

# Canada's Liberals retain power by exploiting popular opposition to right

## Major class conflicts loom

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The results of Canada's November 27 federal election portend a sharp intensification of class conflict. While big business is pressing for a radical shift to the right, the bulk of Canadians, and above all the working class, oppose the dismantling of what remains of public and social services, the removal of all regulatory constraints on big business, and the curtailing of abortion and other democratic rights.

On Monday, the Liberals won their third successive majority government—capturing 173 of the 301 House of Commons seats and almost 41 percent of the popular vote—by casting themselves as a bulwark against the extreme right-wing Canadian Alliance. In opposition to the Alliance, the Liberals claimed to stand for tolerance and the preservation of the country's universal public health care system. They also denounced the Alliance for advocating a flat income tax that would overwhelmingly benefit the richest 10 percent of Canadians and for subscribing to the view that government should leave the populace at the mercy of market forces.

The Liberal campaign was demagogic and hypocritical. In its first term (1993-97) the Liberal government of Jean Chretien carried out the biggest social spending cuts in Canadian history. Just four days before calling the election, the Liberals delivered a tax-cutting mini-budget that was cribbed from the Alliance program and hailed by big business.

But under conditions where the trade unions and the social-democratic New Democratic Party have sabotaged and smothered working class resistance to the big business offensive and imposed job, wage and social spending cuts, masses of working people, concluded—albeit incorrectly—that a vote for the Liberals was a means of opposing a shift still further to the right.

Opinion pollsters, the media and even Liberal Party officials have conceded that the Liberal vote was largely negative, due far more to opposition to the Alliance than to enthusiasm for the record of the Chretien government. In Quebec, where the Alliance has little support, the Liberals also benefited from a sharp, 10 percentage point decline in voter turnout from the 1997 federal election. This decline, which was concentrated among younger voters, was largely attributable to growing popular disaffection with the Parti Québécois provincial government, if not with the separatist option advocated by it and its sister federal party, the Bloc Québécois.

For the Canadian Alliance, the election results were a stunning blow. Although it remains the Official Opposition, the Alliance failed to achieve either of its major objectives.

The Western-based Reform Party rewrote its program and transformed itself into the Alliance for the sole purpose of scoring an electoral “breakthrough” in Ontario, Canada's most populous, industrialized and cosmopolitan province. But on Monday, the Alliance gained just 2 of Ontario's 103 seats, while losing the one that it already held. Moreover, the Alliance's 23.6 percent share of Ontario's popular vote was an increase

of less than 5 percentage points over what Reform won in 1997.

This defeat is bound to intensify regional antagonisms within the Alliance. It may also call into question the position of party leader Stockwell Day, who won the Alliance leadership by touting himself as the candidate best able to “win in Ontario.” When the election campaign began, Day spoke of winning up to 40 Ontario seats. “Western Canadian Reform Party veterans,” observed one journalist, “will feel they made huge sacrifices to reach out to Ontario only to rebuffed.” Another said “an agonizing round of introspection” is inevitable.

The Alliance also failed to complete the political annihilation of the federal Tories, although Canada's traditional standard-bearer of the right remains on life-support. During the year preceding the election call, the Tory right wing rallied to the Alliance, while corporate Canada transferred most of its financial support from the Tories to the Alliance. When all but one of the Tories' Quebec MPs bolted to the Liberals, the federal Tories were reduced to a rump group based in the four Atlantic provinces, which are home to less than 10 percent of Canada's population. But despite the Alliance's best effort, the Tories were able to maintain 12 seats, the bare minimum needed to secure recognition as a party in Parliament. Adding insult to injury, they succeeded in electing their leader, Joe Clark, from a constituency in the Alliance's bastion of Calgary, Alberta.

The Alliance did increase its total seats, but by less than the Liberals did. Whereas in 1997 Reform won 60 seats and 19.4 percent of the popular vote, the Alliance captured 66 seats and a 25.5 percent share of the national vote.

Stockwell Day, in his post-election concession speech, claimed the election had confirmed the Alliance as the only credible alternative government to the Liberals, but his own disappointment was palpable. The Alliance remains far from government with all but two of its MPs from the four Western provinces.

The truth about Canada's much-touted political realignment has been laid bare. This realignment has not arisen from a popular groundswell, even of the right-wing populist kind that transformed Reform into a significant political force in the early 1990s. Big business and the corporate media have swung sharply to the right and have seized on the Alliance as a vehicle to press for a dramatic intensification of the assault on the working class. In pursuit of this aim, they have openly courted the religious right and other reactionary forces that they previously kept at arms-length. Meanwhile, the vast majority of working people, although in a politically confused fashion, have responded with anger and abhorrence as they have learned what the Alliance stands for.

During the course of the campaign, as popular opposition to the Alliance's program hardened and alarm over its ties to the religious right grew, the most powerful sections of big business drew back from the Alliance. A major reason for this was the Liberals' mini-budget, which

was crafted expressly to demonstrate to big business that the Liberals could do its bidding, while using the Alliance as a right-wing foil to contain popular opposition

But the Alliance's maladroitness—its clumsy attempt to distance itself from some of the most controversial parts of its social conservative agenda and failure to press for radical changes dear to the bourgeoisie, such as the expansion of private health care—were also duly noted. The ruling class became increasingly apprehensive about the Alliance's capacity to mold and manipulate public opinion in pursuit of a right-wing big business agenda, while keeping its religious right followers on a tight leash.

The *Globe and Mail*, the traditional voice of Canada's financial establishment, called for the return of a Liberal majority government. While praising Stockwell Day's party for having “many of the right instincts,” it sharply criticized the Alliance for wanting to weaken the federal government to the benefit of the provinces, particularly those in the West. “Beyond that, the campaign has sown doubts the Alliance has the intellectual sophistication to operate the levers of a complex country at a complex time.”

Even Conrad Black's *National Post*, which has served as the Alliance's press agency, agreed by the campaign's end that the Alliance “has not proven itself ready for government.” It called for “strong support” for the Alliance, so as to reduce the Liberals to a minority government and ensure “a strong opposition, capable of applying great pressure to ... chart a more aggressive course for the Canadian economy.”

That the dominant sections of big business ultimately concluded that a government of unabashed reaction would be too risky does not for a moment mean they will lessen their pressure for a dramatic intensification of the assault on the social position of the working class.

The Official Opposition Alliance will, of course, continue to be used to prod the Liberals rightward. But the corporate media has also served notice that its intends to encourage the leadership ambitions of Finance Minister Paul Martin.

The *Globe* and *National Post* and a slew of other leading dailies have already urged, if not demanded, Chretien's speedy departure and his replacement by Martin. Declared the *Globe* in its post-election editorial, “even as Mr. Chretien basks in a third consecutive majority, he should be mentally bracing himself for the tough but inevitable step to come: his handing over of the mantle to a successor ... who we hope will be Paul Martin.”

A multimillionaire businessman, Martin has won the accolades of big business, first for leading the Liberals' drive to cut public spending in the name of eliminating the deficit and now by emerging as the government's most ardent tax-cutter. According to press reports, the mini-budget was written by Martin and his aides with virtually no input from the prime minister's office.

And should Chretien dig in his heels, the press will continue its baying over allegations he acted improperly in the awarding of a government loan to the proprietor of a hotel he once co-owned and other scandals. The *World Socialist Web Site* has no brief for Chretien and the Liberal patronage machine, but such scandals are often employed as a mechanism whereby big business and the media can press for changes in personnel and policy whose real motivations they choose not, because of their thoroughly reactionary character, to publicly discuss.

The federal election results portend an eruption of class struggle, because the Liberals will, in response to pressure from their big business masters, implement the right-wing corporate agenda that the bulk of the electorate believed it was rejecting in voting against the Alliance.

Repeatedly in the past, the Liberals have won elections campaigning against the right, then implementing its program—most notably in 1974 when they won a majority government opposing wage controls, then the following year imposed three years of wage controls; and in 1993, when

Chretien decried the Tory government for focusing on deficit reduction, then on gaining power carried out social spending cuts that dwarfed those of the Mulroney Tories.

In 2000 the only difference was that the Liberals began implementing the Alliance's economic platform, with their mini-budget, even before the election was called. Still, because of the economic expansion and the rosy projections of massive federal budget surpluses, the Liberals have been able to maintain the pretense that they will be able to both dramatically lower taxes for the wealthy and increase spending on social programs and public services.

One of the reasons the Liberals chose to seek a new mandate after only three and a half year in office, instead of waiting the traditional four-year minimum, is that there are increasing signs of an economic downturn. When the economy slumps, masses of Canadians will be shocked to find that the \$100 billion the Liberals have committed to tax cuts over the next five years and the tens of billions more they have devoted to paying down the debt have resulted in a large fiscal shortfall and new demands for massive cuts to social and public services, privatization and the elimination of traditional constraints on big business.

The working class will thus be driven into headlong conflict with the Liberal regime and onto the path of political struggle. Objectively posed will be the need for the working class to advance its own program to radically reorganize economic life, so that the crisis can be resolved at the expense of the corporate owners, rather than working people.

The trade unions and the social-democratic NDP have repeatedly demonstrated that they are wedded to the existing social order and opposed to the independent political mobilization of the working class. A workers party based on a socialist and internationalist program will only be built in struggle against them.

The NDP won just 8.5 percent of the popular vote, down 2.5 percent from 1997, and captured 13 seats, 8 less than in the last election. The corporate media did its best to marginalize the NDP and its call for increased public spending, but this hardly accounts for the shriveling of the NDP over the past decade. Where the NDP has held power—in Ontario, British Columbia and Saskatchewan—it has carried out major attacks on the working class. Although the federal NDP deplored the mini-budget, the BC and Saskatchewan NDP governments praised it. As for the federal NDP's calls for increased public spending, they were entirely predicated on a continuation of the current economic expansion.



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