

# Canadian elections herald a dramatic intensification of class conflict

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Whatever the results of Monday's federal election, whichever party or combination of parties forms Canada's next government, the coming period will see a dramatic intensification of class conflict.

That this is so is demonstrated by the concerted campaign that Canada's corporate elite has mounted to shift politics far to the right and the anti-democratic methods it has used in pursuit of this aim.

In its most recent phase, this campaign has involved an unprecedented attempt to manipulate the electorate. The corporate media has served as a chorus for the Conservative Party in framing the 2006 election as a referendum on Liberal government corruption. This has gone hand in hand with its whitewashing of the political record of Stephen Harper, the neo-conservative ideologue and close Bush ally, who leads the Conservatives. Harper's new Conservative Party combines the right-wing populists and religious fundamentalists of Preston Manning's Reform Party with the remnant of the Progressive Conservative Party that most faithfully articulated the views of the Bay Street financial elite. Yet the media has proclaimed the Conservatives a modern, moderate, mainstream party.

In a rare moment of candour that sprung no doubt from excitement at the prospect of a Conservative election victory, *Globe and Mail* columnist Margaret Wente affirmed this week that beneath Harper's "newly genial demeanour beats the heart of a deep-blue conservative." His "dream is to shrink central government, privatize as much as he can get away with, and hack away at the incomprehensible system of income transfers that sucks money from the haves to the have-nots. ... [If Harper] has his way, his incrementalism will eventually reshape Canada as profoundly as did the creation of the welfare state."

The drive to bring to power a Harper-led Conservative government has drawn strength from an unprecedented intervention by the Royal Canadian Mounted Police (RCMP) into a federal election. Breaking with long established practice, Canada's national police announced in mid-election campaign that it is conducting a criminal investigation into a possible leak from within the Liberal government of details of a forthcoming policy statement on the taxation of income trusts and stock dividends.

The senior political columnist at one of Canada's two national dailies has called the RCMP's intervention "inexplicable." His counterpart at the other national daily, Harper-supporter Andrew Coyne, meanwhile, has chortled that the RCMP's intervention was divinely timed.

Although it is clear that the RCMP intervention was aimed at damaging the government—a government that Canada's national police believes has been insufficiently supportive (particularly in regards to its role in fingering Maher Arar for rendition by US authorities)—there has been no media outcry against RCMP dirty tricks.

Canada's corporate elite is none too anxious to see a full airing of the insider-trading/income trust affair, because it is entangled with corporate Canada's successful campaign to pressure the Liberals to make a series of tax policy decisions highly favourable to investors just five days before the government fell. But the RCMP announcement that it was investigating whether some investors may have been tipped off about the

tax policy statement was splashed across the front pages, because it could serve as fodder in the drive to stampede the electorate behind the Conservatives. Indeed, opinion polls suggest that RCMP announcement and the spin that the media placed on it played a decisive role in shifting voters behind the Conservatives.

The intensity of the coming assault on the social position of the working class and democratic rights can be further gauged by the fact that the Liberals have lost the support of the dominant sections of big business despite their having constituted the most right-wing Canadian government since the Great Depression.

The 12-year Liberal government of Jean Chrétien and Paul Martin has presided over a massive redistribution of wealth to the most privileged sections of the population—a redistribution carried out through massive social spending cuts, the tightening of unemployment insurance eligibility rules, and a sweeping rollback of corporate, capital gains, and personal income taxes. In response to the 1995 Quebec referendum, the Liberals passed legislation (the Clarity Act) that threatens Quebec with partition and otherwise strengthens the hand of Canada's elite should Canada's only majority French-speaking provinces vote to secede. Like other western governments, Canada's Liberal regime has passed laws that, in the name of the war on terrorism, strengthen the repressive powers of the state. And, in the wake of Bush's proclamation that the events of September 2001 constituted the beginning of the first war of the twenty-first century, the Liberals have heeded big business demands for the expansion and re-arming of Canada's military and increased Canadian participation in military actions aimed at pacifying "failed states" in the interests of international capital.

In the editorials proclaiming their support for a Conservative government, Canada's three most influential newspapers—the *Globe and Mail*, the traditional voice of Bay Street; the *National Post*, the flagship publication of the Canwest media empire; and Montreal's *La Presse*—all acknowledged that the Chrétien-Martin Liberal government has done big business' bidding. "It should be said at the outset," declared the *Post* a self-avowed patron of neo-conservatism, "that Canada's past decade under the Liberals has seen some remarkable public policy achievements." For its part, the *Globe* began its endorsement of the Conservatives with the affirmation that "Canada has been well served by 12-plus years of Liberal rule ... The national debt has fallen from 66.5 per cent of gross domestic product to 38.7 per cent. Taxes are down."

If Canada's corporate elite is nonetheless determined to see the Liberals banished to the opposition benches, it is because it believes that it is losing ground to its big business rivals in the US, Europe and Asia in the struggle for markets, investment, and geo-political power. It is especially concerned that its rivals have gone further in the drive to dismantle the rights and benefits won by the working class in the decades immediately following World War II.

Since the end of the dot-com stock boom and the coming to power of George W. Bush in the stolen US presidential election of 2000, big

business has become increasingly frustrated with the Liberals for equivocating, out of fear of mass popular opposition, from pressing forward with the dismantling of Medicare (Canada's universal public health care system) and other public and social services and for clinging to aspects of the anti-American nationalism of the Trudeau Liberals of the 1970s, including the depiction of Canada as a pacific, not militarist, state.

Paul Martin, whose putsch against Liberal Prime Minister Chrétien the corporate establishment fully supported with the hope and expectation that he would carry out a major shift right, is now lampooned as a ditherer.

In the eyes of Canada's corporate elite, Martin's greatest failing is his lack of leadership, by which they mean his reluctance to ruthlessly press forward with reactionary policies in the face of mass popular opposition.

Affirmed the *Globe* editorial board, "The government of Canada, long of tooth and short of energy, is mired in policy gridlock. Hard choices give way to easy spending, and long-term thinking is overwhelmed by short-term calculation."

"Moreover," continues the *Globe*, "Liberal verities"—i.e., the vestiges of the party's reform rhetoric of the 1960s—"hinder rather than assist the finding of answers to such challenges as increasing productivity, ... steadying relations with the United States and confronting the real ills of the health-care system."

The *Post* takes up a similar refrain, "On so many issues, where a single gesture of true leadership might have made a real difference, [Martin] failed to act decisively. [Canadian participation in US] Missile defence, marijuana decriminalization, health care liberalization: On each, progress has been paralyzed because Mr. Martin has fretted about displeasing once constituency or another."

Till now much of Canada's corporate elite has opposed the coming to power of the Reform Party/Canadian Alliance and the new Conservative Party, even while making use of them to prod the Liberals further right.

That corporate Canada now overwhelming supports the coming to power of the Conservatives is a product, on the one hand, of its determination to intensify the assault on the working class and, on the other, of two significant shifts Harper has made to make the his party a more direct and pliant tool of big business. Harper has placed the large social conservative cadre of his party on a leash, so as to reassure big business that controversies over abortion and gay marriage do not impede a Conservative government from making the major shifts in social and fiscal policy and foreign and military affairs that the ruling class wants.

Second, Harper has accepted mentoring from former prime minister and close Bush family friend Brian Mulroney. In keeping with this, Harper has announced a new "openness" to Quebec. In effect, Harper is hoping that Quebec's ruling elite, which has long-sought to wrest greater autonomy from the federal state will be his ally in pushing through a program of decentralization, that in the name of giving greater power to the provinces, can be used as a wrecking ball to raze what remains of the welfare state.

These changes notwithstanding the new Conservative Party remains an untested and unstable formation, whose socially reactionary agenda will provoke mass popular opposition and may well, through its attempts to redraw the balance of power between the provinces and Ottawa and between Western and Central Canada, bring the long-simmering struggle for pelf and power between the various regionally-based factions of the Canadian ruling class to a boil.

That the Conservatives, despite the overwhelming support of the media and all their attempts to camouflage their ultra right-wing intentions, are still far from certain of winning a majority of seats in the next parliament—let alone a majority of votes—underscores the narrow social base on which they rest.

The shift in class relations taking place in Canada conforms with an international pattern. Desperate to secure advantage over rival national-capitalist cliques, the ruling elites in country after country are seeking to overcome popular opposition to their regressive social policies and geo-

political ambitions by making political gambles and employing anti-democratic methods.

The Bush administration, which justified its illegal 2003 invasion of Iraq with a series of lies about weapons of mass destruction and ties between Baghdad and al-Qaeda, now proclaims it has the right to spy on US citizens in violation of Congressional restrictions.

Faced with massive popular opposition to its assault on social programs and worker rights, the German ruling class pressed for the calling of early elections in patent violation of the constitution; then when neither of its two main parties—the Christian Democrats and the Social Democrats—won a majority, it pressed for them to form a grand coalition to push through the unpopular and socially regressive measures.

Corporate Canada's drive to dismantle public and social services, gut workers rights and extend its global power through military adventures and by securing a privileged place within a US-led Fortress America will inevitably provoke massive popular opposition, above all from the working class.

But if the working class is to prevail in these struggles it must draw the lessons from the past quarter century of defeats and betrayals and adopt a new perspective that rejects the subordination of socio-economic life to the profit imperative of private capital and that seeks to mobilize workers in Canada alongside workers in the US, Mexico and around the world in a common struggle against global capitalism.

The fight for this program requires the organization of a political rebellion against the trade union bureaucracy and the social democrats of the New Democratic Party (NDP).

The unions and NDP have been complicit in the ruling class offensive. The unions have enforced corporate demands for wage and job cuts so as to boost corporate competitiveness. In those provinces where the NDP has held power over the last fifteen years, most significantly Ontario and British Columbia, it implemented social austerity measures and anti-worker laws that prepared the terrain for the rise to power of the right-wing regimes—the Harris Tories in Ontario and the Campbell Liberal government in BC.

After decades of constraining the struggles of the working class to limited reforms through parliamentary pressure, the NDP has become, under conditions of an intractable capitalist crisis, an integral part of the political establishment with a direct role in imposing the attacks of big business and taking back the minimal reforms of the past.

This transformation has been clearly demonstrated in this election campaign. NDP leader Jack Layton has fully embraced the big business mantra of fiscal responsibility with his promises of no tax increases. In the half-year preceding the election, Layton supported a minority Liberal government with the preposterous claim that a revised budget that took a couple of billions of dollars away from promised corporate tax cuts and boosted social spending by some 2 percent represented a major reversal in social policy. He then voted to bring down the Liberals on "ethical" grounds rather than their right-wing socio-economic record, thus providing political cover to the Conservative Party's attempt to grab power by concealing its own extreme class war agenda behind denunciations of Liberal corruption. The NDP, with the full support of the Canadian Labour Congress, is now auditioning for the role of holding the balance of power in what it hopes will be a second successive minority parliament. It is not even fazed by the prospect of propping up a radical-right government under Stephen Harper: as Layton has repeatedly stated, the NDP can "bring results" and "make Parliament work".

Meanwhile the Quebec unions are stumping for the big business, pro-*indépendantiste* Bloc Québécois, the sister party of the PQ, which implemented its own program of massive social spending cuts, when it formed Quebec's provincial government between 1994 and 2003. The class character of the BQ-PQ was further underscored during the election campaign, when the new leader of the PQ, André Boisclair, announced

that if the PQ wins the next provincial election it will not reopen the wage-cutting, concession-laden seven-year collective agreements that the provincial Liberal government recently imposed on half a million public sector workers by decree.

The Socialist Equality Party is fighting for the building of a new mass socialist party of the working class that will counterpose to the reactionary Canadian and Quebec nationalism promoted by the unions and social-democrats the fight to unify workers in Canada and around the world against capitalism and the outmoded nation-state system in which it is historically rooted.

All those who agree with such a program should join the ranks of the SEP and promote the development and expansion of the *World Socialist Web Site*.

Those living in the Toronto area are further urged to attend a public meeting of the SEP (Canada) this Sunday, at which Jerry Isaacs of the US SEP and I will be the featured speakers.

Titled "The class issues in the 2006 Canadian elections," the meeting is to be held January 22 at 2 p.m. in downtown Toronto. The venue is Room 119, Woodsworth College, 119 St. George Street (south of Bloor & St. George, near the St. George subway).



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