegal drugs: A producer like Mr. Weber makes millions of forged bills and sells them at a wholesale rate to a distributor to put distance between himself and the laundering process.

A good counterfeit note will usually be sold in bulk at about 20 or 30 cents on the dollar. The buyer will then break it up into smaller parcels, and sell those for 40 cents on the dollar to runners, who will flip those bundles for 50 cents on the dollar. At that point the money reaches the last person in the chain, who will attempt to launder it by passing the banknotes at a store, usually in a hurried transaction, much like the two men in the Hyundai outside Ottawa were doing.

For counterfeiters, perhaps the biggest upside of fake cash is that the asset can be unloaded fast, unlike stolen goods. Paper money is the most liquid asset there is.

The Canadian Journey series turned out to be forged in even greater numbers than the Birds of Canada series it had replaced.

By the time the grey Hyundai was pulled over with a stack of fake Canadian Journey notes inside – complete with replica watermark and holographic strip – Canada's counterfeit rate had ballooned to 470 PPM. That year alone, 552,692 forged banknotes were passed, a record number. Canada's PPM level was as much as 100 times the ratio of some G20 countries.

Though most countries don't make their PPM numbers public, a document released by the U.S. Secret Service in 2005 disclosed that the United States, which spends billions of dollars to fight counterfeiting each year, had a PPM rating of just 6.5 (albeit the U.S. figure is based on 28 billion notes in circulation). Even Mexico, which has battled serious counterfeiting problems of its own, was lower than Canada at 83 PPM.

That year, the Bank of Canada declared in an internal memo that counterfeiting levels were at "dangerous" levels. In search of a solution, Canada turned to the one country that seemed to have the problem in check better than anyone else: Australia.

HOW POLYMER MONEY WAS BORN

In 1966, David Solomon was a young chemist working on developing new kinds of paint for the Dulux company when he was invited to an emergency meeting of Australian scientists.

The country had just introduced its first dollar banknote that year, after severing ties with the British pound. The Australian Reserve Bank spent three years designing what it thought was the most secure currency possible, equipped with the best modern anti-counterfeiting technology of the

day, including watermarks and raised ink printed on cotton-based "rag paper" that has since become the standard for money in places like Canada.

But within weeks, a flood of high-quality forgeries began to circulate. They were so convincing that authorities could barely distinguish them from the real ones, were it not for the fact that the counterfeiters had used the same serial number on each fake bill.

Even more problematic though, was that the forgeries had been made with paper bought at an ordinary office store. And since there was no problem mimicking the substrate, there was no telling how much fake money was out there. The hard-hit Australian $10 note soon became a pariah currency and was refused in stores across the country.

Unable to stop the flood of fake bills, the central bank convened physicists, chemists and psychologists to come up with a solution.

Mr. Solomon, the youngest scientist in the room, had a special interest in polymers – better known as plastics. He stayed quiet for most of the meeting, but to him the answer was simple: Money needed to be printed on material that couldn't be easily replicated by forgers.

"Why don't we use polymer?" Mr. Solomon said, using what he calls "a fancy word for plastic."

The room fell silent, Mr. Solomon, now 81, recalls. Some people laughed. Plastic money?

Mr. Solomon was thinking like a scientist: His idea was to choose a substrate that was harder to obtain so that forgers wouldn't be able to mimic it so easily. Control the substrate, he believed, and you can effectively control counterfeiting.

He was not the first to think of this. Throughout history, civilizations have tried and failed to control the basic material for currency. Facing a shortage of copper in the 13th century, when Chinese rulers introduced the first paper banknotes, they used wood from mulberry trees to make their money. To protect access to the paper, guards were stationed at mulberry forests. Counterfeiters and substrate thieves were punished by death.

In the 15th century, Aztecs used cocoa beans as currency. Three beans bought an avocado, 100 beans purchased a turkey. Since cocoa didn't grow naturally in the arid Mexican mountains and had to be imported, the beans were believed to be rare enough for trading. However, counterfeiters soon figured out that eaten beans could be repurposed by filling the shells with brownish mud and mixing them with actual cocoa beans. The sudden proliferation of fake currency caused rampant inflation in the Aztec

economy.

Polymer money relies on the same restriction of access to the base material. Making thin flexible plastic is hard, since it involves fusing microscopic fibres together. Create the plastic incorrectly and it will be brittle, or flimsy like a shopping bag and susceptible to tearing. A common method for an Australian bank teller to test a polymer banknote is to snap it quickly – as though pulling it apart by the edges. If it rips in two, it's a counterfeit.

Back in 1966, though, Mr. Solomon needed a way to prove that his crazy idea could work. He began making plastic money himself. In an empty shed, he set up a crude printing shop and began churning out polymer-based notes that looked exactly like real Australian money, except for the fictitious denomination: He used $7, just in case any test-money went missing.

"We made 50 million banknotes in the back of that shed," Mr. Solomon says. "We had to convince people that they would stand up to the wear and the handling of a banknote."

Testing new kinds of money isn't easy, because you can't put the bills into circulation. Mr. Solomon and his team researched the chemical composition of sweat and body oils and began counterfeiting those too. He put bags of the plastic money through endless trials, tumbling them in a bin like clothes in a dryer to see what would happen.

As it turned out, the bills were not only difficult to counterfeit, they were also more durable, lasting at least 2½-times longer than a paper bill. His tests also answered an important question for the police: Could they still lift fingerprints off the notes? The answer was yes.

The Australian Reserve Bank decided to convert the entire money supply to polymer notes, making it the first country to take such a leap. The first bills emerged in 1988. Mr. Solomon called his invention plastic money, but the government thought that sounded questionable. "The bank had a prejudice against plastic. They considered it cheap and nasty," he said. So the official name became polymer.

As Mr. Solomon printed his bills, though, he stumbled on a remarkable discovery. The banknotes were made by printing images on a sheet of clear plastic, starting first with a white base coat. But Mr. Solomon learned that if parts of the substrate were left blank, the bill would have a clear plastic window. This was a magnificent invention, since it would make trying to fake a polymer bill using paper or other non-clear material next to impossible. How could paper have a see-through window? This would give the counterfeiters fits, he thought.

In the 17 years Australia has used polymer

currency, the country has reported an average counterfeit ratio of just 6.8 PPM, with most of those notes coming from crude attempts at printing replicas on paper, which makes them easy to spot. Australia has needed to design only one series of polymer banknotes that has lasted decades, though counterfeiters have been actively trying to forge plastic money during that time.

This year, a group of men are on trial in Australia for passing fake notes. While previous attempts by other forgers were amateurish, using a crude mixture of paper and flimsy plastic film, these notes were different. The counterfeiters were using nylon to make their fake money. It was one of the best attempts yet, but it still wasn't close, according to police.

For his efforts, Mr. Solomon now belongs to the London-based Royal Society, an elite fellowship of 1,400 scientists whose members include Isaac Newton, Albert Einstein and Stephen Hawking.

HOW CANADA CHANGED ITS MIND

Even as Canada's counterfeiting problem escalated, the shift to polymer was viewed as too expensive. A polymer note costs 19 cents to produce, compared to 9 cents for a typical cotton-paper note. So the upfront costs of switching are high, even though the bills last longer.

But in 2004, those concerns began to fade away when the Bank of Canada confronted the extent of the counterfeiting problem.

The money found in the grey Hyundai wasn't perfect, but it was more sophisticated than any fake note seen before. Most notably, the counterfeiters had managed to duplicate the thin holographic stripe introduced on the Canadian Journey series specifically to thwart people like Wesley Weber.

The trail from the grey Hyundai led RCMP to a print shop in an industrial area of North Toronto, where officers found millions of dollars worth of fake $20 bills stacked in rows. In all, RCMP figured out the men had produced $6.7-million of fake notes at this site alone. Jaws dropped as the officers walked in the room.

"This was the largest counterfeiting manufacturing plant in Canadian history," said Cpl. Laurence, head of the force's anti-counterfeit division.

From there, RCMP tracked the ring of counterfeiters to another print shop in Markham, Ont., where $4.2-million worth of counterfeit $20 bills were uncovered in 2007.

The sophistication of the ring was mind-blowing. In addition to being able to reproduce the shiny holographic stripe on the $20 bill by using metallic foil purchased from a novelty supplier in California, the group figured out how to mimic the special

watermark embedded in the paper, by using several layers of white ink to reproduce the face of the Queen.

What is more troubling, though, is that all of that fake money seized at the two print shops doesn't even show up in Canada's counterfeiting statistics – because it never made its way into circulation.

In 2008, the counterfeiting rate had fallen to 76 PPM, or 76 bills for every one million real ones. Though the number appeared to be retreating nicely from Canada's record-high PPM in 2004, it was misleading. Had these seized bills made it out onto the streets, Canada's numbers would have shot up to levels never seen before. A new counterfeiting crisis had been averted – but only narrowly.

The Bank of Canada decided to make the switch to polymer.

Canada will buy the polymer substrate from Australia, which until recently held the sole patent on the material and kept the recipe a closely guarded secret. Few companies have been able to set up and make the polymer substrate that Mr. Solomon invented. Chemical giant DuPont attempted a rival product in the 1980s, but gave up when it couldn't make the material tough enough.

The substrate will be imported in secure shipments that are treated with the same precaution as transporting actual currency. The polymer money will then be printed in Canada by the two printers who inked the country's paper money in the past, BA International Inc. and Canadian Banknote Co. Ltd.

By protecting the polymer substrate, the strategy is akin to placing hundreds of guards around the Mulberry forest centuries ago.

THE GREAT MONEY SCRUB

As Canada's polymer money is introduced over the next two years, paper banknotes will be rounded up and removed from circulation in the largest scrubbing of Canada's system of paper currency. Old paper notes that find their way to banks will be sent off to the Bank of Canada to be burned. Polymer bills will then be released.

The Bank of Canada issues between 300 million and 400 million new notes a year, replacing torn, taped, defaced and crumpled bills with crisp replacements as needed. At that rate, it would take four to five years to replenish the entire supply of notes. But the central bank will be attempting to replace paper money in the span of about three years, swapping out the cash much faster than usual.

Counterfeiting rates have fallen steadily in Canada in recent years, particularly after the ring in Ontario was dismantled by RCMP.

The country now reports a parts-per-million ratio of below 40, which is finally in line with what most G20 nations consider acceptable. But a recent internal survey by the Bank of Canada indicates trust has been slow to return: Five per cent of retailers still do not accept the $100 bill, an improvement from nearly a decade ago, but still not complete acceptance.

Though money is called legal tender, businesses aren't bound by law to accept it. The term just means that the note is backed by a stated value. Store owners can turn down cash if they wish – and many do.

At a Wendy's restaurant in Etobicoke, Ont., a sign on the window warns customers that large denominations are not welcome: "Due to increased concerns over counterfeit $100 bills, Wendy's can not accept $100 bills from any customer."

The new polymer $100 bill has been in circulation for less than 24 hours when one of them is handed to the cashier to pay for a $7 meal. After close inspection, the cashier nods and accepts the strange new bill.

It is a small but significant change in thinking for a business that lost confidence in some of the country's banknotes during a decade of rising counterfeit numbers. But there is still a long way to go. This is just one location, and polymer money has barely started circulating. The great money scrub has only just begun.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

POLITICS 1 OF 3

RCMP investigates Montreal Port Authority controversy

DANIEL LEBLANC
DECEMBER 6, 2011

The RCMP is probing allegations that members of the Quebec construction industry tried to use Conservative contacts all the way up to the Prime Minister's Office in a bid to influence the choice of a new president of the Montreal Port Authority, police sources said.

The matter erupted during the spring election as The Globe and Mail and Radio-Canada laid out a series of efforts by PMO spokesman Dimitri Soudas and other federal officials in favour of the candidacy of a former municipal bureaucrat in Montreal, Robert Abdallah.

The opposition launched allegations of corruption in federal nominations, pointing to alleged backroom dealings by Montreal businessmen Bernard Poulin and Antonio Accurso in the file.

Regarding the Port of Montreal, Conservative and federal officials have detailed a number of interventions by Mr. Soudas, who was Mr. Harper's long-time spokesman, in favour of Mr. Abdallah.

Mr. Abdallah had not made the initial short list, but was invited back for a second round of interviews in the summer of 2007, sources said. Still, he failed to get the Port appointment after Conservative ministers and board members bucked the PMO directive and parallel efforts by the City of Montreal.

Prime Minister Stephen Harper insisted on the campaign trail that Mr. Soudas's efforts were "normal," but the opposition raised allegations that Mr. Poulin and Mr. Accurso hired Conservative organizer Leo Housakos to intervene on the file because of his close political ties to Mr. Soudas.

"There are serious allegations of corruption here that involve the office of the Prime Minister and his close entourage," then-Liberal leader Michael Ignatieff said during the election campaign.

Mr. Housakos, Mr. Poulin, Mr. Accurso and Mr. Soudas refused to comment on the matter on Monday.

Sources said Mr. Soudas and an aide to then-transport-minister Lawrence Cannon expressed a clear preference for Mr. Abdallah at a meeting in a restaurant in Montreal in the spring of 2007 with the board members in charge of the nomination at the Port, as well as outgoing president Dominic Taddeo.

Conservative sources have detailed other interventions by Mr. Soudas throughout the nomination process, up to the moment in September when the City of Montreal ousted its representative on the board because she refused to back Mr. Abdallah.

While the federal government directly appoints the presidents of many agencies, the Canada Marine Act clearly states the port's board has sole responsibility for the

appointment of its president.

Earlier this year, Mr. Soudas said he never received any compensation or felt any outside influence as part of the nomination process at the Montreal Port Authority.

"The Prime Minister's Office is padlocked for anyone who wants to influence any decision," said Mr. Soudas, who has since left the PMO and is working with the Canadian Olympic Committee.

The PMO said it encourages federal officials to co-operate with investigators.

"We are not aware of any questions to federal officials. If asked for help about something affecting their work, they should help," said PMO spokesman Andrew MacDougall.

In addition to the RCMP investigation, the Sûreté du Québec confirmed on Monday that it is investigating the alleged illegal interception of phone calls. Sources said that Mr. Accurso, Mr. Poulin and Mr. Housakos have filed complaints to the police about recordings that were uploaded anonymously on the Internet.

In 2008, Mr. Harper faced opposition allegations that Mr. Housakos and Mr. Soudas both intervened – in apparently uncoordinated efforts – in favour of a Montreal real-estate firm that was involved in legal battles with Ottawa. Mr. Harper appointed Mr. Housakos to the Senate later that year.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

POLITICS 2 OF 3

The senator, the port authority and the 'big boss' in Quebec

DANIEL LEBLANC
APRIL 21, 2011

As two Montreal businessmen discussed ways to get one of their allies appointed to the helm of the Montreal Port Authority, one name – Leo Housakos – came up as the perfect middleman.

At the time, Mr. Housakos was a little-known political organizer in the Montreal area, but in the eyes of the two businessmen, he offered a clear entrée into the Prime Minister's Office thanks to his close friendship with spokesman Dimitri Soudas.

In taped conversations that emerged Thursday, Bernard Poulin and Antonio Accurso, presidents of big firms in the engineering and construction sectors, were convinced Mr. Housakos could enlist Mr. Soudas in their efforts to push Robert Abdallah into the Port presidency in 2007.

"Soudas is the boss in Quebec, the real boss," Mr. Poulin said in an excerpt quoted by Bloc Québécois Leader Gilles Duceppe. "It's not through Leo's relationship to [Foreign Affairs Minister Lawrence] Cannon that he's good, it's through Dimitri Soudas. So far, he appears to be very capable of delivering the goods."

The recordings were widely quoted on the campaign trail and ignited a political firestorm, leading to calls for Mr. Soudas's firing given he did in fact participate in widespread efforts by the Conservative government to promote Mr. Abdallah's bid to oversee the Port.

Conservative Leader Stephen Harper and Mr. Soudas denied wrongdoing on Thursday, although both have said Mr. Abdallah was their preferred candidate.

While the government had no legal power to influence the appointment at the autonomous Port, Mr. Harper has defended Mr. Soudas, but said nothing of Mr. Housakos, whom he named to the Senate in 2008.

In the recordings, Mr. Poulin said he had "already done business" with Mr. Housakos, and portrayed Mr. Soudas as being more powerful than Mr. Cannon. "Soudas can twist arms much more strongly than anyone else."

Mr. Poulin, a high-profile engineer, went on to say that "compensation could be offered if the goods are delivered" – a statement that garnered the approval of Mr. Accurso.

Mr. Soudas expressed a clear preference for Mr. Abdallah at a controversial meeting in a restaurant in Montreal with board members of the Port and outgoing president Dominic Taddeo, and continued applying pressure afterward, sources said.

The release of the recordings fuelled allegations of political interference by other party leaders.

"Harper has to fire Soudas on the spot," said Liberal Leader Michael Ignatieff.

There is no evidence in the recording that Mr. Housakos or Mr. Soudas agreed to help

the two businessmen. Still, Mr. Duceppe expressed concern over a recording showing that Mr. Accurso received an insider update as his pro-Abdallah campaign gained traction in Ottawa.

"It went exceptionally well, it was done right there and then," Mr. Duceppe quoted Mr. Accurso as saying. "The big boss gave the order right then and there to Cannon."

Speaking with reporters, Mr. Harper stated any allegations of wrongdoing against Mr. Soudas were "categorically false." His statement built on his defence of Mr. Soudas's actions in favour of Mr. Abdallah on Wednesday as being "normal."

Mr. Soudas said he never received any compensation or felt any outside influence.

"The Prime Minister's Office is padlocked for anyone who wants to influence any decision," Mr. Soudas told reporters. "People pretending, or people having discussions, that is their business, but at no point in time did anybody contact the federal government, or me, and make such an insinuation."

However, Conservative officials were silent on the status of Mr. Housakos, who was appointed to the Senate by Mr. Harper in late 2008 and is currently working on the Conservative campaign.

"I have no further comment," said Conservative spokesman Ryan Sparrow.

Mr. Housakos did not return messages, while Mr. Poulin threatened to sue one of the news websites that posted the conversation that was "intercepted without his permission." In a recent interview, Mr. Poulin said he never discussed the Port nomination with Mr. Accurso.

Mr. Cannon has not responded to requests for comment on the Port matter.

In early 2008, Mr. Harper faced opposition allegations that Mr. Housakos and Mr. Soudas tried to interfere in favour of a Montreal real-estate firm that was involved in legal battles with the federal government. Mr. Harper appointed Mr. Housakos to the Senate later that year.

One of Mr. Housakos's friends recently told of his role in federal nominations in a parliamentary committee. Lawyer Tom Pentefountas said he learned through Mr. Housakos that the position of vice-chair at the Canadian Radio-television and Telecommunications Commission was vacant, and that Mr. Housakos applied on his behalf.

"In other words, he deposited the résumé for me," said Mr. Pentefountas, who ended up getting the job.

Mr. Abdallah did not get the Port position, after Conservative ministers and board members resisted the political pressure. Mr. Abdallah went on to work for one of Mr. Accurso's companies.

With reports from Bill Curry and John Ibbitson

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

POLITICS 3 OF 3

Ministers intervened after Harper spokesman lobbied Montreal Port Authority

DANIEL LEBLANC
APRIL 19, 2011

Stephen Harper's top two ministers in Quebec intervened on behalf of the Montreal Port Authority after they were told the Prime Minister's spokesman, Dimitri Soudas, was interfering with the board's efforts to appoint a new president, The Globe and Mail has learned.

Michael Fortier, the minister of public works and the Conservative lieutenant for Montreal at the time, said his office contacted port officials in 2007 and urged them to disregard any political pressure, after learning that Mr. Soudas was lobbying the board to appoint a Montreal engineer, Robert Abdallah, as head of the port.

While the federal government directly appoints the presidents of many agencies, the Canada Marine Act clearly states the port's board has sole responsibility for the appointment of its president.

"I asked my office to send the message that the Prime Minister did not have a preferred choice and that the selection of a new president was up to the board of directors and its members," Mr. Fortier told The Globe and Mail in an interview. He said he got involved after being told that Mr. Soudas discussed Mr. Abdallah's candidacy with board members at a Montreal restaurant.

Mr. Fortier's comments, obtained as part of a joint investigation by The Globe and Radio-Canada, amount to an unusual rebuke by a former cabinet minister who felt actions by Mr. Harper's staff did not reflect positions staked out by the Prime Minister.

Bernard Côté, a former staffer in Mr. Fortier's office, said Mr. Soudas called him afterward and told him to back off.

"The tone was aggressive and there were no pleasantries exchanged," Mr. Côté said. "He asked me why I was getting involved in the Prime Minister's nominations."

Mr. Soudas insisted Tuesday he did nothing wrong, and that the federal government merely indicated its preference for Mr. Abdallah. The board ultimately chose a different candidate, Patrice Pelletier, who was president of L-3 Communications SPAR Aerospace Ltd..

"There was no interference whatsoever," he said. "We expressed a preference and made it crystal clear that the decision was ultimately for the Board of Directors of the Port of Montreal to take."

However, in sworn testimony before the Commons Operations Committee in 2008, Mr. Soudas said that he "did not remember" contacting board members on the matter of Mr. Abdallah's candidacy, and denied even meeting board members on the issue.

Mr. Soudas was not the only one who wanted Mr. Abdallah, a one-time Director General of the City of Montreal, appointed president of the port. Controversial construction industry boss Antonio Accurso was also supportive of Mr. Abdallah's candi-

dacy. Mr. Accurso's construction firms recently pleaded guilty to tax evasion, and he has generated headlines for his close ties to a number of union and political officials in Quebec, several of whom vacationed on his luxury yacht.

Among these was Montreal councillor Frank Zampino, who also pushed for Mr. Abdallah to head the port. Mr. Zampino was criticized for going on Mr. Accurso's yacht amid a controversy surrounding the city's ballooning water-metering contract – a contract that was ultimately awarded to a group including Mr. Accurso.

In an interview, Mr. Accurso denied any involvement in the lobbying effort at the port. After his failed bid for the president's job, Mr. Abdallah went on to work for Gastier Inc., a company that is part of Mr. Accurso's business empire.

The port presidency is a powerful role, overseeing an operation that generates $2-billion in annual economic activity. At the time of the executive search, the port was also planning to spend $2.5-billion as part of a massive expansion plan dubbed Vision 2020. Several Montreal business groups at the time were seeking to purchase port land for private development.

Mr. Fortier was not the only senior Quebec conservative uncomfortable with Mr. Soudas's lobbying. Foreign affairs minister Lawrence Cannon, who at the time headed the transport portfolio, advised port chairman Marc Bruneau to stick to his principles after hearing complaints of political pressure, Mr. Bruneau said in an interview.

"There are two ministers who were really fair: Mr. Cannon and Mr. Fortier. They said, 'Do what you have to do,' " Mr. Bruneau said, adding the message was "to follow the Canada Marine Act and select the best candidate."

A spokesperson for Mr. Cannon declined to comment.

Despite this support, long-standing members of the board said they continued to feel pressured, and agreed to organize a second set of interviews that included Mr. Abdallah, who had initially failed to make the short list, according to sources. Two board members said some of this pressure was coming from Conservative appointees to the board.

The board has seven members. The city of Montreal, the Quebec government and the federal government each get to appoint one director, while Ottawa has the additional responsibility of naming four members who represent the users of the port.

The board obtained a legal opinion stating that once members are nominated, they have the responsibility to act independently, according to their assessment of the port's interest, without discussing matters with government officials, court documents show.

The battle for control of the port began in 2006, when Dominic Taddeo announced his plan to retire after more than two decades at the helm.

Soon after, Mr. Soudas met with three port board members at a restaurant in Montreal called Le Muscadin.

"There certainly was interference as they met us on the specific issue of the nomination of the new president. They tried to interfere, for sure," said Mr. Bruneau, a Conservative fundraiser in the Mulroney and Charest eras.

The arm-twisting continued. After the restaurant meeting, Mr. Bruneau said he was warned by a Conservative ministerial staffer, whom he felt was relaying a message from a superior, that his position was at stake if he refused to jump on the bandwagon.

"I was told directly they'd think twice before renewing my nomination," said Mr. Bruneau, who only received a one-year extension to his mandate in 2008 instead of a three-year renewal. He is now back on the board, although as the provincial government's appointee.

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NATIONAL NEWSPAPER AWARDS

SHORT FEATURES

Kindergarten in a retirement home proves a hit with young and old

KATE HAMMER
DECEMBER 30, 2011

The sun-drenched common room at the south end of Columbia Garden Village retirement home in Invermere, B.C., is quiet most days. The shuffle of slippers on linoleum, the clink of a coffee mug in the sink, or the click of knitting needles are often the only sounds.

But every Tuesday and Friday, 18 kindergartners from Eileen Madson Primary School arrive in a yellow school bus and take over, turning the home's common room into a classroom, and the home's residents into active participants. The kindergartners go about their lessons, crafts and play time surrounded by the seniors who live there. Some elders watch from the sidelines, others roll up their sleeves and build block towers or indulge in a reading of a Scooby-Doo storybook.

It's enough to draw Kay Maras out of her room every week. She makes the 50-metre trip down the carpeted hallway and parks her walker by the door, then watches as the children pour in with their rainbow-coloured ski jackets and Tinkerbell lunch boxes.

It took months of physical therapy for her to build up enough strength in her 84-year-old legs for the walk. She sometimes helps the kids with reading, writing and art projects, and being needed is good motivation.

"You wouldn't think the children would want to spend the time with us, but they do," Ms. Maras said one recent morning, after reviewing the letter 'i' with five-year-old Kayla Wolfenden.

With fewer children growing up with a grandparent in the home, emerging research suggests they are missing out on rich learning opportunities. The Invermere collaboration is the brainchild of Rocky Mountain School District's superintendent, Paul Carriere, and his wife, Barbara, a kindergarten teacher.

The Carrieres were sitting on the dock at their family cottage on the Sunshine Coast in the summer of 2010, when Barbara read about a kindergarten classroom located in a seniors home in Oklahoma. The program had seen the children's reading improve while medication rates among the seniors had declined.

Bobbing together on the waters of Powell Lake, the Carrieres decided this was something they should bring to Invermere. In their small mountain community of 4,000, Columbia Gardens was one of just two retirement homes, and it serves a relatively independent population of seniors. Administrators there embraced the idea, and after two conference calls to the ministries of health and education, the Carrieres had the go-ahead.

They had an open house for parents and seniors that December, and the program has been up and running since January of 2011.

Even on their first day in the home, the children seemed naturally drawn to the elders. There's a symmetry between them, each in life stages that leave them a little vulnerable.

As learning partners they're a good match. Reading, for instance, is a skill often preserved long after age has eroded other mental faculties. And Barbara Carriere says the seniors make for patient teachers, and the children are at ease around them. "They're just completely accepting of each other," she said. "It makes for a million magic moments."

The concept of intergenerational learning is winning a small following. In Toronto, at the Baycrest retirement home, seniors act as consultants for a high-school philosophy class by talking about death and aging. In Cleveland, a charter elementary school has seen benefits for inner-city students who collaborate with adults of different ages. And in Jenks, Okla. – the Carrieres' inspiration – a kindergarten classroom relocated full-time to a retirement home has boosted students' standardized test scores in reading, lowered medication rates and improved reported quality of life among its residents.

The Invermere initiative is believed to be the only one of its kind in Canada.

"The life experience of the elder can really enrich the learning of younger people," said Bianca Stern, director of Baycrest, a research facility associated with the University of Toronto. "It's a new concept, and it's challenging the stereotype of aging by tapping into the strengths of seniors."

This fall, when Ms. Maras's therapy had made her strong enough to visit the class, Ms. Carriere prepped her students with a lesson on osteoporosis, explaining that their visitor's bones were fragile.

When she comes to visit, the children move gingerly around Ms. Maras, careful not to bump her legs or her walker. They slip in and out of the chair beside her, bringing storybooks, toys and drawings to show off.

The students have responded well to the program, referring to the residents as "grandmas and grandpas." One girl even asked her parents if she could have her birthday party at the retirement home. It's taught students about aging, death and compassion, and helped coax others out of their shell – like Bill Warbrick, 5, a shy student with static-prone hair who likes to talk about the weather. His teachers describe him as "an old soul." Most days in his traditional classroom back at Eileen Madson, he plays on his own and rarely asks for help. But when he's at the retirement home, Bill moves around the room, asking seniors to read to him.

Not everyone is thrilled to see the children – some residents lament the loss of their common room, many prefer sleeping in

long after class has begun, and others blame the children for a flu outbreak last winter.

"I think they're a little intimidated by the children," said 77-year-old Fran Kimpton, a retired teacher. She's one of about 10 residents out of the home's 68 who visit the classroom regularly.

To address those concerns, Ms. Carriere launched an outreach program this school year, with the children hanging their artwork on the doors of residents.

"There definitely are some residents who just aren't interested, they want to be left alone," said Adrienne Turner, the community manager in charge of activities at the home. "But more and more of them are warming up."

The payoffs can be huge. A study in the U.S. found that older adults who worked with children in a school setting had less stress and a better quality of life compared to those living at a high-end facility interacting with their peers. And the cost is low: The parent council at Eileen Madson raised just over $2,200 to cover the cost of their intergenerational program. Most of the budget went toward transportation and supplies for the off-site classroom.

"This really isn't something out of reach," Ms. Carriere said. "There are senior facilities everywhere and schools everywhere, and for the cost of busing and some coat hooks you can do something that really makes a difference."

Ms. Maras's bones are feeling strong. She's walking more, and finding a sense of purpose in her days.

"It turns out I really love teaching the kids," she said.

This was something of a surprise, as Ms. Maras never married or had a family of her own. The trick to keeping children happy, she says, is enabling them to feel independent.

"You can't help them too much," she said. "You have to let them figure it out on their own."

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NATIONAL NEWSPAPER AWARDS

BUSINESS 1 OF 3

Key partner casts doubt on Sino-Forest claim

MARK MACKINNON, ANDY HOFFMAN
JUNE 18, 2011

Embattled Sino-Forest Corp. , once Canada's biggest publicly-traded timber company, appears to have substantially overstated the size and value of its forestry holdings in China's Yunnan province, according to figures provided by senior forestry officials and a key business partner there.

During two weeks of on-the-ground reporting that included interviews with Chinese government officials, forestry experts, local business operators and brokers, The Globe and Mail uncovered a number of glaring inconsistencies that raise doubts about the company's public statements regarding the value of the assets that lie at the centre of the company's core business of buying and selling Chinese timber rights.

Once a stock market favourite, Sino-Forest has had a spectacular fall since a short seller's report, published June 2, alleged that the company engaged in large-scale fraud and is inflating the value of its timber assets. The shares are down 82 per cent since the release of that report, written by Carson Block of Muddy Waters LLC, representing a paper loss of $3.7-billion to investors in little more than two weeks.

The company has denied all wrongdoing and the board of directors formed a committee to probe the allegations raised by Muddy Waters. The investigation is expected to last months and has begun with representatives from PricewaterhouseCoopers checking Sino-Forest's bank accounts to verify the more than $1-billion (U.S.) the company says it holds in cash at Chinese banks and other financial institutions.

The Globe's investigation raises particularly hard questions about a key agreement in March, 2007, that Sino-Forest says gave it the right to buy timber rights for up to 200,000 hectares of forest in Yunnan over a 10-year period for between $700-million (U.S.) and $1.4-billion. The trees were to be bought through a series of agreements with an entity called Gengma Dai and Wa Tribes Autonomous Region Forestry Co. Ltd., also known as Gengma Forestry.

The company says it has fulfilled virtually all of the agreement with Gengma and now owns more than 200,000 hectares in Yunnan.

But officials with Gengma Forestry, including the chairman, dispute the company's account of the deal, telling The Globe and Mail that the actual numbers are much smaller.

Xie Hongting, the chairman of Gengma Forestry, said in an interview that the transactions carried out so far by Sino-Forest amounted to less than 14,000 hectares.

Asked how many deals Gengma had conducted with Sino-Forest, Mr. Xie said: "I've told you that we sold them almost 200,000 mu." (Mu is a Chinese unit of land measurement; 15 mu equals one hectare.)

Mr. Xie's account corroborates the asser-

tions of senior forestry officials in the province. Speaking on condition of anonymity, these officials challenged the company's statements that it controls more than 200,000 hectares of Yunnan trees, and said they are now investigating.

In a written response to questions from The Globe, Sino-Forest said it stands by its public statements regarding its Yunnan holdings. The company said it has purchased about 13,300 hectares of "forestry assets and leased land" directly from Gengma Forestry, and another 180,000 hectares of "forestry assets only" from other sellers, using Gengma as a purchasing agent.

"The agreement has not been yet fulfilled as we have not completed the purchase of 200,000 hectares," the company said.

That statement from Sino-Forest appears to contradict its own publicly filed financial reports. In its first quarter 2011 report, the company said that "under the master agreement entered in March 2007 to acquire 200,000 hectares of plantation trees over a 10-year period in Yunnan, the Company has actually acquired 230,200 hectares of plantation trees for $1,193,459,000 as at March 31, 2011."

The company's 2010 annual information form filed with regulators earlier this year said that as of December 31, 2010, Sino-Forest had "acquired approximately 190,300 hectares of plantation trees for $925.9-million (U.S.) under the terms of the master agreement."

The Globe's investigation of the company's dealings and holdings in Yunnan points to inconsistencies in the company's accounting of its timber rights and raises broader questions about its business practices.

In dispute is just how much the company really controls of the dense oak, pine and birch forests that cover the rippling mountains of southern Yunnan, which is close to China's border with Myanmar.

Sino-Forest's core business consists of buying timber assets in China, holding these plantations for two or three years as they appreciate in value, and then selling them at a profit. Sino-Forest also has a log trading business. Combined, these operations account for about 95 per cent of the company's current revenue. Sino-Forest also plants trees for harvest, but these holdings are not expected to generate revenues for five or six years.

Its corporate structure has opened Sino-Forest up to criticism that it is too opaque. The company has scores of subsidiaries in China and offshore locations such as the British Virgin Islands. It has refused to disclose the names or locations of the customers who buy its standing timber, saying it doesn't want to reveal the identity of its customers for competitive reasons.

Non-state-owned forests in China are usually collectively owned by village councils on behalf of their residents, or in some cases belong to individual households. The trees and their produce can be bought, but the land can only be leased.

As of the end of 2010, the company claimed control of about 800,000 hectares of trees in nine Chinese provinces plus New Zealand. Its operation in Yunnan province, in addition to being its largest, is also the one for which it has made additional disclosures recently in an attempt to defuse the allegations made in the Muddy Waters report.

So far, however, it has disclosed purchase agreements as well as forest and woodland rights certificates for about 7,000 hectares of forest in Yunnan. The company has not disclosed significant documentation regarding its forestry holdings in other provinces.

To find Gengma Forestry, Sino-Forest's local partner in the so-called "Yunnan master agreement" – the 2007 deal said to be worth as much as $1.4-billion – you have to duck down an alleyway behind the drugstore on the main street of this nondescript trading city, then up a dusty cement staircase.

On the landing is the litter-strewn office with an open door and a window protected by metal bars. Despite signing a deal with Sino-Forest that should guarantee a windfall, the company has clearly fallen on hard times. "Our relations with [Sino-Forest] were not totally good. They talked about a lot of things, but in the end it was hard to get money from them," said Zhang Ling, Gengma Forestry's office manager.

Ms. Zhang said the company was approached by Sino-Panel, a Sino-Forest subsidiary, out of the blue in 2006 – "they said they found us over the Internet" – but that they hadn't heard anything from the company in recent years. She said Gengma Forestry felt it had made a bad deal on the forests it sold. "We sold it for 30 yuan per mu (per year). Now the price is soaring because the hype around timber is very high."

When The Globe asked Sino-Forest why a Gengma official offered a different account of the 2007 deal, the company said it stood by its statements on the transaction and suggested Gengma's chairman should be contacted. "We don't know who you spoke to, but we continue to be in touch and have a good relationship with the Chairman, Xie Hongting," the company said in an e-mail. Mr. Xie's office address and local phone number were both included. When The Globe contacted Mr. Xie, he contradicted Sino-Forest's account that it has bought about 200,000 hectares of forest through the Yunnan master agreement.

With four years of the master agreement deal already elapsed, Mr. Xie said Sino-Forest has followed through on deals that give them long-term leases, which are usually

for three or four decades, for timber rights on "almost" 200,000 mu of timber through Gengma, or about 13,300 hectares – not the 200,000 hectares the company claims to have acquired.

At the same time as the company announced the Gengma Forestry deal in 2007, it also announced the sale of $200-million (U.S.) in new shares to a group of investors led by Temasek Holdings, Singapore's massive sovereign wealth fund, to help pay for the timber deal – one of a series of equity and debt financings Sino-Forest has completed over the past decade to fund its huge growth.

While Gengma Forestry officials question Sino-Forestry's account of the 2007 deal, local land brokers said it would be difficult to find 200,000 hectares of quality land leases to complete that agreement.

"Most of the land with good trees around Gengma is all sold out. Only lesser land is still available to buyers now," said Zhang Fuyin, a broker who said he sold 10,000 mu of timber in the area to Sino-Panel, a Sino-Forest subsidiary, several years ago. The deal with Gengma Forestry says the timber purchases will take place in "Lincang city and its surrounding areas," a likely reference to Lincang county, of which Gengma is the geographical heart.

Senior forestry officials in the province challenged the company's assertion that it controls about 200,000 hectares of forest in the region. Speaking on condition they not be identified, they said their records showed Sino-Forest manages far less than that and said the Yunnan Forestry Bureau would begin an investigation aimed at determining the company's true holdings.

In addition to the questions about Sino-Forest's disclosures on the size of its holdings, forestry officials, as well as local timber brokers who spoke to The Globe raised questions regarding the value Sino-Forest attributes to its Yunnan assets.

"It's very hard for anyone to say what the value of their property is," said one forestry official, adding that forested land in Yunnan needed to be evaluated by a special body jointly appointed by the Forestry Bureau and the Ministry of Finance. Sino-Forest has not requested such an official valuation of its land, he said. "(The valuation) must have two chops (official seals) and two forestry resource evaluation experts and two licensed evaluators… . Even I can't just go there and give it a value."

In an e-mail response to The Globe and Mail, Sino-Forest replied that because they own the trees, rather than the land, their holdings would not be registered with the provincial forestry bureau.

"As a matter of course, when we purchase trees only, we obtain a confirmation of our ownership from the local county or city For-

estry Bureau for the local area in which we purchase, not the provincial Forestry Bureau. Sino Forest's ownership of its forestry assets in the Yunnan province is voluntarily documented in each case by the local or city Forestry Bureaus, not at the provincial Forestry Bureau level. As a result, officials at the provincial Yunnan Forestry Bureau would not have an official record about Sino-Forest's local forestry assets."

Born from a reverse takeover of a shell company trading on the Alberta Stock Exchange in 1994, Sino-Forest grew to a market capitalization of more than $6-billion. Its largest shareholder is Paulson & Co., run by John Paulson, who is among the world's best-known hedge fund managers and whose flagship fund owns 14 per cent of Sino-Forest's shares, according to regulatory filings.

Before the Muddy Waters report was published, seven out of seven Canadian equity analysts who covered Sino-Forest rated the company a buy.

With reporting by freelance writer Carolynne Wheeler in Beijing.

FOREST GROWTH

March 23, 2007 Sino-Forest announces a deal to acquire 200,000 hectares of standing timber in Yunnan province over a 10-year period for $700-million (U.S.) to $1.4-billion. The company says it will acquire the trees through "purchase agreements" with Gengma Dai and Wa Tribes Autonomous Forestry Co. Ltd. (Gengma Forestry). At the same time, the company says it will sell $200-million in new shares to investors, with most of that going to Temasek Holdings, Singapore's sovereign wealth fund.

Dec. 31, 2007: By this date, Sino-Forest had acquired 10,438 hectares for $88.1-million under the Gengma deal, according to company disclosures.

2008: Sino-Forest acquires 64,562 hectares of Yunnan forest under the Gengma deal, according to company documents, for a total of 75,000 hectares purchased.

2009: Further acquisitions bring Sino-Forest's total purchases under the Gengma deal to 109,100 hectares, at a cost of more than $500-million.

2010: Sino-Forest has its busiest year yet in Yunnan, acquiring another 81,200 hectares through Gengma. As of Dec. 31, 2010, it had bought 190,300 hectares of Yunnan trees via the deal, for $925.9-million.

June 2, 2011: An obscure research firm, Muddy Waters LLC, alleges that Sino-Forest has overstated purchases from the Gengma agreement by $800-million.

Source: Company documents

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BUSINESS 2 OF 3

On the trail of the truth behind Sino-Forest

MARK MACKINNON
JUNE 20, 2011

The deepening mystery surrounding Canadian timber company Sino-Forest Corp. leads to the regional capital of Kunming in China's Yunnan province and down Huashan West Road – to an address that doesn't exist.

That address, No. 125 - 129 Huashan West Rd., is listed as the office of a forestry company that sold 1,600 hectares of timber in Yunnan province to a Sino-Forest subsidiary in March. But the odd-numbered side of Huashan West Road ends at 81.

Finding the buyer, the Sino-Forest subsidiary, proves almost as elusive. The office is in a white three-storey building with a green Sino-Panel sign on Bai Tai Road on the northern edge of Lincang, the administrative centre of the region's forestry industry. But it's empty.

The curious transactions totalling $6-million and inked on March 7 between a Sino-Forest subsidiary with an empty office and a seller with no address highlight the bigger questions surrounding Sino-Forest's dealings in southern China. Trying to penetrate Sino-Forest's complicated business in Yunnan can be like trying to spot the sun through the thick forests of oak, birch, pine and other timber that carpet the mountains in this sprawling region along China's border with Myanmar.

Sino-Forest, once Canada's biggest publicly-traded timber company, has seen its stock fall by 82 per cent since the June 2 publication of a report by a short seller, Carson Block of Muddy Waters LLC, that alleged large-scale fraud and overstatement of assets by the company.

The Globe and Mail reported on Saturday that Yunnan forestry officials say the company's claim that it controls almost 200,000 hectares in Yunnan province doesn't match their records. A key business partner, the intermediary in a Yunnan "master agreement" under which Sino-Forest says it conducted the bulk of its transactions there, told The Globe it has so far sold less than 14,000 hectares to Sino-Forest. Sino-Forest has said that it has almost completely fulfilled the 10-year master agreement signed in 2007, which gave it the right to purchase up to 200,000 hectares in the region via the intermediary, Gengma Dai and Wa Tribes Autonomous Region Forestry Co. Ltd. (also known as Gengma Forestry).

Senior forestry bureaucrats also told The Globe and Mail that there's no official valuation of Sino-Forest's properties, since the company has never applied to have an evaluation conducted by the local government. The Yunnan Forestry Bureau has since launched an investigation into the company's claims.

In e-mail responses to the Globe, Sino-Forest says it stands by its public statements regarding its holdings in Yunnan, and said it

bought some assets from Gengma Forestry, and used Gengma Forestry as a purchasing agent to buy another 180,000 hectares of forest from other sellers. The company has denied all wrongdoing alleged by Muddy Waters and the board of directors has formed a committee to investigate.

Two weeks of travelling by car and plane to visit Sino-Forest offices, properties and partners in Yunnan, Hunan and Beijing – and interviews with forestry officials, industry experts and local residents – led to as many new questions as answers.

In the series of deals inked on March 7, the buyer was named as Sino-Panel (Yunnan) Forestry Co., the local affiliate of Sino-Forest, and the seller was listed as Yunnan Shunxuan Forestry Co. Ltd. of Huashan West Road.

No one on Huashan West Road recalls a forestry company ever having an office in the area. "If there was a company like this on Huashan West Road, I would know about it," said a member of the neighbourhood committee (a hyperlocal and usually omniscient arm of the ruling Communist Party) that is responsible for the street.

At the same time, neighbours say the office of Sino-Panel on Bai Tai Road sat empty until Thursday, June 2 – hours before Muddy Waters released the report that rocked investor confidence in Sino-Forest and sent its share price spiralling downwards. Then a moving van arrived at the long-vacant building and began unloading desks, chairs, power bars and Internet cables.

A week later, however, there was still no evidence of anyone working there, other than a squashed cigarette butt and a caulking gun that lay on the dirty tile floor amid the bare workstations.

"We wouldn't have noticed, but (on June 2) my car was blocking the moving van (and had to be moved). Before that, the building was empty," said Wu Jie, manager of the regional office of Fanhua Forestry Investments Development Co., which sits beside a massage parlour and an English training centre across the street from the deserted Sino-Panel building.

Sino-Forest says its office was empty because they only incorporated their Lincang office at the start of the year. "The signing of the four contracts occurred after the registration of this new office but we haven't yet moved our staff to this location because we have been renovating the office space," the company said in a statement e-mailed to The Globe and Mail.

But other answers did little to shed light on who the company was dealing with in the March 7 transactions. Asked why Yunnan Shunxuan didn't have an office at the location listed on the four purchase certificates for the 1,600 hectares Sino-Forest bought, Sino-Forest gave another address.

This one turned out to be a 60-square-metre room in an apartment hotel, with no sign on the door indicating a business of any kind inside. The woman who answered the phone said she was Chen Xin, the company's sales manager. She confirmed that Shunxuan had indeed done business in the past with Sino-Forest. But she refused to answer any other questions.

A short flight and a long drive away in a remote corner of Hunan, another Chinese province, questions mount around a separate partner, Huaihua Yuda Wood. The company was identified on Chinese websites – including that of the Huaihua City Bureau of Commerce – as a subsidiary of Sino-Forest. Such a relationship with Huaihua Yuda Wood would have been a required disclosure when the Sino-Forest reported a 2007 transaction in which it paid $68-million for just over 7,000 hectares of forest in Yunnan.

Sino-Forest denies that Huaihua is a related party, and has since made public a letter from Huaihua Yuda Wood asking that the website be corrected after apparently going unnoticed for almost five years (an application accepted by the local government, which acknowledged making an "error").

But again, it's a challenge trying to track down the real origins of the Sino-Forest partner. No street address is given for Huaihua Yuda Wood on the documents made available by Sino-Forest, only the name of a tiny township called Anjiang in southern Hunan province. There, locals say a company called Yuda did indeed own a crumbling sawmill in the area that has since changed hands.

Employees who remained behind at the mill after it was sold say they believed that Huaihua Yuda Wood was indeed a subsidiary of Sino-Forest. "There were Canadians here all the time back then," said an office worker who would only give her family name, Yi.

At the offices of Jiading, the Sino-Forest subsidiary in the nearby city of Dongkou, the story gets even more complicated. The factory manager says Huaihua Yuda Wood's operations are indeed in the same building as Jiading's. Yuda is a "cousin company," the factory manager explained.

But his boss, general manager Liu Zhiwei, denies that's the case and says Yuda Wood remains an independent company based in Anjiang, though he says he doesn't know its address or phone number.

An official with the Huaihua City Bureau of Commerce told The Globe and Mail by telephone Wednesday that Huaihua Yuda was no longer a legally registered company and that he could not provide any other information. But that same week, the seemingly defunct company wrote to the same commerce bureau, asking for and receiving

a letter clarifying that it was indeed a separate entity from Sino-Forest.

The questions about Sino-Forest, which have made headlines in North America, have barely made a ripple here in the heart of its operations. None of the government officials, business people, forestry industry experts or local residents interviewed by The Globe and Mail in Yunnan and Hunan had heard anything about Muddy Waters or the allegations against Sino-Forest.

At Sino-Forest's real centre of operations in Yunnan, on the fourth floor of a converted hotel in the small but affluent town of Mengding, a harrowing five-hour drive through the mountains south of Lincang, the company's troubles seem to be little more than a rumour. Branch manager Shen Xe "heard something happened at the company, but I'm not certain what it is." Others among the company's 19 staff in Mengding professed complete ignorance.

Or perhaps the questions were just unwelcome. When the interview was over, local police were waiting in the parking lot. They questioned The Globe's reporter, and then attempted to follow his movements for the rest of the day.

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BUSINESS 3 OF 3

RCMP probing whether Sino-Forest defrauded Canadian investors

ANDY HOFFMAN
NOVEMBER 10, 2011

The RCMP have launched a criminal investigation into whether executives of Sino-Forest Corp. defrauded Canadian investors who pumped billions into the Chinese timber producer.

The Mounties' probe centres on whether senior executives committed fraud by overstating the value of the company's forest assets and its revenue, according to two sources familiar with the investigation.

Presenting language, jurisdictional and geographic issues, the investigation will pose significant challenges for the RCMP, which has struggled to close high-profile securities fraud cases in the past.

Sino-Forest was the largest forestry company on the Toronto Stock Exchange, achieving a market value of more than $6-billion as investors drove up its share price to capitalize on China's strong economic growth and soaring demand for wood. But this summer, an investment-research analyst alleged that it "massively exaggerates" its holdings of timberland in mainland China. In August, Ontario securities regulators stepped in, placing a freeze on all trading in the company's shares and saying that they, too, had found evidence of fraudulent activity.

The start of the criminal probe marks the most serious legal setback yet for the company. But it will also be a significant challenge for the RCMP's financial fraud unit, known as the Integrated Market Enforcement Team, and a test of its ability to conduct a major stock-market fraud investigation overseas. Sino-Forest's operations are in mainland China and most of its key executives are Chinese citizens based in Hong Kong. The case is so complex that even the company's own internal investigation has been delayed by several months.

IMET has been widely criticized for moving too slowly on high-profile cases, such as the alleged accounting fraud at Nortel Networks Corp., and failing to win convictions in court. In the Nortel case, it took four years from when the scandal first broke for criminal charges to be laid.

If the allegations are proven, Sino-Forest would represent one of the largest stock-market frauds in Canadian history and a key example of the increasing difficulty of regulating and policing the activities of companies operating in foreign jurisdictions but listed on Canadian markets. It is not a new problem: one of the country's most notorious stock-market scams – the Bre-X Minerals Ltd. gold fraud of the 1990s – took place in Indonesia, and the RCMP proved unable to collect enough evidence to lay criminal charges.

The Ontario Securities Commission has alleged that Sino-Forest executives, including former chairman and chief executive officer Allen Chan, appeared to be engaging

in acts that "they know or reasonably ought to know perpetuate a fraud." Mr. Chan, a Hong Kong resident and former restaurant manager who co-founded Sino-Forest in 1992, stepped down as chairman and CEO in August and is understood to be co-operating with investigators.

A separate investigation by The Globe and Mail found evidence of undisclosed related-party transactions by Sino-Forest and a key business partner in China disputed the size and value of the company's forestry assets in Yunnan province.

Mr. Chan and Sino-Forest have denied the allegations. The company set up a three-member independent committee of directors to investigate the fraud accusations. It hopes to complete a report on the matter by the end of the year. James Bowland, a former investment banker with BMO Nesbitt Burns, resigned from Sino-Forest's board and the independent committee last week. The company did not give a reason for Mr. Bowland's departure.

A Sino-Forest spokesman would not comment on the RCMP investigation. RCMP Superintendant Dean Buzza, who heads the IMET unit, would neither confirm nor deny a police probe of Sino-Forest.

THE GLOBE AND MAIL
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BUSINESS 1 OF 3

Flawed R&D scheme costs taxpayers billions

BARRIE MCKENNA
MARCH 12, 2011

A flood of questionable tax claims pushed by an exploding cottage industry of consultants is threatening Canada's signature research and development incentive.

Tax authorities are warning they'll start hitting companies claiming this wildly popular tax break with punitive penalties and even criminal charges to stop the abuses.

This year, Ottawa and the provinces will dispense $4.7-billion to more than 20,000 Canadian companies under one of the richest R&D tax regimes in the world. But a third or more of that cash is being wasted and paid to consultants as a result of hazy rules on what's legitimate R&D and limited government auditing resources, according to dozens of interviews with consultants, claimants and government officials.

The program is prone to abuse because the risk of getting caught is low. Tax authorities routinely accept a significant percentage of refund claims with little or no vetting in what one CRA source called the R&D industry's "dirty secret."

At a time when experts worry Canada is falling badly behind in the global innovation race, Ottawa often touts its Scientific Research and Experimental Development program as a key part of the answer – a powerful lure to get companies to invest here and generate wealth. In fact, the government's own studies have found the program generates almost no economic benefits. And the low risk of getting caught means too much of the money winds up in the hands of people who do little or no R&D, including small manufacturers, consultants and lenders.

The dilemma is that many claims may meet the agency's minimum filing guidelines, and yet constitute highly dubious R&D. The result, experts said, is that Canadian taxpayers are spending billions on a program that too often delivers little or no new R&D.

Senior Canada Revenue Agency (CRA) officials exposed the growing scourge of bogus claims at a series of recent meetings with industry consultants and accountants, The Globe and Mail has learned. At one of the gatherings, a CRA executive complained about unscrupulous consultants "carpet bombing" entire area codes and then flooding the agency with claims for many companies that do little or no R&D.

Money is often paid out to decidedly low-tech and routine manufacturing, such as baking gluten-free cake, making injection-moulded auto parts or growing potted roses. Carefully documented and presented as scientific investigation, this kind of work is worth millions in government cash.

The refund industry is so lucrative that it's even spawned a new breed of lenders, who give claimants cash up-front for a cut of any eventual refunds.

Thanks to a revolving door between the government and the industry many consultants know the ins and outs of the claims process better than government auditors.

Many of the same CRA officials who helped design SR&ED are now working as consultants for the country's major accounting firms. Ernst & Young, Price Waterhouse, and Deloitte Touche all have former agency executives in key positions in their lucrative R&D tax practices.

Top CRA officials acknowledged significant and growing problems with the program at a recent meeting with several hundred claimants and consultants in Burlington, Ont. Among the revelations: a proliferation of SR&ED consultants, a surge of dubious and poor-quality claims and far too many cases of companies making claims they can't back up with documentation, according to David Hearn, a veteran consultant and manager of Scitax Advisory Partners in Toronto, who was at the meeting.

CRA officials also told the meeting that some consultants are blanketing entire geographic areas and submitting unfounded claims for virtually every business on every street, Mr. Hearn said.

CRA officials contacted by The Globe and Mail confirmed the account and acknowledged they're facing "a growing trend" of bogus and fraudulent claims. CRA spokesman Philippe Brideau said the agency is also "aware" that some tax preparers are providing "incorrect information to potential claimants."

Recent meetings with the industry are part of an effort to "promote awareness and compliance," he said.

But Mr. Brideau insisted most companies are playing by the rules.

"It is important to note … that the vast majority of claims are compliant with filing requirements," he said.

But another CRA source said as many as two-thirds of SR&ED claims – often worth millions of dollars apiece – are merely accepted "as filed," with minimal vetting.

Mr. Brideau would not confirm what percentage of claims are approved without thorough review. He said the agency's "risk assessment criteria, coverage rates and review strategies" are confidential.

Nor would he discuss specific claims or consultants, citing confidentiality rules. But he said the agency is vigilant about pursuing tax evaders and is consistently improving its administration of the program and "promoting greater compliance."

Erin Filliter, a spokeswoman for Revenue Minister Keith Ashfield, insisted the government is aggressively pursuing cases of potential fraud and laying charges when there's evidence of abuse.

"This is a very serious issue and we take it as such," Ms. Filliter said. "We are taking ap-

propriate action."

Ottawa and the CRA owe it to Canadians to do a much better job of ensuring taxpayers' money is going to legitimate R&D, Mr. Hearn argued.

"SR&ED is something that CRA and the government can and should fix. They just need the will to do it," he remarked. "We mustn't allow them off the hook on this. It's like any policing. It's a tough job, but it has to be done. It's their job and they should do it."

The federal government has known about gaping holes in the program for more than a decade. Numerous studies, including a 2000 Auditor-General's report, warned of rampant problems with SR&ED, including poor controls, inconsistent decisions and exaggerated benefits.

The Auditor-General urged both the CRA and the Department of Finance to bolster internal controls and tighten the rules. Instead, Ottawa has made the program progressively more generous. The result was predictable. The cost of the federal SR&ED program has climbed to an estimated $3.5-billion a year from $2.7-billion in 2005.

At the same time, Canadian companies are doing less R&D than they were before the recession – $14.8-billion in 2010 versus $16.6-billion in 2007, according to Statistics Canada. And numerous studies suggests Canadian businesses are doing a relatively poor job of converting that R&D into successful new products and higher exports.

What's worse, there's no evidence generous tax incentives are leveraging any more R&D than would occur anyway. The Department of Finance concluded in 1997 that the SR&ED program barely pays for itself, generating just $20-million to $55-million a year worth of net "real income" for the country.

Unlike most other developed countries, Canada chooses to pump cash into business R&D indirectly, through tax breaks, rather than directly through grants, investments or government purchases.

Nor is the fraud problem a new phenomenon. The SR&ED program replaced the defunct Scientific Research Tax Credit (SRTC) program, which was abruptly cancelled in the 1980s after costing the government more than $1-billion in tax revenues and spawning a litany of fraud convictions.

Like the SRTC, the great lure of the current system is that the credits are payable as cash refunds. Smaller Canadian private companies get an instant refund on up to 35 per cent of their first $3-million in eligible R&D costs, including salaries, equipment and outside contracts. Most provinces tack on additional credits of 10 to 20 per cent.

SR&ED is also producing lucrative fees for a thriving cottage industry of consultants, who promise big payouts for navigating the program's arcane rules. Google "SR&ED"

and you'll get listings for hundreds of consultants offering advice on how to get hefty refunds.

Exploiting grey areas in the law has become big business for consultants. Some even brag about pitching SR&ED to businesses who don't do conventional R&D, such as restaurants and bakeries.

"Many people think that the access to Canadian government-funded R&D incentives is limited to manufacturers and research labs," Mark Sorkin, part owner and director of business development for Toronto-based Tripol Management Services, wrote recently in an online newsletter. "Small businesses in the food industry (like bakeries and restaurants) are also prime candidates who can and should take advantage of this amazing funding program."

A Tripol sales training document obtained by The Globe and Mail highlights the perceived low risk in the industry of pushing the envelope.

"There is no punishment for anything that you (we) write in the claim," according to the document. "The best-case scenario – 90 per cent of cases that Tripol handles – is that the client simply receives the cheque from the government for the dollar amount of the claim."

The document, for example, urges its consultants to embellish claims by lifting technical jargon from the Internet for "scientific flavour," changing employee titles to make them sound more technical and playing with percentages to make them "look more convincing to reviewers." Tripol refers to these tactics as "decorating the reality."

Reached by phone, Mr. Sorkin acknowledged the document belongs to Tripol, but insisted it's only a draft.

"It's a confidential file," he said. "We drafted it for business comment. We don't have a final version yet."

The risk of getting caught for making bogus claims remains low.

The CRA's Mr. Brideau said the agency is reviewing an unspecified number of cases dating back to 2007, but it hasn't imposed any penalties yet.

The odds of criminal prosecution are also low. Just four people have been convicted since April, 2006, in connection with false SR&ED claims – two in 2010 and one each in 2008 and 2007, according to Mr. Brideau.

The CRA is trying to cope with the sheer volume of claims by arbitrarily rejecting many of them and imposing onerous new documentation requirements on everyone, according to numerous consultants and claimants.

The result is that the approval process has become increasingly inconsistent and unpredictable. Faced with near-identical R&D projects, the agency may approve one, while arbitrarily rejecting others.

"The program has lost its focus," lamented Dean El-Sedfy, president of SR&ED Engineering Inc. in Burlington, Ont.

Tax authorities should be focused on whether companies are doing legitimate R&D in Canada, he said. Instead, they're wasting their time making sure forms are filled out correctly and contain the right buzz words, Mr. El-Sedfy scoffed.

"The abuses are a real problem," Mr. El-Sedfy added.

The result is that CRA is rubber stamping large volumes of smaller claims that look legitimate because more thorough reviews are too costly and time-consuming. Meanwhile, many larger claims are being arbitrarily scaled back or rejected.

Toronto-based iSkin Inc., which developed antimicrobial covers and wireless accessories for iPads and iPhones, recently ran into the CRA's get-tough policy. The company applied for $1.8-million in tax credits, but was rejected after an audit on the grounds that its work amounted to routine engineering.

"The act is vague to begin with, and interpretive," complained Ron Juliani, iSkin's director of business affairs. "One company can get approved for something minor, while another like us, is summarily dismissed … We should be the poster child for R&D, yet we're punished for it."

There seems to be a "mandate from the top" to reduce the number of claims, whether they're legitimate or not, Mr. Juliani said.

Ms. Filliter, the Revenue Minister's spokeswoman, said the government is anxiously awaiting the results of a government-appointed panel of experts, headed by Open Text Corp. chairman Tom Jenkins, which is reviewing Ottawa's various R&D efforts, including SR&ED.

Based on submissions Mr. Jenkins has received so far, leading business groups and accounting firms are pushing for an expansion of SR&ED, rather than a sweeping overhaul. Many want refundable credits for all companies – regardless of whether they're public or private, small or large.

Mr. Hearn of Scitax suggested that a better alternative to refundable credits for all companies would be a flow-through share scheme, similar to those currently offered in the mining and resource sector.

"What we need to do it fix the malfunctions, not destroy the system," he said.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

BUSINESS 2 OF 3

A chance to fix our broken R&D model

BARRIE MCKENNA
OCTOBER 17, 2011

Tom Jenkins has one of the most important jobs in Canada.

And it's not his post as chairman and chief strategy officer at software maker Open Text Corp.

For the past year, Mr. Jenkins has led a panel of experts investigating ways Ottawa can get a lot more out of the $7-billion a year it spends on research and development outside government labs.

Mr. Jenkins delivers his final report to the Harper government Monday, marking a long-overdue shift from talking about Canada's innovation deficiencies, to actually doing something about them.

"We are at the dislocation point between an old economic order and a new one that may last for decades, if not centuries," Mr. Jenkins wrote in a recent paper for the Institute for Research on Public Policy. "Innovation is the wealth creator in this new order."

As Mr. Jenkins has certainly discovered, the only way to succeed is a much more targeted and strategic approach to spending all that money. That will likely mean favouring the few at the expense of the many, with perhaps more emphasis on grants, along with tighter controls on tax credits.

Right now, Ottawa spreads cash far and wide – across all regions, industries and institutions, companies large and small – in the faint hope that something good will come of it. It's the triumph of R&D democracy over R&D meritocracy.

And by Ottawa's own acknowledgement, the system is broken. A consultation paper prepared for the panel confirmed what countless other studies over the past decade have shown. Canada's record of turning knowledge into innovation is poor by international standards – in spite of some of the most generous R&D tax incentives in the world. The result: declining R&D spending by companies, low rates of commercializing new products and lagging productivity.

The most compelling example of the scatter-gun approach is the Scientific Research and Experimental Development program, or SR&ED. This flagship tax break is a $5-billion transfer from Canadian taxpayers to businesses ($3.5-billion from the feds plus another $1.5-billion from several provinces that piggyback their own tax breaks on Ottawa's plan).

A recent Globe and Mail investigation found widespread dubious claims, a diversion of tax credits to consultants working on contingency fees, plus inconsistent and unpredictable rulings on what qualifies as R&D.

In an interview Friday, federal Science Minister Gary Goodyear acknowledged he's looking at a major restructuring of the tax-credit regime and other programs. But he wouldn't commit to a timetable.

"We've seen reports in the past suggesting

where the problems lie," he said. "I expect the panel will go into great depths on how we can actually change the way the government runs these programs."

A report Friday from the University of Toronto's Mowat Centre for Policy Innovation urged Ottawa to dramatically cut R&D tax breaks and plow the cash back into targeted grants for businesses, a model embraced by innovation leaders Germany, Sweden and South Korea.

It won't be easy. A powerful lobby is eager for more – not fewer – of the programs that aren't working, based on the 250-plus submissions to Mr. Jenkins's panel. Small businesses want government cash, but don't want to wade through red tape to get it. Larger public companies want what smaller ones get, including access to SR&ED's refundable credits. And the academic world isn't much interested in more targeted R&D, arguing that it discourages exploratory basic research.

SR&ED's most lucrative benefits – near-instant credits for R&D that companies have already done – go exclusively to Canadian-controlled private companies, often for the smallest of R&D projects. Ottawa wants to build world-beating companies, but it's giving away millions to $10,000 R&D projects. That's less than two months' salary for one engineer.

R&D requires critical mass, but SR&ED has no minimum threshold. Maybe it should. And Ottawa must do a better job of identifying real R&D.

Ottawa has shown a similar tendency for breadth over depth in its grants to university researchers. And it's often not done a good job of leveraging its own purchasing power to encourage more Canadian-based R&D.

In the current fiscal environment, the Harper government's default reaction may be to cut flawed and expensive programs, rather than reform them.

That would be a lost opportunity. With an aging population and a global economy in turmoil, getting innovation policy right is key to boosting productivity, creating jobs, generating wealth and keeping up with rival nations.

Get it wrong, and Canada will forever be a country of innovation mediocrity.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

BUSINESS 3 OF 3

Canada's innovation window of opportunity

BARRIE MCKENNA
NOVEMBER 19, 2011

Canada boasts a stable government, sound finances, boundless resources and an educated work force. But for all of those strengths, there's a dirty little secret about our economy.

We are underperformers – not compared with our overindebted G7 compatriots but compared with our economic potential. Canada's record on productivity is poor, and the country suffers from a chronic innovation gap. Outside of the mining and energy sectors, the list of Canadian companies making a meaningful impact on a global stage is exceedingly short. The most innovative one of all, Research In Motion Ltd. of Waterloo, Ont., has been put on the defensive by foreign competitors that have been stealing market share with products that are more cutting-edge than the BlackBerry.

Were it not for an abundance of commodities that developing countries are demanding right now, such as potash and oil, our economic growth would be far weaker than it is.

But with the threat of a decade of stagnation hanging over the global economy, there's a campaign under way to revive some neglected ideas to make Canada a much more competitive place – and to do it now.

The sense of urgency is driven by a number of factors. One is the economic and political dysfunction of our largest trading partner, the United States, which is still hobbled by the after-effects of a consumer debt binge and a banking crisis. Another is the changed political climate of Ottawa since voters granted the Conservatives a majority in the May election. For the first time since 2004, a government can tackle some difficult economic problems, and make policy shifts, without fear of triggering an election.

Putting Canada on a more competitive footing will likely mean diversifying trade links beyond the U.S., converting corporate profits into world-beating innovation and pursuing big infrastructure projects. It also means welcoming more foreign investment from places such as China and the Middle East and deregulating a host of stodgy pre-Internet industries, such as telecommunications, cable and transportation.

Such a campaign has a long way to go – as is highlighted by the comments of foreign investors like Naguib Sawiris, the Egyptian telecommunications tycoon. It was his money, controversially, that helped fund the startup of Wind Mobile in this country. In an interview with The Globe and Mail this week, he blamed Ottawa's telecommunications policy for making it harder for new wireless companies to establish themselves.

"Anybody who asks me, I tell him look, we are the stupid investors that poured a billion dollars into Canada here and created 1,000 new jobs, please don't do this

mistake. Don't come here," Mr. Sawiris said. He also drew a direct link between the long-standing federal policy of limiting foreign investment and the lack of global presence of Canada's major telcos.

"If they were that good, why are they just in Canada here? Why don't we have Rogers in the U.K. or Germany? Why is Vodafone everywhere? Why is France Télécom everywhere? And this national champion Rogers is only in Canada? Because only in Canada it gets pampered and it can kill its competitors."

A push for reform

In 2008, an expert panel set up by the Harper government to examine Canada's competitiveness recommended a major shift in Ottawa's approach to telecom, in favour of opening it up to far more foreign investment.

Three and half years later, the chairman of that panel, Red Wilson, looks back on his effort with a mixture of pride and regret. Pride because his panel's findings are just as relevant today as they were then. But it's tinged with disappointment because most of the 65 recommendations, including the one on foreign ownership of telecom companies, remain on the shelf even as the country's innovation and productivity performance sputters.

"I was happy to see some of the things implemented. Others are still hanging," Mr. Wilson, the 71-year-old former chairman of BCE Inc., says diplomatically.

He also laments that Ottawa never embraced his call to create a dedicated competition advocate to track the country's progress on key measures such as productivity and to hold decision makers to account. General Electric chairman Jeffrey Immelt recently took on a similar post for U.S. President Barack Obama.

But Mr. Wilson's agenda has plenty of converts. Bank of Canada Governor Mark Carney is talking up productivity at every opportunity – in speeches and private chats with chief executives. Software executive Tom Jenkins is out pushing his report on spurring innovation with an overhaul of federal research and development spending. And several eminent former ministers, top bureaucrats and policy experts, including Michael Wilson and John Manley, are prodding the Harper government to mount an ambitious economic agenda.

"It's fair enough for people to talk about all these things," Mr. Wilson said. "But you've got to get some political initiative here. That's the groundswell that's still not there."

The lead federal minister on the file – Industry Minister Christian Paradis – has promised to take a fresh look at the report.

"We will continue to look to the panel report for inspiration in bringing forward further proposals," spokesman Pascal Boulay said.

What the campaign has going for it is a rare window of opportunity to complete an ambitious agenda. Canada's fiscal position is relatively sound and its economy is healthier than most in the industrialized world. And for the first time in seven years, the country has a government stable enough to carry out even unpopular policies.

"It's one of those rare times that Canada starts out with a policy advantage compared to most countries," remarked former Liberal cabinet minister John Manley, who speaks for the heads of the country's largest companies as president the Canadian Council of Chief Executives.

"The whole dynamic in Ottawa has changed. The [Harper government] no longer has to negotiate, item by item, with three opposition parties. They government is carrying the ball. They initiate and they can complete."

Pushing ahead with deregulation and trade need not cost much. Indeed, in an environment of fiscal restraint, policies that come with small price tags are more likely to get done, Mr. Manley explained.

"The whole challenge at a time like this is to do the things that are going to pay off, that are going to create economic activity and jobs," he said.

The flurry of talk about competitiveness and innovation is carefully timed to coincide with the government's preparations for its first budget with a secure majority, expected as early as February.

And a majority government's first budget is traditionally the time to launch big and potentially controversial ideas.

"There's pent-up demand," agreed David Stewart-Patterson, vice-president of public policy at the Conference Board of Canada, an independent think tank. "For six years, there was no opportunity to explore long-term strategic thinking at the federal level. That's the political window."

The cost of poor productivity

There's a lot of work to do and a compelling reason to do it. Poor productivity is not just a theoretical problems. It saps government tax revenues and destroys wealth. The University of Toronto's Institute for Competitiveness and Prosperity has estimated that low productivity costs Ottawa $112-billion a year in lost tax revenue. That's money that isn't available for health care, highways, tax cuts or investing in R&D.

Poor productivity is also eroding Canadians' prosperity. Per capita gross domestic product is a measure of the value created by workers and companies, and Canada has been steadily losing ground to its closest

trading partner, the United States. In 2010, GDP per capita was $47,500 in Canada and $57,000 in the U.S. – a gap of $9,500. Three decades ago the gap was less than $3,000.

When the Canadian dollar was low in the 1990s, companies could mask their poor productivity – it made exports more competitive. But that's no longer possible with a dollar that many economists believe could stay at or near par for years.

A key reason for Canada's lagging productivity is that government regulation shields companies in some industries from global competition, Open Text Corp. chairman Tom Jenkins argued in a recent paper for the Institute for Research in Public Policy. The result is that Canadian cable providers, phone companies and airlines have little incentive to become more efficient because they can generate better returns simply by charging customer more, rather than becoming better at what they do. And those costs are passed along to Canadians.

"We can't have it both ways," he wrote. "We either protect or we compete."

Mr. Jenkins, who recently chaired a federal panel investigating federal R&D incentives, applied a similar logic in recommending an overhaul of the generous tax breaks that Ottawa offers companies to do research. Offering billions of dollars in cash rebates to small companies that aren't profitable may create jobs for scientists, but it doesn't necessarily drive innovation or create wealth, he pointed out in a recent interview.

"The closer we can get to rewarding the outcome instead of the input, the better," he said.

That means rewarding companies that generate profits from their R&D and then offsetting part of their tax burden with credits. "Creating profits, that's what we want to encourage," he said.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

COLUMNS 1 OF 3

Reluctant speculators and the myth of financial literacy

BARRIE MCKENNA
NOVEMBER 21, 2011

There is a certain Zen-like appeal to the idea of financial literacy.

More education leads to greater knowledge, and ultimately produces sounder behaviour. That, in turn, nets improved financial outcomes for people.

We save more, earn more and have something left for retirement. What could possibly be wrong with that?

The catch – as Canada celebrates financial literacy month – is that there is no evidence any of this is true.

And yet the federal government, many provinces and the pillars of the financial services industry continue to embrace financial literacy as if it were the Holy Grail.

Finance Minister Jim Flaherty, who launched the $5-million Task Force on Financial Literacy in his 2009 budget, is poised to name the government's first financial literacy czar. Ontario put the topic into the provincial curriculum for grades 4 through 12. The Ontario Securities Commission is spending $2-million to train teachers. Toronto-Dominion Bank sponsors the Canadian Centre for Financial Literacy to promote better knowledge among low-income Canadians. Almost every major financial institution talks up literacy at every turn.

This all comes as profound policy and structural changes in the economy are rapidly shifting the financial burden of retirement from companies and governments to individuals. Companies are abandoning defined-benefit pensions in favour of defined-contribution plans, leaving workers to fend for themselves in retirement. Mandatory government programs, such as the Canada Pension Plan, aren't nearly generous enough for workers without supplementary retirement plans.

Looking to financial literacy to fill the void is like asking ordinary Canadians to be their own brain surgeons and airline pilots. The dizzying array of financial products, mixed with chaotic and increasingly irrational financial markets, makes the job of do-it-yourself financial planning almost impossible – no matter how literate you are. The average credit-card agreement is as intuitive as quantum physics.

The financial services industry wants it both ways. It preaches literacy and it advises government on sound policy. Mr. Flaherty's task force is headed by Sun Life Financial Inc. chief executive officer Donald Stewart and BMO Nesbitt Burns chairman Jacques Ménard.

But literacy isn't particularly lucrative. Armed with hundreds of millions in advertising dollars, Mr. Stewart's and Mr. Ménard's industry is simultaneously selling another story to consumers. Canadians are constantly bombarded with pitches to take on more debt, whether it's right for them or not. They're often blindly steered toward

high-fee products and complex financial instruments. The accompanying disclosure statements are written by, and for, lawyers.

Central banks aren't much help, either. Their vows to keep interest rates near zero indefinitely have made us all a generation of reluctant speculators, desperately seeking a better-than-2-per-cent return.

Financial literacy is a smokescreen.

Carleton University economist Saul Schwartz concluded in a 2010 study for the Institute for Research on Public Policy that evidence of better financial outcomes, particularly for retirees, shows "mixed results at best."

A raft of U.S. research found similar results. "We do not find conclusive evidence that … financial education programs lead to greater financial knowledge, and ultimately, to better financial behaviour," economists Ian Hathaway and Sameer Khatiwada argued in a 2008 study for the Federal Reserve Bank of Cleveland.

Even armed with education, consumers will too often make the wrong choices. Experts report, for example, that workers in defined-contribution plans typically don't adjust their risk profiles as retirement nears, leaving them dangerously exposed to market downturns.

There is a sounder and arguably less-costly path, but it doesn't suit the financial services industry or many business groups. Ottawa could mandate plain-English disclosure. Working with the provinces, it could enhance regulation of industry sales incentives and defined-contribution pensions.

And Ottawa could beef up the CPP, mandating that Canadians sock away more money for retirement, while benefitting from the CPP Investment Board's low administrative costs.

Instead, the Harper government is going with a private-sector solution – perhaps not coincidentally, given its financial literacy advisers. Last Thursday, it tabled legislation to create pooled registered pension plans for the millions of Canadians without workplace pensions, including small business owners, their workers and the self-employed.

Banks and insurance companies will manage the PRPPs – for a fee, of course.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

COLUMNS 2 OF 3

All farmers are equal – but some are more equal than others

BARRIE MCKENNA
OCTOBER 24, 2011

Agriculture Minister Gerry Ritz says he's all about putting "farmers first."

At first blush, this sounds like a pretty reasonable motto for an ag minister raised on a Saskatchewan farm. Who doesn't like farmers, after all? They do tough, essential work that feeds us all.

The catch is that "farmers first" often implies "consumers last." And what Mr. Ritz really means is that some farmers come first, but not all farmers.

As the Harper government pushes ahead with long-promised legislation to overhaul the Canadian Wheat Board, Ottawa's incoherent and intellectually dishonest farm policy is now on full display.

The government is stripping the wheat board of its grain-marketing monopoly on the grounds that farmers deserve free and open markets, like their brethren in potatoes, cattle, fruits and vegetables. Mr. Ritz insists farmers should choose how they market their products so they can "attract investment, encourage innovation and create value-added jobs."

But that doesn't apply to dairy, egg, chicken and turkey farmers. These farmers operate in a hermetically sealed regime marked by tight central control of production, the near-total exclusion of imports, and higher prices for everyone.

And the government has made it quite clear that's the way it should be. Prime Minister Stephen Harper says he's ready to defend the so-called supply management system, now and forever.

Beyond history, it's hard to figure out what makes a dairy farmer so different from a cattle rancher or an apple grower. If open markets are so clearly in the best interests of grain farmers in Western Canada, why aren't they also good for the dairy farmers of Quebec and Ontario?

The answer, of course, is politics in a country where rural areas are still overly represented in the House of Commons. Supply management has become a proxy for rural entitlement and protection of family farms – a message that helped the Conservatives to a sweep outside the major cities in Southern Ontario in the May election. And by retaining the regime, Mr. Harper presumably calculates he will keep those seats four years from now.

There is no sound economic or policy rationale for keeping supply management. The government is sacrificing the interests of 34 million Canadians for the sake of fewer than 15,000 dairy and poultry farmers.

For a government that claims to put the economy first, the farm-vote calculation is cynical.

Supply management is "a blight on the economic landscape and totally unjustifiable in a world of skyrocketing global dairy prices," the Organization for Economic Co-

operation and Development concluded in its 2008 review of the Canadian economy.

Every year the distortions caused by the system grow larger. Canadians may not realize it when they go to the grocery store, but they're paying twice the world average for dairy products – and up to three times what Americans pay. That's a hidden $3-billion a year tax on all of us.

Roughly half the money flows back to dairy farmers, making them richer than other farmers, who work just as hard. Bloated government agencies and marketing boards soak up a significant chunk of the rest.

That's only part of the cost to consumers. Because Canada must restrict imports to maintain this closed system, our trading partners block the sale of certain Canadian products in their markets. Canada has been shunned from ongoing talks toward a regional Asia-Pacific trade pact because Ottawa won't budge on supply management.

The OECD also pointed out that supply management hits the poor the hardest because they spend proportionately more on food than other Canadians.

Nor is supply management saving the family farm. Indeed, the system keeps young farmers out of the business by creating prohibitive barriers to entry. When the supply-management system was started in the early 1970s, farmers were allocated free production quotas. If you want to buy a cow and sell milk now, it will cost you an average of $26,000 per cow to buy quota. A typical dairy farm could have $2-million or more needlessly tied up in production quotas.

In all, Canadian farmers have $28-billion of their assets invested in supply management quotas, representing 2 per cent of the country's gross domestic product. And every year an average of more than 2,500 farms disappear as small operations give way to fewer, larger, factory farms.

Forget all the economic distortions and the steep consumer price. Supply management goes against the Conservative government's own clearly articulated free-market farm principles and vigorous defence of property rights.

Mr. Harper and Mr. Ritz readily acknowledge that free markets drive innovation, spur investment and create value-added jobs. Yet they are ready to go to the wall to defend a Soviet-style system for some farmers that does just the opposite.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

COLUMNS 3 OF 3

How Ottawa can reduce the risk of corruption abroad

BARRIE MCKENNA
SEPTEMBER 12, 2011

If nothing else, the Sino-Forest Corp. scandal demonstrates that it matters what Canadian companies do in the darkest corners of the world.

Canada's stock market has become a global ATM – the source of tens of billions of dollars of cash for resource extraction.

Where that money goes, and for what, matters.

It matters to the investors who put their money on the line.

It also matters to Canada, whose good name is being leveraged, and in some cases exploited, in some of the poorest and most corrupt countries on the planet.

Canadian regulators and policy makers should demand the same high standards of disclosure and transparency, wherever companies operate.

That's why it's perplexing Canada has shown zero interest in implementing the 2002 Extractive Industries Transparency Initiative. The voluntary international code is based on a simple premise: convince countries to disclose the revenue they collect from oil, gas and mining assets, and then get resource companies to report those royalties.

Meticulously documenting who pays what to whom is a key step in rooting out rampant corruption in the resource extraction business.

On the surface, at least, Canada is all for EITI. Prime Minister Stephen Harper has publicly endorsed the initiative, Canadian tax payers have sunk millions of dollars into the process and a top Canadian government bureaucrat sits on the organization's international board of directors.

Five major Canadian companies are also EITI signatories: Barrick Gold Corp., Goldcorp, Talisman Energy, Dundee Precious Metals and Kinross Gold.

And yet Ottawa refuses to embrace EITI at home. On its website, Natural Resources Canada offers a lengthy explanation why implementing the agreement is a bad idea. The department says its royalty disclosure standards are already higher and the initiative is really about helping developing countries out of poverty. The department concludes that implementation would be "detrimental to the vitality of EITI."

Strange, then, that on a visit to Ottawa last week, the former British Labour MP who now heads the EITI practically begged Ottawa to implement the agreement. Clare Short said Canada has a chance to once again become a "beacon" for the rest of the world on development issues.

"Canada has something special, the knowledge and expertise to bring to this," she said during a panel discussion at the University of Ottawa. "It could be very beneficial."

Not implementing has consequences

too. Countries, such as Brazil, conveniently point to Canada and other wealthy non-signatories for declining to join.

Canada also risks falling out of step. Several wealthy countries are moving toward imposing much stricter disclosure rules about what their companies do in foreign markets.

Norway, an oil and gas powerhouse, has already implemented the deal. Australia and the Netherlands have indicated they will follow soon. And the European Parliament recommends that member countries force disclosure of payments to governments by "extractive" companies.

Even the United States is poised to leap ahead of Canada. As part of the Dodd-Frank financial overhaul, the U.S. Securities and Exchange Commission will soon require companies listed on U.S. stock exchanges to disclose all payments made to foreign governments. That would include many Canadian companies with dual U.S. and Canadian listings, such as Talisman and Barrick.

And while Canada insists it has higher standards of resource revenue transparency, those rules only apply to companies operating in Canada. And unlike the EITI agreement, there's no requirement for individual companies to show what they actually pay in taxes and royalties on a quarterly or annual basis.

Ottawa's failure to comply with EITI risks giving the country an international black eye. It's already run afoul of the Organization for Economic Co-operation and Development as well as Transparency International for lagging the G7 in combatting corruption.

Canadian authorities have recently stepped up enforcement, fining one company (Niko Resources) and raiding another (Montreal engineering giant SNC-Lavalin Group Inc.) over corruption allegations in Bangladesh.

Those are good steps toward putting Canada's house in order.

But Ottawa can do more, starting with full implementation of EITI.

It wouldn't be easy, of course. EITI would involve the always-tricky intersection of federal and provincial jurisdiction – in resources and securities regulation. There may also be sensitivities among native groups about disclosing payments from resource companies. And the mining industry will surely balk at more regulation.

But a little more regulation and some federal-provincial stress could prove a lot more palatable than a reputation for spawning companies that run amok in the world.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

COLUMNS 1 OF 3

Berlusconi's just as bad – not worse – than the rest

ERIC REGULY
NOVEMBER 12, 2011

The man compared to the most debauched of Roman emperors – a modern day Nero – is spending his last hours as Italy's prime minister, a position he has held for the better part of two decades. May Bunga Bunga boy go out with a smile on his face, for his reputation as the destroyer of the world's seventh largest economy is undeserved.

To be sure, the sins of Silvio Berlusconi were many and varied. There were the endless sex scandals and corruption trials, allegations of Mafia involvement and entirely valid charges of conflict of interest because of his dual role as Italy's biggest media mogul and head of government. Imagine if Rupert Murdoch were prime minister of Britain, while still in control of his TV and newspaper empire, plus the BBC.

Mr. Berlusconi's biggest sin was taking a bad situation – the sclerotic Italian economy – and not improving it, even though his 2008 election victory handed him a large majority, one that he could have exploited to make Italy competitive. Instead, it was girls, girls, girls.

But it's a stretch to say the aging Lothario wrecked the economy. That's the common view in "wealthy" northern Europe (read: Germany), which is no doubt thrilled that Mr. Berlusconi will seek permanent refuge in his luxury villas, where he can do no harm. There is even some evidence that Germany accelerated his political demise. Note that the European Central Bank, still haunted by old Bundesbankers, was hardly an enthusiastic buyer of Italian bonds in recent weeks. The yields duly soared, breaching the 7-per-cent red-line level that had snuffed the life out of Greek, Irish and Portuguese debt markets. Suddenly it was arrivederci Silvio, felled not by the ladies but by the liabilities.

The common view of the Italian economy is somewhere between exaggerated and wrong. Italy's expected 2011 budget deficit, at 4 per cent of gross domestic product, is one of the lowest in Europe and about a third less than the average of the 34 OECD countries (the rich countries' club). It is expected to fall to 2.2 per cent next year, according to Deutsche Bank. That's not bad compared to the expected 2012 deficit in the United States of 6.2 per cent, 6.9 per cent in Britain and 5 per cent in France and Spain.

Italy is running a primary budget surplus, that is, a surplus when debt interest expense is stripped out. Private debt levels are low; Italian families generally spend no more than they earn and mortgages are rare. It has a highly diversified economy and never went through the housing boom-bust cycle that pounded Spain, Ireland and the United States. It is still obscenely rich by global standards. Friday's Financial Times reported that the net average worth per household

is €350,000 ($487,000 Canadian), implying there is enough loot lying around for Italy to save itself.

The problem – and it's a biggie – is the national debt. At €1.9-trillion, it is equivalent to 120 per cent of GDP. Worse, Italy has to issue €233-billion of bonds next year. As Italian yields rose this week to unsustainable levels, reaching 7.4 per cent at one point (they fell to 6.5 per cent Friday), European leaders were jolted by spasms of fear, because the European bailout fund is wholly inadequate to rescue a country the size of Italy should it get shut out of the debt markets.

But Italy's debt-to-GDP has been above 100 per cent for at least two decades and no one seemed to care. Other countries in no better shape have far lower bond yields. If you want to see a miniature economic horror show in the making, look at Belgium, which has no official government, is on the verge of splitting in half, has a higher deficit that Italy's and a debt load not much lower. Yet its bonds trade at a 4.4-per-cent yield, or more than two full percentage points less than Italy's. Go figure.

So what really triggered the Italian bond yield horror show? Blame politics. Mr. Berlusconi was seen as part of the debt crisis problem, not the solution by the northern countries. When the recession started after the Lehman Bros. collapse in 2008, he denied Italy was in trouble. Later, when Germany and France demanded austerity programs, he at first balked, then begrudgingly agreed to put them in place, though not at the level deemed sufficient by Germany, the euro zone's paymaster.

He ensured his own destruction when, in July, he turned on his own finance minister, Giulio Tremonti, whose desire to ramp up the austerity measures went beyond the prime minister's comfort levels.

But maybe Mr. Berlusconi wasn't in denial, distracted or just plain lazy. Maybe he didn't want to take Italy down the road to German serfdom by subjecting the country to the same sort of austerity programs that are killing the Greek economy and severely damaging Spain, Portugal, Ireland and Britain. Indeed, the whole thinking on austerity is changing. Deep spending cuts are translating into deep reductions in growth, intensifying the debt crisis. Even Canada has delayed plans to balance its budget.

Silvio is gone and tarnished. But who can say he did a worse job at managing the debt crisis than anyone else in the sorry euro zone?

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

COLUMNS 2 OF 3

In the EU, banks' armoured cars drive over the taxpayers

ERIC REGULY
JUNE 16, 2011

It is the unwritten rule in the global corporate jungle that three beasts rarely get harmed: oil companies, defence contractors and banks.

Countries are invaded to make the market safe for Big Oil. Defence cutbacks, at least in the United States, are so rare as to be laughable. And banks? Just look at Europe, where the operating principle is to protect the banks and their bondholders at all costs, then bleed the taxpayer white to pay for the effort. No wonder Greece, Ireland and Portugal – the euro zone trio "rescued" by bailout loans – are still sinking.

In each of the three, but mostly in Greece and Ireland, there is no sense of shared sacrifice. Everyone – politicians, tax evaders, teachers, executives, bankers – is responsible for their countries' financial and economic calamities. Yet it is the European Union banks and their senior creditors who are suffering the least. Their gain comes from everyone else's pain.

European Central Bank president Jean-Claude Trichet will not hear suggestions of a Greek debt restructuring as Athens tries to negotiate a second bailout package.

His fear is that forcing private bondholders to take losses would destroy the Greek banks and severely damage the rest of the European banks with heavy exposure to Greece, potentially triggering a second European financial crisis (Royal Bank of Canada's investment arm estimates that European commercial banks hold about €90-billion [$125-billion] of Greek sovereign debt). Mr. Trichet's probable ECB successor, Bank of Italy boss Mario Draghi, has endorsed the ECB party line.

If the European banks and their bondholders are to be protected, the costs of the bailout, by definition, have to be borne by the taxpayer. Based on the latest economic and employment figures, the taxpayer is getting hammered as the austerity programs demanded by the EU, the ECB and the International Monetary Fund kick in with a vengeance.

The latest Greek labour and economic data are grim. The unemployment rate has climbed to 16.2 per cent. Among the young (15 to 24 years old) it is 42.5 per cent, up from just under 30 per cent in 2010. For workers between 25 and 34, the rate is 22.6 per cent. First-quarter year-over-year gross domestic product contracted 5.5 per cent, against the forecast 4.8 per cent.

As GDP sinks, the unemployment figures will almost certainly get worse, dooming an entire generation of young, educated workers to the dole. No surprise that the protests and strikes are getting bigger and angrier. On Wednesday, Athens was paralyzed by a 24-hour strike that turned violent. Austerity programs and employment growth almost never go hand in hand.

The shakedown of the Irish taxpayer is even less fair, to the point of cruelty. That's because Ireland did not have an economic crisis so much as a bank crisis, one aided and abetted by the government. Dublin not only guaranteed bank deposits (which it had to do); it guaranteed most of the banks bonds, made a €40-billion commitment to buy dud bank loans and committed a similar amount to recapitalize the banks.

The result was catastrophic. The cost of the bank rescues more than doubled Ireland's 2010 budget deficit to an astounding 32 per cent of GDP and pushed up its total public debt to GDP to almost 100 per cent from 65 per cent a year earlier. "The government got into debt by taking over its banks' debts. In an unfathomable act of charity, this was done only to save the French and German banks," said Marshall Auerback, global portfolio strategist at Madison Street Partners, a Denver hedge fund.

Who is paying for the reckless behaviour of the Irish banks? The Irish taxpayer, of course. Ireland is still in recession. The unemployment rate is 14.7 per cent and the jobless are leaving the country in droves to find work. "Writing assets down to fair value and then recapitalizing the banks should be the first priority in restoring economic growth after a banking crisis," Lombard Street Research economic consultant Leigh Skene told The Guardian. "Sadly, Europe went in the opposite direction and tried to ensure that no bank, regardless of how insolvent [it was], defaulted on its liabilities."

The German and Dutch governments have emerged as the voices of sanity in the debt crisis. They want bondholders to share some of the burden in the next Greek bailout. Their idea is to induce private bond investors such as banks and pension funds to swap their Greek bonds for new ones with maturities that are seven years longer. The ECB has rejected the idea.

Unless a compromise is found in the next few weeks, Greek taxpayers will suffer the equivalent of medieval torture to keep the European banks intact. Ditto Ireland and Portugal. Impoverishing countries to protect bondholders is not just immoral, it is economically counterproductive. The deepening recession – and social unrest – in Greece tells you that.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

COLUMNS 3 OF 3

A merger that will only bring mediocrity

ERIC REGULY
FEBRUARY 17, 2011

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THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

INVESTIGATIONS 1 OF 3

Tax officials join tax evader for a hockey night out in Montreal

DANIEL LEBLANC
SEPTEMBER 28, 2011

Nine federal bureaucrats feasted on rack of lamb, cheesecake, wine and cognac as they watched a hockey game in a luxury box at the Montreal Bell Centre in late 2005.

However, according to allegations contained in recently released court documents, the Canada Revenue Agency officials were enjoying a night out at the expense of a businessman who was involved in a multi-million-dollar tax-evasion scheme.

The proximity between CRA officials and businessman Francesco Bruno has shaken the tax-collection agency and led to a three-year-long RCMP investigation.

According to allegations contained in a series of search warrants, the Mounties have uncovered a number of interactions between Mr. Bruno and some of the auditors, including free trips, renovations and a bank account in the Bahamas containing more than $800,000. In addition, the search warrants allege that confidential tax documents were found in Mr. Bruno's safe and in the hands of his accountant, suggesting CRA insiders stopped audits by removing allegations of wrongdoing from their internal files.

The court documents show that five of the federal employees at the hockey game were later suspended or fired following internal investigations into their handling of confidential records. Two others retired, while two others are still listed as federal employees.

No criminal charges have been laid, and none of the allegations against CRA officials have been proven in court. The search warrants do not indicate which CRA officials are under investigation, and there is no information suggesting that outsiders at the event are under investigation or suspected of wrongdoing.

According to the RCMP search warrants, the following photographs were taken at the hockey game by then-CRA team leader Adriano Furgiuele.

How the probe unfolded, according to search warrants and other court documents:

FOREST GROWTH

Sept. 10, 2004 to Feb. 18, 2005:
CRA auditor Nicola Iammarrone studies and approves B.T. Céramique's tax filings for 2002 and 2003.

Dec. 10, 2005:
Nine CRA officials, including Mr. Iammarrone, attend a hockey game in Montreal with B.T. Céramique president Francesco Bruno, in a luxury box allegedly paid for by the company. Montreal loses 5-3 to the Anaheim Ducks.

April 19, 2007:
Using information obtained by a police probe into the Mafia, the CRA's organized-crime unit launches an audit that identifies $3-million in unreported income at B.T. Céramique in 2004 and 2005.

April 2, 2008:
CRA launches a full investigation into B.T. Céramique, dubbed Operation Legaux, to look into allegations the firm used shell companies to avoid paying taxes.

May 6, 2008:
CRA investigators conduct a series of raids, including a search at Mr. Bruno's home. A CRA investigator notices a picture inside the home of two CRA auditors, Adriano Furgiuele and Antonio Girardi.

Sept. 12, 2008:
The CRA calls in the RCMP to investigate employees at its Montreal Tax Services Office.

Dec. 7, 2010:
Two construction firms owned by industry magnate Antonio Accurso plead guilty to $4-million in tax evasion in connection to fake invoices to shell companies set up by Mr. Bruno.

Feb. 8, 2011:
Mr. Bruno and B.T. Céramique plead guilty to tax evasion and pay a $1.3-million fine.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

INVESTIGATIONS 2 OF 3

RCMP widens Canada Revenue Agency probe after new allegations

DANIEL LEBLANC
NOVEMBER 4, 2011

The RCMP probe into alleged corruption among Canada Revenue Agency officials in Montreal has ballooned to other offices of the tax-collection agency across Quebec, sources say.

The RCMP and the Canada Revenue Agency have received new allegations that federal auditors used their privileged positions to line their pockets.

Launched in 2008, the RCMP investigation was targeted at operations in the CRA's tax services offices in downtown Montreal under the codename Operation Coche. However, the RCMP has recently created an investigation into other CRA offices throughout Quebec under the codename Operation Critique, sources said.

The new investigation is deemed "extremely sensitive" in police circles because it probes links between federal tax auditors and major players in the private sector.

The growing scope of the police investigation is raising questions in the top echelons of the federal government about the state of the CRA, a powerful agency that collects hundreds of billions of dollars annually and is expected to operate with unimpeachable integrity.

Revenue Minister Gail Shea refused to comment on the situation. Her office released a written statement on her behalf.

"Our government appreciates that this is a very serious issue and we cannot tolerate the types of activities that are alleged," she said in the statement. "An RCMP investigation into these matters is ongoing, and CRA officials are co-operating fully."

Sources said that Operation Critique has been set up to look into allegations of irregularities outside of Montreal, fed in part by tips from CRA officials who say they engaged in or witnessed irregularities and from taxpayers. A source said that some of the cases involve allegations that CRA officials sought compensation in exchange for the favourable treatment of tax filings.

Sources have told The Globe and Mail and Radio-Canada that the RCMP has referred several files to prosecutors as part of Operation Coche. Federal prosecutors are acting on behalf of their provincial colleagues in the matter to accelerate the process, a source said.

RCMP search warrants allege that CRA officials in Montreal helped firms in Quebec's construction industry to evade taxes. In addition, some of the CRA officials targeted by Operation Coche allegedly collected kickbacks from businessmen, such as restaurant owners, in exchange for lax audits or for turning a blind eye to unreported income.

The RCMP has also alleged in search warrants that CRA officials received gifts or compensation from a construction firm, including free home renovations, trips to Las Vegas and the Bahamas, and an upscale eve-

ning at a Montreal Canadiens home game.

A former CRA official is currently in court trying to invalidate search warrants that were used in 2009 to seize documents, computers and pictures from his home. In court documents, former team leader Adriano Furgiuele says the CRA and the RCMP obtained information on suspected wrongdoing via tax audits instead of through full-blown police investigations, which is prohibited under tax laws.

No charges have been laid as part of the RCMP investigation and none of the allegations in the search warrants have been proven in court.

Two CRA auditors, including Mr. Furgiuele, were fired in 2009 after investigators alleged that they shared a bank account containing $1.7-million in the Bahamas with Francesco Bruno, owner of construction firm B.T. Céramique. At least seven other officials in the CRA's offices in Montreal have since been disciplined in relation to various files, including allegedly fraudulent research-and-development tax credits.

According to guilty pleas in a tax-evasion case last year, shell companies belonging to Mr. Bruno supplied fake invoices to construction firms operated by Antonio Accurso.

Last year, two construction companies that Mr. Accurso had administered pleaded guilty to committing $4-million in tax fraud by claiming non-deductible expenses such as the construction of a luxury yacht and jewellery purchases. Mr. Bruno has pleaded guilty to tax evasion.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

INVESTIGATIONS 3 OF 3

Death threats haunt CRA officials involved in corruption probe

DANIEL LEBLANC
APRIL 26, 2011

The Canada Revenue Agency has been rocked by death threats against senior investigators who have been probing allegations of corruption against former auditors at the federal tax-collection agency, police said.

Three senior CRA officials recently received tuques with an embossed skull on them, while a spouse of one of the officials received a chilling phone call at home, police officials said. The warnings started late last year, when another CRA investigator was beaten up in a parking lot after a Christmas party.

According to information obtained by The Globe and Mail and Radio-Canada, the phone threat is potentially linked to a former CRA employee who was filmed by a security camera near the public phone where the call originated. The headgear is likely a reference to a television interview in March in which an anonymous official with ties to the CRA laid out allegations of internal corruption going back years with a tuque shielding his identity.

Overall, officials involved in the investigations said the threats are related to ongoing CRA and RCMP investigations into allegations that auditors targeted businesses, especially restaurants, seeking kickbacks in exchange for favourable tax rulings.

Previously unreleased RCMP search warrants state a group of CRA insiders told business owners that they faced large tax bills that could be reduced in exchange for bribes. The search warrants, which were executed earlier this month, allege the CRA officials operating out of the agency's office in Montreal obtained hundreds of thousands of dollars in cash or in bank drafts.

For example, CRA auditors started looking into the books of Restaurant Arahova in 2007, and told owners that they had found undeclared revenues of more than $3-million. One of the search warrants says the restaurant owners told police the amount was wildly inflated, but that they were tempted by an offer from a CRA auditor who said the matter could be solved for $250,000.

The warrant said the figure was negotiated down to $100,000, which was obtained by remortgaging a house, and was provided in $100 bills at a meeting in a CRA official's grey Acura.

However, the warrant said, one of the restaurant owners learned afterward that a business contact had gone through a similar situation. Angry, he asked his CRA contact to repay half of the amount, which he received at a Tim Horton's restaurant.

None of the allegations in the search warrants have been proven in court. In addition, the RCMP has found a number of cases in which businesses owners refused to pay.

For instance, a CRA auditor showed up one day at a restaurant called La Belle Place

and brought the manager into the handicapped washroom, saying there would be a hefty bill related to unreported beer sales. The auditor said that for $90,000, "everything will stop," according to a search warrant.

The owners of the restaurant made no under-the-table payment, and paid a total of $200,000 to the provincial and federal tax-collection agencies.

The search warrants show that at least two other restaurant owners were solicited for $50,000 each by CRA auditors. One attempted shakedown was made in a public park.

The RCMP has arrested, interviewed and released half-a-dozen former CRA employees since the investigation started in the fall of 2008. No charges have been laid, but the investigation is ongoing.

The CRA has acknowledged that it has fired or suspended at least nine employees.

Former revenue minister Jean-Pierre Blackburn revealed the internal problems at the CRA in a 2009 news conference, giving details of a tax-avoidance scheme involving shell companies that allegedly benefited from the help of agency insiders.

The CRA has obtained guilty pleas in tax evasion cases involving three Montreal-based construction firms that used fake invoices to get their tax bills reduced. RCMP search warrants allege that the companies had the help of CRA insiders.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

ARTS & ENTERTAINMENT

Deepa Mehta films Rushdie's Midnight's Children

STEPHANIE NOLEN
MAY 15, 2011

Deepa Mehta steps from the shadows between two slum shacks, into the path of a young man a foot taller and 30 years younger than she is.

She plants a swift right hook on his jaw, then a knee in his gut. He slumps forward, and she pulls his limp body onto her slight shoulders and hefts.

"There," she says, brushing hands briskly against her cargo pants. "Like that."

And then one of Canada's most celebrated directors releases the body of her star and steps back into the shadows. Now her two young actors know just how she wants them to brawl, and Mehta can resume her customary on-set demeanour, a sort of Zen pixie in braids, poised to roll the camera on a pivotal scene.

The fight scene comes a few days before Mehta wraps her film version of Salman Rushdie's 1981 novel Midnight's Children. It's the largest production ever by the controversial Mehta, of the book that won the even more controversial Rushdie the Booker of Bookers prize. Because of that potent combination, the filming had to be kept ultrasecret, hidden away in Colombo, Sri Lanka, in an effort (only partly successful) to keep the fundamentalists at bay.

"He's got the Muslims," says Mehta, wryly assessing the field of people who might want to stop this film. "And I've got the Hindus."

The book is set in India and Pakistan – but it would have been a huge risk for Mehta to try to shoot the film in either country.

Cinemas in India were burned when her movie Fire was released; production of the last film in her "elements trilogy," Water, was delayed for four years after she was shut down by Hindu militants. Rushdie, meanwhile, has had few fans in the Muslim world since The Satanic Verses and the furor around the Iranian fatwa. That ruled out shooting in Pakistan.

The filmmakers soon thought of Sri Lanka, where Mehta had found a refuge to finish Water. In many ways, Colombo made a better Mumbai than the real city does – more of the century-old architecture has survived here, while much of what Mehta and Rushdie were looking for in Mumbai has been swallowed by its frenzied building boom.

But the long reach of the fundamentalists has found them here, too. Two weeks into the 69-day shoot, Mehta's husband and producer, David Hamilton, received notice from the government saying permission to film had been withdrawn after displeasure was expressed by Iran. (Sri Lanka's government, increasingly isolated from the West, has been cultivating the friendship of China and Iran.) Displeasure from Tehran was enough to shut the shoot down.

Distraught, Mehta and Hamilton appealed

to Sri Lankan President Mahinda Rajapaksa, who decreed they could go ahead. So they changed the working title to Winds of Change ("Very Hallmark," says Mehta, acidly) and they have kept secret as much as they can – a huge challenge, when there are 800 extras in the crowd scenes. The Globe and Mail was the only media organization permitted to visit the set.

"We really wanted to do this film," Mehta says. "And the price is silence."

THE MIDNIGHT'S CHILDREN CONFERENCE

Midnight's Children is a vividly cinematic book, but like most of Rushdie's work, had never been made into a film because of hesitancy over his reputation. The BBC tried to make it as a five-part miniseries in 1997, but the government withdrew permission for that production after Muslim protests. No one has tried to film it since.

Three years ago, however, Rushdie was in Toronto on a book tour, and dropped by Hamilton and Mehta's house for dinner – they have been friends for about seven years. She had been daydreaming about filming his Shalimar the Clown; Rushdie said, "Let's work together."

But instead of Shalimar, she said, "The only book I'd like to do is Midnight's Children."

She was aghast as she heard herself speak – she loves the book, but it's as fantastically complicated as it is adored. "I don't know why I said it – it came from some place that amazed me. It was like committing harakiri." Just as quickly, she tried to retract. "I said, 'No, forget I said that.' "

But Rushdie was already answering: "Done."

Hamilton, she says, was fortunately out of the room at the time, and didn't learn what Mehta had just committed them to until later.

Rushdie was initially resistant to the idea of writing the script, but, Mehta says, she insisted, fearing no one else could do it justice; she added her "director's two cents" along the way. She had huge trepidation every time she made a suggestion, or, once, added a whole scene. "You don't say to Salman Rushdie, 'I think you forgot this one scene.' "

Rushdie, by e-mail, says that turning a 600-page novel, which he wrote more than 30 years ago, into a 130-page screenplay has been "an immense challenge" but a pleasurable one. "It's a question of preserving the essence – the heart and soul – of the book, but then making a film rather than adhering slavishly to the book. Maybe I could be more disrespectful to the original than anyone else!"

Once they had a script, Mehta and Hamil-

ton turned to the challenge of how on earth to film it: The script requires 62 different locations – with a staggering scope, from 1917 to 1974, from Karachi to Kashmir to Old Delhi to Bombay. The logistical challenges have been unending and near-Biblical.

They needed, for example, seven cobras, which were obliged to rear up and hiss in unison, next to an actor who has a pathological terror of snakes. No animal wranglers here; instead, they brought in a snake charmer. Nevertheless, two of the animals escaped. "They found one of them," Hamilton points out in the voice of a determined optimist.

The roof of a crucial location collapsed in heavy rains. They littered a meadow with fake corpses for a "killing fields" scene, and stuffed them with fish heads to lure crows – but inadvertently also drew an infestation of nasty monitor lizards.

When they arrived in the vast warehouse where they were to shoot, the temperature was more than 43 C – and their local production company had supplied three window air conditioners. Their child actors were limp and miserable. Overnight, Hamilton had 30 tonnes of air conditioning installed. He declines to provide a precise total on the film's budget.

Mehta roped her younger brother Dilip, a Delhi filmmaker, into acting as her production designer. A brooding, chain-smoking presence on set, as dour as his sister is prone to cackles of glee, Dilip scrutinized everything from locations to belt buckles for authenticity. While Colombo is more atmospherically South Asian than any of their other production options, it's also not India in many crucial ways – the people have much darker skin than those in the cities of Midnight's Children; women wear their saris differently.

"If it wasn't for Dilip, I would be dead," Mehta sighs, pacing between shacks in the slum they built. "Curtains, photographs, wall paintings, props from Delhi, the right kind of fireworks … He's making it look right."

To add another complicating layer, Mehta brought her core crew from Canada – 20 people, including assistant director Reid Dunlop, most of them a close-knit band who have worked on many of her films, but they do not share the Mehtas' intimate knowledge of India. Filming a scene where police rampage in the slum, Mehta watches a take and then says she wants one fleeing man to jump down from the roof. Dunlop frowns – "What would he be doing on the roof in the middle of the night?" he protests.

Dilip, slumped in a plastic chair by the camera, does not look up, but interjects. "Because he's sleeping on the roof on a summer night," he snaps. Dunlop pauses, then speaks into his radio: "Let's get a guy

on the roof."

Dilip also oversaw the construction of the slum on a dirt playing field abutting a real slum. The crew shot there for weeks – then they bulldozed it, and burned it to the ground. For Mehta, this was particularly nerve-wracking, since there could be no second takes.

The last of the flames went out just before dawn a few days ago, and Mehta was suddenly filled with doubt. "I thought, 'Oh my God, it's going to be crappy. What have I done? The most beloved book of all time – I'm an idiot. Salman is going to hate it.'"

She texted him to say all this. Rushdie immediately texted back: "Every time I finish a book, I think it's crap. And sometimes it isn't."

INDIA, WITH IRONY

Mehta's cast includes some big names in Bollywood, but for the main character of Saleem Sinai she chose a near-unknown, Satya Bhabha, a half-Indian, half-German-Jewish actor who grew up in England and the United States and has the mushy, ever-shifting accent to match that pedigree. Mehta had dreamed of a Bollywood megastar such as Imran Khan playing Saleem, but couldn't afford that. She heard about Bhabha (who had a brief breakout role in last year's Scott Pilgrim vs. The World), saw footage of him in a play, tried him in front of a camera, and sent him to see Rushdie, who approved.

Mehta is motherly and gentle on the set, full of gifts and pats and words of praise for her actors. The theatrics of the extras – slum residents who embrace their new jobs with gusto – make her hop up and down in delight.

But she can also be impatient, narrowing her kohl-lined eyes at Dunlop over perpetual delays with the lighting. And she is demanding, barking at Bhabha when he insists on rushing an entrance in a scene that has half the slum burning.

"She is intensely emotional, while at the same time cold almost to the point of clinical in terms of getting what she wants," says Siddarth (he goes by that single name), a heartthrob in the huge Telugu and Tamil-language film communities, who plays the role of Shiva, Saleem's nemesis. Used to swooning scenes where he gets the girl, he relished the chance to play a range of emotions for Mehta. "She makes you want to be a better performer and a better technician."

Rushdie says Mehta was the "perfect" director to finally take this book to film. "It was Deepa's passion for the book that attracted me, as well, of course, as my admiration for her work. She is able to work on both an intimate and an epic scale, she has a great sense of humour as well as of history,

[and] she is famously a great director of actors, including child actors."

Mehta wanders her huge set frowning in concentration, dressed in bright print shalwar kameez, or cargo pants and flannel shirt. She wears her hair – a mane of black curls streaked with grey – pulled back in braids and tied with chunky Punjabi ornaments, like a girl's. Hamilton is usually nearby, slouching in jeans and golf shirts, as unprepossessing as Mehta is striking. At 61, she looks barely past 40; the girlishness is a contrast with her air of authority. Her chin is almost always tilted up, her gaze is a challenge. Yet she also has an almost tangible shyness, as if braced at all times for disaster, or at least mild unpleasantness.

Mehta originally wanted Rushdie to have a cameo role in the film, but he deemed that gimmicky. They both hoped he would spend much of the shoot on the set, but after the Iranian threats, they scrapped that idea, too. He came to Mumbai to help with casting, and from Sri Lanka, Mehta sent him pictures every day, and he talked with the actors over Skype. "Now I hope he likes it," she frets, scuffing her feet through another delay for lighting.

The two have a similar sense of irony that unites them in their telling stories of India, the land they left so long ago and can't stop talking about. And irony, Mehta notes, is in short supply in India these days, as the country crows about its growth and successes even as the poverty that stifles half its billion citizens remains unchanged.

"It's all 'Shining India,' and you can't talk about anything but that," she says.

The film is presold in a half-dozen countries including Canada, Britain, France and Japan; it has significant Canadian investment, including over $4-million from the Canada Feature Film Fund. (Mehta says with a shrug that people are willing to invest in a project by her and Rushdie, although it seems risky, because the controversy will help market the film.) But their Midnight's Children is still without a deal for distribution in India.

Clearly this troubles Mehta, and Rushdie, too, she says. "It is a pity – because I'd like to hear what people say about it in India." Midnight's Children will be released in the second half of 2012.

Mehta plans to sleep for this entire week, then plunge into editing. Talking about seeing it all knit together as a film, she drums her broad hands on the table in front of her, sending the red and gold bangles that line her wrists jangling.

Rushdie, for his part, articulates but one hope for the film: "That it's good."

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

ARTS & ENTERTAINMENT 1 OF 3

Thelma and Louise would Blush

JOHANNA SCHNELLER
JUNE 25, 2011

A couple of weeks ago, the actresses Geena Davis and Susan Sarandon blew into Toronto to celebrate the 20th anniversary of their film Thelma & Louise, the female outlaw story that became iconic almost immediately after its release on May 24, 1991.

The crowd who paid to watch its stars reminisce at Roy Thomson Hall – about 90 per cent women, most of them middle-aged – streamed in two by two, for every Thelma a Louise, and the air practically fizzed with their excitement. They could parrot every line, they laughed uproariously at every behind-the-scenes tale, and when the time came for audience questions, they lined up at the microphones 10 deep. With rabid enthusiasm, they proclaimed it: This movie changed their lives. There is no other movie like it.

And that's precisely the problem.

"The reaction was so extraordinary, women on the street grabbing my lapels to tell me what it meant to them," Davis said that night. "It made me realize how few opportunities we give women to feel that way about a character in a movie."

Back then, it looked like Thelma & Louise heralded a change. It was a box-office hit, earned six Oscar nominations (winning for Callie Khouri's original screenplay), and landed its stars on the cover of Time and at the centre of a pop-culture gender debate. The press declared that it was now a proven fact: A movie starring two women could be successful, both critically and commercially.

But what happened next was – nothing. "Nothing happened," Davis said. "My next movie was A League of Their Own, and the press said all that again. And then there were no more. We really haven't built any momentum. Why is that?"

Excellent question. It's now 20 years later, and Tina Fey, in her bestselling memoir, Bossypants, is still lamenting a culture in which her bosses at Saturday Night Live would declare, "Nobody wants to see two women in a sketch." New York Times critic Manohla Dargis is still noting that the summer of 2011 includes almost no studio features headlined by women. And every recent movie with a woman in the lead that did manage to be successful is still treated as an exception: Sex and the City? Its fans are crazy. Mamma Mia!? Saved by old broads who liked the stage show. The Kids Are All Right? Yeah, it won a bunch of Oscar nominations, but only because it was funnier than other art-house movies.

"It's certainly a real thing," said Jake Kasdan, the director of the new comedy Bad Teacher – one of the few studio movies this summer starring a woman, Cameron Diaz – in a phone interview this week. "There is a vast inequality between the genders in big mainstream movies." Kasdan says that

inequality stems from a perception, held by those on the business side in Hollywood, that it's almost impossible to get men to show up for movies that put women front and centre.

Perceptions can be changed, though, and Kasdan's film could be part of a groundswell that I've been noticing lately. The women I've been interviewing no longer want to talk about how hard it is to get a female-driven mainstream film made or seen. They don't want to complain about the lack of roles for women, or the paucity of female directors. They want to get on with it.

"I don't think it lifts women up to fold our arms and go, 'Why aren't there the same number of women as men?' " the writer and actress Sarah Silverman told me recently. "I think if you're good enough, you can't be denied. That's what will slowly change things, if they're to be changed. Not [baby voice], 'That's not fair!' Because that's not cool, and it doesn't behoove a woman's cause. Complaining doesn't get anybody anywhere. How about just be great?"

Current and upcoming films are taking on that challenge with all the gusto of a beer commercial – and many of the tropes. The few mainstream movies that do star women right now have in common a frisson of rawness, an in-your-face-ness, that is usually associated with male-driven fare. It's almost as if people have given up waiting for a post-feminist era in filmmaking, and have skipped right to a post-post-feminist era of stealth equality – "Maybe we can get audiences to go to films starring women, as long as they don't notice they're doing so."

Right under our noses, a bunch of recent movies with women lead characters have done well with both genders: the Twilight series, Steig Larsson's Millennium trilogy, Salt, Let Me In, Hanna, True Grit, Black Swan. The most badass mutants in the current X-Men: First Class are played by Zoë Kravitz, Jennifer Lawrence and January Jones, and some of the toughest characters on TV are the women who headline The Killing, True Blood, and the upcoming U.S. version of Prime Suspect.

I know – it's not exactly groundbreaking if a woman has to pack heat, commune with the supernatural, or go crazy to be considered interesting. But even Thelma & Louise blew up a truck. "We have [director] Ridley Scott to thank for making our movie iconic," Sarandon said in Toronto. "He put us in that heroic setting. We took care of the human part."

The real battleground these days is comedy. The writer/producer Judd Apatow and his cronies have steered humour directly into the bathroom and kept it locked in there for at least a decade. And now women are following suit. A bunch of she-louts will rage through the multiplexes this summer,

practising a school of comedy I can only call – and please forgive me – equal-opportunity farting.

In the upcoming comedy Horrible Bosses, Jennifer Aniston abandons her typical role – the sweet woman the guy eventually comes around to – and goes straight for the crotch as a dentist who sexually harasses her male hygienist. In Friends with Benefits, due July 22, it's Mila Kunis's character who wants sex without complications from Justin Timberlake, in much the same way that Natalie Portman held back her emotions from Ashton Kutcher in the recent No Strings Attached. In Thor and the upcoming Crazy, Stupid, Love, it's the men (Chris Hemsworth and Ryan Gosling, respectively) who take off their shirts, and the women (Natalie Portman and Emma Stone) who drool.

Bad Teacher (which opened yesterday) is the most blatant example. "There's never been a female character like Cameron's in a mainstream Hollywood comedy," Kasdan said. "She has comically terrible values, and no apparent moral compass. It's the type of character that typically only men get to play. Women aren't usually allowed to be this outrageous."

Unfortunately, that so-called outrageousness is really just piggishness in a skirt. Diaz scarfs corn dogs, drinks too much, suds herself down at a car wash like a soft-core porn star, and cracks jokes like a guy. "I love how his eyes sparkle," one of her fellow female teachers remarks about a cute male colleague (Timberlake again). "I want to sit on his face," Diaz shoots back.

There was an opportunity for some real rebelliousness here, some potentially groundbreaking humour around how people-pleasing and care-taking women are programmed to be, and what it might look like to have Diaz's character reject that. But the filmmakers went for boob jokes instead.

There is one small beacon of hope: Bridesmaids. Written by and starring women, directed and produced by men, it was made for $33-million (U.S.), has earned over $136-million, and is lauded by all. Yes, it has its share of potty humour – most infamously in a scene of intestinal distress at a bridal salon – and it relies on the hoary chestnut of women competing with each other. But it also has moments where women talk to each other the way women actually do. And this summer, that's saying something.

"It's not like when we sat down to write, we thought, 'Oh, we're going to [be crass like men] and it'll be funny,' " Kristen Wiig, its co-writer and star, told Entertainment Weekly. "Women do swear. Women go out. Women drink. Women fall down."

Women do a lot of other things, too, but you've got to start somewhere. "What you hope for is that a few movies like these succeed, and start to make a pattern," Kasdan

said. “Then that opens a range of opportunities. The business people might not think, ‘Let’s do a woman’s movie.’ But they will think, ‘I want to do a Kristen Wiig movie, or a Tina Fey movie.’ ”

“I’ll be happy,” Wiig told EW, “when the day comes when people don’t think it’s such a big deal to have a movie with a lot of women in it. How about it’s just a comedy?”

If audiences vote with their dollars and make hits of movies that headline women, we’ll eventually reach a tipping point where women can star in all kinds of stories – maybe even some without testicle jokes. And what a brave, new world that will be.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

ARTS & ENTERTAINMENT 2 OF 3

Tommy Lee Jones: A fine actor, but what's he like as a person? Don't ask

JOHANNA SCHNELLER
JANUARY 22, 2011

Woody Allen once told me he didn't like meeting people he admired. "I prefer them to remain mythological," he said. I thought that was cynical – it presumed that the person was going to let you down. Over the years, far more people have lived up to my expectations than not. Then this week, I talked to Lee Jones.

I'd heard the stories. He'd made a GQ colleague of mine cry. They were at a ranch he owned in San Antonio, Tex., and for two days he offered little but critiques of her questions and corrections of her grammar, while – I kid you not – cracking walnuts with his bare hands. When his name came up at assignment meetings, every journalist who'd interviewed him would decline. (This is the opposite of what usually happens since, generally, an interview is more relaxed the second time around.) Mention him to journalists from outlets across North America and they'd blanche and change the subject.

Naturally, I was fascinated. Every one of these people admired his work, as do I. He started on the New York stage and in the soap opera One Life to Live. He played a testy husband opposite Sissy Spacek in Coal Miner's Daughter, and slid into the manful posses of Lonesome Dove and JFK as sweetly as a foot slides into a broken-in boot.

Then, in The Fugitive (1993), when his character finally came face to face with Harrison Ford's after a thrilling 90-minute chase and Ford said, "I didn't kill my wife," Jones replied, "I don't care," so pitch-perfectly that it won him a supporting-actor Oscar and made him a star. Jones wrote the line himself and practised it for days in front of his family. A sequel built around his character, plus a half-dozen other indelible roles, cemented his status. Yes, he had a type – taciturn, impatient law-enforcement or military men who withered lesser mortals with a look. But he squeezed maximum impact out of every one. He has also written two films and directed three.

His new drama, The Company Men, is a story of the American economy in microcosm – a thoughtful, sorrowful look at what happens to three businessmen (Jones, Chris Cooper and Ben Affleck) who lose their jobs. It joins a recent string of Jones films, including A Prairie Home Companion, No Country for Old Men, In the Valley of Elah and In the Electric Mist, that have as their subtext the end of a kind of American innocence. All are imbued with a mournful unease that the bad guys are winning.

Jones's off-screen life is equally rich. An eighth-generation Texan, he went to a prestigious Dallas prep school on scholarship but worked in oil fields on breaks. His father, Clyde C. Jones (the C stood for nothing), was a drilling specialist, and his mother, Lucille Marie, was a schoolteacher and

a policewoman. He went to Harvard, also on scholarship, where he lived with Al Gore and befriended the writer Erich Segal. Jones and Gore were allegedly co-inspirations for the preppie hero of Segal's novel Love Story; Jones appeared in the 1970 film.

As well, Jones played tackle in the Ivy League's most famous football match, the 1968 Yale-Harvard game in which Harvard, down by 22 points at one stage, came back in the final minutes to tie its rival (Jones appears in the recent documentary about the game, Harvard Beats Yale 29-29). He's remained close with many of his university friends and presented the nominating speech for Gore at the 2000 Democratic National Convention.

Jones, 64, married his third and current wife, Dawn Jones, in 2001. (He was married to Kate Lardner, granddaughter of the writer Ring Lardner, from 1971 to 1978; and to Kimberlea Cloughley from 1981 to 1996.) His children with Cloughley, Austin, 28, and Victoria, 19, have both acted. At 14, Victoria had a role in a film Jones directed, The Three Burials of Melquiades Estrada, but one day, when she didn't get out of bed for her 5 a.m. call, he told her she was fired and left for the set without her. (Production staffers hustled her back in the nick of time.)

And when Jones is not on sets, he's with horses. An avid polo player, he breeds, trains and sells horses at ranches he owns in Texas and Argentina, and at a 50-acre, world-class polo operation he built and runs in Florida.

During our 15-minute phone interview, I tried to get Jones to talk about all of the above. I failed.

To my five questions about The Company Men, Jones responded thus: "The movie was shot in Gloucester [Mass.], and I just like that part of the world." "Relevance to contemporary times is part of what it takes to make a good movie." "It's relevant to the economy. A lot of people are recently unemployed, on all levels. That's obvious, isn't it." (The lack of a question mark there is deliberate.)

To a question about the benefit, to him as an actor, of shooting a scene on location in an abandoned shipyard, he said, "It would have been hard to shoot that scene anywhere else. It's an abandoned shipyard." (That thud you heard was my heart hitting my ankles.)

When I asked about the theme I'd perceived in his recent work, he replied (over three questions), "I don't really have a thematic concern, other than wanting to make good movies. The first thing I try to figure out is what the director wants to see. And then I do everything I can to make it possible for him to see it. I don't make thematic decisions unless I'm directing or writing. An actor with an agenda is a pretty scary

thought." I laughed at that. He did not.

When I said, "I hear you're a big polo player," he replied, "I don't know what you mean to imply by the word big." When I later asked, "How big is your polo operation?" he responded, "Again, I don't know what you mean by big." The most personal thing he said all day was, "I think polo's the finest thing that a horse and a man can do together."

I felt like I was on a game show, where I was presented with a locked door and 1,000 keys, and given 15 minutes to try as many as possible. Afterward, it occurred to me that Jones's aggressively literal responses were a defence mechanism he'd developed to get through interviews with as little impact on his life as possible. It worked, but it did neither of us any favours.

Nevertheless, I persisted until my time was up. After exactly 15 minutes, Jones said, "I hope I've given you enough material for your article. I have another phone call to make."

"Do I have time to ask one more question?" I asked.

"Yes, you do," he answered.

I asked if he had another project to direct. He said, "Several, at various stages of development, but I'd prefer not to talk about something that I'm uncertain of." I asked, "Can you characterize what kind of projects interest you as a director?" He said, "I'm sorry, but you said one more question and that's number two," then said goodbye. The buzzer sounded. The door remained locked.

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NATIONAL NEWSPAPER AWARDS

ARTS & ENTERTAINMENT 3 OF 3

Sarah Polley: My film is not autobiographical. Honest.

JOHANNA SCHNELLER
SEPTEMBER 10, 2011

Sarah Polley swears her new film, Take This Waltz, is not autobiographical. Honest. Yes, she has some things in common with her heroine, Margot (Michelle Williams). Both women are nervous fliers who live in funky downtown Toronto. Both regretfully ended marriages to men they met young – in the movie, Lou (Seth Rogen); and in Polley's life, the film editor David Wharnsby. And both found happiness with someone new: Margot with Daniel (Luke Kirby); and Polley with David Sandomierski, a PhD law candidate at the University of Toronto, who has clerked with Supreme Court Chief Justice Beverley McLachlin. They got married Aug. 23 at chef Michael Stadtlander's Eigensinn farm near Singhampton, Ont., followed by an intimate reception at his restaurant, Haisai, and a honeymoon at Arowhon Pines in Algonquin Park. And they're expecting their first child in March. But just like her film, Polley's story is more complicated than any details.

"Any time a young woman makes a film, people think it's autobiographical," Polley, 32, said on Monday, laughing and shaking her head. "I don't know why they don't think the same thing about dudes, but they don't."

She was sitting at a table in a hotel interview suite, wearing a black satin dress that betrayed no sign of her pregnancy. But there was no hiding her radiant glow, and she didn't try to. 'I'm pregnant, 3½ months," she said a few minutes into our talk. Her hair looked like a shiny blond sheet, and her wide, soft eyes – soul-stabbers onscreen – were even more expressive than usual. She's always been an honest talker, though in the past she seemed a little nervous about it, a little controlled, in a way that could make her seem over-earnest. This time she was frank, funny (she laughed a lot) and relaxed, open to almost any idea or discussion. True to her long-standing activism, she even tweaked Toronto Mayor Rob Ford. "When I think about what I find beautiful and exciting about Toronto, I think about street art and streetcars and bicycles. And they're exactly the things right now that are under attack," she said. "I shot even more scenes of bikes than I used, and now I wish I hadn't cut those out."

News of her pregnancy went out over the wires like a shot, but Polley wasn't making a fuss. "It's been pretty easy so far," she said. "I definitely was nauseous for a while, but I'm feeling good now. I'm tired, but nothing to complain about." She's happy about her March due date, "because you've got a month of being inside, then you get to go outside." Her family – her father Michael Polley, an actor and insurance agent, and four older siblings, including John Buchan, a casting director and her frequent collaborator – all live in Toronto, so they'll be around

to help. (Her actress mother, Diane, died of cancer when Polley was 11.) "But I can't quite imagine it," she said, her eyes widening. "A few friends have said to me, 'Then they just give you the baby and tell you to go home with it' – on your own!"

Polley knows people will think that her film is autobiographical. "And that's totally fine," she said. "Obviously, I was in a marriage that ended. But I started writing this when the marriage was quite good. And why it ended was in a strange way sadder than the one in the film. It was just a marriage that didn't work. There was nobody else involved, there was no venom or anger or sense of betrayal. That makes it harder to grapple with."

She paused. "It was pretty sickening, I have to say. I hope I don't go through anything as sickening as that in my life again. I was really, really sad for a long time. And I still am. I still miss him. I still miss having that person to talk to about everything I'm doing creatively. I'm married now, and I'm in an amazing relationship, and I'm super, super-happy. But David Wharnsby was responsible for me ever taking myself seriously as something other than an actor. That relationship will always be one of the most important of my life."

They're still close enough that he watched every cut of Take This Waltz, and is giving notes on her next film, a documentary about memory and storytelling that she's editing now (it's due out in January). "If this film had really been based on our relationship, he would have been so pissed off, I wouldn't have had him to consult with on it," Polley said, laughing. "There's no freaking way I'm going to alienate him."

But if viewers project their own feelings onto Take This Waltz, well, that's exactly what Polley wants. "Different people seem to have fundamentally different experiences of it," she said. "People feel very passionately that the film validates whatever their own point of view is – on long-term relationships, monogamy, what happens to romance, whether Margot and Lou should have stayed together. I'm happy about that. I feel the film's point of view is ephemeral. I feel no judgment of Margot for doing what she does, but I'm not sure it's the right thing."

In fact, Polley admits she doesn't fully understand Margot even now. "Her, her details, I don't know exactly where they came from," she said. "That's why it was such a long process to cast the role. I needed someone to help me figure her out." How can you write a movie about a character you don't get? "I don't know," Polley replied, shrugging. "But Michelle [Williams] somehow understood her better than I did. She has a kind of poetry to her, such a profound intelligence, and such a genuine, self-deprecat-

ing, painful embarrassment about her. She made sense of the whole picture for me."

A film with a not-conventionally "likeable" heroine, and without a crystal-clear point of view, is a risky thing in today's market. Especially since Polley's first feature, Away from Her, was such a success, earning her a Genie for best director and an Oscar nomination for best adapted screenplay. Polley knows this, but jumped anyway.

"I ran into a film critic about eight months after Away from Her came out," she said. "He said, 'Just so you know, it doesn't matter what you do next. The reviews are already written. They're going to say, "disappointing sophomore attempt." So this is the moment to do whatever you want.' It was the most liberating thing anyone ever said to me."

She went for it, exploding bomb after bomb. First, she wrote a screenplay that flies against Happily Ever After. "I'm constantly fascinated by the contrast between what we're told that long-term relationships are supposed to feel and look like, and what they actually are," Polley said. "And the sense of inadequacy that I think most people have because of that."

Second, she cast a comic actor as her co-lead, and put him through an emotional wringer. Though she didn't know Rogen personally, she had him in mind from the earliest writing, because she knew audiences had to root for Lou to make the film work, and, "Seth has some kind of goodness that you feel come through his pores," Polley said. She grinned. "I find him super-attractive in the film."

For the pivotal scene in which Lou, freshly heartbroken, pours out his pain, Polley trained her digital camera on Rogen in close-up, and filmed for three hours. Without cutting. "I wanted it to be as brutal as it is, if you're the person on the other side of that conversation and you can't look away," she said. "I also wanted to have an unblinking eye on the chaos of your emotions when someone breaks up with you. And since Seth hadn't done that kind of dramatic work before I didn't want to miss a second of what it was for that seal to get broken."

Some of Rogen's torrent was scripted, some not. "Some things were emotionally shocking to be there for," Polley said. "When he said, 'I thought you were going to be there when I died,' all of us kind of looked down. The focus puller was crying, the camera operator was blinking and blinking away tears." They cut three hours down to two minutes, the longest they worked on any scene in editing.

The third bomb Polley exploded: She got her actresses to do full-frontal nudity, but not in a sex scene. "A lot of the film is about sexuality, how mercurial it is, how erratic and unpredictable. It felt weird to me to shy away from the body," Polley said. "At

the same time, I didn't want to do anything that objectified anybody." As a member of the YMCA, Polley is used to the scene in the communal shower, where naked women chat casually to one another. She'd long pondered how something so normal in life would be startling on film, and decided to write a shower scene into Take This Waltz.

"Generally, when I've done nudity, it's very controlled, it's very specific about what you're going to see, and it's usually looking really sexy," said Polley, who's been taking a break from acting of late. ("I don't know what my relationship with acting is any more," she said. "I might be really interested in it again, but it's not my priority. My priority is writing and making films.") But she wanted her shower scene to feel casual, with no limits on what could be seen. Williams and co-stars Sarah Silverman and Jennifer Podemski agreed to go for it.

On the shooting day, however, the actresses were anxious – photos of them in costume in bathing suits had appeared the day before on the Internet, along with the usual snarky comments. Polley offered to scrap the scene. "There's a certain feminist aspect to it that would be subverted if anyone felt pressure to do it," she said. "But it turned into this roaring, 'No! We're doing it!' Everyone was super on-board."

The result is like the rest of the film: brimming with a raw honesty that makes us realize how unreal most movies are about women and relationships. "If we were to take anybody who we think is strong and together, likeable and rational, and see them alone in the confines of their long-term relationship, we would see a bit of a mess, and someone they're not necessarily proud to be," Polley said. "I wanted to not shy away from that. I wanted to see Margot's mess. It's really in romantic relationships where we show our most embarrassing selves."

So yes, the film is about Polley. Because it's about all of us.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

SPORTS 1 OF 3

Ken Dryden on hockey violence: How could we be so stupid?

KEN DRYDEN
MARCH 12, 2011

The brain weighs about three pounds. It floats inside a boney skull, surrounded by spinal fluid, not quite in contact with the skull. Except when the head is jarred.

Then, the brain moves, ricocheting back and forth, colliding with the sides of the skull, like a superball in a squash court. With hard-enough contact, the brain bleeds. And the parts inside it – the neurons and pathways that we use to think, learn and remember – get damaged.

Why would we ever have thought otherwise?

Why would we ever have believed that when the dizziness goes away, everything goes back as it had been before? All the little hits, scores of them in every game, so inconsequential that we don't even know they've occurred – how could we not have known? How could we be so stupid?

I feel the same when I remember that the effects of smoking or of drunk driving were ignored for so long. I feel it when I think of women in the past having no right to vote and few rights of any kind, and when I think about slavery: How could people 50, 100 or 200 years ago not have known? How could they be so stupid?

I wonder what will make people say that about us 50 years from now. What are the big things we might be getting really wrong? Chemicals in our foods? Genetic modifications gone wrong? Climate change?

In sports, I think, the haunting question will be about head injuries. It wasn't until 1943 in the National Football League that helmets became mandatory; in the National Hockey League, not until 36 years after that, in 1979. The first goalie mask wasn't worn in the NHL until 1959.

And in a whole childhood and adolescence of playing goalie, I didn't wear a mask until 1965, when I had to wear one on my college team. How could I have been so stupid?

Smash, crash, bang, maim

A football wide receiver, 220 pounds, cuts across the middle of the field at 35 kilometres an hour; a linebacker, 240 pounds, cuts the other way at 20 km/hour. The wide receiver focuses on the ball; the linebacker focuses on the wide receiver, knowing that a good hit now won't just break up the pass but will break down the focus and will of that wide receiver for each succeeding pass in the game.

Two hockey players, almost as big as the football players, but going even faster, colliding with each other and with the boards, glass and ice exaggerating the force of every hit.

Boxers, snapping jabs and hooks at each other's head, round after round. (But no hitting below the belt; that's not fair.) Ultimate Fighting: Fist, foot, elbow, knee, bone

against bone – get your opponent down, get him defenceless and pound away.

In addition, there are the countless mini-collisions that never make the "Highlights of the Night." They make players feel a little dizzy, but then seconds later, almost every time, they feel fine. So they must be fine.

Years later, they may not be thinking so clearly or remembering so well, at a slightly younger age than other people, perhaps. But in the randomness of everything else in life, who's to know why? It could be genes or bad luck. Hockey player Reggie Fleming, known as "Cement Head"; football players Mike Webster, Owen Thomas or Mike McCoy; wrestler Chris Benoit …

A few weeks ago, I read about the suicide of Dave Duerson, a former all-pro safety with the Chicago Bears. He was 50. In recent years, Mr. Duerson had worked with the NFL players' union, dealing with retired players and their physical ailments, head injuries among them, and reading their doctors' reports. He had begun to have trouble himself remembering names and putting words together. Then, one day he shot himself, not in the head but the chest, so as to preserve his brain intact for future examination, bequeathing it to the NFL's brain bank.

On the same day, in the same newspapers, there was another story about Ollie Matson, an all-pro running back in the 1950s and 1960s for several NFL teams. He was 80 when he died, and for the last several years of his life he had been suffering from dementia; over the last four years, he hadn't spoken. Mr. Matson's death and dementia, it seemed, had to do with the consequences of old age. No connection was made to football or Dave Duerson.

A few days earlier, there had been a story about the death of Bobby Kuntz. He had been one of my favourite players as a kid. During the late 1950s and 1960s, he played for the Toronto Argonauts and Hamilton Tiger-Cats, playing "both ways" as players of the time did – a running back on offence and a linebacker on defence.

He was small for the positions he played, and especially small for the way he played them. He'd put his head down and throw himself into the line or into the bodies of ball carriers, the sound of his collisions sharper and more resounding than any others – the kind that, as a fan, made you go "oooh" and laugh. He was fearless. In playground games, I used to pretend I was Bobby Kuntz, head down, fearless in my own mind.

Mr. Kuntz died at 79, having suffered from dementia the last 11 years of his life. The Kuntz family agreed to have his brain donated to a study of athletes and head injuries, the article said.

The myth of the 'nature of the game'

What is our answer to those voices 50

years into the future? We can only say that we didn't want to know. We thought – we hoped – there wasn't a problem, because if there were, something would need to be done, and we didn't want to do it.

To do something would change the nature of the game. It may be all right, or inevitable, for everything in the world around the game to change; but the game itself is "pure" and must remain that way.

Hockey began in Montreal in 1875 because some rugby players wanted a game for the wintertime, and they wanted to hit each other. But the rugby players couldn't skate very fast, their bodies were smaller than ours are today, and they were playing on a smaller ice surface where they had little room to pick up momentum. With no substitutions allowed, the game moved at coasting speed.

Bigger ice surfaces changed the nature of the game; so did the forward pass; so did boards and glass; so did substitutions, shorter shifts and bigger bodies. Helmeted players in today's game are far more vulnerable to serious head injury than helmet-less players were in generations ago.

We choose to ignore the fact that the "nature" of any game is always changing. Today's hockey – in terms of speed, skill, style of play and force of impact – is almost unrecognizable from hockey 50 years ago, let alone 100. Likewise, helmets, facemasks, 300-plus-pound players and off-field, year-round training have transformed football.

These and other sports changed because someone thought of new ways to do things, others followed and nobody stopped them. In many cases, sports have had to change for reasons of safety or economics. For the sake of the players and fans and the game itself, these sports will and do need to change again.

A few days ago, I read the story of Bob Probert. He was a "goon" whose ability to fight got him into the NHL, and gave him the extra years and playing time he needed to learn how to play an all-around game. It has been calculated that Mr. Probert was in 240 NHL fights – few of which he lost – and countless more in his minor hockey years. Before he died last year, his wife reported, he had been forgetting things and frequently losing his temper. In a post-mortem examination, Boston University's School of Medicine recently reported, Mr. Probert was found to have chronic-traumatic-encephalopathy cells in his brain. He was 45.

The voices of the future will not be kind to us about how we understood and dealt with head injuries in sports. They will ask: How is it possible we didn't know, or chose not to know?

For players or former players, owners, managers, coaches, doctors and team doctors, league executives, lawyers, agents, the

media, players' wives, partners and families, it's no longer possible not to know and not to be afraid, unless we willfully close our eyes.

Max Pacioretty was only the latest; he will not be the last. Arguments and explanations don't matter any more. The NHL has to risk the big steps that are needed: If some of them prove wrong, they'll still be far less wrong than what we have now.

It is time to stop being stupid.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

SPORTS 2 OF 3

Ken Dryden Call to Action on Head Shots

KEN DRYDEN
OCTOBER 3, 2011

It was an extraordinary press conference. Four people were at the media table in a spare setting at Pittsburgh's Consol Energy Center: Penguins general manager Ray Shero, concussion specialist Michael Collins, chiropractor Ted Carrick and Sidney Crosby. They were serious and straightforward. Through nearly 45 intense minutes, they offered almost no smoke or spin.

The medical experts, not the GM or the hockey player, spoke first.

Dr. Collins, head of the University of Pittsburgh Medical Center's Sports Medicine Concussion Program, laid out the events surrounding the injury, Mr. Crosby's resulting symptoms, the diagnosis, the treatment and the ups and downs of his recovery since January. He was patient and thorough. He spoke as if he knew his audience was intent on hearing what he said and, despite his occasional medical jargon, would understand him in all the ways that mattered.

With a few lapses, Dr. Carrick, a chiropractor and founder of the Carrick Institute for Graduate Studies in Florida, did the same.

Beyond the details, the specialists needed to convey that they were competent, professional and responsible – that Mr. Crosby is in good hands.

At times, they talked about Mr. Crosby's brain as if he wasn't there himself. Yet Mr. Crosby seemed undistracted. Respectful, he watched and listened as if the experts were only his trusted advisers. He was still the captain of his own ship.

When it was his turn to speak, Mr. Crosby was composed and informative, not seeming to hold anything back. He spoke of how he felt at each stage after his injury. At first, he had felt himself in a fog, he said, as if he was living one step removed from his own life, a spectator to it. Objects around him weren't quite where he knew them to be; once, Dr. Collins related, Mr. Crosby, feeling he was falling, found his body reacting when he wasn't falling at all. Even the flickering images on a TV screen moved too fast for him, making him dizzy – this in someone who had always seen everything so acutely, who at only 24 had seemed somehow to figure out hockey and life. Now, his board had been scrambled. Normal life, his medical people said, would return when, at full exertion, his headaches stayed away. Normal life as Sidney Crosby would return when everything went back into its proper orientation and, when confident of that, he could resume his Crosby-like creating, scrambling the board for everyone else instead.

The medical experts and Mr. Crosby said no one could predict when that would occur. Given where he had been and where he was now in his recovery, and pushed by the media's questions and by their own professional and human hopefulness, they put science to one side and declared that it would

happen. Asked if he had played his last game, Mr. Crosby replied without bravado, "I wouldn't bet on that."

Before the press conference, it was clear; after, it is even clearer. The National Hockey League season that begins next week – whether Mr. Crosby plays at all, or how well – will be about Mr. Crosby.

This is a difficult time for the NHL, for its commissioner, Gary Bettman, and for hockey. It's no less difficult for the National Football League, for its commissioner, Roger Goodell, for the U.S. National Collegiate Athletic Association, and for football.

Head injuries have become an overwhelming fact of life in sports. The immensity of the number, the prominence of the names, the life-altering impact on their lives and, more disturbing, if that's possible, the now sheer routineness of their occurrence. The hit on Mr. Crosby didn't seem like much. If it hadn't been him, the clip of the incident would never have made the highlight reel.

But if so much can happen out of so little, where is all this going? Who else? How many more? How bad might this get? Careers and lives of players, we know now, have been shortened, diminished, snuffed out by head injuries. What once had seemed debatable, deniable, spin-able now is not. What once had been ignored now is obvious. Not just contact or collision sports, hockey and football are dangerous sports.

Mr. Bettman, Mr. Goodell and sports leaders who came before them have done only what the players, fans and media have wanted them to do. They know we want our athletes to be better than they have ever been. We want them to be superhuman versions of ourselves – faster, bigger, stronger, more skilled, more committed. We want them, no matter the risk or pain, to prove beyond even unreasonable doubt that they are not in this for the money but for the love of their/our sport and their/our team, and to demonstrate that at every moment by being willing to do whatever it takes. The players, fans and media want great plays and thunderous hits. They need "wows" to compete against every other challenge – in sports, entertainment, news, politics – for the public's attention. And the players, and their commissioners, Mr. Bettman and Mr. Goodell among them, for the most part have delivered.

If the result has been collisions that are too dangerous, you "tweak" the rules, "tweak" the equipment, "tweak" the strategies of play, often in the face of great resistance – and the leagues have done this. But still the careers and lives of their players are being compromised, and now everybody can see it.

As a hockey or football commissioner today, you can't not know that many of

your players this year, next year and every year will suffer head injuries. Some will have their careers ended; some, such as Paul Kariya and Eric Lindros, before age gets them, will begin their downward slide from superstar to journeyman; and some retired players will die long before their time, their final years, for themselves and their families, in the living death of dementia. This isn't being alarmist. This is alarming.

Mr. Bettman and Mr. Goodell can see this. So can the heads of the hockey and football players associations. So, increasingly, can the players, their wives and their families, and their lawyers. The commissioners and their leagues – mostly – are now beyond simple denial, defensiveness and counter-attack. The challenge is no longer awareness of the problem. It's awareness of the solution. If you are Gary Bettman or Roger Goodell, what do you do?

I come back to the Crosby press conference. I'm not sure how it could have been done better. The message was that we are in uncharted territory. We know some things, there is much more we don't know and we're going to do what we know and respect what we don't until we know better. This is serious, and we are serious. And we want you – all those who are watching – to experience what we have experienced and learn what we have learned because, as people who love sports, we're in this together. It is this same tone, attitude and approach on head injuries that Mr. Bettman and Mr. Goodell need to take.

For Mr. Bettman, it's time to say: This is a great game, but it has a big problem, one that will get only worse if we don't do what needs to be done now. Our players will not get smaller, they will not skate slower, the force of their collisions will not diminish. The equipment they wear will not improve fast enough to mitigate the greater risks they will face. "Tweaking" is not the answer.

Immediately, Mr. Bettman can say that we need to treat any hit to the head as what it is: an attempt to injure. A hit to the shoulder, torso or hip – depending – is understood as good positioning and good defence; not so a hit to the head. The head has always been thought of differently, requiring special protection with its own peculiar penalties. Highsticking is not for a blow to the shoulder or elbowing for a blow to the chest. In the future, if a play results in an incidental and minor hit to the head, or one that is the fault of the player being hit, no penalty need be called.

But now, the presumption needs to be that every hit to the head is an attempt to injure, with the onus on the player doing the hitting, through his actions and in the eyes of the referee, to defeat that presumption. As Mr. Crosby said in his press conference, if the league requires players to be

responsible for their sticks, why not their bodies? Further, if an opponent purposely puts his head in a position to draw contact in order to cause a penalty to be called, just as with "diving" now, it is that player as "instigator" who will receive the penalty.

But what about the player who is carrying the puck with his head down, another oft-cited example intended to show how impossibly complicated it is to ban headshots?

In years past, the best way to move the puck forward was believed to be for a player to do it himself, stickhandling up the ice. Having his head down with his eyes focused on the puck was considered an advantage to him. It was only fair, then, that a defender have his own advantage and, unseen by the puck carrier, be able to blast him.

Now, the best way to advance the puck is seen to be by passing, so a player with his head down is at a disadvantage already and doesn't require further punishment. He can be easily stopped with no more than incidental contact. In such cases, a crushing hit to the head (e.g., Scott Stevens on Eric Lindros) is nothing less than an attempt to injure. The common explanations – "Because he deserved it" or "Because I can" – are not good enough in this age of concussions and dementia.

What then about fighting? If hits to the head are banned, why not punches to the head? This isn't the time to re-engage the debate over fighting. Not directly. That will only distract from the more critical issue that must now be addressed. The problem of fighting, for most critics at least, isn't fighting itself. It's the consequences of fighting. To many, fighting seems out of place in sports, turning away prospective fans from a game that needs many more. To some, rather than acting as a "safety valve" to reduce further fighting, it creates increased ill will and generates more fighting. So why allow it?

What is relevant here is whether fighting relates to head injuries. Is fighting dangerous or not? Once, hockey players did their own fighting. An elbow to the nose or a slash on the arm, and – big or small; good fighter or not – a player had to right his own wrong.

Most players were bad fighters. On their skates, they wrestled, slipped and flung themselves around. It was vaudeville.

Now, most fights are between designated fighters. Each such fighter knows what he's doing, and though usually well-matched enough to be able to protect themselves, these fighters are also skilled enough to hurt each other. And questions have now arisen: Why did post-mortem studies on the brains of Reggie Fleming and Bob Probert, two brawlers of different eras, show brain damage? Why did three contemporary fighters – Derek Boogaard, Rick Rypien and

Wade Belak – who were young and rich, and seemed to have everything to live for, die in recent months? We don't know the answers, but we know enough to know we need to find them.

The NHL rulebook is judicious in distinguishing a bodycheck to the head from other contact to the head, treating fighting as its own separate category. For an illegal check, it is necessary that "the head is targeted and the principal point of contact." But in a fight, is the head not "targeted"? Is the head not "the principal point of contact?" Is a fist not part of the body? And in fights today, with fighters who can truly fight, what's the difference between being hit in the head by Niklas Kronwall's shoulder or Zdeno Chara's fist? This is about head injuries, not fighting's place in hockey. This is about the outrageous damage that hits to the head are doing to lives and to a sport.

Every time big changes are discussed, the same flood of examples comes forward in support of the aggrieved hitter and the historical game, and every time it steals focus from the gravity of head injuries and derails significant action. No more. The truly aggrieved is not the player or the team who receives the occasional unjust penalty. It's the player or family who has to live with years of an unfull life.

For Gary Bettman, the challenge is not to be distracted by history, by the voices of those who grew up as "hockey people," or by the overwhelming power of the status quo. He is the central custodian of the game. If he takes on head injuries aggressively – and he must – some of his changes might be ineffective, others might be embarrassingly inept, and he might very well be mocked by fans and the media. But he and we will learn, and it is far worse to be mocked by damaged players for not doing what clearly needs to be done.

Many of these steps can be implemented this season, and with significant impact if their purpose – to prevent or otherwise minimize head injuries – is not forgotten and the rules to support that purpose are applied unfailingly. Other steps will take longer and be of greater effect, but they can be set in motion.

The game will get better.

Most important, however, it's time to think about our sports a different way.

What would hockey look like if it were played in a "head smart" way? If the safety of the brain was central to the rules? What about football and other sports?

What would we have to do differently? When do hits to the head happen? In what circumstances? In what parts of the ice? Against the boards? Against the glass? By whom? With shoulders? With elbows or sticks? They don't happen often. During most of the game, with most of the players,

they don't happen at all. Why then? Why them? What about the big hits?

What would we need to do to minimize the risk? Because this isn't about no risk. It's about smart, informed risk. How would we make hockey safer? What would need to change? How would this game feel different to play? To watch? What would be lost? Unable to do some of the things they did before, what would players do instead?

My guess is that a lot less would change and for many fewer players than we think. My guess is also that many of the changes would make our games better, and not only for reasons of safety. If some rules are changed, players and coaches will find ways to adapt and to gain a competitive advantage, because that's what players and coaches do. They're dreamers and imaginers. They're competitive. They need to win.

Once, players and coaches came up with the forward pass in both hockey and football and gave flight to sports that had become a static snarl of bodies. They'll do it again. The mediocre will dig in their heels – they fear they can't change – and usually that's enough to stop everything in its tracks. But this time we have no choice. Not everyone will be affected the same way. Some things will change more for young kids but not for adults, or for girls and not boys, or for boys and not girls. The crucial point is that at every age and every level "head smart" will become the way we play.

This "head smart" movement should be global, not North American. We all face the same problems. Efforts might begin by gathering the most thoughtful coaches and players of a sport – in an area or in a country – and the best head-injury experts to begin putting together a "head smart" model for their sport. These models, as well as those created by other individuals and groups, would be put forward to the public and tested and debated through websites and later through local and international workshops and conferences. "Head smart" models generated in one place and in one sport would challenge and inform models in others, to make each model continually better.

The NHL, NFL and other sports leagues would engage with these efforts, sometimes as partners (in studies, in testing out proposals), sometimes financially, always in promoting the importance of the work.

The Crosby press conference suggests an opportunity. The future doesn't have to be one of pointed fingers and shouted denials. None of us knows the answer. All of us know the problem. We are all in this together. We love our sports. We love to play them and watch them. We love to argue over them. We love the inspiration and the excitement they bring. We want sports to be part of our lives forever. We know that sports will not go away, but we also know that the role they

play in our lives is at risk. This is a fearful time, but it can be an exciting time.

The NHL and Gary Bettman and the NFL and Roger Goodell have an opportunity. This is the moment.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

SPORTS 3 OF 3

Ken Dryden's call to action for NHL boss Gary Bettman

KEN DRYDEN
DECEMBER 18, 2011

I liked Gary Bettman even before I'd ever met him. We'd both gone to Cornell University, for a start. And when I was president of the Toronto Maple Leafs, I dealt with him often, most directly in National Hockey League governors' meetings.

Most of the governors were team owners, who are rich and important in their communities. They are used to having their own way, and do not give that up easily. To suggest that directing them is akin to herding cats is to give cats a bad name.

But at the front table at these meetings was this expressive, bug-eyed, bundle of nerve endings – quick-witted, aggressive, smart and well-prepared. There was never any doubt who commanded that room.

Being NHL commissioner is a tough job. Mr. Bettman presides over a league, but in many ways he presides over a sport. If Canadian NHL teams aren't doing well, on the ice or off, the hundreds of thousands of kids and adults who play recreationally don't seem to be doing as well. And because we have made hockey a metaphor for Canada, at those times the country doesn't seem as healthy, either.

So Mr. Bettman has a responsibility that baseball, football and basketball commissioners do not have.

In the U.S., Mr. Bettman has to try to make hockey matter for more than just an intensely dedicated minority, and beyond the north and northeast. For Americans, it's Major League Baseball and the National Football League first, then the National Basketball Association, and then … the NHL. The result is a perpetual struggle to matter.

This means having teams in parts of the U.S. where the main aim has to be simple survival. Ask any chief executive officer what he or she would do if one-quarter of his or her stores were dragging down the others.

The answer: Close them and focus on the business's strengths. But Mr. Bettman can't do that.

I've disagreed with him at times, but I've found him right far more often than wrong. Of all the NHL presidents or commissioners I've seen, as a player, an administrator and a fan, Gary Bettman is easily the best.

Today, though, he faces a bigger challenge: head injuries. He has seen the dangerous mess of the past few years, with the premature deaths of former players, suicides and concussions that have ended or shortened careers. Now, there's the grave uncertainty over the future of his league's biggest star, Sidney Crosby.

All through it, I was sure there would come a point where Mr. Bettman would say, "Enough." He would intervene on the issue of head injuries as forcibly as he has on franchise and collective-bargaining matters. Instead, he has left it to others – first to

Colin Campbell, an NHL executive formerly in charge of player safety, and now to former star player Brendan Shanahan.

A good lawyer gets inside his client's position, tests and challenges it, shapes it where it needs to be shaped, and comes to know it, and embody it, as well as the client himself. Mr. Bettman is a very good lawyer. His relentless rigour gives him his confidence, his presence and posture. He needs to know he's the smartest guy in the room. That's what allows him to herd his cats.

But when he can't quite get inside his client as deep as he needs to go, his manner changes. He knows how much hockey means to Canadians, but, as an American, he can't quite know. He knows how proud, almost warrior-like, hockey players see themselves, but as someone who has never played the game, he can't quite know.

Often criticized in Canada for being an American (and all that means to Canadians), in fact he has been a determined advocate for things Canadian. He knows that the NHL isn't strong and healthy unless hockey in Canada is strong and healthy. On matters Canadian, he is respectful and deferential. He listens. About on-ice matters, he is the same: He listens to his "hockey guys."

The problem is that his hockey guys are so immersed in the game they have loved and played all of their lives, so respectful of its traditions, that they haven't fully seen all that has changed. Shifts in technology, strategy and training have allowed now-bigger players to go faster, with more forceful impact. To Mr. Bettman's hockey guys, these are the natural evolutions of the game.

To the unintended consequences – more, and more serious, injuries – they have responded with efforts toward better protective equipment, better medical treatment and "tweaks" to the rules.

What they've missed is that technology, strategy and training, driven by the endless creativity of coaches, players, scientists and entrepreneurs, always outrun such moderate adjustments.

Better helmets, more muscular necks and shoulders, MRIs and Rule 48 haven't offered the answer to 220-plus-pound players moving 30 miles an hour. Not even close. But to intervene with anything else – with significant rule changes that would make the game be played in a more "head-smart" way – to them is unthinkable. That's not natural evolution; those are "unnatural intrusions."

Mr. Bettman's hockey guys forget that at one point hockey's natural evolution was toward a jammed-up, goalless future – until someone intruded unnaturally with player substitutions and the forward pass. Imagine what the hockey guys of that time would have said.

A Bettmanesque approach

I decided about two months ago to get

back in touch with him ("Go Big Red!"). A few days after the start of the new season, I sent him an e-mail to congratulate him on the return of the Winnipeg Jets. He e-mailed back right away, and at the end of our back-and-forth we each promised that (when I'm in New York or he's in Toronto), we'd catch up. Not long ago, we e-mailed again and said we'd make it happen early in the new year.

What I was intending to say to him in that meeting is that it's time not to be so deferential and respectful on hockey matters – on head injuries. It's time to take them on, in his aggressive, Bettmanesque way.

I wanted to say: These head-injury stories are not just a run of bad luck that will turn. This is your future for as long as you are commissioner. You can try to deny the problem, you can try to manage it, or you can do something. And, as overwhelming as it seems, the changes necessary are not impossible.

Few of us are blaming you. Clearly there is so much we don't know: We don't know the dimensions of the problem. We don't know the dimensions of the answer. But we do know the issue exists, and some of what must be done. Hockey isn't the only sport affected – if anything, football's problem is far greater; soccer and other sports are also experiencing it. Outside sports, the military is coping with the effects of new, more-concussive weapons. And for decades, we've overlooked the consequences of head trauma in child-abuse cases.

The NHL doesn't need to lead this effort – in fact, it's better if you don't, to avoid the inherent conflicts of interest. But you can signal your determination. You can help create some ongoing structure that would generate public discussion, proposals and action.

For example, you could help sponsor an annual conference, hosted by a university, first in Canada, but later in the U.S. and Europe. The best brain scientists would be there. Players who've been injured would tell their personal stories. League officials from different sports would talk about what's worked and what hasn't. The best coaches and players would talk about creative ways to play under new "head-smart" rules: If you can't do some things the old way, what do you do that might be even better than what you did before?

Each year, there will be new findings, new ideas and fresh challenges to players, coaches, officials, scientists and entrepreneurs who feed on fresh challenges. And you'd be there to show that you are in on this problem for the long run.

There is no running away. The need is to begin.

Remembering Derek Boogaard

That's what I was going to say to Mr. Bettman in January or February. Then I saw

his video interview this month on The New York Times website. The Times had published an outstanding three-part series about Derek Boogaard, the 28-year old NHL "enforcer" who died in May, and this was a follow-up.

Mr. Bettman began his response to one question with the often-repeated story: Fighting has a long history in the game; players move at 30 mph in an enclosed area, carrying sticks, so there's physical contact; fighting is penalized only in a limited way (with a five-minute penalty, not expulsion) not to sell tickets but because fighting acts as a kind of "thermostat," so that "things don't go too far" – the threat of fighting helping to keep other matters in a game under control. Because fighting is this organic part of hockey, it changes as the game changes – sometimes more, sometimes less – so you can't predict its future.

As for the off-ice deaths in recent months of three former "enforcers" – Mr. Boogaard, Rick Rypien and Wade Belak – Mr. Bettman reacted to their deaths more like a father than a commissioner, describing his "almost disbelief at the coincidental timing" of them.

"The circumstances of all three were different," he continued. "It was a tragic, sad, unfortunate coincidence."

Later, the interviewer pointed to recent findings by Boston University that Mr. Boogaard's brain bore signs of chronic traumatic encephalopathy (CTE), a close relative of Alzheimer's disease, thought to be caused by repeated blows to the head. Mr. Boogaard is the fourth former NHL player – the others being Reggie Fleming, Bob Probert and Rick Martin – to show these indications.

What about this research on CTE? "I think it's very preliminary," Mr. Bettman said. "There isn't a lot of data and the experts who we talk to, who consult with us, think it's way premature to be drawing any conclusions at this point because we're not sure based on the amount of data evaluated."

He cited the "handful of samples," all the possible factors in these players' deaths. "There's a long way to go in medical science before people can make definitive judgments."

This is Stage 2 in the NHL's approach to responding to issues around fighting and violence: Stage 1, as embodied by Colin Campbell and Don Cherry, was aggressive, belligerent and dismissive: This is how the game's played, always has been. If you don't like it, don't play it.

Stage 2 is more modulated, more thoughtful-sounding and more reasonable-sounding. Occasionally, Mr. Bettman's lawyerly feistiness comes out, but mostly he stays on his message: Science isn't impressed with anecdote and story. Four brain samples are

merely four anecdotes, out of the thousands of people who have played this game. Science demands proof, and I will go where science takes me. In the meantime, even with science on my side, I will continue cooperating with doctors and researchers and change rules where appropriate. That's how reasonable I am.

But as a society we rarely have the luxury of waiting for science's standard of proof – that's how thousands of asbestos workers and millions of smokers died. We need to take the best science we have, generate more, apply our best intuition and common sense – and decide. Sometimes well-observed, truth-seeking (not axe-grinding) anecdotes can tell a lot. It's often the best information we have.

It is only by tragic fluke – his early death – that we have the Derek Boogaard "anecdote." Normally, we'd have to wait many more years to know what had happened. The NHL can also learn from the NFL's experience: Many more football players than hockey players are dying now, in their 60s and 70s, after years in the living death of dementia. Football, in that generation, was played with primitive equipment and every play – then as now – involved many collisions.

At that same time, hockey moved at a much slower pace, players coasting, occasionally bursting, through two-minute shifts with few collisions, and hockey fighters – normal-sized and untrained – inflicted little damage. Today, the game moves in full-abandon 35-second shifts; collisions are never-ending and shuddering; and fighters, far bigger and trained in combat much of their lives, can cave in a face with one punch.

Talk, listen, learn

Mr. Bettman said in his video interview with the Times that he hasn't talked to the doctors at Boston University. I hope he does. I also hope he has spoken with Mr. Boogaard's family and friends to hear – really hear – what his life was like. And with Paul Kariya, Eric Lindros and Keith Primeau or any of a number of players who have had their careers ended early, about life after their injury.

And I hope he's talking with Sidney Crosby. As hard as it was in the months of recovery after his initial injury – the pain and discomfort, the unknowns, the hopefulness, the crashing disappointments – now must be his darkest time. What's shocking was the sheer ordinariness of this latest hit, the kind of light blow that is exchanged without notice hundreds of times in a game. After 11 months, this is all it takes.

There are debates among doctors over the correlation between blows suffered now and a player's long-term future. These debates will continue. But there can be no debate

about the impact of those blows on players now – more players with concussions, almost every day, not playing for longer, more uncertain periods of time. The debates about hockey and CTE, to a degree, are a distraction. This is about head injuries – things we can see and absolutely know. This is about now.

Mr. Bettman and the NHL can't use science as their shield. They must move out of Stage 2 to Stage 3: No amount of well-modulated, reasonable-sounding words changes the fact that a hit to the head, by elbow, shoulder or fist, is an attempt to injure that needs to result in expulsion or suspension. No amount of hopefulness and crossed fingers will change the fact that the NHL, like the NFL, needs to start imagining and introducing "head-smart" ways to play.

And Mr. Bettman needs to be Mr. Bettman. We look back on those 50 years ago who defended tobacco and asbestos and think, "How could they be so stupid?" Mr. Bettman and the NHL cannot wait for this generation of players to get old, just so they can know for sure.

Ken Dryden is a former NHL goaltender, and is a lawyer, author and member of Parliament.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

SPORTS 1 OF 3

The grooming of Canada's next Formula One driver

GRANT ROBERTSON
DECEMBER 16, 2011

The speedometer hits 120 kilometres an hour before Lance Stroll starts to find his rhythm. This is his first time driving the Circuito Internazionale Napoli, but he is making it look easy – like he's been doing this for decades.

Today is a closed practice, accessible only to Stroll and his small team of coaches and hand-picked advisers. But had this famous racetrack in southern Italy sold tickets, auto racing aficionados would have probably filled the bleachers – just for a chance to glimpse Stroll with their own eyes. To see what all the fuss is about.

His first lap clocks in at 1 minute 20 seconds. Not bad for a rookie. Then, successive laps begin to tell the tale of this aspiring Formula One driver from Canada who has caused ripples throughout the auto racing world. He cuts through the course in 1:16 and begins to shave a second or two off each lap: 1:14, 1:12, 1:11, 1:10, 1:09.

By the time he pulls back into the paddock to have his tire pressure checked, Stroll is within reach of a track record.

He takes off his helmet, brushes his dark hair to one side, and stares intently at a small computer that has been tracking his every move. His top speed blinks across the screen: 127 km/h.

He is quiet for a few seconds. It's not the 130 he wanted.

"We'll save that for the race," Stroll says, dripping with sweat and disappointment.

It's still pretty fast for a kid who turned 13 in October.

Back home in Montreal, it's a school day for his friends, but Lance has come to Italy to begin one of the most audacious experiments auto racing has ever seen.

Ferrari, that engineer of perfect cars, now wants to engineer the perfect driver.

The project was unveiled in June of 2010, when Ferrari, cherished in Italy for its racing prowess and renowned worldwide for its high-end sports cars, announced that Lance, a standout on the North American go-kart circuit, was to become the youngest person signed to a Formula One team, at 11.

The move raised eyebrows across the sporting world: a boy who was then five years away from a driver's licence would be groomed into an F1 driver, one of the most challenging jobs in professional sports. Not to mention one of the most dangerous.

It had all the earmarks of a publicity stunt. But Ferrari wasn't joking. Its experiment with Lance will test the limits of how talent is developed in professional auto racing, and how much it costs to build a winner.

At a time when F1 is struggling with soaring costs and waning TV ratings, forcing the sport to seek out new markets in Asia and the Middle East to revitalize itself, Ferrari is undertaking a strategic overhaul of its own.

It is a blueprint that will require at least

eight years to complete. And if all goes according to design, it could change auto racing's oldest team forever.

Even Ferrari acknowledges it is a gamble.

"A project like this was never part of the culture of Ferrari," says Luca Baldisserri, head of the Ferrari Driver Academy, where Lance is training. "He is very young. We know that. It's a big jump in the dark, to be honest."

At the centre of it all is Lance, an unassuming boy with a wide grin, unflappable concentration and a preternatural gift for speed.

"I've seen a lot of kids – fast kids," says British racing coach Mike Wilson, who has mentored numerous F1 drivers. "He's got that killing instinct. It's something that's born inside of you."

HUNTING FOR A PROTÉGÉ

Ferrari never thought its search for a driver would lead to Canada. It seemed only logical the best talent would be found in one of the many racing-mad countries in Europe.

But Lance is an anomaly. He began driving at 5, after his father bought him a miniature go-kart as a gift. Like most parents who steer their children toward sports they love, Lawrence Stroll is a car buff and Formula One fanatic. But he never gave the karting idea much thought. It was just something Lance could do for fun.

A few years later, as soon as the rules allowed, Lance was racing competitively in Quebec. And by 9, he was dominating the North American circuit against much older kids, winning more than 70 per cent of the events he entered – a freakishly high percentage in a sport where victories are scuttled by something as arbitrary as a blown gasket.

As Lance won races, it was common for rivals to suspect he had an advantage. And he did. Success in racing takes money – lots of it, since the karts cost $7,000 (U.S.) or more and practice time is expensive. But his father is a wealthy man, having made millions in the textiles business. He also collects Ferraris, and his family owns a Montreal dealership that sells them.

Despite those ties to Ferrari, though, Stroll says he was suspicious when his son was approached in 2010, after a race in Florida by a man with a strange-sounding offer. How would Lance like to come race for Ferrari, the most storied name in racing? Scouts had been watching as he racked up victories across North America, and they liked what they saw.

Stroll didn't believe it. This man was a con artist, a fraud. He was incensed.

"I told him, you're full of [expletive], this isn't true," the father recalls. It took a phone call from Italy later that afternoon to change

his mind.

After scouring racing's junior ranks in Europe and North America, the Ferrari Driver Academy had settled on two or three boys it thought it could mould, and Lance was its first pick.

The Ferrari Driver Academy? Stroll had never heard of it. But then, Ferrari hadn't said very much publicly about its new program at that point.

Though Lance was eager to accept, his parents were reluctant. He was still a boy, and this was a major commitment. "I wanted Lance to digest it," Stroll says. "With the time and money Ferrari is spending, you've really got to know you want to do this."

But Ferrari wasn't the only one interested. Within days, Ferrari's bitter F1 rival, McLaren, heard what transpired in Florida and lobbed in a competing offer. After mulling his options, Lance chose Ferrari, and a few months later, boarded a plane for his first training session at the academy.

Despite murmurs in Canadian racing circles – mostly from Lance's competitors – that Stroll's money and connections paved Lance's way into Ferrari, the man who runs the academy bristles at this suggestion.

Seated in a cluttered office at Ferrari's headquarters in Maranello, Italy, Baldisserri speaks bluntly on the subject: Ferrari does not sell spots on its roster, he says.

The team is bankrolling the entire project. Win or lose, it is Ferrari's wager.

BUILDING A RACE-CAR DRIVER

Ferrari has long dreamed of engineering the perfect race-car driver.

The idea first struck the racing team's founder, Enzo Ferrari, in the summer of 1977, when he got to thinking that with enough ingenuity, he and the expert minds at his company could revolutionize auto racing by extending Ferrari's prowess beyond the car to the person behind the wheel.

"I like thinking Ferrari can build drivers as well as cars," Enzo once said, after setting eyes on an aspiring driver from Canada – a scrappy, tousle-haired daredevil named Gilles Villeneuve.

At 26, Villeneuve was skilled but still rough around the edges for Formula One, which is the most technically demanding of all professional racing disciplines, requiring a constant mixture of violent braking, acceleration, hairpin cornering and rapid gear shifting.

Villeneuve grew up racing snowmobiles near Chambly, Que., and showed an uncanny knack for winning when he jumped into cars. Standing just 5 foot 2, he was dubbed il piccolo Canadese – the little Canadian – by Enzo Ferrari after joining the team.

Villeneuve rocketed to stardom under Fer-

rari, winning six F1 races and reaching iconic status, especially in his home province. But it all came to a gut-wrenching halt at the 1982 Belgian Grand Prix, when Villeneuve died after being thrown from his car in a horrific collision. Considered one of the purest talents F1 has seen, Villeneuve's death haunts the Ferrari team to this day.

Enzo Ferrari's dream of building the perfect driver was deferred, and over the years the team found other ways to win – mainly by spending gobs of money. In 1996, Ferrari paid a record $25-million a year to lure reigning champion Michael Schumacher to its team, and was rewarded with five successive F1 titles between 2000 and 2004.

But since Schumacher's reign ended, the balance of power has shifted dramatically within the sport, and Ferrari has been losing ground to more cunning rivals. Two years ago, the Italians went back to the drawing board.

In 2009, Ferrari created its driver academy after realizing it needed to get better at developing talent from within. The original plan was to work with young men – 17- or 18-year-olds. It wasn't until Ferrari found Lance that the blueprint changed.

Lance's training program at Ferrari is an F1 regimen modified for a boy. The team of coaches and technicians watching over him includes gymnastics experts recruited specifically for this project.

"They are specialized in dealing with children," Baldisserri says. "They know how to build co-ordination first, then the muscle."

On a typical training day, Lance balances on an exercise ball inside a gymnasium at Ferrari and closes his eyes. A trainer hands him a steering wheel and tells him to concentrate. Holding his arms straight out in front of his body, Lance is instructed to visualize the courses he will race on in Europe, and to steer himself through the imaginary turns. Apart from the steering motion, he must remain perfectly still. It is an exercise to build balance, stamina and focus.

Later, he will visit a nutritionist before heading to a classroom session on racing strategy, and then to the "Mind Room," where Ferrari teaches its drivers to stay calm under pressure. Computer programs help build Lance's reflexes and hone his use of peripheral vision, while another machine quietly tracks his brain activity, breathing patterns and blood pressure.

During a race, the average F1 driver is subjected to extreme conditions, including force five times that of gravity. On a tight corner, or a long straightaway, that's enough to temporarily arrest a driver's breathing and make his head feel like a 50-pound weight. Sweating from the heat of a car straining to hit 350 km/h, a driver will lose up to three litres of fluid during a race, and his blood pressure jumps by half.

At Lance's age, racing takes a similar toll. Fatigue slows reaction times, making wheel movements sloppy.

"After a lot of laps you start to get dizzy," he says, in a voice that has not yet cracked. "Balance is really important for driving, so your head doesn't go like this" – he tilts his head as if asleep – "when you get tired. So you have to always stay strong. We work on that a lot."

Ferrari is starting Lance out slow. He won't get in an actual race car until he is at least 15, and his workouts, for now, are limited to low-impact cardio and balance drills.

"I'm too young for weights," he says with a shrug.

More than three decades after Gilles Villeneuve arrived in Italy, Lance Stroll is the new piccolo Canadese inside Ferrari.

NEW ECONOMICS OF RACING

The groundwork for the Lance Stroll experiment was laid in 1995, at a posh hotel in London.

That year, McLaren boss Ron Dennis was handing out trophies at an awards gala when a particularly brave 10-year-old informed one of racing's most intimidating figures that he would some day race for him. The boy's name: Lewis Hamilton.

Dennis laughed and told the boy to call him in about nine years. But after watching Hamilton clean out the karting ranks for the next three years, Dennis made a crazy bet in 1998, signing Hamilton to McLaren at 13. Jaws dropped across the racing world and controversy ensued.

It was an unprecedented move, and few people gave it much credence. But Hamilton began winning at every rung of amateur racing. Soon, he was knocking on the door of Formula One as an entirely new breed of driver – weaned on the go-kart circuit and bred by McLaren with an F1 ethic. With access to high-tech racing simulators and coaching that only professionals were previously afforded, Hamilton developed more rapidly than any driver who had come before.

Then, in 2007, everything changed.

Desperate for a Formula One title, and not expecting Hamilton to contend any time soon, McLaren went out and paid top-dollar to steal 2006 F1 champion Fernando Alonso away from the Renault team. At more than $30-million a year, it was one more blockbuster deal in pro racing's history of audacious spending.

What no one expected was that Hamilton, a rookie breaking into F1 in his early 20s, would almost immediately challenge for racing supremacy, and ultimately win the 2008 championship at 23. That same year, Alonso came fifth.

Other teams took notice of the math:

McLaren was paying Alonso more than $30-million a year. Hamilton cost a measly $560,000.

This breakthrough lit a spark at Ferrari. Building a driver from scratch wasn't merely doable – as Enzo Ferrari once mused – it was ingenious.

"With the cheques that we write Fernando or Michael [Schumacher], we can build 20 drivers," Baldisserri says, his eyes lighting up.

Racing isn't the first sport to venture deep into the youth ranks for undiscovered talent.

Soccer has long taken this approach to controversial extremes. Spanish club Real Madrid made headlines this year when it signed a 7-year-old from Argentina to its development squad. Dutch team VVV-Venlo pushed the boundaries further, signing an 18-month-old toddler to a symbolic 10-year contract after watching him kick a ball on YouTube.

But soccer's roulette-style search for talent isn't always taken seriously. Though some stars have emerged, fans generally brush off such contracts for what they are – mostly stunts.

Racing's move into the world of child prodigies is far more serious and cost-intensive. McLaren spent an estimated $5-million on Hamilton's development over 10 years, and Ferrari is also investing considerably in Lance.

The team has already spent hundreds of thousands of dollars to build a high-tech simulator for karts. By the time Lance is old enough to pilot a regular car, he will have logged thousands of hours behind the wheel. "With the simulator, you can eliminate all variables – traffic, tires, conditions – and concentrate only on pure driving, on your driving line, your style" Baldisserri says.

When Ferrari sought out Lance, it was looking for someone with the basic building blocks of racing: the ability to make lightning-quick decisions, assertiveness, patience and calmness under pressure. Psychological tests helped determine the best candidates.

The signs of a good driver are visible during a race – fighting off an opponent in the corners, consistent lap times, and the judgment to know when to pass and when not to take the gamble.

Yet the dangers of the sport are inescapable, something Lance's parents think about often. As much as Lawrence Stroll is a fan of auto racing, he worries deeply about his son's safety.

"Like any parent, the first time I saw him go, I thought 'Are we all crazy here?' " he says. "I was just very scared that he would get hurt."

Virtually every sport has risks – concus-

sions for hockey and football players, for example – but none are as perilous as auto racing. There have been 45 fatalities in the 61-year history of Formula One. And though safety reforms have reduced accidents considerably in the past 20 years, auto racing remains one of the most dangerous ways to earn a living in pro sports.

A cold reminder of that reality came in October, with the death of British racer Dan Wheldon on the IndyCar circuit in Las Vegas.

For Stroll, allowing Lance to race is a daily battle between the protective parent and the one that wants to encourage his son's ambitions. "You watch him and you watch him, and you begin to find a comfort level over time," he says. "[The worry] is never gone, but you just learn to live with that."

The gear worn by drivers speaks volumes. Lance's blood type is stitched across the waistband of his fire-proof racing suit, just in case. In addition to his helmet, he also dons a heavily padded vest to protect his ribs, and heat-resistant gloves.

Lance will be introduced to faster speeds and more imposing cars gradually. Ferrari is in no rush until he has an expert grasp of the road. One wrong move and he could end up in the wall.

"It's good for him to do his mistakes now," Baldisserri says. "Because mistakes when you are older, you will pay for them 10 times. He needs to understand that, because otherwise it can be dangerous."

Baldisserri admits Ferrari officials have asked themselves if Lance was too young for the academy. "Yes, definitely," he says. "But it's something that at the moment he is responding to very well."

SKILL, MONEY, LUCK

A sport that used to regard a 28-year-old driver as young may soon consider him over the hill.

Since Hamilton burst upon the scene, pro racing has been in the throes of a youth movement. Kids are getting better, sooner.

Hamilton was two months shy of his 24th birthday when he became the youngest driver to win the F1 championship in 2008. Sebastian Vettel bettered that mark last year, taking the title at 23 years 5 months.

But the youth revolution is not limited to the twisting tracks of Formula One, the oldest, fastest and most global of the three pro auto racing circuits.

In NASCAR, the stockcar circuit that dominates the attention of U.S. audiences, driver Trevor Bayne won the Daytona 500 this year, just one day after turning 20.

IndyCar, the predominantly North American oval circuit, is also seeing a surge of young drivers, including James Hinchcliffe of Oakville, Ont., who won rookie of the

year this season, at 24.

Spotting talent at a young age is not easy. Some say it's impossible. There are many factors that can scrap a racing career.

Drivers are usually 18 before Ferrari can tell if they are ready for F1 consideration, and it helps if they are piccolo. If Lance, who stands 4 foot 9, adds too much height or weight in his teen years, it will be difficult to squeeze into the cockpit of an F1 car, which is designed for aerodynamics, not leg room.

This issue has thwarted racing careers before: In 2005, Austrian driver Alexander Wurz lost his spot as McLaren's backup driver when the team's engineers designed a faster car that didn't accommodate his 6-foot-1 frame. Wurz was replaced by 5-foot-8 Pedro de la Rosa of Spain.

Some aspects of Lance's development are even harder to predict. Competitors who are fearless on the track at a young age may grow tentative when they graduate to faster cars. Hesitation may only add seconds to a lap time – but that's enough to reduce a driver from great to just average.

Lance admits he sometimes gets nervous before competitions, but it's the anticipation of the race that does it, not the speed. "Nervous can be good," he says, repeating what his coaches and sports psychologists tell him about the rush of adrenaline that hits before a race. "It means I'm ready to go."

Lance has a team built around him that extends well beyond Ferrari. Stroll has brought aboard Montreal sports psychologist Wayne Halliwell, who worked with NHL star Sidney Crosby as a boy. "He reminds me a lot of Crosby at that age," Halliwell says of Lance's intense focus.

For added coaching support, Stroll also contacted Mike Wilson, a British racing legend who competed as a teenager against the late Ayrton Senna, the Brazilian who many consider was the best F1 driver in history. Wilson figures he gets 100 calls a year from parents around the world who want him to coach their child.

When Stroll called, Wilson turned him down.

Stroll persisted and offered to fly Wilson to Montreal to watch Lance race. "I said to my wife, 'Listen, I've got this Canadian kid I'm going to watch him,' " Wilson recalls. " 'I'll be back in a week and that will be the end of it.' "

But after watching Lance turn a few laps in Montreal, Wilson signed on to the project long-term.

Like Ferrari, Wilson is putting his venerable name on the line with Lance. But if anyone knows the razor-thin margin between becoming an F1 driver and fading into the background of the sport, it's him. Wilson had the chops to race at the highest level, but he lacked the means. Formula One requires money and timing, and he had

neither. With a baby on the way when he was in his early-20s, Wilson abandoned his dreams and opted for paying gigs, and the F1 window closed.

Though Canada has produced more than its share of talented drivers, money counts as much as ability. At 22, Toronto-born Robert Wickens is considered good enough for the F1 circuit. But unless he can crack a top team like Ferrari or McLaren, Wickens will need to bring sponsorship dollars to the table – cash that is akin to buying your way onto the grid.

It's an unforgiving reality of the sport. With only 12 teams in today's Formula One circuit, and two cars for each, there are 24 spots on race day. And even with money and talent, getting there takes one additional element that no driver can control.

"Luck," says Wilson, jamming his hands into his jean pockets as he watches Lance spin around the track at the Circuito. To make it, every driver needs skill, money "and a lot of luck."

'A BULL'S-EYE ON MY BACK'

Before Lance goes to bed each night, he opens up a small coil notebook and scribbles a few paragraphs about his day at the track.

This is his training journal, which Halliwell has asked him to keep just as Crosby did nearly a decade ago, when he was a hockey prodigy with a world of pressure bearing down on him.

The handwriting is that of a child, but the language is a race car driver's. "Yesterday was a good day," Lance writes. "We easily have a good three-tenths of a second in the chassis and that will make us top three."

Turning through the pages, one phrase in particular begins to stand out in the diary. Lance jots it down many times: "I know I am fast. I know I am fast. …"

This is a confidence exercise. Before each race, Lance flips down the visor on his helmet, closes his eyes, and repeats to himself. "I know I am fast."

They are reassuring words, especially as Lance finds himself at the centre of a gathering storm. Ferrari's decision to sign a boy – a Canadian boy at that – does not sit well with many European competitors.

Not long after Ferrari's announcement went around the world, Lance began to notice something different during his races. First, he shrugged it off. Then, it was undeniable. It was as though the other kids were trying to run him off the track. Was it because of the Ferrari deal?

"It couldn't have helped," Lance says with a shrug. "But I can't do anything about it. I'm not going to not accept the offer" just to make other people happy.

With the eyes of the racing world upon

him, Lance is now trying to keep a low profile. When Ferrari welcomed Lance to its team, Baldisserri presented him with the rarest of gifts: a bright red Ferrari racing suit, just like the one Villeneuve wore. It is the most famous uniform in racing.

But Lance told Ferrari it's probably better if he doesn't wear it. "It's like having a bull's-eye on my back," he explains. "The other kids are going to be saying: 'He's a Ferrari driver – go and get him.' "

Baldisserri agreed. Everyone is chasing Lance Stroll.

So on race day, the famous red suit stays at home and he zips himself into an anonymous blue-and-white uniform. Only a small yellow sticker on his helmet – the prancing horse logo of Ferrari – signals his potential as a Formula One driver.

On the track, the logo is hard to spot. At 127 km/h, this tiny symbol of a sport in transition is little more than a blur.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

SPORTS 2 OF 3

The hardest lesson in racing

GRANT ROBERTSON
DECEMBER 16, 2011

The news buzzed across Andy DeFrancesco's cell phone in the form of a five-word text that sent his stomach twisting into knots: "Dan's had a bad accident," was all it said.

DeFrancesco knew what that probably meant. There are accidents in professional auto racing – the kind that drivers walk away from. And then there are the bad accidents. Travelling in Italy, where his son, an aspiring race car driver from Toronto, was competing in a European racing championship, DeFrancesco sat helplessly in the glow of his laptop computer, anxiously refreshing the Internet browser every few minutes waiting for an update.

When it finally came, his heart sank to the floor.

"It was so devastating," DeFrancesco says of the death of British race-car driver Dan Wheldon this October in Las Vegas. "It hit very close to home."

It was the first death auto racing had seen in years. A few minutes into the final race of the season on the IndyCar circuit, Wheldon, an affable 33-year-old with 16 wins to his name, was caught in a pack of cars heading into a turn. Then, in what seemed like milliseconds, the scene devolved into chaos.

Two cars at the front appeared to touch, forcing one to veer, and setting off a chain-reaction 15-car pileup as drivers slammed on the breaks, or swerved to get out of the way.

Somewhere in the middle of it all, Wheldon's front wheel touched the car ahead of him, flinging him upward. At more than 300 kilometres per hour, the car caught air and hurtled backward into a catch fence lining the edge of the 2.4-kilometre oval speedway.

IndyCar officials would later issue an opaque statement explaining that Wheldon died of "unsurvivable injuries." Autopsy reports later got right to the point: Wheldon died of blunt force trauma to the head.

DeFrancesco slumped in his seat. Over the past few years, he and Wheldon had become good friends, having seen each other at race tracks around North America. More importantly, Wheldon took Andy's son, Devlin, an 11-year-old go-kart racer determined to make driving his career, under his wing.

Unsure how to broach the topic with his son, Andy went to bed that night without telling Devlin the news. But when he flipped on the TV the next morning, Wheldon's death was all over the Italian newscasts. Andy flicked off the television and sat down with his son for a talk.

"I said, 'Look, before we go to the plane, I have to tell you something.' When, I told him, he went silent," Andy says.

Wheldon's death has shaken racing, and not just at the highest levels.

The first casualty on the IndyCar circuit since 2006 brought back a sense of unease that had been dormant for a while. It was a

reminder of the obvious – racing is dangerous. Speed is dangerous.

The shockwaves began at the top with an inquiry into the crash, and whether IndyCar officials could have prevented it with fewer cars or different rules. Then the reverberations filtered down to the sport's lower rungs.

For aspiring drivers such as Devlin DeFrancesco, one of Canada's up and coming racers, it was a reminder that his aspirations will inevitably mean choosing to accept the dangers of the job, or eventually giving it up.

It was also a harsh lesson in the business side of the sport, since, were it not for a gimmick designed to boost audiences for the race, Wheldon wouldn't have been on the track that day.

Hoping to spur TV ratings and ticket sales, IndyCar officials were offering the chance at a $5-million bonus if drivers from other circuits came to race in Las Vegas. Whoever won would split the money with one randomly selected fan.

But when no one stepped up, IndyCar turned to Wheldon, who lacked a team to represent, and dropped him into the lineup of 34 cars. Since the crash, IndyCar has come under fire for running too many drivers, and doing it on a track with banked corners, which allows the cars to go faster. Before the race, some competitors wondered aloud if the track was too quick to be safe.

Race car drivers are said to be a breed apart from other athletes, knowing there are risks every time they get behind the wheel. But even in a dangerous sport, the chance of death seems remote. Wheldon's tragedy prompted at least one professional driver to question his livelihood that day.

"Days like today, you're like is it worth it? No, absolutely not," Scottish driver Dario Franchitti told the television cameras. "We push each other, and we push ourselves, we push our team to win these races and championships. It's what drives us forward, it's what we love. And then you see that happen to Dan and you just go you know what, it doesn't matter."

At the junior ranks, Andy DeFrancesco found himself wrestling with similar questions, wondering if he should take his son out of his next few races to let the shock wear off.

"Something like that, you know it's going to stir him. How is this all going to affect him?" Andy says. "I asked him, do you want to take a little bit of time off, and he said no."

Wheldon was a fixture on the go-kart circuit, often showing up to drive just to keep in shape for pro racing, a common pastime for drivers who find it difficult to log enough practice hours in their cars.

One day Weldon wandered into a tent

where Devlin's mechanics – both veterans of the British racing scene – were working and struck up a conversation. From there, Wheldon was soon coaching the boy before races on how to corner, when to break, or how to get the most out of his engine on the straightaway.

"He gave me advice on the starts, and tips on where to go better," Devlin says of a particular conversation he had with Wheldon in Florida. "He told me where to pass, where to jump down the straight."

The coaching helped. Devlin, who at 11 is one of the more promising junior drivers from Canada in his age group, has reeled off a dozen podium finishes over the last 12 national-level races he's completed in North America. In search of more competition, he and his parents set off to Italy this year so he could race on the European go-kart circuit, to test himself against a better level of drivers.

The Wheldon tragedy has given those involved in racing pause.

"I can tell you, your stomach is churning the whole time," Andy says of watching his son race. "It's very different than being at a hockey game. I've been to hockey games, I know how hockey dads feel, but I can say that racing is completely different."

An avid racing fan himself, the elder DeFrancesco says he has ways of coping with his son competing in a sport where the best athletes are the ones that push their abilities, and their speed, to the limits.

"I always put his helmet on," says Andy. "And I always clip it for him. I don't trust anyone else putting his helmet on."

Before every race, Andy also crosses himself. "Listen, these kids are going up to 85 miles an hour (about 135 km per hour). So as much as I want to say it's not dangerous, it is," he says.

Devlin got into racing after seeing a Formula One race on TV one afternoon. His video game console was broken, so he began flipping channels. Seeing German F1 legend Michael Schumacher gliding around the track, he asked his dad if he could be a race car driver. Excited about his son's new interest, Andy bought him a miniature go-kart the next Christmas.

"The one time I would have liked his video games to work," his mom, Cathy, laments.

When Devlin is not on the course, he spends his time playing Formula One video games. The crashes have a cartoon quality to them –no matter what happens on the track, there's always a reset button.

For Devlin and aspiring drivers of his vintage, Wheldon's death on the IndyCar circuit is now the most relevant reminder of what can go wrong.

He is too young to remember the last Formula One death, in 1994, when famed Bra-

zilian driver Ayrton Senna was killed during a qualifying run. Nor would he remember the day NASCAR legend Dale Earnhardt died at the Daytona 500 in 2001, though the stockcar circuit has suffered four deaths in various ranks since then.

In spite of their connection to Wheldon, Andy says the tragedy has not caused the family to consider giving up the sport altogether. It's in their blood, he explains.

"We haven't," Andy says. "Whether that's smart or stupid on my part, I can't say. It's just something that we elect, it's part of our family now. It dominates our lifestyle."

Race car drivers, it is said, are drawn to speed. It is what also attracts some fans to the sport, and turns others away in bewilderment over the risks.

"We don't think about this," IndyCar driver Tony Kanaan told reporters in Las Vegas after Wheldon's death, when asked if drivers think about the potential for tragedy on the track. "We're race car drivers, we've got to block [out] this possibility. And unfortunately when it happens it's really hard."

Similarly, Devlin insists Wheldon's death doesn't make him scared when he gets on the track, piloting a go-kart that can hit 130 kilometres an hour, at age 11. His recent jump to the European circuit, where he is racing against the best young drivers in the world – including Hugo Häkkinen, the 11-year-old son of two-time Formula One World Champion Mika Häkkinen – has exposed him to a more aggressive brand of driving. And in turn, it's made him more aggressive on the track, he says.

"You've got to go out and race as hard as you can if you want to win," he says. "I will not change my driving because of Dan, because Dan wouldn't want me to."

After Wheldon's death, IndyCar drivers wept openly in their cars, before taking to the track one last time for a five-lap salute around the Las Vegas Motor Speedway.

Andy says his son gets emotional sometimes when he talks about Wheldon, and for a second, Devlin turns quiet when asked what he remembers of his famous mentor.

If Andy could, he says he would push his son toward NASCAR, the stockcar circuit where the cars don't go as fast as Formula One or IndyCar, and they are sturdier. It just seems safer for some reason. But kids who grow up on the track, and play racing video games at home, all want to be F1 drivers. It's where the money and the glamour is. "Any racing would be good," Devlin says. "But F1 is the top level."

As he contemplates a career in racing, his life, like many of the top young drivers he competes against, is structured around the sport. He has permission to miss school to attend races in Europe, and a private tutor travels with him to ensure he keeps up with schoolwork.

Getting ready to start racing on the winter tour in Florida, Devlin is planning to switch his number to 77 – as an homage to Wheldon.

But then he doesn't really want to talk about it. "Keep going and don't look back," he says of Wheldon's accident. "It's part of racing."

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SPORTS 3 OF 3

Auto racing's amateur ranks have become a big-money scene

GRANT ROBERTSON
DECEMBER 19, 2011

The mornings began before the sun was even up. Every day during summer break, Paul Tracy's dad would get his son out of bed, pile him into his pickup truck and drive him off to the local race track. They had to be there early, so Tony Tracy could be at work by six.

At the track, Tony would put a $5 bill in his son's hand, a can of gasoline in the other, and send seven-year-old Paul off to race go-karts for the day. Lap after lap, he would do turns around the track until his head was spinning. Then, at around dinner time, Tony came back to pick up his son, crusted in dirt, sweat and paint from a long day in the contracting business.

For much of his formative years, Paul Tracy, one of the most successful professional race car drivers Canada has produced, was babysat at the track. Racing looked after him.

"The owner of the track would sort of keep an eye on me to make sure I didn't get into trouble, and I would just drive all day," Tracy says. "You can't do that now. As a parent, you'd get arrested for it."

The summer of 1976 was a simpler time, for racing anyway. All Tracy needed back then to hone his racing skills was a few bucks for lunch, some gas and a go-kart.

Today, the sport of auto racing has changed dramatically, and it's the lowest ranks where drivers are first introduced to the sport that have arguably undergone the biggest transformation. Tracy's not sure he even recognizes the sport now.

"It's a hard-core, serious, big-bucks deal these days," he says. "It's just totally different now. It's a full-on show."

The show Tracy is referring to in this particular instance is the Las Vegas Super Nationals, held each November in the sprawling parking lot of the Rio Hotel in the Nevada desert. Known as the Indy 500 of kids racing, it is the most anticipated event of the year, drawing talent scouts and top go-kart drivers from across North America and Europe, each of them vying to one day race in places like Monaco, Interlagos or Daytona.

It is an exclusive scene, and there is money everywhere you turn.

A squad of kids from Mexico, decked out in matching lime green racing suits, have brought with them a full-fledged racing paddock, complete with large tents, semi-trailers and a working garage that would rival any professional outfit. The tools are spotless and glisten in the sun as the mechanics work away.

But the team of Mexican drivers isn't the only such setup. The track is lined with paddock after paddock of high-tech garages equipped with professional mechanics, luxury trailers and catered food. And when the crowd outside parts, no one finds it un-

usual to spot a sleek Bugatti Veyron creeping slowly through the mass of people. Its sticker price: about $2.4-million, one of the most expensive cars in the world.

"The scene now is all very professional," Tracy says of the junior racing circuit he once competed on, learning how to advance up the ranks. "It's not beyond the realm to see guys spending $300,000 to $400,000 on go-kart racing."

This is not the sport Tracy remembers when he began racing as a youngster growing up in Scarborough, Ont., with dreams of making the jump to professional racing as soon as he could get a driver's licence. Back then, the sport was more accessible. If Tracy had to get his start in today's world, he admits he probably couldn't.

"My dad had a contracting company, and the company was doing well. But times were different then, it wasn't as expensive as it is now," he says. "We'd go in the back of my dad's pickup truck to races. Now these kids are 9 years old and they're showing up with a semi, like a 40-foot trailer. For an 8 and 9 year old."

Tony's contracting business always seemed to be able to fund his son's hobby. But Tracy says he never lived the high-life as a young racing talent. Nor did he have a team of specialists working on his engine.

Tony had rules: if Paul wanted to race, he was expected to be his own mechanic.

"It was my job to make sure the go-kart was ready, cleaned, the engine was rebuilt, new tires mounted, set up, and ready to go by Saturday for the race on Sunday afternoon."

"I came home from school, I went in the garage and prepared the kart for the next weekend. I'd rebuild the motor and put new tires on … and if it wasn't ready, we weren't going."

Without fail, the work was always done. "I see the differences now between the way it was when I drove, these kids don't even touch the karts any more, they don't get their hands dirty."

Tracy parlayed his childhood acumen on the track into success as a pro. After narrowly missing a win at the Indianapolis 500 in 2002, Tracy won the 2003 Champ Car series title, which later became IndyCar.

Canada has always demonstrated a propensity for producing world class drivers – from Gilles and Jacques Villeneuve in Formula One, to Scott Goodyear and Tracy in IndyCar, and NASCAR's Ron Fellows, if only to name a few – but dramatic changes to the sport's developmental ranks are having an effect.

Racing has always required money. But it's no longer a sport for simply the well-off, it is a pastime for the undeniably rich. Tony bankrolled much of his son's early career, footing the bill until Paul could latch on to a

pro team.

But if he were to add up the price of becoming a pro driver, Tracy figures it probably cost his dad a few million dollars.

"For a lot of drivers that came up like myself – my dad was a painter for a living – it wasn't all laid out, we had to make the path ourselves through the woods," Tracy said.

"My dad just worked like a slave. He's still working now."

When Tracy couldn't get on with a pro team at 23, his father wrote a cheque for $105,000 to cover the costs for him to race, using money from the business.

These days, sponsorship dollars have also become scarce. One of the biggest blows to racing's developmental ranks, Tracy says, came when tobacco sponsorships were banned nearly a decade ago, and effectively shut off the funding for driving programs responsible for bringing along respected names like Jacques Villeneuve up through the ranks.

This was always racing's quiet compromise in Canada – the sport relied heavily on tobacco money to develop its young drivers, but that funding was bound to run out when the laws against cigarette advertising changed. With that money no longer available, not enough major sponsors have come in to fill the void, Tracy says. Drivers must be mostly self-funded.

That leaves the sport to kids like Lance Stroll, whose families can fund their rise through the ranks independently. One of Canada's top young drivers, 13-year-old Stroll from Montreal may have the best shot financially at making the pro ranks if his talent can hold up beyond his teen years.

Last year, Stroll became the youngest driver signed to an F1 team when Ferrari added him to its Driver Academy, where nascent talent is developed, when he was still only 11. Ferrari will pay for his training over the next several years. But beyond that Stroll's father is also wealthy enough to fund the costs of racing.

Money alone can't produce a successful driver, since winning is what matters most, Tracy says. But funding and talent together are a powerful combination.

"The cream always rises to the top, the good drivers always seem to win regardless of what equipment they are in," he says. "They've got a lot of money behind [Stroll], there's no shortage of cash flow, so that's a huge help for him. It's whether the kid wants to fulfill what he has in front of him, because he has every opportunity if he wants to do it."

Across the professional racing world, there are signs Canada's top drivers are having to battle financially.

Toronto-born F1 driver Robert Wickens won the Formula Renault 3.5 Series this year, a developmental circuit that feeds driv-

ers into Formula One, and is now trying to crack the rarified ranks of F1. If he can make it onto the grid, he would be the first Canadian in F1 since Jacques Villeneuve. Bringing loads of sponsorship money to the table, as many drivers do, would dramatically help his cause.

In similar fashion, James Hinchcliffe of Oakville, Ont., took rookie of the year honours on the IndyCar circuit this year at age 24, but found out this month his team – the venerable Newman Haas Racing, which the late actor Paul Newman helped create – was folding amid financial difficulties. Hinchcliffe now finds himself searching for a new team to call home.

Now looking back on his career, Tracy sees himself in a similar predicament. He is 43, and the opportunities are drying up.

"The sand in the hour glass is starting to run out now," Tracy says. "It doesn't get any easier when you don't drive that often."

He is effectively a man without a regular team. A driver capable of winning races a decade ago who can't find a paddock to call home. He picks up a few races here and there, but nothing steady.

By pro racing standards, he is living a hand-to-mouth existence, mirroring in some ways how he came into racing, having to scrape buy until the door finally opened.

He's got other projects: he did a reality show on cable where he puts exotic sports cars through their paces, but production was recently suspended. Nothing is quite like racing. "I do the best I can," he says.

As the sport changes, Tracy thinks back to the days when his dad dropped him off at the track, remembering them fondly. It was a simpler time in racing.

"There was always pressure to win because we didn't go to the racetrack to lose," Tracy admits. "But at the end of the day we had a lot of fun. We had great times. I wouldn't have traded it for anything."

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Photo of soldier on couch suffering from PTSD

RAFAL GERSZAK
DECEMBER 20, 2011


Afghanistan
03-04

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INTERNATIONAL REPORTING 1 OF 3

Remarkable school gives girls from the bottom of India's caste system new hope

STPHEANIE NOLEN
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The sky is still dark, the air still cool, when Poonam is roused by the shrill blast of the housemother's whistle. Tousle-haired, her face crinkled with sleep, she bundles her bedroll and shuffles with her friends out of their crowded dorm and to the lawn.

Still yawning, she takes her place in the front row of three ragged lines and begins to swing her arms and legs. This half-hour of exercise wakes her, and she is giggling by the time the girls head back inside. She fills a small plastic tub from a hand pump and gives herself a quick bucket bath. Then, back at her bunk, she lifts her uniform from its small steel case, smooths its pleats and puts it on: knee socks, grey kilt, white blouse, heavy shoes. Biting her lower lip, she wedges her long hair back in two barrettes.

She lines up for a plate of bread and daal and a steel cup of watery yogurt, and eats squatted on the veranda out front, her Hindi notebook propped in front of her for some last review.

By 7 a.m., she is on her way – her pink glasses perched on her button nose and her backpack pulling down her shoulders – out the gate of the girls school and up the road. Of the 125 girls here, Poonam has shown herself one of the brightest, and rupees have been saved to send her and a few others to private school. The rest of the girls watch with silent envy as she sets off; the responsibility is immense.

But Poonam, at 15, brims with confidence: She will get her high-school diploma, then go to university and get a bachelor's degree. And then she will be a teacher, she says – the best kind, who always takes the time to make sure students understand. In Poonam's whole community, there are only 10 people who can read, but she is undeterred.

"If I try, I can be and I can do anything," she says one evening. She sits with a few other girls in the circle of a lone light bulb, eking out a last hour of study. Her voice is filled with conviction. "If I don't try, I won't be able. But trying will take me far."

It is a beautiful idea – beautiful, and completely unfounded.

There's a popular image of India today, of technology start-ups, call centres, film sets, even a space program – the emerging superpower in the business pages, the one the government splashes on its "Incredible !ndia" billboards.

But Poonam lives in another India, one she shares with three-quarters of her 1.2 billion fellow citizens.

In the official India, "untouchability" – the social exclusion of Dalits, the people at the bottom of the Hindu caste system – is an antiquated, illegal practice, countered with a plethora of affirmative-action schemes.

But in Poonam's India, caste is still rigidly

enforced, in her village and most other rural areas. It's the India where a million girls have gone "missing" in the past six years because of sex-selective abortion, and where female work-force-participation rates are among the lowest in the world.

Poonam is a Dalit and a girl in India's poorest state. The odds stacked against her are immense.

It is an article of faith here that urbanization and economic growth are bringing greater equality. For some people, in the biggest cities, this is indisputably true. But Poonam is the acid test: In her India, in her lifetime, will it ever be enough just to work hard and have a dream?

This story starts long before Poonam came to school. It starts in 1964, in an airy classroom in a whitewashed Catholic school in the lush heart of Kerala, the southernmost state of India.

Another teenage schoolgirl, this one lanky but strong, is hunched at her desk: The teacher has left the room, but she is oblivious to the hubbub of chattering girls that has erupted around her. She has in her hands a magazine – a precious thing, something the girls only see a few times in a year. This one is from the Mission League, and it tells of the work being done in other parts of India by nuns and priests who work among the poor.

The article that has caught her attention is about Bihar, a state far to the north. There, she reads, the people are so poor that they sleep by the roadsides, in mean little huts or no shelter at all.

The girl puts the magazine down and tries to picture it. Her parents own a plantation, where they grow ginger and rice and pepper. They are not rich, but they are prosperous. The workers on their farm have less, of course, but her parents pay them well, they have sturdy houses and she plays with their children in the yard after school some days. She tries to picture people so poor they must sleep at the roadside. She can't. And she decides, in that moment, that she will one day go to see for herself.

One year later, that girl, Sudha Varghese, set out on the four-day train journey north. In a quietly radical act, the first of many, she joined a Roman Catholic religious order, the Sisters of Notre Dame, which worked on education in Bihar. By becoming a nun, she was taking the sole path that would allow an Indian woman, then or indeed even now, to live as a woman alone, single and independent, for the rest of her life.

She spent a few years training at the Notre Dame Mother House in Patna, the Bihari capital – she had to learn English and Hindi, the language of the north; prepare for taking her vows of poverty, chastity and obedience; and learn the basic skills of teaching and social work.

But Patna was disappointing. While Bihar was far poorer than Kerala, life in the Mother House was soporifically comfortable. So, in just a couple of years, Sister Sudha struck out on her own: "I wanted to be with the poor – and not just the poor, but the very poorest among them," she says. "So I went to the Mushahar."

The name means "rat eaters" – a sneer at the people at the bottom of the caste system. In a rigidly segregated society, the Mushahar are deemed by dint of birth to be the most reviled, below even the "manual scavengers" whose traditional job is to collect excrement from people's homes and carry it away in baskets on their heads.

The Mushahar are found mainly in the north Indian states of Bihar and Uttar Pradesh; elsewhere, this bottom-caste position is reserved for other groups.

Dalits make up 16 per cent of Bihar's 103 million people, and Mushahar are about 15 per cent of Dalits. They are the least literate (about one in 100 adults can read), and have the worst health and economic indicators.

Almost without exception, Mushahar own no land, have no job but occasional farm labour, and are made to live apart from the rest of the community – to the southwest, so wind that blows over them does not touch the rest of the village.

Sister Sudha had known about caste, of course; her family was likely high-caste Hindu before converting to Christianity many generations before, although they never talked about it. The labourers on their farm came from the Dalit community, but she was raised sharing meals with them.

Bihar was an alien world, the one she had been seeking. She travelled out of the capital for a couple of hours to the tola – Mushahar settlement – of Jamsaut, and asked if she could stay.

"I was looking for a people and I found them," she says.

A look or touch that 'pollutes'

The idea of "untouchability" – that some people are so "polluted" simply by virtue of the family into which they are born, that they cannot be touched, sit or eat with others – was laid out in ancient texts of Hinduism, and endured for nearly 2,000 years.

Organized resistance began in the mid-1800s and grew slowly; in 1950, India adopted a new constitution that outlawed caste discrimination. New affirmative- action quotas were meant to give the former "untouchables" – who began to call themselves Dalit, a Sanskrit-derived word for "the broken people" – access to education and to government jobs.

Today, Dalits make up a sixth of India's population, about 170 million people. In the biggest cities, many Dalits have been able to leave untouchability behind. The parliamentary speaker is a Dalit woman; so

is the chief minister of the largest state. In cities, Dalits can attend schools, buy tea at a café,and live where they like, although individual landlords may turn them away when they hear their surnames.

But in rural India – where 70 per cent of the country's population lives – the great majority of Dalits are landless workers; they make up the bulk of the population in bonded labour. A national survey in 2006 found that in more than half of the villages, Dalits were not permitted to enter non-Dalit houses, to enter places of worship, to share non-Dalits' food or use the same barbers or laundry services.

So it is hard to overstate how bizarre Sister Sudha's arrival seemed to the people of the tola – this young woman in her crisp, clean sari, who did not shrink from their gaze or their touch, but stepped inside their settlement and asked to stay.

In a pattern of generosity that would last for decades, they gave her a home – first, she shared a tumbledown hut, but when more children came and the family needed the space, she slept in a grain storage shed. "I got used to curving my body around the circle of the bins," she recalls.

The largest adjustment was learning to wake at 4 a.m. so she could go with the women into the fields to relieve themselves: There were no latrines, and modesty dictated that women could make this trip only in the dark.

Much of village life shocked her: Everything was grimy, muddy, covered in flies that feasted on the animal waste and food scraps tossed in the lanes, and no one had the habit of washing.

"But slowly, slowly," she says, "these things moved away and I began to see the children." She started with simple things: gathering women in the evenings around a small fire and talking to them about hygiene and the health of their bodies and their children. She taught the alphabet to children who couldn't go to the school in the dominant-caste section of the village.

Still, she saw herself as the student. "I was a beginner with regard to being in this community and being with the people, learning their culture, learning to accept them and also to really fashion my life so that I will become part of them."

Only very slowly did she set out to pass an idea back – that, as excluded as the people of the tola were, they had rights.

When they worked all day in the fields of a landlord who then scoffed and refused them the 30 cents they were promised, she led them back to sit, silently and peacefully, in his yard, until they were paid. She gathered children and took them to school, and went back every day to make sure they were allowed to sit on benches, not confined to windowsills or the floor, and to touch books

like other children.

She told her neighbours that their children were entitled to a government stipend to pay for school books and uniforms, and that they could insist that police investigate the dominant-caste village-council members who had pocketed the funds.

She stayed for 21 years.

It was not a religious mission. "It's a purely humanitarian exercise," she says. "Wherever I see there is something lacking in them being a fully human being, I like to support them and see that they reach their full human good – so that is my purpose."

This philosophy places her in a tradition of Indian public service that is often called Gandhian, but with a respectful tilt of her head to the Mahatma, Sister Suhda rejects that label. Instead, like many of the Dalits, she holds as her inspiration Bhimrao Ambedkar, a Dalit who became a lawyer in the 1920s, led the fight against untouchability and drafted India's constitution.

Ambedkar nearly succeeded in setting up a separate electoral system for Dalits, arguing they could never have real political power in a system privileged castes would inevitably dominate. But Gandhi foiled that, threatening a fast unto death if Dalits were given their own system. Many still begrudge him that, and his larger failure to do more to end caste inequality.

There are others in India who practise Sister Sudha's style of integrated grassroots activism, such as Aruna Roy, who spearheaded the anti-corruption Right to Information movement; her husband, Bunker Roy, who founded the Barefoot College to educate poor, rural women; and Murlidhar Amte ("Baba"), a social worker who spent decades living with and advocating for lepers.

These activists tend to come from privileged backgrounds but spend their working lives closely tied to impoverished communities, working for education and social development. But there are only a handful of stories quite like Sister Sudha's, of living on the margins for decades, pushing for the most incremental change.

'It's all her doing'

As years passed, Jamsaut's women became Sister Sudha's focus. She had realized that rape was ubiquitous. "No one practises untouchability when it comes to sex," she snaps.

Or to drinking – higher-caste men would come at night to drink the date moonshine the Mushahar men brewed, then help themselves to the women, who had nowhere to hide.

The men rarely protested, because they relied on the income, and the women felt helpless. But mothers began to confide in Sister Sudha – stories they told her in despair, for what recourse did they have?

Finally, one day in 1992, when a young girl

had been brutally gang-raped, Sister Sudha took her and her mother to the police station. When the police refused to register a case – "no one would rape a woman in clothes so dirty," they said – the women sat there on a bench, all through the night and the next day, until finally the disgusted police took the report. And Sister Sudha kept pushing the police until they arrested the men in question.

By then, authorities had begun to dread the sight of her, for now she spoke the language of the law. Frustrated that the legislation meant to protect the Mushahar was never implemented, she had decided in 1987 to take on the legal system.

"I saw the people in my village all the time being duped – the high-caste people would say, 'You have to pay for this or for that document,' or 'You have no right to this or to that.'"

For three years, she commuted to law school in Bangalore; she aced her exams and became an advocate.

In the next two years, she registered nine rape cases. "There were a lot of threats. They were ready to finish me off – 'It's all her doing: Which Mushahar ever files a case? Which Mushahar ever went to the police?' … I was frightened. But I decided I could not show it."

Gradually, Sister Sudha's work became a small empire, which she called Nari Gunjan, or Women's Voice. Using funds scraped together from her parents and siblings – who thought she was mad but wanted to help – and a bit from the community itself, she started an educational centre where Mushahar girls could get a basic education and some income-generating skills.

A Unicef staffer happened to see it, and arranged a grant of a few thousand dollars. So Sister Sudha expanded to 50 educational centres across rural Bihar, where girls and groups of older women learned about sanitation, reproductive health and their rights. She travelled the state, supervising it all on a bicycle – "the cycle sister," they called her.

Eventually, she says, she had simply become Mushahar. She planned to stay forever. But in 2005, some teenage Mushahar boys were attacked by dominant-caste young men. The boys filed a police case – and the wrath of the assailants' families came down on Sister Sudha.

She protested that she hadn't even known about the incident. But ultimately, she was behind it, from all her years of convincing the Mushahar that they had rights. The families made it known that she should disappear or they would do it for her. The police said they could not protect her – or would not.

Heartsick, she put a padlock on her wooden door in Jamsaut and went back to the convent in Patna. She lasted just days on its

smooth floors and soft beds: "I could not survive there." She decided that the time had come to concentrate on a new project.

Girls, she had concluded, were the key to change for the Mushahar. To be a girl in the lowest caste is to be the person of the least value in every community, in every state. Until their lives changed, there could be no real talk of change in the country.

The girls needed education, but could never study in the villages. Even when they were permitted entry to school, they had too much else to do to attend with any regularity – herding livestock, gathering firewood, minding baby siblings or transplanting rice seedlings in the paddies.

Sister Sudha resolved to build a residence, a hostel where girls from all the tolas could come and stay and have no job but to learn. She would build them a home where, instead of the all-purpose "Mushahar," people would call them by their names.

Prerna is born

In Lal Kothi, near the outskirts of Patna, she found a place. It was half public latrine and half water-buffalo shed, but the state government helped her repair it, and, with donations and volunteer labour, the stinking, derelict building became a two-storey dormitory with a kitchen and a small, open study space.

She named it the Prerna Residential School for Mahadalit Girls – prerna is Hindi for inspiration.

The first girls arrived in 2006. Parents were anxious – they wanted their children to be educated, but it was a shocking idea to send a young, unmarried girl away on her own. Often, mothers had to mount sustained campaigns to persuade fathers and mothers-in-law.

"In almost every case," Sister Sudha says, "the mother is the critical thing that makes change possible."

From Jamsaut, Poonam's parents sent her. She was 10, or maybe 9 or 8 – no one had ever asked. She was half the height of a Canadian girl her age. She did not own shoes. She had a perpetual squint, and had never seen a doctor, let alone had her eyes checked. At home, when she bathed, it was by accident, in the ponds where the children chased the buffalos.

She had never used a latrine. She had never slept on a mattress. She was in Grade 5 – she'd attended school when she wasn't working with her parents – but had never owned a book.

The hostel was a strange new world: Poonam had never paid attention to the hours of the day before. Here, there was a schedule, and bathing, and three meals every day – she did not have to wait until the men, boys and adult women were finished and eat their scraps. She could even be first in line with her plate. Within months, she

had shot up several inches and developed rounded arms and legs. She had glasses that helped her read. The hours of studying were an almost unimaginable luxury.

But the nights were unnerving, so far from the familiar noises of the village; girls whispered about ghosts and demons. To soothe fears, Sister Sudha has them line up each night to sing a prayer – a non-denominational one, as she is fanatical there be no Christian prayers or any other religion's.

"No matter how dark my way, I will trust in you and you will help me continue," the girls sing, in Hindi, to an unnamed god. "Help that I think not of what I have received but be more conscious of what I can give."

Sister Sudha had planned to send the girls, who now numbered 125, to the government school next door. But like so many others in India, it was a disaster: The teachers seldom showed up, and when they did, they sat gossiping on the veranda. On a good day, they might write a lesson on the board before they walked out. The children were left to puzzle out the mysteries of subtraction or the alphabet alone. After a semester, the girls had learned nothing.

So she pulled them out. For a dozen of the brightest, she scraped together the money, $200 each a year, to send them to a private school up the road. There were no other Dalits at the school, but the director is a businessman, and a fat envelope of fees paid up front quashed any hesitations he had.

For the others, Sudha hired some local, unemployed university graduates as teachers. Squashing together the bunk beds, she cleared a couple of rooms and started a school of her own. She followed the government curriculum, but bolstered it too: She wanted the girls to learn to sing and draw and paint. They asked for dance class. And she hunted up a karate teacher.

"Karate, I felt, would give them more self-confidence, and also self-protection – because many of these girls, in their homes and the fields where they go to work, they could be victims of sexual and physical abuse. So karate would give them strength to protect themselves" – and maybe to fight back.

The girls took to it. In fact, this year, 20 of them travelled to the national competition in Gujarat – the first time they had ever been anywhere besides the school and their villages. They won gold or silver in nearly every category, a sweep so astonishing that Bihar's chief minister summoned them and offered to send the winners to world championships in Japan.

Sister Sudha found herself organizing passports and plane tickets for seven girls who, a year before, had never even been in an auto-rickshaw. In Tokyo, they gawked at

the skyscrapers, the gleaming white-tiled hotel bathroom and the machine in the dining room that hissed out Coke or coffee. They came home with seven trophies.

But something else surprised them most: "They were so astonished by how much respect people showed them," she says. "They said, 'Imagine, bowing to me, speaking to me, this way.'"

Looking strangers in the eye

Poonam returns to Prerna from the private school at 1:30 in the afternoon, and lunch is waiting. She changes quickly from her uniform into one of her two dresses, using a safety pin in place of a broken zipper, as the dress has had many owners before her. She pauses briefly for lunch: rice, lentils and potatoes.

Then she takes her books out of her backpack, and begins laboriously copying the unfamiliar English words of a fairy tale – in the Bihar version of The Boy Who Cried Wolf, it's a lion instead, and after the third time the boy calls "lion!" it eats him. Poonam sighs and hastily turns that page.

It's hot in the dormitory, with not even a breath of wind through the iron grills on the windows. The smaller girls tumble on their bedrolls, telling secrets and playing checkers. A few fall asleep.

But at dusk a whistle blows again, and Poonam joins the others as they gather on the school field for free-form games of tag, tackling and races. They move with a freedom and unself-consciousness that would be unthinkable in the village. No one is watching. No one will seize their arms and angrily remind them what is acceptable for Mushahar girls.

Everything they feel the urge to do is acceptable here: When they run, they are astoundingly fast. When they tackle, they are lethally efficient. And when they laugh, they are loud.

This has been Sister Sudha's fundamental goal, to replace the sense of worthlessness inculcated in them since birth.

"All that they have known and heard and seen is, 'You are like dirt.' They have internalized this: 'This is my lot,' they feel. 'This is where I belong. I don't belong on the chair. I will sit on the floor, and then no one can tell me to go any lower than that.'

"All their lives, they are told, 'You are the last. You are the least. You do not deserve to have.' They learn very fast to keep quiet, don't expect changes and don't ask for more."

At the school, where everyone is focused on the girls' well-being and achievements, she shows them they are worth more. As soon as they step outside its walls, someone mutters, "Mushahar," and they are reminded they are untouchable.

But by helping them to explore new things and excel, Sister Sudha hopes that

they will come to know at a visceral level that they are as good as others, and sometimes, even better.

The constant subtle reinforcement has had a profound effect. The girls stand straight. They gleam with health. Their pale blue dupattai are pinned precisely on the shoulders of darker blue kameez. Their teeth are shiny white. Their braids are tied in fat ribbons. They greet adults with a respectful pranam – hands meeting in front of their hearts – and they look strangers in the eye when they say hello.

"That takes a long time – when they come here, they are just looking at the ground all the time," Sister Sudha says quietly. "To get their heads lifted is something."

By 10 p.m., a warm, heavy dark lies over Prerna, and the last giggles have died out in the dorms. Even bookworms such as Poonam have stowed their cherished books beneath their bunks, tucked in the corners of their mosquito nets and closed their eyes.

On the concrete steps out front, Sister Sudha sits awake. She knots her grey-streaked hair at her neck, loosens it distractedly, knots it again, and tries to envision a future for her girls.

Their lives have undergone unthinkable changes in a few years, but their families and their villages are not changing nearly as fast. "It will be really a challenge for them to meet even their own family, their own sister who did not study here," she says.

These are the ideas that plague Sister Sudha: Where will they go when they leave? What is it realistic to think they can do?

"In the hostel, we are here to protect them. But they won't always have someone to fight for them or protect them. They have to prepare themselves to face that."

Stephanie Nolen is the South Asia bureau chief for The Globe and Mail.

Editor's note: A Dalit woman was elected as India's parliamentary speaker, not as president. Incorrect information appeared in an earlier version of this story.

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You can unlock the potential of India's most oppressed girls, but where are they going to use it?

STPHEANIE NOLEN
DECEMBER 10, 2011

The girls are giggly, jostling with excitement in the warm autumn sun. Sister Sudha Varghese stands patiently and waits for their attention. When her 125 students fall quiet in the courtyard outside their yellow dormitory, she gives them a last gentle lecture.

"Don't get sick," she tells them in Bhojpuri. "Go and visit the festival shrines, but don't roam around at night. Enjoy your holiday. Come back in a week."

Her tone is light, but a filament of anxiety runs underneath the words: Come back.

She looks them over one last time, then sends her charges out through the gates of Prerna Residential School for Mahadalit Girls, to join the parents who have been waiting outside since early morning. The girls are headed on a rare visit home to the slums and villages where they grew up, to celebrate the festival of Dushera.

Poonam, 15, a star student and school leader, is one of the last to head out the gate. Her mother, Rajkumari, waits for her nervously, pulling the end of her yellow sari tight over her head. The two have not seen each other for six months, and they are shy at first; they sneak small sideways glances outside the school as they look for a rickshaw or a horse cart to take them home to their village, Jamsaut. After four years of regular meals at school, Poonam is a head taller than her mother, but still respectful.

Sister Sudha watches them head down the path, then closes the black iron gate and sits on the school steps. The girls stayed up all night, giddy about the holidays. Now, the school is startlingly quiet, and she will worry all week until they are safely back with her.

Prerna – the word means "inspiration" – is a school for Mushahar girls, "untouchables" at the bottom of the Hindu caste system, which makes them the most exploited children in the most marginalized community in the poorest state in India.

Girls such as Poonam are often married off by the age of 12 or 13. As Mushahar girls, they are widely seen as without rights, and easy targets for sexual assault. If they are raped, their own community views them as unmarriageable, so practical parents think it best to have them married before they can be attacked and tarnished.

"They go home, and the grandmother says, 'She has become big enough – we should look for a boy,' " Sister Sudha explains with a sigh. That means the end of a girl's studies and, more than likely, the quick erosion of everything she has gained at Prerna, in a life of relentless physical labour.

Sister Sudha, a Catholic nun turned quietly radical social activist, came to Bihar from the south of India more than 40 years ago. She went to live in Jamsaut and dedi-

cated herself to working with the Mushahar to end their exploitation: She fought legal cases, organized demonstrations and set up a network of education centres for women in dozens of communities in the state of Bihar.

Six years ago, she left the village and began an experiment. She was troubled that Mushahar girls were unwelcome in most schools and constantly in demand for domestic and farm labour for their parents. She suspected that if she could boost them into a new world, in which they were treated with dignity and tasked only with learning, they might emerge as leaders – a vanguard for change.

She decided to bring in one or two girls from each community in a four-hour radius. When they first come to her they are shy and hunched, like the parents who waited at the gates. But six months later, they have begun to learn that they have every right to take up space – to have ideas, expectations and ambitions.

Yet Sister Sudha's anxiety as the girls leave for Dushera hints at the deep fissure that runs through her experiment: Her girls are now caught between their old lives and their new potential. They have learned to dream, but their families, their villages and India itself have little place for a Mushahar girl with dreams. Now, they stand out – and when you are Mushahar and female, that's rarely a good thing.

Four girls from Prerna have completed high school so far. They went back to their villages and married (at least one, Sister Sudha says wistfully, found an educated boy). They also got jobs as vikas mithra, liaisons between local government and the Mushahar, earning $90 a month – a considerable accomplishment.

But Sister Sudha wants much more for her girls: vocational training, perhaps for jobs as receptionists or data-entry clerks. University for the clever ones, such as Poonam. And then professional jobs, and marriage, of course, but to educated men.

None of it sounds impossible. Until you are back in Jamsaut.

An hour after leaving school, Poonam and Rajkumari (the family's only surname is a caste name they do not use) arrive at the small road that branches to Jamsaut, lined with small shops and a brightly painted Hindu temple. They hurry past these to the Mushahar tola – the small patch of land reserved for people of their caste, behind the village proper, bordered by swamp.

Their house is a half-brick, half-mud structure about the size of a master bathroom in a Canadian suburban home, with a roof of twigs laid over scrap sheeting.

Poonam rushes to hug her younger sisters and brother, then turns to the tasks that made up her days before she moved away

to Prerna: She fetches water in a tin pot from the tola's hand pump, chases a family of pigs away from the entranceway of the house and lights a dried cake of buffalo dung in the hearth, filling the unventilated house with noxious smoke, to make tea with a handful of loose leaves and a pinch of black pepper.

Her mother asks her to go to the shop, passing her a crumpled 20-rupee note (about 35 cents). The fastest route would be to go behind the house and cut 15 metres across an empty green field, past other, larger houses, to the small village store. But she turns the long way down the path – and when a foreign visitor heads for the shortcut, Poonam gasps and yanks her back. It is as if there is an invisible electric barrier, and she will not step over it. She flinches if she even comes close.

When the visitor asks her why, Poonam, normally quick with observations, is stumped. Her people live here. Others live over there – and she does not know them, does not talk to them, does not meet their eyes on the road and never, ever takes the footpath past their houses.

About an hour after Poonam returns to the village, three men arrive outside her house: They are lighter-skinned, well-dressed men from the dominant caste in the village; one sports a large gold watch. Rajkumari pulls her sari over her face. Everyone looks down. One of the men stands above Poonam's aunt, who is seated in the only chair, and glares – she moves to sit in the dirt nearby, and he takes the plastic chair. The men start to fire questions at Rajkumari: Who are the foreigners, and why are they here in the tola?

The women pull their children close. Rajkumari mutters an answer and fidgets in the dirt. The visiting reporter and photographer introduce themselves; the reporter explains that they are trying to learn about the lives of the Mushahar. The men smirk.

"Their life has changed, become better. They're educated. They go out to work," says one, Rajesh Gupta, with a confidence at odds with the untruth of his statement. "Earlier, they were the ones who took anything, without retaliation. Now, they stand up for themselves." He does not make it sound like a positive innovation.

The men stay and glower a while longer, then walk off, laughing loudly. The reporter asks Rajkumari if she has ever been to any of their houses. She looks baffled: "Of course not."

She casts an uneasy glance at her eldest daughter. Tall and clear-skinned, Poonam is such a different creature from the grubby, runny-nosed, half-clad children of the tola. The upper-caste men have noticed her, and Rajkumari saw them noticing.

The invisible fences that keep Poonam

in one small corner of Jamsaut were built at least 2,000 years ago, laid out in ancient Hindu texts that specify rigid social stratification into four castes, divided by occupation, with priestly Brahmins at the top and craftspeople at the bottom.

Below them is the fifth category, the "untouchable," the outcastes – or, as many call themselves, Dalits, from the Sanskrit for "broken people" – consigned to tasks deemed polluting (working with leather, sweeping streets), and excluded from almost all contact with the rest of society. In this region, the lowest rung is reserved for the Mushahar, traditionally known as rat-catchers.

All of this may sound like an ancient relic, with little relevance in the "Incredible India" of the tourism billboards, the emerging international powerhouse. The Indian constitution adopted in 1950 outlawed caste discrimination, and set aside 15 per cent of seats in government jobs and public educational institutions for Dalits, who make up a sixth of the population.

Those "reservations," as they are known – a form of affirmative action – have improved the lives of many Dalits. So have the more recent processes of economic liberalization and urbanization. In the 1980s, Dalits emerged as a powerful voting bloc in many states, and Dalit-based political parties have since had a key role in forming governing coalitions at the national and state level.

The system has helped to create Dalit judges, professors and business leaders, provoking deep bitterness in some dominant-caste Hindus, who claim that their own children can no longer get into college or the civil service. Many social programs also aim to improve life for Dalits, including the Bihar government's "Mahadalit Mission," which provides Sister Sudha funds to feed the girls of Prerna.

Yet hundreds of thousands of Indians still use the services of valmiki, or manual scavengers, who collect human waste and carry it away in baskets – a system viewed by some caste Hindus as less polluting than using a latrine. A recent national survey found that 45 per cent of villages maintain a "two-tumbler" system, in which separate dishes are kept for Dalits to use at tea stands. And even with her new education, Poonam will not take the shortcut past caste Hindus' houses, ever.

In the nation's newspapers, every single day, there is a report of an attack on Dalits who try to enter a temple, a Dalit woman who resists sexual advances by dominant-caste men or Dalits who try to use a village hand pump. Last year, police registered 38,597 cases of caste-based violence, ranging from rape to arson to assault. The real number is probably much higher – research

by the National Campaign on Dalit Human Rights has found that only one in five such attacks is ever reported to the police.

But India's government prefers to focus on the success stories. When activists tried to have caste included in a United Nations declaration on discrimination in 2001, the government lobbied ferociously to keep it out. The government has consistently moved to block investigations or discussion by the UN Commissioner for Human Rights into caste-based discrimination.

After 21 years in Jamsaut observing all this at close range, Sister Sudha has developed a grimly pragmatic analysis. Caste gets a religious gloss, she says, but religions change: Caste is jealously protected because it is in truth an economic system, a power relationship. "The status quo has to be maintained so that the benefits that are there can continue: You get cheap labour. You get people at your beck and call for almost nothing. You have the machinery to terrorize them into obedience with almost no resistance, no opposition."

The Mushahar, who own no land and subsist on farm labour that pays at best a dollar or two a day, rarely can give their children the education or economic mobility that might bring some social change. The caste system governs life in Jamsaut today much as it did 1,000 years ago.

Poonam had not thought much about caste before she went to Prerna. Now, she considers it curiously. "Before, we weren't able to go into the temples," she notes. "Now, we can. And in the past if we touched any of their belongings, they would never use them again."

She doesn't think that happens any more – though in fact she has rarely tried to touch anything belonging to a dominant-caste person. When Sister Sudha took the children to a festival at a temple, dominant-caste families let them in, but scrubbed it down ostentatiously after they left.

Poonam has no higher-caste friends in Jamsaut. Before she left, when she attended the village school, other girls were careful to keep her from touching their papers or pens, and would not pass her a book. When she went to collect firewood, people would hiss, "Mushahar," toss rocks and chase her off.

The biggest change in Jamsaut is that Poonam now thinks that's a problem.

For a vision of what her future may look like, Poonam need only look about 100 metres from her home. At the end of the lane is a house of much the same type, which belongs to a woman named Lalmathi.

She is Sister Sudha's pride and joy: When the nun first came to live in Jamsaut almost 30 years ago, Lalmathi was a tiny girl who ran about in a pair of torn knickers, waving a stick to herd pigs. But in the evenings she

began to come to Sister Sudha, who used the stick to teach her to draw letters in the dirt. She convinced Lalmathi's parents that she should go to school – the dominant-caste people in the village didn't like it, but she made it through to matriculation, coached by Sister Sudha the whole way.

Whom Lalmathi would marry became a focus of discussion for the whole community. Caste rules said she must marry a Mushahar, but by the time she graduated she was in her 20s, almost unimaginably old, and vastly different from any of the illiterate labourers she might have been expected to wed.

Sister Sudha went on a search, and in a community in central Bihar found a young Mushahar man, Biteshwar, who was also unmarried and unusually bright. Lalmathi met him and grilled him: He had a bachelor's degree, he didn't drink, he didn't gamble, he was going to try to go to law school and he wanted her to keep studying after they married. He became her husband and came to live in her community.

She got a job as a teacher in a government school – the first person in the tola to move into the professional world. They have two children; their small house has an electric connection, and the children have plastic trucks and dolls to play with.

Lalmathi is a warm woman, quick to laugh. But in her quiet moments, she articulates a deep unease. The tola is the only home she has known, but increasingly she thinks that she and her family should leave. She would like to continue her education, and she wants her children to go to a good school.

"I would move to the city – to anywhere with a proper environment to study," she says in one breath. "But if I stay, I might influence others to get educated."

That's one problem – her sense of responsibility, of how profoundly Sister Sudha changed her own life. In addition, though, it's not as easy as simply heading for the city. In Patna, the capital of Bihar, the Mushahar live in tola as well – there is no guarantee a dominant-caste landlord will rent to her family.

It might be easier in Delhi, but that would be so far away from family, and they might have to adopt a non-Dalit surname to rent a room.

It is absurd, she says, for anyone to argue that caste is not a factor in India any more. When she cycles through dominant-caste areas on her way to work, people call out and mock her for her above-herself ambitions. At work, she says, "I sit down in meetings and everyone shifts away."

She has her own defences firmly in place. "I just ignore them. I think they are mad people. … I stayed with Sudha a long time: I learned a lot about caste, and that gives me

the strength to reject it."

But what about her children? What if she sends them to a city school and people find out they are Mushahar?

"People think, 'What can a Mushahar do? Catch fish or snails to eat – they can't be engineers. Why send the kids to school? A Mushahar can only be a Mushahar.'"

In a strange way, she thinks, they are safest here in the tola, where, if they keep to their own hand pump and their own pathways, the risks are minimized.

So, for now, she stays. And she watches Poonam on her visits home, and wonders how soon the choice will come for the Prerna girls – either staying near their families or moving into a world where the risks and rules are unknowable for them.

Whatever they do, whole communities are going to feel the reverberations.

Much farther away, Annie Namala is also watching Poonam and the other girls of Prerna.

Ms. Namala, a Dalit from the south of India, is a prominent activist against caste discrimination. She runs the Centre for Social Equity and Exclusion in New Delhi; her husband, Paul Divakar, heads the National Campaign on Dalit Human Rights. They are long-time allies of Sister Sudha and have visited the communities where she works.

Most Dalit groups have seen some social mobility, Ms. Namala says, but the Mushahar in Bihar have experienced almost no reduction in discrimination and isolation. That is the first challenge for Sister Sudha's girls: "Mushahar" will always be the defining fact of their identity.

What's more, they are girls. "Even in the Mushahar community, the girls are the bottom of the bottom," Ms. Namala says with a sigh, reflecting late one night in her Delhi office.

This parallel system of oppression tends to get even less attention in India than caste. There was much startled denial here last June, when a wide-ranging global survey by the British Thomson-Reuters Foundation rated India as the fourth-worst country in the world in which to be a woman, below even Somalia.

The survey cited high rates of sex trafficking and the widespread practices of child marriage (47 per cent of Indian women marry before they are 18, Unicef says) and forced marriage, plus the persistent preference for sons, leading to an estimated 12 million girls going "missing" because of sex-selective abortion in the past 25 years.

The success of a handful of powerful female political leaders is often cited to refute allegations of pervasive misogyny. Yet India's rates of violence against women and sexual harassment are exceedingly high, while Indian women's rates of work-force participation, social mobility and power to

make their own decisions domestically and otherwise are some of the lowest, in developed or developing nations.

This is the second set of obstacles for the Prerna girls. "Imagine the pain they are going to have if they hold their heads high," Ms. Namala says. Yet despite it all, she does believe that Poonam can achieve her dream of being a teacher and even a school headmistress, that her friend Laxmi can wear the judge's robes she dreams of and that Neetu can be a district administrator.

"It's going to be tough, but the transition is possible. It's going to take hand-holding. They will need little pockets of sanctuary. They will need one professor who will protect them at college, a boss who will protect them at jobs – each one's story is going to be a struggle story."

To do that, though, they will need to go to the city, and obscure as much of their pasts as they can. And then, Ms. Namala predicts, the girls will soon draw the attention of dominant-caste men – men who would never dream of marrying them, but will use gifts and promises to try to lure them into extramarital relationships.

Meanwhile, they will be living entirely outside the world known by their parents and families, almost unimaginably alone, when all their lives they have lived, eaten and slept in close confines. They will have to find ways to keep in touch with their own people. "There have to be times when they come back together," Ms. Namala says.

From watching them, she says, she knows the girls already have resilience. But now they will need something else. "You have to build up the anger in them, righteous anger: You cannot just hope for justice – they will need that to sustain them."

She pauses and looks troubled, then seems to square her shoulders on the girls' behalf. "Most of the reforms we've had come when one person takes it on and creates a sea change. It's possible," she says. "Uncomfortable is good. It's where growth takes place."

For Poonam's mother, Rajkumari, it's all a terrible dilemma. By the time she was Poonam's age, she was married. A Mushahar mother traditionally has one primary job: to keep her daughter safe (and virginal) until the day she is delivered to her new in-laws. But Rajkumari has another: to help Poonam be all the things she dreams of.

She is immensely proud of her daughter, who is now in charge of reading any paperwork the family needs for government welfare programs. The sole decoration on their walls is a clock Poonam won in a debating competition.

And Rajkumari is frank about the fact that Poonam is the sole economic hope for their family of six: If she can finish school and get a waged job, it could radically alter their

fortunes.

But Rajkumari, at 33, has perfected the Mushahar art of taking up no more space in the world than she has to. To her, Poonam seems more and more like a foreign creature.

"When we ask her about marriage, she says,'I want to study, I want to become something.'" But if Poonam does get married, she will become the property of her husband's family – they probably won't let her work, and if they do, the money won't come back here. So she wants Poonam to have a working life.

Yet she sees her tall, strong daughter as acutely vulnerable, with all the attention she attracts. So, while in one breath Rajkumari says she won't mention marriage until Poonam does, in the next she says, "I'm thinking to get her married, because that's a girl's safety. A married woman is safer – someone is guarding her."

Still, a husband for Poonam will not be the kind the village women are used to inspecting, Rajkumari says. Her sisters and neighbours, listening in, nod in agreement. "I'll look for an educated man for her. I'm not sure where, but I'll look."

Poonam listens too, and smiles shyly, head down. Of course, her parents must make this decision for her. But they don't exactly understand what it is she would like to do. They have never been anywhere like Prerna, or the private school some of the students attend during the day, where – even though the girls are the only Dalits – the teachers tell everyone that discrimination based on caste is wrong, that everyone is equal.

That makes sense to Poonam. Other people have their ideas, but caste isn't going to stop her from doing what she wants – going to university, getting a job, having an independent life. "It's just about what you have in your mind," she says quietly.

But Poonam also knows there is more to it than that. She heard Sister Sudha's warnings about not visiting the festival shrines after dark, and she knows that a few years ago a girl from the village was grabbed and raped by a group of dominant-caste men when she was on her way to work the fields. The girl was dumped by the roadside and the police did nothing. Poonam knows the story well.

When the festivals are over, the girls come trickling back to the school. Poonam arrives on Sunday night, delighted to return to her books. On Monday morning, Sister Sudha lines them up, and finds they have all come back but two: 12-year-old Sanju's family has decided that she has had enough education. And the family of Dharajia, who is 14, has found her a husband, a boy from another tola.

"They tried once before, in March, the last time she went home, " Sister Sudha says. "I talked to her parents and said she's not

old enough. So I got her back. But now they were decided on getting her married."

She cannot afford the luxury of regret for more than a moment. She turns to her list of Mushahar families eager to send her their girls. Within a day or two, she has filled the lost girls' bunks and has two more slight, wide-eyed students on her classroom benches.

She can put aside the fear of losing them for six more months, until the next vacation, and return her attention to what they will do next.

"The whole country says, 'We have changed. We have improved.' But stand there," she says, gesturing in the direction of Jamsaut, "and see what changes have come. … Until it comes to Mushahar girls, you can't say the country has changed."

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A rebellion divided: Spectre of revenge killings hangs over eastern Libya

GRAEME SMITH
DECEMBER 10, 2011

Libyan rebels hanged at least two suspected pro-Gadhafi fighters in the chaotic early days of the uprising, witnesses say, revealing for the first time a bitter struggle within the rebellion about how to contain the anger unleashed after decades of oppression.

The full extent of revenge killings in eastern Libya is unknown. Near the coastal city of Darna, locals say they discovered a heap of bodies in the badlands south of town, where at least a dozen men appeared to have been executed with gunshots to the head. But the circumstances of those deaths remain unclear.

Doctors at four rebel-controlled medical facilities say they struggled – and failed on at least one occasion – to prevent mobs from killing patients accused of loyalty to Colonel Moammar Gadhafi.

The arguments over the fate of suspected pro-Gadhafi prisoners, whether in the emergency wards of Al Bayda or among screaming crowds in Darna, illustrate the tension between educated leaders and fiery young people that has emerged as a defining feature of the rebellion.

The New York Times quoted anonymous U.S. officials this week saying they have cautioned the rebels against harming civilians, even suggesting that air strikes could target anti-Gadhafi forces if they fail to respect the laws of armed conflict.

The actions of those who desperately tried to save the lives of pro-Gadhafi prisoners weren't motivated merely by the fact that such revenge killings would sap the rebels' international support. More fundamentally, they felt themselves fighting for the soul of the revolution.

Abdul Karim bin Taher, a 60-year-old English teacher, stood in the shadow of a rusty pedestrian bridge in Darna where he saw revolutionaries hang a man on Feb. 23 and recalled how he tried to stop the murder, pleading with the crowd to avoid becoming like Col. Gadhafi's thugs.

"If we do the same things he did, what's the difference between them and us?" he said.

Ultimately, moderates such as Mr. bin Taher appear to have gained the upper hand after the initial burst of violence in towns along Libya's eastern coast, with most stories of revenge killings confined to the first week of the revolution.

Those captured by the rebels remain in grave danger, however. Hospitals sheltering injured pro-Gadhafi fighters must keep them hidden and guarded. At one medical facility, on a quiet floor, a handwritten sign in Arabic – "Closed for repairs" – marks the secret door leading to the prisoners.

A guard carrying two Kalashnikov rifles banged on the door, and other gunmen inside confirmed the guard's identity before

removing a metal bar and allowing visitors inside. Past the barred door, a series of locked rooms contained suspected pro-Gadhafi fighters recovering from their injuries.

Now safely in the hands of rebels who appear to respect human rights, the patients said they were eating well and were being treated kindly. One of them sat in a wheelchair and seemed incapable of speaking for himself, babbling softly in confused sentences. A rebel gunman kissed him on the forehead, a gesture of affection.

"The revolutionaries tried to hang him," said a young attendant in a white doctor's coat. "The rope broke. They thought he was dead, so they put him in the freezer. He is still alive, but his brain is not working."

Medical records confirmed that the man arrived at the hospital unconscious, showing signs of strangulation, but other details of his story were unclear. A day after his first contact with journalists, rebels transferred him to another location.

Peter Bouckaert, emergencies director at Human Rights Watch, said he is familiar with the man's case. "It's quite sensitive," he said. "He is a witness to a mass execution."

Other such incidents have occurred since the beginning of the revolution, Mr. Bouckaert said.

"There were quite a number of cases of hangings," he said. "A lot of unruly armed elements detain people on their own initiative, without proper oversight."

The two most public executions, with hundreds of witnesses, allegedly happened in the early morning of Feb. 18 in the city of Al Bayda, and on the evening of Feb. 23 in the smaller city of Darna. In both cases, witnesses say, a mob lynched a dark-skinned soldier suspected of being an African mercenary.

Paranoia about mercenaries remains strong among the rebels, despite assurances from human-rights groups that most of the fighters among the pro-Gadhafi forces are Libyan citizens. Rebels have frequently treated dark-skinned prisoners more harshly than men of Arab ancestry.

That distinction was made brutally obvious to doctors at the intensive care unit of Al Bayda's main hospital on Feb. 17 when they admitted two men – one black, the other with the local olive-skinned complexion – who stood accused of fighting the rebels. A crowd gathered outside the hospital, calling for blood. Some armed rebels pushed their way into the ward.

"They had guns and knives," said Mahmoud Anass, 27, a resident on duty that night. "It was really scary. They wanted to kill the black soldier."

Doctors managed to hold off the enraged youths until a few hours after midnight, when the rebels dragged the two patients into the street.

"An old man tried to stop them," said Faraj Khalifa, a doctor. "He said our religion does not permit the killing of unarmed men. But the youths were very, very angry. They hanged the black man in front of the hospital."

The patient with lighter skin was beaten, shot, and returned to the emergency room, Dr. Khalifa said.

A cellphone video later circulated among residents showing a Christian cross tattooed on a black man. Locals pronounced this as proof that the hanged man, whom they called "John," had been a non-Muslim outsider.

Not everybody agrees that John was lynched. A female doctor claimed that the man died of his wounds before he was hanged, although she acknowledged that she did not see the incident herself.

Rebel officials deny the story, or remain vague about it. "We had no hangings," said Uthman Suleiman, 32, who describes himself as a security chief for the rebels, sitting in a room filled with war trophies, weapons and ammunition. "No, no, no, it's all rumours."

The main spokesman for Al Bayda's rebel council, Mohammed Mabrouk, said he saw John in intensive care at the hospital but did not know what happened to him.

The rebel military says it has not killed any prisoners. "I don' know about any executions," said Ahmad Zine Al-Abedine, chief military prosecutor, while cautioning that he could speak with confidence only about the rebels' actions in Benghazi, not further up the coast in Al Bayda or Darna. "Maybe it's just a rumour," he said.

During a visit to the rebels' main jail on Monday in Benghazi, guards said they were holding about 76 prisoners suspected of involvement with pro-Gadhafi forces – with more arriving all the time, as fighting continues.

The chief prosecutor promised that all of them would receive a fair trial, with defence lawyers, after the fall of the Gadhafi regime.

Such formal systems did not exist in the turbulent early days of the uprising, however, when justice was meted out by whomever won the argument with gunmen in the street. This produced wildly different outcomes for the various pro-Gadhafi groups captured by the rebels. More than 160 of the soldiers who fought the rebellion during several days of bloody standoff at the airport south of Darna were eventually released after ceasefire talks brokered by respected elders.

Before the ceasefire, however, a group of 22 soldiers who broke through the rebels' barricades near the airport on Feb. 23 seem to have fared worse. Residents say the soldiers climbed into three pickup trucks and raced down the highway that winds down

the cliffs toward Darna, blasting their way through a rebel encampment along the way. Two revolutionaries were killed.

The surviving rebels called ahead to warn the city of an impending attack. Locals say that a rebel commander named Abdul Hakim Al-Hasadi organized an ambush near the outskirts; the 45-year-old had quickly become a prominent figure among the rebels because of his expertise in guerrilla warfare, which he received at training camps in Afghanistan from 1999 to 2002. (In an earlier interview with The Globe and Mail, Mr. Al-Hasadi declined to say who operated his training camp; al-Qaeda ran camps in the same part of Afghanistan during that period.)

The rebels caught all 22 soldiers and started transporting them in pickup trucks back to Darna; although seven leapt from the back of the trucks they were recaptured the next morning in a neighbouring village. The remaining 15 arrived at the central mosque in Darna, where a large crowed gathered and called for their execution.

"We were screaming, 'Please don't do this,'" said Jamal El-Magri, 48, a veterinarian who now serves on Darna's rebel council. "My own cousin was killed at the airport, but I'm a Muslim and I must respect the prisoners of war."

Mr. El-Magri said a group of educated men tried to shelter the prisoners inside the mosque and planned to disperse them among safe houses with families in the city. Most of them were bundled into vehicles and kept away from the mob, he said, but men in the crowed snatched one of them from the back of a pickup truck. He saw them hang him with rope from a green pedestrian bridge near the mosque.

Families that sheltered the prisoners that night remain afraid to speak to the media, fearing retribution. Abdel Gadir, 29, said one of his friends took in a group of prisoners and soon found it difficult to keep them.

"His door alarm rang in the middle of the night," Mr. Gadir said. "Men with guns were in the road with covered faces. They told him, 'Give us those criminals.'"

The masked men took away the prisoners. The next day, Mr. Gadir said he returned home in the evening to his village of Makhtuba, 20 kilometres east of Darna, and found his neighbours upset. They had discovered a pile of bodies, apparently executed with gunshots, at a nearby crossroads known as Hisha.

"My friend said, 'Our revolution has taken a wrong turn,'" Mr. Gadir said. "Each of the bodies had a bullet in the head."

A local mullah organized a team of men and a backhoe to bury the corpses, he said. None of them were willing to talk about the incident on Friday, although a freshly heaped pile of earth remains at the cross-

roads in the barren scrubland. Graffiti scrawled on a nearby wall marks the spot as a resting place for soldiers "killed by Gadhafi," an explanation repeated by some others in Darna. They claim the executed men were killed by their own officers for disobeying orders.

No organized units of pro-Gadhafi forces existed at that location by the time of the apparent killings, however, which supports Mr. Gadir's belief that they were executed by rebels.

Whatever truths remain buried under the dusty earth, locals say the community has reacted with horror to the excesses of the revolution's initial days. During the Friday prayers after the hanging, clerics spoke out against extra-judicial killings. City leaders have recently asked Mr. Al-Hasadi, the guerrilla expert with experience in Afghanistan, to take a less prominent role in local defences.

"Now that we have freedom," Mr. Gadir said, "we don't want to make the same mistakes again."

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INTERNATIONAL REPORTING 2 OF 3

General's family drives wedge of suspicion into Libya's rebellion

GRAEME SMITH
AUGUST 2, 2011

On the night of his assassination, General Abdel Fatah Younis was last seen in the custody of heavily armed rebels, sitting in the back seat of an armoured sport-utility vehicle that rushed him inside a military camp on the outskirts of Benghazi, his family says.

In their first interview with a Western journalist since his death, the general's family offered new details about the events of July 28 that undermined the unity of Libya's rebellion. They described a well co-ordinated operation to arrest the general from his headquarters in Ajdabiya and escort him 150 kilometres up the highway to Benghazi, blocking side roads and opening checkpoint gates for a huge posse of armed men. They say he arrived safely in Benghazi and his vehicle was not damaged, contradicting official claims that he was ambushed.

The convoy's final destination was the Garyounis Military Camp at the edge of town, where a rebel judiciary committee apparently wanted to ask the general about recent operations on the front lines. If anybody saw him alive after the questioning, nobody has informed his family.

"We have a witness who saw him go into the camp," said Moatasem Younis, the general's son. "Nobody saw him leave."

The family's description of his final hours contradicts official statements from the rebel council, whose leaders have described Gen. Younis being attacked during a moment of weak security – perhaps by agents of Colonel Moammar Gadhafi, or Islamist extremists – before, or after, his hours in custody.

Rebel spokesmen declined to comment on Tuesday.

The possibility that the general died inside the walls of the military camp has driven a wedge of suspicion between the rebel council and the militia that Gen. Younis assembled from former Special Forces units and his fellow Obeidat tribesmen, one of the most powerful factions on the eastern front. His men have vowed to continue the fight against Col. Gadhafi, but their ability to co-operate with other rebels on the battlefield remains unclear.

The breakdown of unity comes at a sensitive moment for the rebels, just as they gain international recognition, including Canada's, and access to millions in loans and unfrozen assets.

The rebel leadership announced that an investigative committee will look into the assassination. The general's family seems to have little faith in the process, however, and some of them are calling for a international role in the investigation, perhaps by the International Criminal Court in The Hague.

Three of the general's relatives spoke to The Globe and Mail at their sprawling family compound in Benghazi, in the same room

where they first heard of his death. They had been watching a satellite news channel on the flat-screen television in their comfortable sitting room on the evening of July 28 when the top rebel leader, Mustafa Abdel Jalil, told a news conference about the killing. No representatives from the rebel council informed them beforehand, they said, and none visited to offer condolences during the traditional three days of mourning.

"Anyway, we would not have accepted their condolences," said Mohamed Hamid Younis, the general's nephew. "We want the whole truth, and retaliation. Those responsible – the schemers, the masterminds – should be punished."

Despite their anger, the family has not turned against the rebel movement.

Mohamed Hamid stood in front of thousands of mourners who thronged to the main square in Benghazi on Friday, and his speech emphasized that the family still supports the leadership of Mr. Jalil.

Family members say they felt troubled by incorrect media reports that quoted one of the general's sons, Ashraf, saying at the funeral that he "wants the green flag back," a reference to Col. Gadhafi's flag that was interpreted as nostalgia for the old regime. They now agree that Ashraf did not speak those words, remains loyal to the rebels, and had perhaps been misunderstood amid the shouts and clatter of gunfire at the graveyard.

But they say that key rebel leaders have been disingenuous in public statements that distanced themselves from the events of that night.

When the posse of rebels arrived in Ajdabiya to detain the general, they presented an arrest warrant with signatures of the deputy head of the rebel council, Ali Essawi, and a judge named Jomaa al-Jazwi.

General Younis called both men before surrendering himself, the family says, and got assurances that the paperwork was legitimate.

"Jomaa al-Jazwi said, 'You should present yourself for justice, and I will be responsible for your safety,'" Moatasem Younis said, citing conversations with men who witnessed the scene. "So the general dismissed his guards."

Neither Mr. al-Jazwi nor Mr. Essawi could be reached for comment.

The last time the general's son spoke with him was about 2 a.m.; at that point, he had not yet departed Ajdabiya and seemed relaxed, telling his son he was sitting with his own people and everything would be okay.

The general was not handcuffed, and climbed into the back of a bulletproof sport-utility vehicle along with his trusted aides, Colonel Muhammad Khamis and Major Nasir al-Madhkur. Riding shotgun in the front seat was a rebel named Mustafa Rubaa, a

member of the Union of Revolutionary Forces who had been entrusted with the sensitive task of arresting the powerful general.

Fawzi Bukatif, a senior commander who acts as a co-ordinator for the Union of Revolutionary Forces, confirmed that Mr. Rubaa accepted the assignment as an "individual" and not as a representative of the Union. He said that Mr. Rubaa safely delivered the general to Benghazi, as instructed. Like several other rebel leaders, Mr. Bukatif claimed that he personally knew nothing about the operation until later.

But the general's family said his men spoke directly with Mr. Bukatif when the posse arrived in Ajdabiya, and he advised them to give up Gen. Younis for questioning. The relatives had a similar story about Jalal al-Dogheily, the rebel defence minister, who they said encouraged the general to go peacefully.

The reason why the general was recalled from the front lines remains unclear; his relatives said they do not want to discuss the contents of the arrest warrant, adding that they have not seen the document themselves.

His family also declined to speak about who discovered his body, shot and burned, alongside the corpses of his two aides, dumped in a grassy field not far from his home. They are still waiting for a forensic report.

While they have not reached any conclusions about who killed Gen. Younis, his family members say they remain deeply mistrustful of their supposed allies.

"It's not only Gadhafi who benefits from his death," Moatasem Younis said. "It's others who want to capture the revolution."

"An old man tried to stop them," said Faraj Khalifa, a doctor. "He said our religion does not permit the killing of unarmed men. But the youths were very, very angry. They hanged the black man in front of the hospital."

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INTERNATIONAL REPORTING 3 OF 3

China offered Gadhafi huge stockpiles of arms: Libyan memos

GRAEME SMITH
SEPTEMBER 2, 2011

China offered huge stockpiles of weapons to Colonel Moammar Gadhafi during the final months of his regime, according to papers that describe secret talks about shipments via Algeria and South Africa.

Documents obtained by The Globe and Mail show that state-controlled Chinese arms manufacturers were prepared to sell weapons and ammunition worth at least $200-million to the embattled Col. Gadhafi in late July, a violation of United Nations sanctions.

The documents suggest that Beijing and other governments may have played a double game in the Libyan war, claiming neutrality but covertly helping the dictator. The papers do not confirm whether any military assistance was delivered, but senior leaders of the new transitional government in Tripoli say the documents reinforce their suspicions about the recent actions of China, Algeria and South Africa. Those countries may now suffer a disadvantage as Libya's new rulers divide the spoils from their vast energy resources, and select foreign firms for the country's reconstruction.

Omar Hariri, chief of the transitional council's military committee, reviewed the documents and concluded that they explain the presence of brand-new weapons his men encountered on the battlefield. He expressed outrage that the Chinese were negotiating an arms deal even while his forces suffered heavy casualties in the slow grind toward Tripoli.

"I'm almost certain that these guns arrived and were used against our people," Mr. Hariri said.

Senior rebel officials confirmed the authenticity of the four-page memo, written in formal style on the green eagle letterhead used by a government department known as the Supply Authority, which deals with procurement. The Globe and Mail found identical letterhead in the Tripoli offices of that department. The memo was discovered in a pile of trash sitting at the curb in a neighbourhood known as Bab Akkarah, where several of Col. Gadhafi's most loyal supporters had lavish homes.

The document reports in detail about a trip by Col. Gadhafi's security officials from Tripoli to Beijing. They arrived on July 16, and in the following days they met with officials from three state-controlled weapons manufacturers: China North Industries Corp. (Norinco); the China National Precision Machinery Import & Export Corp. (CPMIC); and China XinXing Import & Export Corp. The Chinese companies offered the entire contents of their stockpiles for sale, and promised to manufacture more supplies if necessary.

The hosts thanked the Libyans for their discretion, emphasized the need for confi-

dentiality, and recommended delivery via third parties.

"The companies suggest that they make the contracts with either Algeria or South Africa, because those countries previously worked with China," the memo says.

The Chinese companies also noted that many of the items the Libyan delegation requested were already held in the arsenals of the Algerian military, and could be transported immediately across the border; the Chinese said they could replenish the Algerian stocks afterward. The memo also indicated that Algeria had not yet consented to such an arrangement, and proposed further talks at the branch offices of the Chinese companies in Algiers.

Appendices stapled to the memo, and scattered nearby, show the deadly items under discussion: truck-mounted rocket launchers; fuel-air explosive missiles; and anti-tank missiles, among others. Perhaps most controversially, the Chinese apparently offered Col. Gadhafi's men the QW-18, a surface-to-air missile small enough for a soldier to carry on his shoulder – roughly similar to a U.S. Stinger, capable of bringing down some military aircraft.

Government spokespeople in Beijing, Algiers and Pretoria either declined to comment or could not be reached on Friday. E-mails sent to two Chinese arms manufacturers were not answered.

The three governments have been reluctant to endorse NATO's actions in Libya, but claimed to support the arms embargo. Before abstaining from the UN resolution that authorized "all necessary measures" to protect civilians, China approved an earlier decision, Resolution 1970, that banned all military assistance to Tripoli. At the time, China's representative at the United Nations said the "bloodshed and civilian casualties" were part of the "special circumstances" that prompted his country to vote in favour of the sanctions. South Africa also endorsed the sanctions, saying they would send a message that the Libyan regime should stop its indiscriminate use of force.

Algerian Foreign Minister Mourad Medelci issued a statement on Thursday, saying that his country had "resolutely applied" the terms of UN resolutions, and complaining about widespread rumours to the contrary.

"The truth of Algeria's behaviour will be revealed," Mr. Medelci said.

A possible justification for any state caught supplying weapons to Col. Gadhafi would be that NATO, and other sponsors of the Libyan rebels, were funnelling arms to the opposite side of the conflict. Trucks filled with war supplies rolled across the Egyptian border for rebels in the east, and France confirmed that it dropped weapons – including Milan anti-tank missiles – into the hands of rebels in the mountains of the

western front.

Those supplies for the rebels were not prohibited by Resolution 1970, however; the embargo referred specifically to the "Libyan Arab Jamahiriya," or Libyan government.

"About the 'Oh, NATO did it too!' defence, I don't think it holds," said Shashank Joshi, an associate fellow at the Royal United Services Institute, a defence think tank.

Arms embargoes are usually monitored by panels of experts appointed by the United Nations. George Lopez, a professor at the Kroc Institute for International Peace Studies who recently served on such a panel, said that proof of a violation typically requires a bill of lading or other documentation to show that weapons changed hands.

If anybody strikes a deal that breaks the rules, however, it may also qualify as a sanctions violation.

"The willingness to assent to the deal is all that is needed," Mr. Lopez said.

Given the difficulty of punishing UN embargo breaches, it seems likely that the more important consequences for the countries involved – China and Algeria in particular – will be their tarnished reputations in Tripoli.

Now that Col. Gadhafi has lost power, the Chinese appear to fear, with some justification, that they could lose their foothold in the Libyan oil fields.

"Oil is a basis for war, and oil was the fundamental interest behind the war," wrote the Chinese media group Caixin in a recent commentary.

A senior official at the Arabian Gulf Oil Co., in Benghazi, told The Globe and Mail last month that he would be reluctant to do business with Chinese companies in future because of their government's stand against the rebellion.

While a diplomatic quarrel between China and Libya may have significant economic implications, the tensions along the Algerian border may prove more troublesome from a security standpoint. Many Libyans already feel outraged by the fact that Col. Gadhafi's wife and three children escaped into Algeria last week, and a rebel commander suggested that his men might pursue them into Algerian territory.

At the beginning of the uprising, rebels used radar installations at Benina Airport, near Benghazi, to track suspicious aircraft travelling between Algeria and the loyalist strongholds of Sabha and Surt. They recorded details for several flights by giant C-130 Hercules and Ilyushin Il-76 transport planes, bearing registration codes used by the Algerian military.

"Now we know what was inside those planes," said Mohammed Sayeh, a member of the National Transitional Council. "That is why it took the Libyan people such a long time to get rid of the dictator, because they

were fighting against the mercenaries and machinery provided by our neighbours."

The new leadership in Tripoli seems acutely aware, however, that Libya needs peace with the neighbours during this shaky moment of transition. Having seized control of the capital, the rebels have not yet secured some of the remote desert towns that remain dangerously close to the Algerian border. Even while criticizing Algiers for its role in the war, Mr. Hariri referred to the Algerians as "brothers;" Mr. Sayeh emphasized that the new government must forge good relations with all countries, regardless of their history.

"We will start a new era," Mr. Sayeh said. "We will forgive them, but we will not forget."

Battle-hardened fighters seem less inclined to forgive. The authoritarian regime in Algiers now finds itself uncomfortably close to two North African countries that have overthrown their dictators, which could offer staging grounds for dissidents. Salaheldin Badi, a former pilot who commands one of the Misrata brigades that rushed into Tripoli last month, hinted that his men might be willing to let their revolutionary fervour spill across the border.

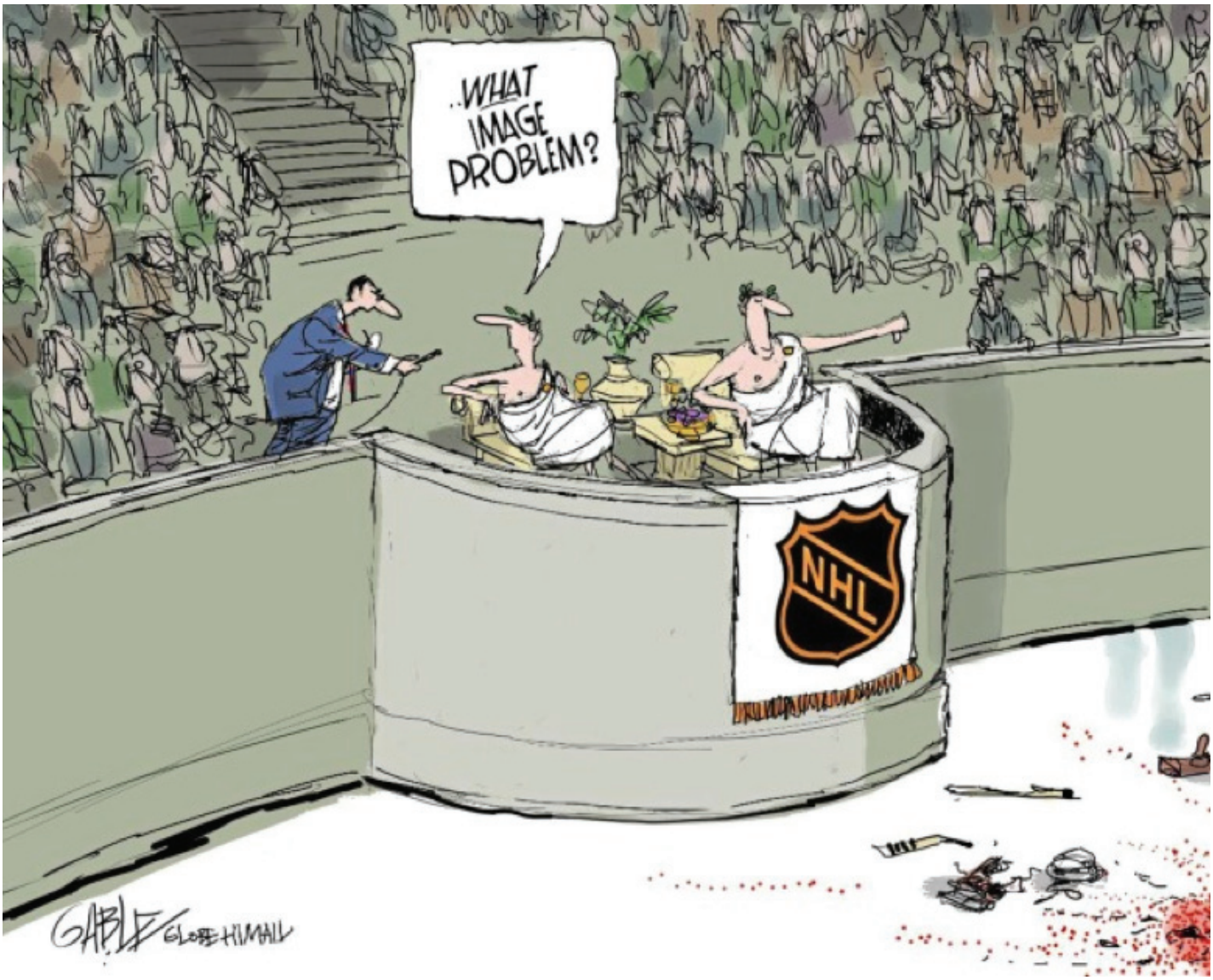
"Algeria played an important role, helping Gadhafi get his Chinese weapons," Mr. Badi said. "That's okay," he added, with a mischievous grin, "because we will send weapons back for the revolutions in their countries."

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

EDITORIAL CARTOONING

Editorial cartooning

BRIAN GABLE
2011



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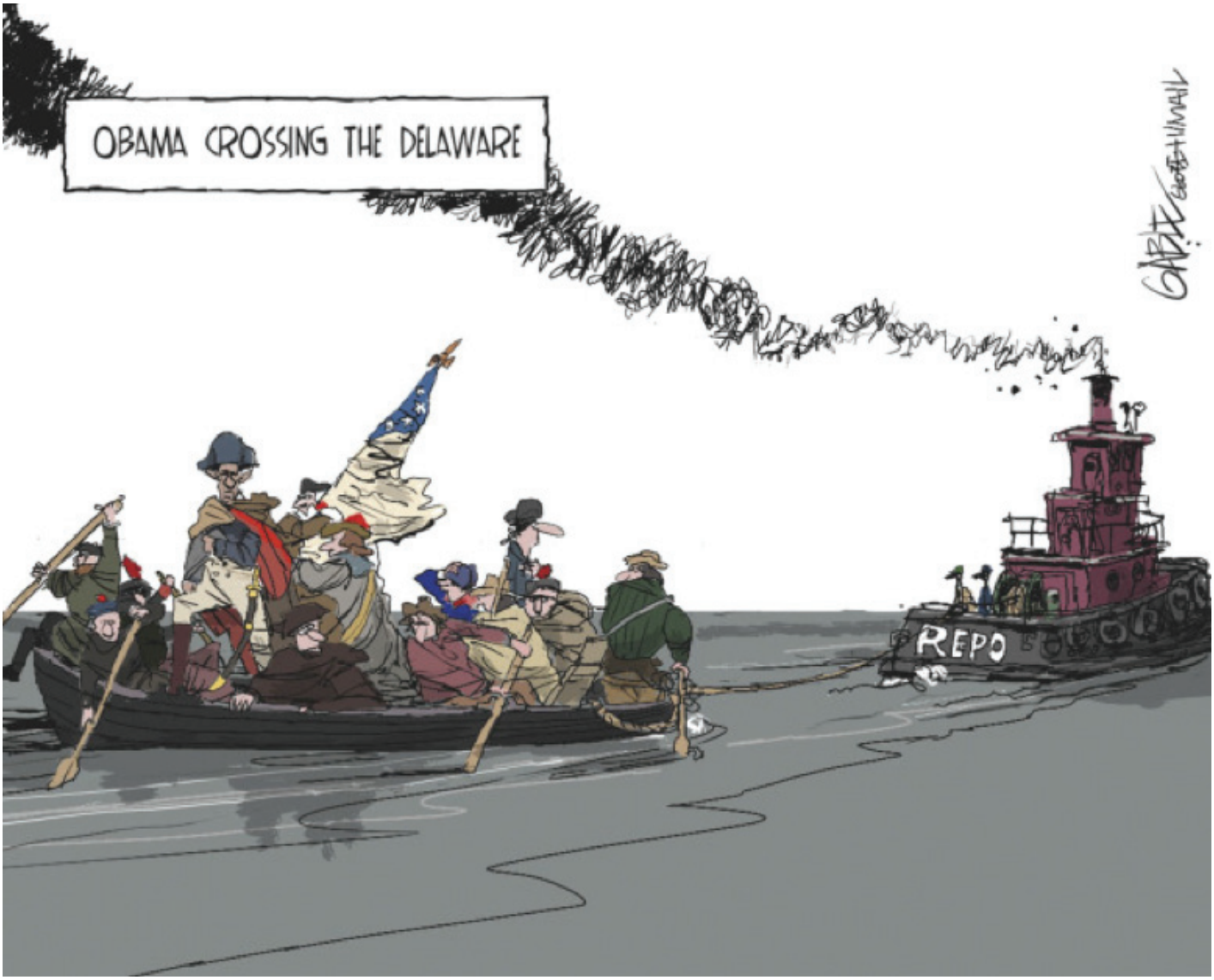
MARCH 15

BRIAN GABLE
JANUARY 6



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JULY 16

BRIAN GABLE
MAY 5

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

LONG FEATURES

Mommy Dearest

ERIN ANDERSSEN
SEPT 2, 2011

There's an iconic scene in the television show Mad Men, clearly intended to leap out at modern moms. Betty Draper, trapped miserably at home in her pretty skirts, is smoking (gasp!) with a friend, when young daughter Sally rushes into the room. A bag from the dry cleaners is pulled down over her head to her knees. Every watching mother today, having been drilled in the risks of "the most dangerous bag in the house," sees themselves rushing forward in panic, to yank it off their suffocating child. Betty glances up in annoyance: "If the clothes from that drying cleaning bag are on the floor of my closet, you are going to be a very sorry young lady," she scolds. Sally exits, face still dressed in plastic.

There's something oddly thrilling about that scene, a fleeting envy for Betty, sitting so blasé on the kitchen stool, defying us all to judge her. Oh, to be free of the guilt, the worry, the hand-wringing! No more waking up in the middle of the night fretting about forgotten homework. No more calculating the sodium content on a cereal box. No more planning weekends of "enrichment" while eating lunch at your desk. Just this week, researchers warned that children who don't have family dinners get fat – heartening news to working parents in this country. (The research was unclear on whether sandwiches in the car speeding to soccer practice count as a family meal; let's assume, this being Mother's Day weekend, that they do.) But then, as the growing mound of "science" tells us, the misguided mom has already doomed her child to a beer belly, or depression or violence, or long years on a couch in the basement. Who can blame the modern mom for fantasizing about breezy afternoons sipping martinis on the patio with absolutely no idea what her kids are up to. As one 1970s mom reminisced this week, the conversation used to go something like, "My kid's a brat. What do you do with your brat?" Today, there are no "brats," except the ones we whisper about. And, but for providing witty copy on our mommy blogs as little-rascals-destined-for-brilliance, they certainly aren't living with us.

So along comes Mother's Day, a day upon which most women, when surveyed, desire neither flowers nor pancakes in bed, but a break from being mothers. Who can blame them? Mother-bashing has a long history, but never has the sniping felt so ubiquitous, the advice so dire and conflicting, both inside the mom circle and beyond. Judging mothers is not just permissible these days, it's obligatory, as if a spanking will bring us all around. "We have one day to celebrate mothers, and then we lay a trip on them the rest of the year," observes Gillian Ranson, a sociologist at the University of Calgary. In other words, the roses are nice. But they come with (apron) strings attached.

But before you poke your eye out with the pencil that you are currently using to complete your daughter's science project, here's some consolation: the mommy wars may yet shift in our weary favour. Demographics are on our side. More women are becoming the primary breadwinners in Canada – that was the case for three in 10 families in 2004, even before the recession gutted many male-dominated industries. The next crop of moms, busily surpassing their future husbands in university degrees and ambition, are unlikely to accept the lion's share of the laundry burden – and more men taking paternity leave suggests fewer dads willing to be demoted to "assistant" in their children's lives.

Even the child development "experts" are now lightening our load, swinging the parenting pendulum once again to give us permission to be a littler lazier. (Though not before reminding us that the earnest self-esteem building and diligent face time they told us was necessary has now turned our children into over-indulged crybabies.) Whether financial reality, child development science or fed-up women make it so, we (or more likely our daughters) may eventually reach the age of the good-enough mom, free to back off and delegate.

Tigers and Elephants and Ravens, oh my!

The polemic that set most mothers chattering this year was penned by now-infamous Tiger Mom Amy Chua, who bares her claws too sharply, but gets her daughter into Harvard all the same. The Yale law professor, whose Battle Hymn of the Tiger Mom detailed a tough-love approach to parenting characterized by banning boyfriends, backtalk and sleepovers, demanding top marks in every subject, disdainfully shredding homemade Mother's Day cards for bad spelling.

Her eldest daughter, after performing impressively at Carnegie Hall, rose to her mother's defence when the critics came hunting and then really did earn that coveted Ivy League acceptance – thus making moms everywhere quietly reconsider bathroom breaks during piano practice, or at least, as Dr. Chua asserted, the idea that Western parents are too soft on their kids.

When Bonnie Fox, a sociologist at the University of Toronto, first learned of Dr. Chua's parenting style, she says she thought, "That woman is a witch. Someone should lock her up. She's dangerous to her kids."

"But my colleagues in their 30s said, 'Wait a minute, our consciences are saying, "Maybe I should do [the same]." We're very every ambivalent about it. Why? Because we are terrified for our kids."

On the other side of the maternal menagerie is Elephant Mom, practitioner of a more nurturing parenting approach that places a high value on play dates and affection – a

throwback to the culture of intensive mothering that taught women to be emotionally available virtually around the clock to their needy offspring. "Tigers lead solitary lives, except for mothers with their cubs," Peter Singer, a father and professor of bioethics at Princeton University, wrote in a widely published essay in February. "We, by contrast, are social animals. So are elephants, and elephant mothers don't focus only on the well-being of their own offspring."

How mothers came to be compared to wild animals at all raises the hackles, so to speak, but it's an old game: In Germany, they have for years been firing shots at the Raven Mother (Rabenmutter), a name to describe the working mom who abandons her babes in the nest so that she can swoop off to work in pursuit of her own selfish desires.

The term re-emerged in the mommy vernacular this winter over concerns that German women were being held back in the corporate world because of a bias against mothers. This will come as no surprise to any woman in North America who has experienced the "mommy penalty," which was cleverly proved by a team of sociologists who used faked résumés of two equal candidates – except that one had children and one did not – to test the theory that mothers remain relatively unappealing employees. The researchers found that compared with their child-free counterparts, moms were 100 per cent less likely to be hired, consistently judged as less committed or competent, and offered $11,000 (U.S) less a year in pay.

Whatever animal a mom matches up with, it's hard to see the upside. For one thing, single moms and welfare moms, burdened by double shifts and daycare bills, will find it hard to see themselves anywhere in this discussion.

All the categories send a united message: The standards "are unattainable," says Fiona Green, a women's studies professor at the University of Winnipeg, who is finishing a book on feminist mothering. She says the motherhood trap teaches that "your No. 1 focus is your children at all times. It's an expectation that women will do it all, will do it flawlessly, will do it happily. It's nonsensical and illogical, and it sets women up to fail."

You're perfect. Now, change

The moms I know, who lose library books, send kids to school in mismatched socks and have failed to properly teach multiplication tables, would admit with guilt that they fall, most days, into the category of "getting-by" mother. But demonstrating so in public might as well turn the red eye of Mordor their way.

"At the playground, I like to chat with other parents," Mindy Stricke, a London, Ont., mom and photographer, says while

her toddler climbs on the play structure in sight, but well out of reach. "I don't want to be hovering, it's totally boring for me. But I am hyper-aware that people are looking at me for being so far away." She sighs. "I want to be a good mother. But I'll be honest, I am also kind of lazy. I want a life."

A reasonable desire, especially since, as sociologists have helpfully reminded us, miserable moms don't raise happy children. A new book, Good Enough is the New Perfect, does a fair job of selling this idea, though only, once again, for professional, financially comfortable women. The authors, Becky Beaupre Gillespie, a U.S. journalist, and Hollee Schwartz Temple, a professor at the West Virginia University College of Law, asked American mothers to participate in a survey on work-life balance. Within 10 days, they had 1,000 replies. They then interviewed 100 women.

Their findings: Mothers who abandon the goal of optimum performance at work and home, set boundaries and proudly carry store-bought cookies to the kindergarten Christmas party are – surprise! – happier with their home and work life, twice as likely to say they have good relations with their spouses and just as likely to have advanced in their careers as those other moms, the poor "never enoughs" still striving to have it all, with spreadsheets to record diapers changes and heightened vigilance over white-bread exposure.

The authors are careful to remind us that this is not "about settling;" this is about priorities. "You choose when you are going to shoot for perfection, and when it is not important," Dr. Schwartz Temple says. Adds Ms. Beaupre Gillespie: "A lot of women have reached an exhaustion level."

Thank goodness, someone has now given us all permission to nap.

The new division of labour

But their work omits, for the most part, the missing link in this whole discussion, a voice muted, if not entirely absent, from Tiger Mom dogma and the like. For her recent book Against the Grain, Gillian Ranson tracked down 32 couples in Alberta, Ontario and British Columbia who were blurring gender lines for work and family, either because they work shifts, or dad is at home while mom earns the salary, or just because they chose to – a group she calls "dual dividers." The moms – the parents – in Dr. Ranson's research have let go of maternal obligations and allowed the fathers to step in. In these families, the sociologist says, "all the things that were normally associated with mothering and all the things we normally associate with fathering got mixed up in one large container and randomly distributed."

The main reason women get caught in the motherhood trap is because the gender gap at home has not narrowed as quickly as at

the office. Mothers, on average, still do more child care and housework than fathers, even when both are working. (And some American survey data suggest that when they earn more than their husbands, the husbands do even less laundry.) These couples – the ones with more balance – are hidden in the statistical averages, a small group, Dr. Ranson acknowledges. And researchers like Bonnie Fox, who has also explored the topic in her book When Couples Become Parents, suggest that there is still a long way to go before parenting duties are truly gender-neutral and not just conceived, particularly by men, as a temporary adjustment dictated, for instance, by finances.

To make equal parenting possible, Ms. Fox argues, families need to be supported, not just in their communities but in the workplace and by gender-neutral government policies. There's little sign the new Conservative majority is headed in that direction – the party has proposed during the campaign to introduce income splitting that would helpsingle-earner families, or families in which one spouse earns a higher salary, avoid a tax penalty, a policy that indirectly supports the idea of one parent (still most often mom) staying home.

Dr. Ranson argues that her group is a precursor to the way more families will look, as the new reality of job markets, female education rates and attitudes reshape parenting. "The way out of the burden and expectation that can be imposed on mothers is for fathers to become involved" – beyond the model of mom "the manager" and dad "the helper," she says.

In her families, "mom" was too big a word, and "father" too small. While they still parented differently, the tasks they performed were interchangeable and they knew the children equally well. In many cases, fathers had taken leaves when the children were born, a rising trend in Canada. (An Angus-Reid poll in 2010 found that Canadian men are more in favour of paternal leave than men in the U.S., Britain or Australia – 77 per cent supported policies that would allow both parents time off.) Couples said that having two equally involved parents required compromises. One mom, who worked outside the home, lamented feeling, in weak moments, "like a dad in a skirt." But, with few exceptions, the couples were happy with their choices, especially moms, who didn't micromanage family dinners and doctors appointments from the office.

"I fully and completely trust my partner," says Miriam Kramer, a private education consultant who works full-time while her husband, a rabbi, is the primary caregiver to their son – and would fall into the group of couples that Dr. Ranson describes. "My husband is more patient, the one better suited to be the parent. I think I am better suited to

be in the office."

"The bottom-line feeling in my book from mothers was: 'It's not all down to me,'" Dr. Ranson says. "It's been drilled into women that family life is their responsibility, but that is entirely a social construction. Once you get past pregnancy and breastfeeding, there's really nothing to say that fathers can't do the job."

As Mad Men approaches its fifth season, Betty Draper has become a seething, controlling mother, inspiring not envy but shame. Her daughter has run off to New York to live with her father, an independent and clever adventuress – qualities, which we suspect her mother, confined by society, desired for her all along. There's a lesson there, surely, for the stressed-out modern mother passing out on the couch in front of the television, whose greatest desire is to find that elusive balance.

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The Chosen

IAN BROWN
AUGUST 27, 2011

In the early years of my son's life, before I understood how far outside the norm his disabilities took us, I was always astonished to hear a parent say, "I wouldn't change my disabled child for anything."

My wife, Johanna – an exceptionally compassionate person, and a terrific mother – never made such statements.

"I hear parents of other handicapped kids saying all the time, 'I wouldn't change my child, I wouldn't trade him for anything,'" Johanna once said to me. We were lying on our backs in bed, talking in the night, which we did on the rare occasions Walker fell asleep. Talking into the darkness, you could say anything. "But I would. I would trade Walker, if I could push a button, for the most average child in the world, who got C's in school. I would trade him in an instant.

"I wouldn't trade him for my sake, for our sake. But I would trade him for his sake. I think Walker has a very, very hard life."

Trading him still isn't possible, but choosing him is getting closer. A new raft of ultra-accurate, at-home, fetal-DNA tests are flying off North American drugstore and Internet shelves these days, and a massive debate is close behind.

The DNA-testing industry (which is growing so fast that the U.S. Federal Drug Administration is investigating the tests) has no sooner offered us the opportunity to select the number and gender of the babies we can have – to say nothing of the chance to guarantee they are free of some debilitating syndrome – than doctors and bioethicists are up in arms, accusing medical researchers of promoting genetic cleansing.

These arguments come along every few years now. The more science lets us interfere in the beginnings of life, to engineer what kind of babies we can make, the more we seem to need to debate who we want to be as human beings. Maybe this should tell us something.

In my house, such debates always bring on an identity crisis. Walker suffers from CFC, an impossibly rare affliction (150 known cases, globally) caused by a completely random genetic mutation. He's 15 now, looks 10 and has the mind of a two-year-old. He always will.

He is an often charming and fantastic companion, but he can't speak, or live on his own (or even with us, any more), or manage the toilet, or eat without a tube, or go for long without smashing his ears flat and ugly with his fists.

We raised him on our own for 10 years, and the experience almost shattered everything I valued – my family, my marriage, my healthy daughter's life, my finances, my friendships, life as I wanted to live it.

There was no genetic test for his syndrome when he was born (there still isn't). For a long time, not a day went by when

I didn't wish there'd been one. Today, I'm glad no test existed then – that I never had to decide, based on a piece of paper damp with my wife's blood, whether my strange and lonely boy ought to exist.

Still, wouldn't he have been better off, thanks to a simple genetic test, not living his shadowy, pain-filled, so-called life? I understand the question. I understand the appeal of the DNA test, its trouble-free promise. But the answer is complicated.

Pregnant women can now self-administer a simple blood test as early as the seventh week of pregnancy, and know, with 95-per-cent accuracy, the gender of the child they will be having. This, in turn, gives them the opportunity to abort the fetus if it's not the gender they want. A set of fertility clinics in Los Angeles, New York and Mexico recently reported that 85 per cent of their clients wanted to select for sex (for purposes of "family balancing") – and that three-quarters of those clients came from overseas. (Some manufacturers of gender-testing kits refuse to sell them in India and China for that reason.)

The smorgasbord of genetic choices doesn't stop there. Women who use fertility drugs to have children now find a growing number of perinatologists willing to reduce healthy twins to a singleton in utero – purely for the convenience of the woman, as there is rarely any medical need today to perform the procedure.

And couples who buy donor eggs and sperm from commercial fertility clinics can now select for hair colour, ethnicity, temperament, athleticism and intellectual prowess – even for the length of the donor's eyelashes. If you think that's creepy, recall that at the beginning of the 20th century, cosmetic surgery was considered creepy too.

We do these things not just because we need to, but because we can. Ethics follow technology, not the other way around.

Of course, there are more humane and significant uses for the new tests. Duchenne muscular dystrophy afflicts only boys, and a test can accurately identify the genders of potential candidates and evade the burden of a troubled life. Fetal-DNA researchers are reportedly close to marketing a cheap, accurate blood test for Down syndrome (which 800,000 people in North America live with); similar screens will soon identify even more serious genetic diseases in utero, such as cystic fibrosis (70,000 people worldwide) and sickle-cell anemia (20 per cent of the sub-Saharan population).

Geneticists even predict the imminent arrival of the holy grail of the medical testing business, "the $1,000 genome" – the (fairly) cheap sequencing of all the most important exons (nucleic-acid sequences) in a fetus's DNA.

That will vastly expand would-be parents'

understanding of the sicknesses their fetus is heir to (provided geneticists can figure out how to read the data – there are, after all, 4,000 known single-gene diseases), and increase the odds they will take abortive action if a serious syndrome is revealed, thereby avoiding a great deal of pain and trouble and medical expense. Danish newspapers have predicted a Down-syndrome-free society by 2030.

Needless to say, there are a lot of people who find this revolution in genetic choice alarming and inhuman. Margaret Somerville, the well-known medical ethicist at McGill University, recently lambasted the prospect of widespread prenatal testing as a symptom of our diminished respect for human life. She called it nothing short of a "search and destroy" mission to wipe out disabled people.

But Dr. Somerville is an ethicist. The geneticists I know keep clear of the ethical debate. David Chitayat, a clinical pediatrician and geneticist at Toronto's Hospital for Sick Children, thinks Dr. Somerville is talking nonsense.

"We're not doing screening to eliminate Down syndrome," Dr. Chitayat explained rather testily the other day, when I phoned to see if he could help me sort out my complicated feelings. No amount of screening, he points out, will eliminate the genes that cause Down syndrome. But he stoutly defends the right of parents to a choice in the matter.

In his view, the value of all life, even the life of the disabled, is counterweighed by the downside of any serious genetic syndrome – the physical toll it takes on the child and the family, the cataclysmic lack of government funding for lodging and care, and the isolation and parental guilt a serious syndrome causes.

"Dr. Somerville can do what she wants," he said, "but the decision to screen and to act is an individual decision. Let's say this is true – that severely disabled people teach us something. That is one thing. But to tell someone this is what they have to do because they cannot screen, that they have to have a disabled child? Does she know how many husbands leave when a disabled child is born into a family? Or what the impact is on other children? It's an individual decision in the context of the family about what is good and what's bad. The family decides."

"Would you have taken the test and had an abortion," I once asked my wife, "if there had been one?" It was his loneliness I couldn't bear, the boy's own sad sense of how different he was. Somehow he knew that.

"If there had been a test when I was pregnant that revealed what Walker's life would have been like, I would have had the abortion."

"But then you wouldn't have had Walker," I said.

Suddenly Johanna began to move around the kitchen a little faster. "You can't say that after I've known Walker – would I have done something to get rid of him? It's one thing to abort an anonymous fetus. It's another to murder Walker. A fetus wouldn't be Walker."

"What do you think the world would be like without people like Walker?" I asked. It was an obnoxious thing to ask. "Without kids like him, I mean, kids who have real setbacks." Fetal-DNA testing makes this more and more of a possibility.

I'll always remember her answer. "A world where there are only masters of the universe would be like Sparta," she said. "It would not be a kind country. It would be a cruel place."

By then she was crying.

I suspect the reason we can't stop debating the value of genetic testing, despite its many virtues, is that we don't care to choose our fates.

Genetic control threatens what Harvard University political scientist Michael Sandel, in his book The Case Against Perfection, calls our "lively sense of the contingency of our gifts – our sense that none of us is wholly responsible for his or her success, [which] saves a meritocratic society from the smug assumption that that success is the crown of virtue."

We aren't really scared of the slick and dreamless future Dr. Somerville conjures out of her distaste for quasi-therapeutic abortion. We aren't even that afraid of what perfections we might attempt with genetic technology. We're afraid of what the new biotechnology will do to us – that its "stance of mastery and control," as Carl Elliott, a brilliant bioethicist in Minnesota, has written, "leaves insufficient cultural space for the alternate ways of living a human life."

I have no objection to genetic testing. If you can avoid it, I don't want your child to face the daunting, aimless future Walker may have, especially after his mother and I are gone.

But I have an objection if the results of those tests are the only measure you accept of what constitutes a valuable life. I object if you say that my son is a mistake, that we don't want more of him, and deny what he is: an exotic, living form of freedom; a way of being liberated from the grind of the survival of the fittest; free of all the orthodoxies by which we normals measure a "successful" life – the Harvard acceptance, the hot partner, the good job, the fit body, the millions.

Disability is by nature anti-establishment. It's the very lack of so-called normal expectations, the absence of the possibility that Walker and I can ever "achieve" much or even disappoint each other, that frees us

from the established and the status quo, to be who we actually are with each other, rather than what society says we are supposed to be. A rare and often impossible form of love lies in that small hollow.

Genetic tests are a way to try to eliminate the imperfect, and all the pain and fear that comes with imperfection. (Especially our own.) But imperfection is not just pain and agony.

On his good days, Walker is proof of what the imperfect and the fragile have to offer – a reminder that there are many ways to be human, and that judgment is our least valuable human capacity.

In terms of physical human evolution, he is a mistake, an error. But he is peerless as a way of developing what Charles Darwin himself in The Descent of Man deemed the evolutionary advantages of "the social instincts … love, and the distinct emotion of sympathy."

I see him for three days every two weeks, now that he lives mostly in an assisted-living home. When he does come home, I try to take him for a walk down Bloor Street, the big city artery nearest our house, him in his chair and me on foot.

I lean down and push the chair with my elbows, so I can talk in the ear hole of his soft foam helmet. "Look, Walkie," I say, "look, the white micro-miniskirt is back this summer!" Or: "That Hungarian butcher has had that same side of meat hanging there for a year – let's never eat in there."

I say all sorts of things, whatever comes to view. I am pretty sure he understands none of it, rationally. But he knows we are having a Conversation, and he knows he is on one end of it. The wriggling, blasting laugh of pleasure our yakking always gives him reminds me again and again how important it is to make that gesture – to engage another, to try to reach the Other, no matter how remote the likelihood of any return or result or reward.

It doesn't matter that Walker will never pass his genetic test. What matters is that I pass his test, that I had a chance to be a human being, a friend, a chatting buddy, a decent if doltish dad, and that I seized it.

I am ashamed to say I regret many things in my life. But I never regret those pointless but utterly unpredictable strolls, those strange, lifting afternoons on the hot city sidewalk with the test-failing boy. They're just one more way of measuring what we might be.

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The trials of Nunavut: Lament for an Arctic nation

PATRICK WHITE
APRIL 01, 2011

Crime has doubled in Nunavut since the territory was founded 12 years ago this week, raising a critical question: Is Nunavut a failure of Canadian nation building? And if so, what must be done for history's scars to heal?

PART I

Inside the dead man's house, Elisapee Qaumagiaq fell silent. She let the walls speak for her.

Someone had plunged his knuckles through the hallway drywall again and again and again, from the kitchen all the way down to the bedrooms. The blood had been washed away, but the tale of murder, outlined in felt-pen evidence markings, swirled beneath Ms. Qaumagiaq's snow boots.

She looked around for a few moments before saying the place was giving her "the creeps" and heading outside for a smoke in the minus-10-degree gale strafing the shores of Tellik Inlet. Ms. Qaumagiaq was with Cape Dorset's housing agency. She was responsible for getting the place back in shape, to help answer the never-ending shortage of shelter in the area. But, with so many scenes of death in recent months, the task was weighing on her.

"He was a good kid," she said of the young man who lived there until he was shot last September. "Just a little angry."

His death began a run of gun violence that terrorized Cape Dorset, the 1,300-person hamlet and famed sculpture and printmaking centre nuzzled against the Precambrian cliffs of tiny Dorset Island, just off the southwestern coast of Baffin Island. Around here, the events are simply referred to as "the Incidents," if they're mentioned at all.

On the night of Sept. 19, a Sunday, a Grade 11 student named Peter Kingwatsiak allegedly crept into his uncle's bedroom and tried to stab the older man in the head while he slept, then fled after his uncle awoke. According to police, the teen then grabbed a gun, walked into his stepbrother's home and opened fire on the slumbering young man. Mappaluk Adla, or Mupp as he was known among friends at the youth centre, crawled for help, but never made it past the front door. He was eight days short of his 23rd birthday. The next day, schools were locked down until police picked up his accused killer around lunchtime.

Three weeks later, on Oct. 10, a 19-year-old man named Elee Geetah allegedly shot dead his brother, Jamesie Simigak, in a dispute over an iPod. He then barricaded himself inside a house and came out only after the RCMP flew in an emergency-response team from Iqaluit.

Finally, three days later, two Grade 9 boys sprayed the town with gunfire and

traded shots with the police. One bullet flew through a constable's front window and embedded in his bathtub. His wife and two daughters were away at the time, but afterward the entire family left Cape Dorset, never to return.

The police and local media talked of a town unravelling, of a place where social norms had collapsed. What no one said aloud was that the unhinged town was symptomatic of an unhinged territory. While Canadians were aware there were social problems in the North, the outbreak of mayhem in Cape Dorset last fall drew broad attention for the first time to their violent extremes – the toll Nunavut pays in cold blood.

The rate of violent crime per capita here is seven times what it is in the rest of Canada. The homicide rate is around 1,000 per cent of the Canadian average. And the number of crimes reported to the police have more than doubled in the dozen years since the territory was formed. If it were an independent country, Nunavut's crime statistics would place it in the realm of South Africa or Mexico.

Even more than Nunavummiut harming each other, they are hurting themselves: Inuit males aged 15 to 24 have a suicide rate 40 times that of their peers in the rest of Canada, and children are abused at a rate 10 times the national average, even as 50 per cent of social-worker positions stand vacant.

Beyond physical violence, on the 12th anniversary of its founding, Nunavut is struggling on all levels just to meet the basic needs of its 33,000 inhabitants. Seven in 10 preschoolers grow up in houses without adequate food. Within Confederation, Nunavut ranks last in virtually every measure – education, general health, substance abuse, employment, income and housing.

With this kind of havoc and hardship, it's hard not to conclude that Nunavut is a failing state – that the bold experiment in domestic nation-building Canada launched in 1999 has gone deeply wrong. Is it at risk of becoming our own Haiti of the Arctic Circle, or can something be done to reverse the damage?

When they are asked, however, many Nunavut politicians refuse to talk about the violence and dysfunction. This includes the most powerful local bureaucrat in Cape Dorset, its Senior Administrative Officer, Olayuk Akesuk. "Us Inuit have a different way of trying to forget," he said. "We keep it to ourselves. You don't want to remind people, or it comes back. We don't want to remind anyone of what happened in the past."

There are many explanations for this reticence – from a desire to deflect attention from the societal ills so often reported in

the southern media, to a deep and historically understandable mistrust of qallunaat (white people), to a belief that the spirits of the dead walk among us and must be respected. Perhaps most important, Nunavut is an ethnic state, formed of Inuit, by Inuit, for Inuit. Any slight against the territory can be perceived as a slight against the people.

Unfortunately, the result is a culture of silence in which problems are denied, or reflexively answered with an appeal to the traditions of the elders. In a territory with a burgeoning youth population and staggering social problems, this tight lid can serve to heighten the pressure, and there is danger that it will explode. If Cape Dorset, a bustling artists' enclave that should be one of the North's great success stories, can't hold it together, what hope do the other 24 Nunavut towns have?

One of the few people who would speak openly was the new mayor of the territory's capital, Madeleine Redfern, and she put it bluntly: "What's increasingly clear is that we were not ready for Nunavut."

PART II

From an airplane's perch, each of Nunavut's 25 communities seems like a speck of contrast against a uniform landscape. Together, they hold a population the size of Moose Jaw's, spread across the land mass of 14 Britains, five Germanys or one Mexico – all without a single road connecting them.

In 1999, that population and the Canadian government launched an experiment in forging this scattering of hamlets into a united whole. At midnight on April 1, with the minus-45-degree night air framing the moon in a blue halo of ice crystals, Ottawa sliced the Northwest Territories in two, creating Nunavut ("Our Land") out of the eastern 60 per cent.

The new territory would be 80-per-cent Inuit and the new government would have a mandate to protect their culture and lifestyle, in part by legislating that the ethnic makeup of the bureaucracy mirror the makeup of the population.

Some right-wing pundits bristled at the creation of a federally funded territory along ethnic lines, even branding it a variety of apartheid, but there was no going back. Nunavut's political fate was sealed. Its human fate was less certain: The social problems were already pronounced, but the fledgling territorial governors (then convening in a high-school gym) proclaimed themselves uniquely qualified as locals to tackle them.

"What we affirm today, with the stroke of a pen, is the end of a very long road," said prime minister Jean Chrétien, who travelled to Iqaluit for the celebration. He meant that the path to Nunavut began at least in 1976,

when a handful of Inuit dared to submit a land claim to the federal government. In truth, its roots lay much deeper in the troubled history of contact between Inuit and the white arrivistes from Europe.

In Cape Dorset, qallunaat first came in significant numbers around 1903, first bringing religion, then trading posts, then law enforcement and bureaucracy. The Hudson's Bay Company set up in 1913, soon drawing hundreds of Inuit into the fur trade. But in 1949, when prices plummeted for white-fox furs, the most coveted pelts, so did Inuit fortunes.

By the 1950s, RCMP officers at the sparse Cape Dorset settlement saw mass starvation setting in. People were eating dog food to stay alive. The Mounties radioed for a massive food airlift, and urged Inuit in far-flung seasonal camps to move to Cape Dorset, close to food and health care.

It was then, in the words of Mary Simon, president of the advocacy organization Inuit Tapiriit Kanatami, that "the colonization process evolved to the point where our people expected things to be given to them." Expectations grew and grew, on federal assurances that life would be better when this nomadic hunting people instead settled in one place.

While the shift increased Inuit life expectancy from 35 in the early 1940s to 66 in the late 1980s, the transitional period sapped all manner of Inuit self-reliance, replacing it with shoddy government homes, abusive residential schools and social-assistance cheques. Generations since have been raised to sentimentalize the past and expect little of the future, a recipe for the cultural disorientation and undirected anger that breed violence.

For Ottawa, the relocation tidied up the North, sweeping a scattered population into pockets suitable for social assistance, health care and all the other stuff of Canadian governance. It also helped to satisfy four distinct quandaries: a series of court decisions beginning in the 1950s that ruled Canada was responsible for the welfare of its aboriginal peoples; a long-standing policy of assimilating aboriginal people into mainstream culture; a burgeoning desire to open the North to mining; and the need to solidify Canada's international claims to Arctic sovereignty.

Throughout the push into settlements, however, the federal government systematically excluded Inuit from decision-making roles. Their fates would be sealed in faraway offices, without consent or consultation.

Finally, Inuit Tapirisat of Canada was formed in 1971 to lobby for Inuit rights. By 1976, it had submitted a land-claims proposal to the federal government demanding a vast tract of land and mineral rights under Inuit title, along with the creation of a

new Inuit-dominated political entity called Nunavut.

After 17 years of grinding negotiations, prime minister Brian Mulroney signed those tenets into law with the Nunavut Land Claims Agreement and the Nunavut Act. A few years later, Mr. Chrétien's signature made the territory official.

About a year after its formation, Jim Bell, the conscientious editor-in-chief of the Nunatsiaq News (who is not an Inuk), wrote that Nunavut was a "made-for-failure territory" – overburdened with bureaucracy, paralyzed by an inadequate budget, destined to be a political basket case into the foreseeable future. More than a decade later, "I can't be anything but pessimistic," Mr. Bell said recently.

"Part of the promise of Nunavut was that, once in control, the majority Inuit government would offer better government – that has not happened. ... The only thing Nunavut has been successful at doing is creating a space where Inuit identity can be expressed. But it is not meeting the basic needs of the population right now."

That failure was evident at the home of Peter Ningeosiak, a neighbour of Mapalluk Adla in Cape Dorset. A bloody seal lay outside his bungalow, its whiskers dangling with icicles. Inside, the 73-year-old man sat at his kitchen table, leaning his right ear toward a radio blasting the CBC hourly news and looping his thumbs around a twine belt holding up ragged trousers.

Mr. Ningeosiak was born in a remote hunting camp at a time when Inuit still relied on dogs for transportation and snow for shelter, and firmed up those hands over decades of hauling seal and slicing beluga muktuk.

Today, his beaten-down government home houses nine to 11 relatives.

In 2006, University of British Columbia social work professor Frank Tester surveyed 91 homes in Cape Dorset to glean the human toll of housing shortages and overcrowding. Some issues cited were obvious, such as cleanliness, privacy and sleep. Others were not. One in four brought up anger. About one in five said depression and violence. Dr. Tester noted that at times one woman a week was being removed to a shelter in Iqaluit.

At Mr. Ningeosiak's house, his adult children sleep on two couches in the front room. His grandchildren sleep on the floor. When they wake up, they watch television and fight.

"They argue and they shout, smash glass," Mr. Ningeosiak said. "The children get scared when there is violence. When we were out on the land, this didn't happen."

PART III

Iqaluit is Nunavut's boom town, its big smoke, its metropolis. The airport hums all night. Big banks, absent from most other hamlets, line the main drag. In a new and welcome development, Iqalummiut can even buy double-doubles.

And yet, here in Nunavut's bridge to modern Canada, one in five houses is overcrowded and one in 10 families use their living room as a bedroom. Hundreds of homes need major repairs.

The government of Nunavut is working on it: The town is filled with welding sparks, hard hats and the growing steel skeletons of sturdy apartment blocks. But Iqaluit's residential boom is outpacing the construction boom – its population has nearly doubled, to 7,250, since it officially became the capital in 1999 and professionals from all over the country started coming to seek high-paying government jobs.

That invasion ramped up the already-existing tension between Inuit and newcomers. Despite a mandate to fill 85 per cent of government jobs by 2020 with Inuit, the rate has languished around 50 per cent for a decade, because Nunavut's education system cannot produce enough qualified candidates.

Ms. Redfern, the new mayor, is perhaps the most prominent critic of this broken system. "We live in a chilly banana republic," she said last year, a few weeks before she would become mayor.

At the time, she was bemoaning her chances of ever holding public office in her home territory. Born in the North to an Inuit mother and a father who had immigrated from England, she went through grade school in Ottawa before going on to law school and becoming the first Inuk to clerk for the Supreme Court of Canada. She doesn't speak Inuktitut fluently, and her southern education is treated suspiciously up here.

"I think it's the same in a lot of small places," she said. "It's an insular culture here and when you go away, you're not always trusted immediately upon your return."

This discourages some youth from seeking education away, even as dropout rates at home sit at 75 per cent. Those who do graduate receive an education that falls well short of standards in the South. Thanks to an unofficial policy of "social promotion" that grants students passing grades regardless of academic performance, graduates can possess both a high-school diploma and functional illiteracy. Last autumn, one non-Inuit family in Cape Dorset was planning a move to Ontario because the hamlet's high school didn't offer a single university-recognized course.

And yet education is what Nunavut arguably needs the most. Half of the terri-

tory's population is under 25, with a birth rate that leads the nation – a demographic crush of ignorance and incompetence that could hamstring the territory for decades.

Nunavut's political culture is overtly populist but deeply conservative. There is a strong resistance to change, and reverence for all things traditional. Encouraging young men to hunt is a popular remedy to virtually every social problem, though one might question the encouragement of gun use in such a violent climate. The majority's views on women's roles, abortion and gay marriage hark back to an era before the suffrage movement. Elders are the ultimate authority, their wisdom unquestionable as an oracle's.

Such a culture can become incapable of identifying its core problems, let alone addressing them. For example, the territory introduced a suicide-prevention plan only last year, even though the crisis was well documented at the very outset of Nunavut. Two people involved with the process said it was impossible to convince Inuit leadership that Southern solutions such as increased mental-health services and providing training in suicide intervention were viable solutions to a uniquely northern problem.

Even Nunavut Health Minister Tagak Curley, one of the original Inuit activists, told The Globe and Mail, "Suicide isn't such a big problem any more" – a statement in plain contradiction of the facts.

One of Mr. Curley's colleagues, Justice Minister Keith Peterson, is far more forthcoming. He sees all the suicide death notices (more than 320 since 1999), speaks with the shattered families and talks openly about the plight of Nunavut's youth.

"I'm not going to sit here and tell you why they're doing it, or how to solve it," Mr. Peterson said. "We don't know."

Nor does he have the money to find out. Roughly 90 per cent of the territorial budget comes directly from Ottawa, which works out to about $32,000 for every Nunavummiuq. Earlier this year, Mr. Peterson, who is also Nunavut's Finance Minister, was scrambling to fill a $110-million shortfall in the Housing Department caused by the inability to keep pace with population growth – a shortfall that worked out to roughly 10 per cent of the territory's total budget.

To make matters worse, the Nunavut Act bars its government from holding debt greater than $200-million. Already owing $140-million, the territory has little room to borrow or sell bonds to erase the shortfall, especially with an ever-growing list of badly needed infrastructure projects it can't afford.

That means cuts. Big ones. "We're stretched. … It's taken some real stickhandling on my part to straighten this thing

out." Mr. Peterson said. "Good thing I'm a hockey player."

But the rink is tilted against him. In a series of investigations, federal Auditor-General Sheila Fraser has revealed the extent of Nunavut's bureaucratic dysfunction: In one recent audit, her office found that its public service limps along with 23 per cent of its positions unfilled, and a hiring process so sluggish it undermines the most basic functions of government.

"It's clear we have a crisis in leadership here," Ms. Redfern said, bumping along Iqaluit's icy roads in her Ford pickup one afternoon. "People here have to realize Nunavut is a tool. It will give us a leg up only if we use it properly – if we decide to embrace self-improvement, education, good governance. So far, we haven't."

PART IV

By day, Iqaluit can seem downright sleepy. Locals sit for hours in warm hotel lobbies to pass the time. The half-dozen restaurants here keep such irregular hours that it's a gamble to try to find breakfast on a weekend morning.

"From the statistics, one would get the sense that you walk around our communities and you get shot at," said RCMP Chief Superintendent Steve McVarnock, head of Nunavut V Division in Iqaluit. "It's not like that. We don't have the big-city crime issues. Our stuff is self-destruction."

And on a weekend night, those implosions are on full display.

That's what makes the detachment a perfect place to break in fresh-faced Mounties such as Constable Shane Pottie, a 23-year-old Nova Scotian nearly two years out of training, who patrolled the capital city on a recent Friday night.

"It's a great experience," he said of northern policing, navigating his GMC pickup down a hill overlooking the small bowl where most of Iqaluit's inhabitants live. "I'll kick in more doors in a year than a lot of guys do in a career."

His shift began at 9 p.m. For an hour, he crisscrossed town waiting for a call, slowing down on each five-minute pass to idle around a knot of kids playing road hockey late into the night.

"That's just the way it is up here for kids," he said. "Safer to be on the street than at home."

But after that, the whole city seemed to erupt. Over the next few hours, Constable Pottie would kick in two doors, wrestle several drunkards to the ground, track footprints at a break-in scene outside a school, help process 15 prisoners, continually dodge the widening river of urine forming on the floor of the detachment's lock-up and save an infant from falling out of her mother's

amauti (a Inuit parka with an extra-large hood designed to carry a baby).

At 2 a.m. came an innocuous-sounding call. "Detox male standing in the road punching cars," a dispatcher monotoned over the truck radio.

"Alpha-7, 17," Constable Pottie responded. He was on his way, deking around the hockey boys again, their little bodies now steaming in the minus-10-degree night. Then the dispatcher crackled again: "Detox male now has a knife and is threatening people." The policeman gunned the truck. City scenery blurred past: unsteady drunks milling around the four main bars, the dim orange lights of an entire grid run on diesel generators, dinged-up cabs delivering intoxicated people or their intoxicants.

Constable Pottie fishtailed around a corner and headed down an alley until his brake lights burst red against the snow. Thirty metres ahead, barely visible at the edge of his high beams, someone in socked feet leaned unsteadily against a house. Constable Pottie drove close, jumped out and drew the nine-millimetre gun from his holster.

Another squad truck charged in from the opposite direction. Two Mounties jumped out, nine-millimetres up. The young man was cornered.

"Get down on the ground!" one of the other officers yelled. "Drop the knife and get down now."

The guy's eyes darted about until three blurry gun barrels came into focus. He couldn't have been more than 15.

He glanced down at his two-inch blade and then at his socks. For a moment, he seemed to think he would test his knife-at-a-gunfight odds, and lunged forward.

The three Mounties raised their guns. In the midst of his lunge, the kid lost his footing, stumbled and, finally, fell, belly against snow. One young Mountie leaned his knee against the man's back. There were convulsions, then vomit – the rage all gone.

The officers took turns comforting him, patting the back of a teenager who had threatened them with a knife moments earlier.

Ambulance lights reflected off the dark white hills surrounding Iqaluit. Constable Pottie's shift had several hours to go.

PART V

If Nunavut has any shot at beating back its demons, it needs to dry out first. On average, Nunavummiut spend $940 each a year on alcohol, more than almost anywhere else in the country, according to Statistics Canada. That doesn't include black-market purchases, which easily run as high as $100 for a 375-millilitre mickey of vodka. Such sums cripple household budgets as much

as the booze cripples household health – a whole society in a state of cirrhosis.

"I'd say nine out of 10 – heck, even 10 out of 10 – things we deal with stem directly from alcohol," Constable Pottie said. "We cut down the booze, we cut down the crime."

And this is despite the country's most draconian alcohol regulations. Since 1976, Nunavut's hamlets have had a choice of three types of booze control: open, restricted or dry – with respective efficacy rates of limited, not much and nil.

Just as American Prohibition was a paradise for the likes of Al Capone, Nunavut's scattershot liquor laws have been a windfall for smugglers and bootleggers whose influence has continuously undermined the territory's efforts at social stability.

Iqaluit is among five "open" communities. Even there, residents can't legally buy liquor in stores. They must order it, for personal use, or drink inside select establishments. Seven Nunavut hamlets are currently "dry" and the remaining 13 are "restricted."

One of those 13 is Cape Dorset, where one Tuesday evening, a skinny young woman, 19, sat fidgeting in a chair, waiting to appear before the town's Alcohol Education Committee to apply for her first alcohol permit.

"I want to start off slow, ask for a 60-ouncer at first," she said. "Then I'll work my way up."

This panel of prominent locals scrutinizes individual alcohol orders, deciding to reject, accept or reduce each request based on its assessment of a person's ability to hold his or her liquor. In light of the Incidents, the five-person committee was considering new monthly alcohol limits: 72 cans of beer, five 750-millilitre bottles of hard liquor, 30 bottles of wine. They did not seem to discuss what a doctor might think of someone chugging 30 bottles of wine a month.

"We want to be helpful without restricting people," said Chris Pudlat, one of the committee members.

Yet the biggest problem with alcohol in Nunavut is not how much people drink, but how much they drink all at once. Darryl Wood, an assistant professor at Washington State University and the only criminologist who has studied alcohol policies in Nunavut, characterizes it as "low frequency, high quantity" – consumption habits that stretch binge drinking to dizzying new levels. It is common for people to guzzle a mickey of vodka straight, barely stopping to breathe. Inebriation sets in immediately and forcefully.

"I once saw a little girl slugging back a bottle," said Constable Alex Benoit, one of the Cape Dorset policemen involved in the Incidents. "When we stopped her and asked

her what she was doing, she said she was trying to pass out. That was the goal. Not to have fun or enjoy herself. It was to black out. Alcohol is used differently here."

Last April, Mr. Peterson struck a task force dedicated to solving Nunavut's alcohol problem, which is entertaining the counterintuitive idea of opening beer-and-wine stores to combat liquor consumption.

Many people argue that the open sale of lower-proof alcohol would break the vodka-bootlegging trade and reduce the extremes of intoxication.

But few issues in Nunavut are as politically combustible as liquor legislation.

Thirty-five years ago, residents of Iqaluit (then called Frobisher Bay) could buy booze at a regular liquor store. But when a drunk driver struck and killed a child, a full-fledged temperance movement developed, soon amassing such fervent support that the territorial commissioner ceded to popular demand and shuttered the Iqaluit liquor store.

"Since then, few local politicians have dared propose that the Iqaluit liquor store be reopened for retail sales," Mr. Bell wrote in a recent Nunatsiaq News story on the issue. "It's still a radioactive issue, capable of incinerating all who go near it."

After a little while, the Cape Dorset Committee called in the young woman.

"So you want a 60-ouncer?" Mr. Pudlat asked.

"Yes."

"How old are you?"

"Nineteen."

"What will you do with it?"

"Just mix a few drinks. No parties."

The committee conferred for all of 10 seconds.

"Yes, one 60-ouncer is fine," Mr. Pudlat ruled.

The teen smiled. But if she had been turned down, she would have had other options.

"Black market," she said. "That's where I get it now."

PART VI

The generation gap, overcrowding, poor education, alcohol and cycles of violence – the casualties of all these faults languish in a squat, metal-sided building that the Deputy Director of Corrections likes to refer to as "the sardine can."

The Baffin Correctional Centre lies roughly 30 seconds from downtown Iqaluit. On a recent weekend shift, security doors hung crookedly from bent hinges, sinks didn't work and doors had been ripped from toilet stalls.

Inmates sipped fruit punch from melamine mugs, played checkers and stared longingly at bedside magazine cut-

outs of Taylor Swift, Scarlett Johansson and federal Health Minister Leona Aglukkaq – or "Queen Leona" as one male inmate referred to her.

In the basketball gym, narrow cots crowded the court from baseline to baseline. J.P. Deroy, the deputy director, said there were a few days last year when the gym was free of beds, but usually it's teeming with around 100 inmates, almost 100 per cent above the jail's capacity.

"How are you supposed to run rehab programs in a place like this? Most of the year, it's too cold outside and it's too crowded inside," Mr. Deroy said, pacing the jail's halls.

One inmate in solitary leaped from his bed and waved through a small window when he saw Mr. Deroy walk by. A guard opened the door. "You need something?"

"Nope," said the prisoner, a broad-shouldered Inuk in his early 20s with buzzed hair. "Just wondering what you guys was up to." He and the guards lapsed into neighbourly banter.

Asked his name, he turned his back and pointed a thumb at a tattoo stretching between his soldier blades: "INUKSTA." He then drew attention to several places where he had scratched the moniker on the cell wall.

"I spend a lot of time here," he said. "Gotta find something to do with my time."

Inuksta grew up in poverty with his Inuktitut-speaking grandparents. His struggles with English led to fights, first with other students and then with teachers.

He has been in and out of juvenile-detention facilities and the Baffin Correctional Centre ever since, on a string of charges.

"We know you very, very well, don't we?" Mr. Deroy said. "Are you still causing the guards problems?"

Inuksta just smiled, looked bashfully at his prison-issue sandals. "Maybe a little, yeah."

Criminologists debate endlessly about the root causes of crime waves, but one thing is generally agreed: The larger the proportion of youth in a given population, especially undereducated ones, the worse the crime problem.

"While the rest of the country is getting older, Nunavut is getting younger," said V Division's Chief Supt. McVarnock. "You mix a young population with alcohol and limited options, you're going to have problems."

Rising crime has put stress on the courts as well. The average number of prisoners waiting for court dates has increased to 63 in 2010 from 18 in 1999.

In its proposed budget before the federal election call, Ottawa had pledged $4.2-million over two years to hire judges and prosecutors for Nunavut, responding to a terse letter from Nunavut Chief Justice Robert Kilpatrick that cited the territory's youthful

demographics.

For the time being, Inuksta seemed resigned to calling prison a permanent second home.

"I get out, and I try, but I always end up here," he said, smiling at the guards. "Wouldn't be surprised if that keeps happening, I guess."

As his visitors moved on, he shuffled his sandals back into solitary, and closed his door behind him.

PART VII

Throughout Nunavut, Inuit leaders appeal to tradition as a response to violence and despair. Outsiders are bewildered by the claim that to progress, society must regress. But in smaller, more remote places such as Repulse Bay, you can at least partly see their point.

Repulse Bay is an 800-person hamlet two flights northeast of Iqaluit. Located directly on the Arctic Circle, about 2,000 kilometres due north of Thunder Bay, it ranks near the basement of territorial socio-economic indicators. The median income is below $20,000; unemployment sits around 40 per cent. As of 2006, only five of the 175 young people here between 15 and 24 had a high-school diploma.

But, despite the lack of an economy, schooling and any real government presence, the Repulse Bay crime rate is far closer to the national average. RCMP records show just 156 Criminal Code violations last year and 150 in each of the previous two years, probably giving it the lowest crime rate in Nunavut.

"If you talk to people who visit a lot of remote communities across Nunavut, they'll tell you people in Repulse just seem happier than people elsewhere," said a visiting physician, dining on dry meat loaf and cherry pie one evening at the local hotel. "It's hard to describe."

Steve Mapsalak, a former MLA and renowned hunting guide who is now the town's Senior Administrative Officer, said his town may not be perfect, but its relative peace stems from a way of life grounded in fishing and hunting.

"We don't hunt as a hobby here," Mr. Mapsalak said. "It's our way of life, our currency, our welfare system, our culture. We spread our meat to the old and the poor. A good hunter raises the entire community."

Still, old ways cannot erase the recent history. The ghosts of residential schools and the harsh transition to settlement life linger here as everywhere else. But Repulse Bay is working its way past them, with a little help from Jesus Christ and Sigmund Freud.

Also in the hotel dining hall was a grey-haired clinical psychologist named Bruce Handley. As the Newfoundland construc-

tion workers around the table gobbled down their last crumbs of pie, Dr. Handley tried to recruit bodies for a community-healing service at the town hall later that night.

"I promise it will be a very interesting service," he said. "They get up front and confess their sins and sing and cry. When they really feel the spirit, I've actually seen them vomit that evil all over the floor."

Around 7 p.m., he took a seat among 150 chairs filled with stern hunters, acned teens, even babies. This was the culmination of a three-day visit by a men's healing group from nearby Coral Harbour. Dr. Handley, who spent decades working largely in prairie prisons, would mediate. The approach was not exactly clinically orthodox: The Coral Harbour group, complete with four-piece rock band, was running a Pentecostal prayer service.

"Others in my profession might dismiss it," he said. "But after 40 years doing this, I've found that putting therapy in spiritual terms makes it much easier to understand. They are a very spiritual people, and always have been. We shouldn't be fighting that."

A man named Willie Eetuk had started the Coral Harbour group nearly four years ago, when he realized he had to speak about his addictions to conquer them but could find nobody, government-sponsored or otherwise, to help. He put a call out on the bush radio. The first meeting attracted 15 and soon grew to 50.

Noel Kaludjuak was one of the first. "I was an alcoholic," he said. "I drank because of my past. My parents were born on the land. In the 1960s, the government moved us to communities. But my father stayed out hunting. I grew up fatherless. Many of us did.

"We didn't learn how to lead a household, to be a man, so we abused drugs. When my father returned, he beat my mom. I did the same thing. I disassociated from the world."

The band launched into a tune. As the kick-drum rattled the blue and yellow walls, a woman in the front row rose, dancing with her hands reaching to the heavens. A dozen more mimicked her. The Coral Harbour men did a laying-on of hands with a family of five who had walked to the front of the room, telling them that Jesus knew their sins and loved them still. A woman gyrated, her legs failed and the Coral Harbour men caught her. A man with a broken back said he felt cured.

When the band finished, a succession of men took the microphone. "I have hurt my family," John Tinashlu said tearily. "I have raised my voice and my fists. I said this in prayer now I say it to you. I have not been a good father. I drank. I cannot hide it any more. I love you, son. I hurt you. I love you. I used to blame others. No more."

It was bedlam, rapture, therapy – a home-grown truth-and-reconciliation hearing. After the four-hour service, all 200 people streamed out wiping their red eyes and revved home on snowmobiles. The next day, some sought out Dr. Handley for one-on-one sessions.

While self-help and evangelism are surely no cure-all for Nunavut's shortcomings, they do offer one way to give voice to personal demons – a non-violent means of release.

"We don't pretend that we can fix the pain of all Nunavut," said Mr. Kaludjuak, the Coral Harbour church leader. "We have many problems here. But you can't make a healthy place without healthy minds."

PART VIII

There was another kind of hope to be found in Repulse Bay, in the form of a little green logo stitched to tuques and gloves all over town.

A few days earlier, staff from the French nuclear-power giant Areva had held a community meeting to tell the locals about the benefits of a uranium development the company is pitching 500 kilometres southwest, in Baker Lake. The town was buzzing with talk of potential job opportunities.

The Areva bid is one of several developments that have raised hopes throughout the Eastern Arctic that a prosperous age is coming.

In Baker Lake and two nearby towns tucked along the eastern shore of Hudson Bay, Rankin Inlet and Arviat, optimism around mining is accompanied by anticipation of a highway development that would extend upward from Northern Manitoba, creating the first land link between Nunavut and the provinces.

Manitoba Premier Greg Selinger signed an agreement with Nunavut Premier Eva Aariak to study the highway's construction late last year, a project expected to cost about $1.2-billion.

"We get that road in here, and you'll see this part of Nunavut change in a hurry for the better," said John Hickes, the mayor of Rankin Inlet, who has been so single-minded in his pursuit of the highway that some refer to him as John Road.

"There's a lot of stories in Nunavut, but this is the good news story here in the region around Rankin. You keep your eyes on us. We're not standing still."

Optimism comes in other forms as well. Premier Aariak has declared it her personal mission to overhaul the education system.

She also wants to strike a devolution deal with the federal government: Under its current territorial jurisdiction, Nunavut has little control over resources sitting under Crown land. Ms. Aariak wants to change

that and have Nunavut collect resource revenues that might otherwise go to Ottawa.

But there's a catch: Her pitch relies on convincing federal negotiators that her government is on a strong organizational footing. For Nunavut, that's a tough sell.

Her education plan is more promising, a new act that would stress bilingualism, Inuit culture, community control and improved academic standards. But such vague ambitions still fall far short of those, for example, in Greenland.

That largely Inuit nation has a long head start on Nunavut in grappling with the social and economic ravages that come with a polar climate and isolated population.

In Greenland, the government maintains a hard goal of ensuring that two-thirds of its population has a trade or academic education by 2020.

The island nation offers other lessons as well. Greenland was granted home rule from Denmark in 1979 and increased local powers in 2009. Today, with a 6.8-per-cent unemployment rate, it hauls in 60 per cent of its revenues from domestic sources, relying on Denmark for the remaining 40 per cent – the equivalent of $11,000 per Greenlander.

Nunavut, by contrast, posts a 20-per-cent unemployment rate and generates 7 per cent of its revenue internally. The rest – $1.1-billion or roughly $33,000 per capita – comes from Ottawa.

Mr. Peterson's alcohol task force is looking to the steps Greenland took in the mid-1990s to address rampant alcoholism there. It liberalized liquor sales, took addiction care more seriously and, in a symbolic gesture, banned drinking in government offices.

While the island still has its share of alcohol problems, per-capita liquor consumption has dropped significantly.

"I don't know a single sane Greenlander who would go back to the policies of the past where you drive people to obsess about alcohol," said Jack Hicks, a social researcher who has worked closely with governments in both Nunavut and Greenland.

Mr. Hicks is one of the Arctic's foremost experts on suicide. "We have to get young people off of drinking cupfuls of vodka with no mix. If you acknowledge that people are going to drink instead of pretending you can stop them, you can do some good."

Finally, it must be acknowledged that for all its woes, Nunavut remains livable, at least for those lucky enough to be members of the territory's small but growing middle class.

"I sometimes ask myself if this is something of a failed state," said Mr. Bell, the journalist. "And I have to say no. When I go home and flick a switch, the power comes on. The garbage gets picked up. The hospi-

tal functions. The RCMP protects us.

"Compared to the other provinces and territories, we're doing very poorly. A failed jurisdiction maybe, but it's not Sierra Leone. It's not Somalia."

True. But so far, it's also not Greenland. Not even close.

PART IX

The morning after the church service, the man with the broken back borrowed a snowmobile and sledged home to a ramshackle assemblage of landfill scraps about six kilometres from town. He has been on a waiting list for a real home 18 months and counting. He creaked upstairs to his bedroom filled with Montreal Canadiens memorabilia, cookie tins, Cuban cigar boxes, pulp paperbacks and video cassettes. An old brass thermometer read minus 15. It felt colder. He lit two Coleman stoves for heat and lay on his bed beneath a huge ceiling mirror.

"I can't stand to look at myself," he muttered, and sat back up.

Leo Nangmalik's life story is a kind of microcosm of the modern history of Canada's Eastern Arctic. As a boy, he attended Sir Joseph Bernier School in Chesterfield Inlet. He remembers the Catholic nuns stripping him down and washing him, focusing a special vigour on his genitals. There was a priest who did worse, he says. When he tried to tell his mother, she would hit him and call him a liar.

He would go on to spend years in prison. He has held a rifle to his head. "I could never pull the trigger," he said, adding that he didn't want his 13 kids growing up without a father, even though he hasn't been much of a father.

The hiss of the Coleman stoves masked Mr. Nangmalik's sobs. "Until now, until the Coral Harbour group arrived, whenever I told these things, I was called a liar," he wheezed. "I am here. This was done to me. I am not lying."

And then, as if the thought had just occurred to him: "I want to live," he said. "I want all of us to get past the hardships."

He said he had gone to the healing service because it was run by men like him, not qallunaat or even government workers. If Nunavut is to overcome its culture of low expectations, part of the answer must come that way, up from the bottom, as the church leader, Mr. Kaludjuak, had said that night.

"I can see now that the federal government was trying to help," Mr. Kaludjuak said. "They tried to get us in houses, to feed us, to have us live like them. … There were consequences they could not see. And now the men here sit around like children. It is up to us to change that, not government."

This is one of Nunavut's biggest prob-

lems: The region's history has left its people so distrustful of change from above that they may not accept interventions even from their own territorial government.

"In the past," Mr. Bell said, "change has been painful. So they've become reactionary in the literal sense of the word. It's rooted in the trauma of the past and a sentimentalized view of the past."

But things must change in Nunavut, and its leaders must tell the truth of how the system is failing – just as Mr. Nangmalik must tell his truth.

Outside his shack, darkness had won the battle of contrasts. A blue halo encircled the moon, just as it did on that hopeful night a dozen years ago. A clear night sky promised a bright day tomorrow.

"What I have told you," Mr. Nangmalik said, looking across the bay, "I have never been able to tell. I feel a peace right now. Maybe this is what we need, this talking."

Patrick White is a reporter for The Globe and Mail.

Editor's note: After this story was published, The Globe and Mail learned that Leo Nangmalik had only days earlier taken his own life. He was 50 years old.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

BREAKING NEWS 1 OF 5

Police search for motive in Alberta highway shooting that took four lives

DAWN WALTON, WENDY STUECK AND ROD MICKLEBURGH
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In their team profiles on the roster of Lethbridge Bulls, Mitch Maclean and Tanner Craswell look tall, strong and every inch the baseball players that they were: Mr. Maclean, 20, a 6-foot-1 right-hander who lists his favourite movie as The Rookie and Mr. Craswell, 22, listed as a 6-foot-2 infielder whose favourite food was pasta.

Now the strapping teammates are dead, two of four people killed in a round of gunfire that took place in the predawn hours on a stretch of Alberta highway and has devastated friends, families and associates across the country.

The incident, which police are investigating as a murder-suicide, occurred just north of Claresholm, Alta. Responding to reports of shots fired, RCMP arrived to find two people – a man and a woman – dead at the scene. Another man and woman were rushed to hospital for treatment, but the man died of his injuries by midday Thursday. The person who fired the shots is also dead.

"It was pretty horrific," RCMP Sergeant Patrick Webb said.

The shooter was a man who shot his victims before turning the gun on himself, Sgt. Webb said.

"We now have a total of four deceased from that incident and one female, who is in hospital, injured, but expected to recover."

Police found four of the people in one vehicle and the fifth person in the second vehicle.

Part of the highway was closed as homicide investigators combed the scene for clues.

"Our investigators on the scene are trying to make heads or tails out of not only what is there, but also why this came about," Sgt. Webb said.

Police as of late Thursday had not released names of the deceased or information about the weapon used.

But associates confirmed the two PEI baseball players were among those killed. Shayna Conway, formerly of Charlottetown and the girlfriend of one of the men, was in hospital.

According to social media sites and local media, Tabitha Stepple of Lethbridge, a friend of Ms. Conway, was the woman killed.

Media reports have suggested the shooter was Ms. Stepple's ex-boyfriend and that the others didn't know him.

Mr. Maclean and Mr. Craswell were headed to Calgary to catch a flight home to Prince Edward Island. The two had lived in Lethbridge at the home of Bulls' president and general manager Kevin Kvame.

Mr. Kvame, choked with emotion, said their last conversation was about how much they were looking forward to going home to Charlottetown for Christmas.

"They dreamed of everything in baseball,"

Mr. Kvame said. "It was all they could think of."

Mr. Kvame, up late watching a movie on TV, said he had been exchanging text messages about Christmas and other things with Mr. Craswell, as the group travelled along the highway.

"Then, around 3 in the morning, they stopped," he said. "It wasn't like him."

When he heard about shootings near Claresholm, Mr. Kvame said he got a bad feeling. "Could it be?" he wondered.

He texted Mr. Craswell about the time he should have been on a stopover in Toronto. "There was no reply."

Mr. Kvame said Ms. Conway was Mr. Craswell's girlfriend. Ms. Conway was driving the two young men to the airport, but did not want to head back alone, he said, so a friend of hers came along for the ride. All four were originally from Prince Edward Island, Mr. Kvame said.

He said it appeared there was tension between the second girl and the person who committed the shootings.

"Those boys were in the wrong spot, at the wrong time."

The two young men were enrolled at Prairie Baseball Academy, a Lethbridge facility that teaches baseball to students who attend either of the city's two postsecondary institutions for academic credits.

Mr. Tanner was an all-star shortstop in the Western Major Baseball League this past summer, while Mr. Maclean was the Bulls' rookie of the year.

Mr. Kvame said one of the young men lived in an attic suite above the garage, while the other stayed in the basement. "I got to know them very well."

Wednesday was Mr. Craswell's 22nd birthday.

Claresholm is 125 kilometres south of Calgary and the crime scene is about one kilometre north of town.

At the scene, there was a Ford Escape, its windows smashed, and a Pontiac Sunfire. The incident closed Highway 2 for nearly 12 hours as police cleared the site.

Blood and broken glass remained on the shoulder of the highway, obscured by dirt after police wrapped up their investigation at the crime scene.

People in town expressed shock at the tragedy.

"It is crazy," said Bill Moynihan, adding that crime is starting to hit small towns as well as big cities.

"Nowadays, there are shootings every day," he said.

With reports from Tu Thanh Ha, Kate Hammer and The Canadian Press

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

BREAKING NEWS 2 OF 5

Ex threatened driver before shooting her and friends on Alberta highway

ALLAN MAKI, OLIVER MOORE, AND ROD MICKLEBURGH
APRIL 01, 2011

Hours before four young men and women were gunned down on a lonely stretch of Alberta highway, one of them, Tabitha Stepple, had been involved in an angry confrontation with her ex-boyfriend, believed to be responsible for the shootings.

In a chilling scenario outlined Friday by friends and sources close to the victims, the jealous rage of the former boyfriend, identified as Derek Jensen, led him to tail Ms. Stepple as the four drove toward the Calgary airport.

A few kilometres north of the small community of Claresholm, in the early hours of Thursday morning, he forced Ms. Stepple's vehicle off the road. He shot the four people inside, three fatally, then killed himself.

At the scene of the shootings, Mr. Jensen's Pontiac Sunfire could be seen with a dent in its passenger side, while the back and driver's windows of Ms. Stepple's car were shattered.

Killed were Mitch MacLean, 20, Tanner Craswell, 22 – two college ballplayers from Prince Edward Island – and Ms. Stepple, 21.

Shayna Conway, also in her early 20s, survived the attack and is recovering in hospital. Police said Saturday she was driving Ms. Stepple's vehicle.

The altercation between Mr. Jensen and Ms. Stepple took place at a local bar in Lethbridge, where a number of friends had been celebrating the 22nd birthday of Mr. Craswell, a source who knew the celebrants told The Globe and Mail.

The source said Ms. Stepple ran into Mr. Jensen, who "freaked" when he saw her at the pub.

Cait McFarland, a close friend of Ms. Stepple's, told CTV that Mr. Jensen pushed her out of her chair and yelled at her.

"Then we left. He was phoning her, phoning her, phoning her, and said to her, 'This night's not going to end well for you. I hope you know that,' " Ms. McFarland recounted.

RCMP Sergeant Patrick Webb said police investigators are still working to determine, with certainty, a reason for the killings, but acknowledged "a domestic violence, jilted-boyfriend motive" is under consideration.

The two slain young men had been on their way to the airport to catch a flight back home to Charlottetown for Christmas.

They had spent the past year or so in Lethbridge, attending school, going to the local Prairie Baseball Academy and playing summer ball.

Their fateful ride to the airport came close to having a different ending. Kevin Kwame, the pair's landlord and head of the Lethbridge Bulls for whom the victims played, said he had offered to drive them to the airport the night before. "That was the plan."

However, the players decided to stay an extra night in town to celebrate Mr. Craswell's birthday, when Ms. Conway, his

girlfriend, managed to line up a ride with Tabitha Stepple.

"Those boys had nothing to do with [Derek Jensen]. They were in the wrong place at the wrong time," Mr. Kwame said, with emotion.

Greg Vavra, whose son, Tyler, roomed with Mr. Craswell in 2009-10, described the victim as "mature beyond his years. He had a competitive spirit that was brilliant. He was a guy you wanted on your team."

Mr. Vavra was travelling back to Calgary on Thursday along Highway 2, and had to be detoured past the crime scene while RCMP investigated.

"I had no idea [what had happened], none whatsoever. Tanner was very attached to Shayna. They were soul mates."

People who knew the gunman were stunned by what happened.

Adrian Edwards, who played football and went to high school in Lethbridge with the young man, remembered an ordinary guy with good grades, not a gun enthusiast as indicated by his Facebook page.

"This is a complete shock," Mr. Edwards said.

"This is a complete 180 from the kid I knew," he said.

Meanwhile, back in Prince Edward Island, Reverend Eric Lynk had the heavy task of helping tell Irwin and Dianne MacLean that their son, Mitch, would not be coming home for Christmas.

The MacLeans' small, trim bungalow in Winsloe South near Charlottetown was brightly decorated for the festive season when Mr. Lynk knocked on the door, accompanied by police.

"It's an awful message to bring, and then you immediately start to offer support without falling into cliché," he said.

"It's not a time for preaching. I did none of that. I symbolically embraced them, as they experienced every possible emotion they could ever express."

With reports from Dawn Walton in Calgary and Wendy Stueck in Vancouver

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BREAKING NEWS 3 OF 5

Shaken PEI community prays for victims in Alberta highway shooting

OLIVER MOORE
DECEMBER 18, 2011

While soft light filtered through flurries of snow into the large sanctuary of a church near Charlottetown, parishioners were asked Sunday to pray for the families of everyone killed in last week's murder-suicide.

The parents of Mitch MacLean, one of four dead following Thursday's rampage, normally worship here. They were absent this day but the tragedy was front of mind for many. Grief had reached across the country – from a remote highway thousands of kilometres away in Alberta to this rural suburb – and shaken everyone here.

Mr. MacLean, a promising young ball player, was one of three people murdered by Derek Jensen, police said. Also killed were his friend Tanner Craswell, another ball player from PEI, and Tabitha Stepple, who until recently had been in a relationship with Mr. Jensen. Wounded but expected to recover was Shayna Conway, Mr. Craswell's girlfriend. All five people were in their early 20s

According to police, the murderer finished the rampage by turning his gun on himself.

Although the church service in PEI made few explicit references to the tragedy, it was impossible not to read greater meaning into several elements of the liturgy.

A line about those carrying burdens through Advent took on additional relevance given the pre-Christmas tragedy. And while the pastor said a plea calling on people to pray for "those across the street and those across the oceans" had been written weeks ago, he acknowledged the added resonance given the proximity of the MacLean family's house.

Funerals for Mr. MacLean and Mr. Craswell are expected to be held later this week on PEI. On Monday afternoon hundreds are expected to congregate at their old high school in Charlottetown for a memorial game of catch.

No parents of the fatal victims have spoken publicly yet.

The story of what happened in those early hours of Thursday can be pieced together by witnesses statements and the official account released Saturday by police, which confirmed several elements that had been widely reported while denying others.

The young men had spent the past year or so in Lethbridge, attending school, going to the local Prairie Baseball Academy and playing summer ball. They had a flight from Calgary to PEI for Christmas booked for early Thursday and decided to stay in Lethbridge one last night to celebrate Mr. Craswell's birthday.

Police have not confirmed witness reports of an altercation between Mr. Jensen and Ms. Stepple during that Wednesday evening celebration. But police said that later, while

the young athletes were driving to Calgary with Ms. Stepple and Ms. Conway, Mr. Jensen was in the same area, looking for his ex.

He found them in the small community of Claresholm and, according to police, crashed his vehicle into theirs.

"Shayna Conway stopped the vehicle she was driving and exited," the police statement said. "It is unknown at this time if she was aware of who had collided with her. Derek Jensen exited his vehicle as well and shot Shayna Conway numerous times."

According to police, Mr. Jensen then fired "numerous rounds" into the car, killing Mr. Craswell and Ms. Stepple where they sat. Mr. MacLean was hit but managed to get out of the vehicle and was found in a nearby ditch. He died on his way to hospital.

All the shooting was done with a 9 mm pistol, according to police, who said there were two other loaded weapons, a 12 gauge shotgun and a rifle, in Mr. Jensen's vehicle. Police later seized another weapon from the residence Mr. Jensen had shared with Ms. Stepple. All four weapons had been properly registered.

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BREAKING NEWS 4 OF 5

Laundry hamper prevented girl from joining friends on fatal drive

PAUL WALDIE AND OLIVER MOORE
DECEMBER 19, 2011

Cait McFarland may owe her life to an oversized laundry hamper.

Ms. McFarland was supposed to drive from Lethbridge to the Calgary airport last Wednesday night with her good friend Tabitha Stepple. They had agreed to give a couple of guys they knew, Tanner Craswell and Mitch MacLean, a lift to catch a 7 a.m. flight. Mr. Craswell's girlfriend, Shayna Conway, was joining them too.

They met up at a local pub called the Blarney Stone before heading out, where they ran into Ms. Stepple's old boyfriend, Derek Jensen. On seeing her in the bar, Mr. Jensen became enraged, started yelling and shoved her chair.

The group quickly left and went to the home of Mr. Craswell and Mr. MacLean to pack up Ms. Stepple's car. "There was a laundry hamper that we couldn't get to fit, so I offered to stay home," Ms. McFarland recalled Sunday in an e-mail exchange with The Globe and Mail. "They dropped me off at my car, I told them to have a safe trip and I'd see them at work on Thursday."

She never saw them again.

The five knew each other well. The women worked together at Montana's Cookhouse in Lethbridge and they had gotten to know Mr. Craswell and Mr. MacLean through Ms. Conway. The men were budding baseball stars with a local team called the Lethbridge Bulls and they were heading home to Prince Edward Island for Christmas.

Unbeknownst to Ms. McFarland, Mr. Jensen went looking for the others in his car, bringing along a 9 mm Heckler & Koch handgun, a 12-gauge shotgun and a Winchester rifle. Police say that at around 3 a.m., he tracked them to a 7-Eleven in Claresholm, Alta., about 80 kilometres north of Lethbridge. The four made a quick pit stop and got back into Ms. Stepple's car, seemingly unaware of Mr. Jensen. With Ms. Conway behind the wheel, they headed north on Highway 2.

Mr. Jensen caught up and rammed the car. According to police, Ms. Conway stopped and got out. Mr. Jensen stopped and got out as well. Then he raised his handgun and opened fire. He shot Ms. Conway several times, walked over to the car and shot the others. Then he turned the gun on himself. Somehow Ms. Conway survived and she is expected to recover. Ms. Stepple and Mr. Craswell died where they sat. Mr. MacLean got out of the car, made it a short distance and collapsed. He died later in hospital. They were all in their early 20s.

The next afternoon, Ms. McFarland's roommate told her there had been a murder suicide on Highway 2 and that a green Sunfire had been towed from the scene. Ms. McFarland felt sick. That was Ms. Stepple's car.

"I knew right away what happened," she recalled Sunday. "I'm so thankful I wasn't in that car, but I'm so devastated for Tab and the boys. It's really difficult knowing that I so narrowly escaped being in that back seat, but nothing happened to keep everyone else safe … this entire thing is just a nightmare."

She'd seen trouble brewing for months. Ms. Stepple had met Mr. Jensen nearly a year ago and they had lived together for about five months. They'd had a tumultuous relationship and last weekend, according to Ms. McFarland, Ms. Stepple had told him to leave the apartment they shared after he slammed her into a wall during an argument.

To his friends, Mr. Jensen was a quiet, Mormon-raised young man who loved the outdoors and cared for his guns religiously. Police confirmed his weapons were properly registered.

Ms. McFarland saw a different side. "I loved him when I first met him, but after [he and Ms. Stepple] moved in together he really changed," she said.

He became jealous and controlling, texting and phoning constantly to find out what Ms. Stepple was doing. He soon began to resent Ms. McFarland and her close relationship with Ms. Stepple, frequently yelling at them for going out too much and calling Ms. Stepple vulgar names. "He put his fist through their window, punched a huge dent in the rear driver's side of his car, told her he killed her dog," Ms. McFarland added.

"Last weekend, after he broke their window, he slammed her against the wall in his room and that's when she told him to get out. He was supposed to move to Edmonton Thursday morning … that's why we didn't call the police after he pushed her at the Stone," she added.

Now she's trying to cope with the loss of her closest friend. "She's the most loving, caring, genuine person I've ever met and it just makes me sick that we all have to go through the rest of our lives without her."

Others are feeling profound grief as well.

Across town, from Ms. McFarland, the Lethbridge Bulls have put the flags at their stadium at half-mast and posted a tribute to the young players on the club's website. In Ottawa, friends of Ms. Conway said prayers for her at the Bikers' Church, an evangelical church made up of motorcycle enthusiasts. "Shayna is a dear friend to many in the church," said Pastor Rob Dale.

In Winsloe South, a suburb of Charlottetown, Christmas decorations still adorn the MacLean house and at the nearby Winsloe United Church, the glittering Christmas tree will remain in place during the funeral expected to happen later this week. Mr. MacLean's family specifically requested that, Revered Eric Lynk explained after a service

in which he called on the congregation to remember all the families involved.

"Let us keep all of the victims of this tragedy in our hearts as we prepare to celebrate Christmas," he encouraged parishioners, many of whom volunteered to prepare the church for the funeral or assist during it. Mr. MacLean's parents did not attend the service and, along with the parents of the other victims, have not spoken publicly about their loss.

Amid the grief on PEI, there was a solidifying sense that the family of Mr. Jensen needed to be remembered as well. Parishioners at Winsloe United spoke about how terrible it would be for his parents to lose a son and then have to remember him as a murderer. "What level of torment he must have been going through," said a person close to the victims who did not want to be identified.

Ms. McFarland offered one other insight into her friend. "People keep asking me why she so readily agreed to drive these boys to Calgary so late, and all I can tell them is that it would have surprised me if she disagreed, or even hesitated to agree," she said. "It was just such a Tabitha thing to do."

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Despite signs of rage, friends couldn't have foreseen Alberta rampage

DAWN WALTON AND PAUL WALDIE
DECEMBER 20, 2011

Depending on whom you talk to, Derek Jensen was either a great friend or an angry, violent man. But nobody – not even those who saw both sides of him – would have predicted the 21-year-old who had recently been through paramedic training to start a career saving lives would end three of them, and almost take a fourth, before killing himself last week on a darkened stretch of Alberta highway.

"It is obviously very difficult for me to sit at home and watch the news and hear people saying that he was a 'great guy' and 'so nice' and such, but to his family and friends, I'm sure that's how he was," said Cait McFarland, who was a friend of Tabitha Stepple, one of Mr. Jensen's victims. "To her and me, though, he was very, very different."

Mr. Jensen was raised in the Mormon faith in southern Alberta. He played football. He got decent grades. He enjoyed hunting and target practice. He was planning to uproot from his home in Lethbridge, about 220 kilometres southeast of Calgary, to move to work in Edmonton, where he studied at Northern Alberta Institute of Technology. His family still lives in Lethbridge, but his relationship with his girlfriend, Ms. Stepple, had ended, although they still shared a basement apartment there together.

Mr. Jensen planned to move on by moving north. He was supposed to head to Edmonton last Thursday. Instead, he ran into Ms. Stepple at a local pub the night before. It was an ugly encounter – another in a series of signs of his percolating rage – that could have sparked a deadly plan.

According to police, Mr. Jensen got into his Pontiac Sunfire carrying three loaded weapons: a Heckler & Koch 9 mm handgun, a 12-gauge shotgun and Winchester rifle. He would spot Ms. Stepple's Ford Escape, filled with passengers bound for the Calgary airport, as well as a friend who was along for the ride. Around 3 a.m., just north of Claresholm along Highway 2, Mr. Jensen rammed the SUV and shot its occupants before shooting himself.

Tanner Craswell, 22, and Mitch MacLean, 20, both baseball players with the Lethbridge Bulls who were originally from Prince Edward Island, and Ms. Stepple, 21, were killed. Mr. Craswell's girlfriend, Shayna Conway, 21, also a PEI native, was the sole survivor. She was to undergo another surgery on Monday in Calgary. She's expected to make a full recovery.

Mr. Jensen's family has not responded to requests for interviews, but have issued a statement: "We extend our heartfelt condolences to the friends and families of those affected by this tragedy and thank those who have contacted us with their support. Our thoughts and prayers are with the families suffering at this time."

Mr. Jensen's friends have spoken glow-

ingly of the young man they knew.

Travis Fay told the Calgary Herald it would "take something incredibly horrible to make him even get in a fistfight." Another friend, Ryley Mitschke, told the newspaper that "you could trust him with anything."

In an e-mail exchange, Ms. McFarland said she gained a different perspective in the past year as she watched her friend's relationship with Mr. Jensen blossom and then sour.

"I really think I saw a side of Derek that not many people did," she explained, "I loved him when I first met him, but after they moved in together he really changed."

She recalled a man who would scream, swear and threaten to beat Ms. McFarland. She said he put his fist through a window and punched a dent in his car. The weekend before the shootings, Mr. Jensen "slammed [Ms. Stepple] against the wall in his room and that's when she told him to get out," Ms. McFarland recalled.

City police said they had no encounters with the couple. No domestic violence was ever reported.

On a social networking website, Ms. Stepple once noted, "I am SICK of getting hurt by guys." It's unclear what she meant by it or when she wrote it.

On Wednesday night, the friends were celebrating Mr. Craswell's 22nd birthday when they ran into Mr. Jensen at the Blarney Stone pub. He was also out with friends for his own farewell party.

That's where Mr. Jensen shoved Ms. Stepple and followed it up with threatening phone calls.

"He was supposed to move to Edmonton Thursday morning," Ms. McFarland said. "That's why we didn't call the police after he pushed her at the Stone. He left, and we thought Tab would be driving all night and get home either just before he left or miss him entirely."

Ms. Stepple's funeral will be held on Wednesday at the Evangelical Free Church in Lethbridge. An obituary lauded her as a "role model to us all, very mature for her age, dealt with life in an admirable way, wouldn't show fear, and a mommy's girl and daddy's girl."

A memorial game of catch was played outside Colonel Gray High School in Charlottetown on Monday to honour the up-and-coming baseball players.

Mr. MacLean's funeral service is set for Thursday at Winsloe United Church, outside of Charlottetown, and Mr. Craswell's is on Friday at Holy Redeemer Catholic Church in Charlottetown. According to a local media report, a private funeral is planned for Mr. Jensen.

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BREAKING NEWS 1 OF 5

In Japan, the search for life yields death and devastation

MARK MACKINNON
MARCH 15, 2011

The squad of police officers made their way tentatively across what was once the parking lot of the Sendai Army Flight School, poking at the shifting ground beneath their feet with long wooden poles.

They used their sticks to prod at the wreckage of lives that had been lifted up by Friday's tsunami and deposited here on southern edge of this battered city. Splintered homes, flipped cars, a living-room chair, a basketball.

But every now and again, one of the poles would strike something more unsettling: a human being.

"We find them everywhere. In the cars, beneath the rubble. No one knows," said Sho Oji, who was directing a team of a dozen police officers digging for the dead. He said rescue workers found more than 1,000 bodies in the airport area alone over the past three days.

He was interrupted by a series of shrill whistle blasts. Another body had been found, deep in the sea of detritus. The entire team of police scrambled to the site, hoisting first a green tarp to protect the dignity of the dead, then a stretcher bearing a covered corpse.

And so it went across Japan on Monday, as rescue workers made one ghastly discovery after another. Some 2,000 bodies were discovered along the coastline north of Sendai as crews finally reached the hard-hit areas of Minamisanriku and Ishinomaki City. In Minamisanriku, it's estimated that 10,000 of the town's pre-disaster population of 17,000 are missing.

In Iwate prefecture, farther north, 12,000 people are missing in the town of Otsuchi, which had a pre-disaster population of 15,000. Another town, Rikuzentakata, which has a population of 23,000 people, has been described as "almost completely wiped out."

Along the coastal highway being used by relief workers to access the vast disaster area, crews of fire fighters and paramedics loaded bodies – some of them tiny – onto blue tarpaulins and lifted them away from the rubble into waiting ambulances. Eager birds circled overhead.

Though hope remained that some of the missing might yet be found alive, the overwhelming majority of the news was bad.

The official death toll stood at 2,414, The Associated Press reported, but a police officer in hard-hit Miyagi prefecture – the region in which Sendai is the largest city – estimated that at least 10,000 died in Miyagi alone. Tens of thousands of people were still officially missing on Monday, more than 72 hours after the initial 9.0-magnitude earthquake triggered the tsunami.

There have been nearly 200 registered aftershocks since Friday's quake, many of them magnitude 6.0 or greater. The ground in Sendai continued to rumble at regular

intervals Monday, with officials announcing at one point that another major tsunami was imminent, only to cancel the warning minutes later.

The warnings didn't stop some local residents from emerging for the first time in days to take a look at the flattened coastal neighbourhoods of the city.

"It was such a comfortable, agreeable place," said Kan Kichi, a 70-year-old retired engineer, as he wandered through the wreckage of coastal Sendai. He pointed to his friend's rice paddies, and to where he used to go swimming and fishing as a child.

In his description, the coast sounded serene. But the new reality is anything but: a white Toyota Nova was buried back-doors deep in the side of a hill, a child's bicycle lay in mud, an ocean fish struggled futilely to swim out of a small puddle it was trapped in.

"It's beyond my imagination," Mr. Kichi said. "I can't imagine how long it will take to get it back to the way it was."

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BERAKING NEWS 2 OF 5

Tsunami preparation leads citizens into low-lying death traps

MARK MACKINNON
MARCH 16, 2011

When the tsunami warning buzzer rang out over this sleepy port on Japan's northeast coast, people knew what to do because they'd practised for the moment all their lives. They calmly left their homes and made their way to the gathering places designated by the municipal government: City Hall; a community centre; the local gymnasium.

For hundreds of people, if not more, the shelters they were ordered into proved to be deathtraps. Rikuzen-Takata's disaster plan had been designed to deal with the three- and four-metre waves the city had seen in 1960 after an earthquake in faraway Chile. No one had anticipated the 15-metre tsunami that crashed through the city on Friday following a 9.0-magnitude earthquake just offshore, one that flung boats, shipping cranes and people inland, drowning those who had done as they were told and gathered in the low-lying shelters.

Of the estimated 1,000 people huddling in the three buildings, the only survivors were 100 people who made their way to the top floor of City Hall. The rest were swept away by a tide so high and fierce that it blew out the walls and windows on all three floors of the neighbouring shopping centre.

"People just relied on the bureaucracy. They became too obedient," said Tsuyoshi Kinno, head of the neighbourhood committee in one of the districts of Rikuzen-Takata closest to the Pacific coast. "The administration made a mistake."

Mr. Kinno was wandering through the silent remains of the city Tuesday, poking at the ground with a stick as Rikuzen-Takata continued its gruesome search for the thousands still missing and presumed dead beneath the rubble. In his other hand, he held a mud-covered photograph of a wedding he'd attended. The bride and groom were both among the missing, he said.

As the full scale of the damage caused to Japan's east coast gets clearer, it's becoming plain that this town of 24,000 was among the hardest hit.

Once a pretty port set between the Yokote mountains and the Pacific Coast, Rikuzen-Takata effectively no longer exists. The town centre has been reduced to a vast field of flipped cars, mud-covered furniture and broken concrete. Only a few windowless buildings remain upright in the town centre, jutting up like tombstones from the field of death and destruction around them.

The death toll was still climbing Monday as rescue workers picked through the rubble with sticks, discovering new bodies so fast that they ran out of body bags and started carrying corpses on blankets taken from destroyed homes. Local officials estimated that between 20 and 40 per cent of the city's predisaster population is dead.

"I think everybody in Takata town [the

part of the city closest to the water] is dead," said Matsumi Konno, a 54-year-old woman who was scanning a missing persons message board set up in a hilltop middle school that has been converted into a refuge for those who escaped the wreckage below. She was furious that her friends and neighbours had been herded into shelters so close to the coastline.

Mr. Kinno, the neighbourhood committee head, agreed that many had died because of poor preparation. Although he was outside Rikuzen-Takata when he felt the initial earthquake, he turned around and drove back into town when he heard the tsunami alarm.

When the 73-year-old arrived downtown, he was appalled to see so many people huddled inside the tiny community centre. "It was unintelligent," he said, so he asked everyone to follow him to higher ground.

It was too late. As Mr. Kinno led a group of 60 people outside, he saw the wall of water coming for them. "It was black, black water. It was as if Godzilla had come and was trying to eat the people," he recalled with awe in his voice.

Forty of those who followed Mr. Kinno into the streets were swept away in the rush of black. The rest scrambled into City Hall and raced the water up the stairs to the top floor, those moving too slowly drowning on their way up the stairs, Mr. Kinno said.

The water poured right through Rikuzen-Takata, and rushed past the mountains, filling the rice-growing valleys in between. The devastation carried five kilometres up the road into tiny mountain villages from where the ocean previously hadn't been visible.

"We didn't think this was possible," said 52-year-old Iwako Onodera as she picked her way through the soggy and smashed remains of her family's two-storey home, which now had a disconnected stretch of railway track and a flipped white Toyota van in the backyard. Though Ms. Onodera and her children were away when the wave struck, her parents died when water flooded the entire ground floor of the house.

Her brother Kaoru built the family home 10 years ago, but as he and Ms. Onodera salvaged whatever they could from the house, he said he didn't expect to be back. "I don't think people will want to move back here."

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BREAKING NEWS 3 OF 5

For many who fled danger in Japan, the nightmare continues

MARK MACKINNON
MARCH 17, 2011

When a man in a white mask swept a Geiger counter over Shuzo Kaneyama and his family and pronounced them all radiation-free, it was the first bit of good news the six of them had received in a week of fleeing one disaster after another.

Until Friday, the Kaneyamas lived in Namie, a tiny fishing town on the northeast coast of Honshu island that – like so many others – was nearly obliterated when a giant tsunami crashed ashore.

When Mr. Kaneyama heard the buzzer warning of an incoming tsunami, he quickly packed his family into a car and drove for the nearby mountains. Their home was obliterated, but Mr. Kaneyama and his wife, Keiko, were safe, along with their four children.

But it was only the beginning of the family's exhausting exodus away from first the waves and then a series of explosions at the nuclear power plant 80 kilometres east of here.

Their first scramble got them up and away from the 9.0 earthquake and the wall of water that devastated Namie, but it brought them 15 kilometres closer to the Fukushima Daiichi nuclear plant, where unbeknownst to them, a major crisis was already under way.

The day after they arrived to stay with relatives in the mountains, an explosion at reactor No. 1 destroyed the outer containment building, the beginning of a chain of events that many now worry has as many as four of the reactors at Fukushima on the verge of meltdown.

Now a party of eight travelling in two cars, the Kaneyamas fled again, this time to the town of Minami-Soma, which they thought was a safe distance of 25 kilometres away from the reactors. Barely 24 hours later, there was another explosion at reactor No. 3, and the government expanded the evacuation zone around the plant to 30 kilometres from 20. The Kaneyamas made their way to the relative safety of Fukushima city.

"So many things are happening so rapidly. It's as if it's all a dream," said a dazed-looking Mr. Kaneyama, clutching at a tiny white ticket that pronounced him radiation-free after all his driving. His teenaged children wandered glumly around the Fukushima gymnasium that is now home to 2,500 evacuees from the radiation zone.

The bad news, of course, is that their worries may not yet be over. On Wednesday, a new fire broke out another troubled reactor in the same plant, reactor No. 4, while radiation spiked at No. 3, temporarily forcing the few battling to keep the situation under control to abandon their tasks and head for an onsite shelter. They later returned as radiation levels fell.

As the confusing events unfolded, a quiet panic reigned over Fukushima city, which

is normally home to some 290,000 people. Few cars moved in the downtown core even at what would normally be weekday rush hour, and nearly all stores and fuel stations were closed. Gasoline was scarce all across northern Japan, and even further south, in largely unscathed Tokyo.

"I've been driving for 25 years and I've never seen the streets like this before. Usually, they're full of people," said 68-year-old Masahiro Ooji as he waited with two dozen other taxi drivers for fares that weren't coming outside Fukushima's main train station. Rather than fleeing, he said, most Fukushima residents were waiting inside their homes with the doors and windows shut, waiting to see what happens next.

The only activity at the station was three busloads of Chinese nationals being driven out of the city as part of a general evacuation from northern Japan being organized by the Chinese government.

Back at the evacuee centre, a lineup sometimes 100 people long waited to be tested for radiation. The queue was so calm and orderly there could have been a bank machine at the other end of it, rather than health officials who might tell you that you or your children have radiation poisoning. "We're just numb. Whatever happens, happens," explained a young woman carrying her cheerfully unaware one-year-old daughter.

While Japanese have remained remarkably calm and collected throughout their country's almost unfathomable recent string of bad luck, fear of invisible radiation emanating from the nearby nuclear plant appears to be eating into that veneer.

"The Japanese people, we don't show emotions, but on the inside we are exploding. I feel very afraid, but we all know that if one of us starts to panic, everybody will," explained Eriko Ishida, a 37-year-old English teacher from the coastal town of Soma, 50 kilometres north of the Fukushima Daiichi plant.

Though the government had not yet ordered residents of Soma to leave, Ms. Ishida said she and a dozen relatives had decided they could no longer trust the information they were getting from the Japanese government and media. They decided to flee, but couldn't get any further away than Fukushima city because they ran out of fuel for their car.

"All we want to do is get as far away as possible, but we can't."

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

BREAKING NEWS 4 OF 5

Hope stirs in a devastated Japan town

MARK MACKINNON
MARCH 24, 2011

There was always a lot of symbolism involved in climbing the unnamed hill at the centre of this once-picturesque fishing town. At the bottom stands a two-storey middle school, Japan's equivalent of a junior high, which each year holds a ceremony to celebrate those moving up to Otsuchi's high school, the lone building atop the hill.

Climbing the hill in these dark days is to move between death and life, sorrow and hope.

The middle school has been converted into a makeshift morgue since the tsunami tore through northeastern Japan on March 11, washing through the middle school and turning its playground into a junkyard of smashed trees, cars and bicycles. The high school is the gathering place for survivors, a place where a semblance of normalcy is battling to return to a place where things will never be the same.

Among the casualties of the disaster was the middle school's meticulously planned graduation ceremony, which was to have been held March 12, the day after the tsunami hit.

Instead, nearly two weeks on, the gymnasium of the Otsuchi middle school is still a place of mourning. On Wednesday, dozens of bodies laid in neat rows – some in coffins, others covered with plastic sheets – were waiting for relatives to come and identify them on the floor where students once practised volleyball and martial arts.

"Try your best," implored a black-and-white sign hanging over the families who walked through, looking for familiar faces among the dead.

"I just feel so sad," said Nei Huiyuan, a 15-year-old student who was a year away from her own graduation to high school. She said the middle school's students were all safe because classes ended 45 minutes before the earthquake and subsequent tsunami, but that several of her teachers were missing.

"We don't know if anyone was still here," said Satomi, a 14-year-old who asked that her family name not be used. She paused to watch as police carried a newly identified corpse out of the school gym and into a waiting truck. "We've had no contact with our teachers."

The two girls said they had come to see what had become of their school. Though they stood for a long while in the falling snow, watching the bodies come and go through the gymnasium door, they never crossed the threshold to see what had become of their gymnasium.

The town around them remained a vast sea of rubble, with soldiers still excavating bodies to add to the city's death toll. More than 1,400 of this town's pretsunami population of 16,000 are officially recognized as dead or missing, and that toll is expected to

rise.

As heartbreaking as the scene at the Otsuchi Middle School is, the high school on the hill above is seeing the town's first stirrings of revival. As one of the Otsuchi's few undamaged structures, the three-storey building is now an evacuation camp for some 600 survivors of the waves.

Even as they distribute food, water and blankets to their temporary tenants, the high school's teachers and staff are thinking about how to accomplish the seemingly impossible goal they've set for themselves: starting the spring semester on schedule on April 20.

It's not going to be easy. The school's classrooms are currently stuffed with evacuees who in most cases have lost their homes and have no place else to go. Six of the school's students are among the missing, and many of their classmates are just starting to conclude that they're dead.

Many of those who have survived lost their notebooks, textbooks and school uniforms in the rushing black water. Some of the students who happened to be inside the out-of-session school on March 11 haven't left the building since.

"This is where we used to watch videos and do experiments. Now it's our house," said 17-year-old Anna Miura, waving her hand around a biology classroom that has been converted into a dorm room for six girls who have been separated from their parents since the tsunami. Mattresses and blankets covered the floor, while the desks were buried under empty water bottles and noodle packets.

The stranded students pass the time volunteering in the kitchen and playing cards, Ms. Miura said.

Despite the complexity of the situation, school headmaster Kazuo Takahashi said he fully intends to have Otsuchi high school open on time on April 20. The students need that normalcy in their lives, he said, even at the cost of moving the evacuees elsewhere.

"We want to reopen as a place where the students can get together and encourage each other," he said, standing in the office from which he was co-ordinating both the distribution of supplies to evacuees and the efforts to get the school back on track. "We want to give them some hope about a better future, because right now the students are so worried about what's going on. To get back to school, to get back to that routine, means almost everything to them."

For a man who had been asked to fill multiple high-pressure roles every day since the disaster hit, and on little sleep, Mr. Takahashi was remarkably composed and optimistic.

The mask slipped only when a reporter pointed out that his wall calendar still read

March 11, the day of the tsunami. "I leave it there because that's the day everything stopped," he said, blinking back sudden and unwanted tears.

He won the battle and kept his composure, straightening his posture a little as if to emphasize that he remained in control of his own emotions, if not quite the situation around him. "We will do our best for the future," he said.

THE GLOBE AND MAIL
NATIONAL NEWSPAPER AWARDS

BREAKING NEWS 5 OF 5

The destruction and despair of a Japanese fishing town

MARK MACKINNON
MARCH 26, 2011

This seaside fishing town, with its obliterated core and houses and boats carried kilometres inland, has become synonymous in Japan with the destruction wrought by the massive earthquake and tsunami that struck just over two weeks ago. But the truth is that Rikuzen-Takata was starting to disappear long before the angry waves of March 11.

The tsunami, which flattened perhaps 80 per cent of the city centre and left more than 10 per cent of the population dead or missing, may only have sped up the inevitable in a town that has been shrinking for decades as the young move away in search of education and employment unavailable in this isolated place. Left behind was a community dominated by retirees who confess they may have neither the ability nor the desire to start over again.

"After the tsunami, I'm very worried about the future of Rikuzen-Takata. Everybody says we have to rebuild the town and rebuild the country, but is it actually possible? How long will it take?" asked Haruko Hatakeyama, an 82-year-old retiree who since March 11 has been sleeping on a thin tatami mattress laid on the floor of the gymnasium in the town's middle school. She shares the sparse and chilly accommodations with 1,200 other survivors.

The challenges Rikuzen-Takata faces are an amplification of those facing the country as a whole. Japan's population, like the town's, is old and getting older. The national and local leadership is in question, and there's the daunting question of whether the most indebted country in the world can afford to simultaneously rebuild its tsunami-shattered northeast coast while dealing with the ongoing crisis at the Fukushima nuclear power plant.

The Japanese government intends to at least make an effort. The first 36 prefabricated homes set up in the tsunami-battered northeast have been deployed in Rikuzen-Takata, and on Saturday a draw will be held to decide who among the wider region's 430,000 suddenly homeless survivors will be the first to have four walls of their own again.

Life is improving for those who survived nature's onslaught. Most now have three meals a day, heat and electricity, even if there's no running water yet. There's a small library of donated books and board games near the entrance to the Rikuzen-Takata middle school gymnasium, and earlier this week residents were taken by the busload to portable baths so they could get clean for the first time since the disaster.

But as soldiers continue to pull bodies from the remnants of the town – adding to a nationwide toll that stood Friday at 10,000 dead and 17,400 missing, a number that will continue to rise – the scale of the task ahead

remains enormous. Prime Minister Naoto Kan has tried to rally the nation by recalling the spirit of 1945, when the country set out to transform itself from the ruins of the Second World War into a global economic power. "We are going to create Japan once again from scratch," he vowed in televised remarks.

But those who remember the postwar era say the comparisons between then and now are unrealistic. "Back in 1945, there were lots of young people around and the economy in Rikuzen-Takata was okay," said Ms. Hatakeyama, who was 16 and launching her career as a school teacher when the war ended. Like many of the Japanese who helped power the country through its 20th-century rebuild, she can contribute little this time around, and will instead be a drain on the country's resources, one more elderly person who needs a place to sleep and perhaps someone to take care of them in the turmoil.

Japan experienced a baby boom after the war, and by 1950 more than 35 per cent of the country was under the age of 15, and just 5 per cent was 65 or older. Today the picture is almost completely reversed, with 23 per cent of Japanese in the oldest age bracket compared with 14 per cent under 15, making it the oldest society on the planet. Until two weeks ago, much of Japan was just looking for an affordable way to retire in comfort.

The demographics are even more badly tilted against places like Rikuzen-Takata, where more than a third of the predisaster population was older than 65. Even before the earthquake, tsunami and nuclear disaster, the fishing towns of Japan's northeast coast were struggling to retain young people, who often went away after high school to universities, colleges and jobs in Tokyo and elsewhere. After their hometowns were flattened, it will be harder than ever to convince them that there's a reason to remain.

In the town of Otsuchi, north of Rikuzen-Takata, the middle school gymnasium has been converted into a morgue, with 83 bodies laid out on the floor beneath a Japanese flag and a burning candle in the hope that someone can identify them. Otsuchi, too, saw its young people leave in droves during the 1980s and 1990s. Those left behind – living and dead – are the elderly.

The body of 78-year-old Kizuo Komatsu, a construction worker who was driving to an out-of-town job when the tsunami washed over his truck, was claimed this week by his younger brother and sister and their spouses. He was the seventh dead relative they had collected. Two other family members are missing.

The four survivors are all in their 70s, and after their ordeal there's little left of the resolve Mr. Kan is trying to summon for the rebuilding of the country.

"It's going to be very hard to rebuild this city, especially with the lack of young people here" said Churou Miura, a 70-year-old retired construction worker and the dead man's brother-in-law, looking around at the field of mud and tossed cars around him. "I can't sleep at night, thinking about the situation. All the breadwinners are gone."

The reconstruction will inevitably provide an injection of cash and jobs into Japan's long-stagnant economy, which has seen sluggish growth in its gross domestic product over the past two decades and last year lost its prized status as No. 2 in the world to neighbouring China. But any stimulus gained from the rebuild is likely to be tempered, at least in part, by the anticipated blow to Japanese exports.

Signature Japanese corporations such as Honda, Toyota, Sony and Nikon have been forced to shut damaged factories and reduce production amid rolling power outages. And with radiation already detected in the milk and spinach and a dozen other vegetables produced in Fukushima prefecture, and the government warning that babies should not drink the tap water in Tokyo, who is going to buy Japanese food exports any time soon?

Another unanswered question is who will pay for the reconstruction, a task the country's government has estimated will cost more than $300-billion? Japan already has the world's highest debt-to-GDP ratio, at 225 per cent (compared with 144 per cent in Greece, another chronically overdrawn state).

"Where is the money going to come from? That's a big problem," said Toshifumi Takada, a professor of management and accounting at Tohoku University in the badly damaged city of Sendai. "The money and the energy of the people is very, very limited."

As it looks for ways to pay the reconstruction bill, Japan may consider raising consumption taxes to double or triple the current 5 per cent, or levying a special disaster recovery tax. But while there's a national understanding that everyone will have to contribute to the rebuilding, Prof. Takada said, another tax will do little to spur the needed economic revival.

An international bailout is another option. But that would be an absolute last resort, seen as a national shame for a country proud of its status as a member of the G-7 and the most developed country in Asia.

Much will fall on Mr. Kan himself. While postwar Japan was guided by Douglas MacArthur, the U.S. general who effectively had unchallenged powers as the head of the occupying army, with Emperor Hirohito retained to lend stability to the process, no one is sure that Mr. Kan – the country's fifth prime minister in five years – will still be in

office at the end of the year.

Mr. Kan has tried to reach out to his political opponents, who were just two weeks ago calling for him to resign over a funding scandal, to join him in a crisis coalition government. So far they've refused, signalling that politics as usual may resume very soon in a country that desperately needs stability at the top.

From the first hours after the tsunami the survivors in Rikuzen-Takata have said they want to stay and rebuild. But the scale of the destruction means it's unlikely the town will ever completely recover.

Norihiko Sugawara is one of those who left Rikuzen-Takata, moving at the age of 23 to the regional capital of Morioka to take a job in the civil service. On Thursday, he was back in the town digging at the muddy rubble of his childhood home with a white metal shovel.

Mr. Sugawara said he hasn't seen or heard from his septuagenarian parents since March 11. He knows they are likely gone, but had come back improbably hoping to find a CD of classical music that his father loved.

Standing amid the ruins of the place he grew up, watching his seven-year-old son shiver as a hard rain turned to snow, Mr. Sugawara was more practical than nostalgic. "People say they want to come back and rebuild here, but I don't know. I can't see our family ever coming back here."

THE GLOBE AND MAIL

NATIONAL NEWSPAPER AWARDS

2011 NOMINEES

John Lehmann
is a photojournalist for The Globe and Mail.

Carolyn Abraham
is The Globe and Mail's Health Reporter.

Grant Robertson
is the Banking Reporter for The Globe and Mail.

Daniel Leblanc
is an investigative reporter for The Globe and Mail.

Kate Hammer
is The Globe and Mail's Education Reporter.

Mark Mackinnon
is The Globe and Mail's East Asia Correspondent and is based in Beijing.

Andy Hoffman
is the Asia-Pacific Reporter for The Globe and Mail.

Barrie McKenna
is a National Business Correspondent and Columnist in The Globe and Mail's Ottawa Bureau.

Eric Reguly
is The Globe and Mail's European Business Correspondent.

Stephanie Nolen
is The Globe and Mail's South Asia Bureau Chief.

Johanna Schneller
is one of North America's leading freelance journalists specializing in entertainment features.

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Ken Dryden

a lawyer and ex-Member of Parliament, is a former NHL goaltender and is a member of the Hockey Hall of Fame.

Rafal Gerszak

is a photographer based in the Pacfic Northwest.

Graeme Smith

is a foreign correspondent for The Globe and Mail. Based in Istanbul, he has recently focused on Libya, Pakistan, and Afghanistan.

Brian Gable

is an Editorial Cartoonist for The Globe and Mail.

Erin Anderssen

is a Feature writer for The Globe and Mail.

Ian Brown

is a columnist with The Globe and Mail.

Patrick White

is a Toronto City Hall reporter for The Globe and Mail. He previously worked in the Globe's Winnipeg bureau, covering the Prairies and Nunavut.

Dawn Walton

is a national correspondent for The Globe and Mail based in Calgary.

Wendy Stueck

is a national correspondent for The Globe and Mail based in Vancouver.

Rod Mickleburgh

is a Senior Writer for The Globe and Mail, based in Vancouver.

Allan Maki

Based in Calgary, Allan covers all sports, professional and amateur, as a writer and columnist for The Globe and Mail.

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2011 NOMINEES

Oliver Moore

is a Reporter for The Globe and Mail.

Paul Waldie

has been an award-winning journalist with The Globe and Mail for more than 10 years.

Patrick Martin

is currently in his second tour as The Globe and Mail's Middle East Correspondent.