

# Canada's social democrats embrace big business from coast to coast

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The inexorable rightward trajectory of Canadian social democracy has been on full display in recent months. Under conditions of the deepest capitalist crisis since the Great Depression—with all the attendant social misery, unemployment, wage cuts and pension defaults—Canada's so-called party of "ordinary people" has stepped up its efforts to rebrand itself as "fiscally responsible" and business-friendly.

Take the recently concluded convention of the British Columbia New Democratic Party (NDP). In the days leading up to the meeting, party stalwarts sought out the pages of the nation's leading newspapers to make the argument that the NDP is a pillar of the establishment and dedicated to enriching the financial elite.

Seemingly oblivious to the social crisis wrought by global capitalism and the one-sided assault by big business against the working class, former British Columbia NDP Premier Mike Harcourt told the *Globe and Mail*, "Class warriors and socialists are as discredited today as the communists... You can't help the environment without a prosperous economy and without a prosperous economy you aren't going to address poverty. You have to deal with innovation and creativity. You've got to get with it."

Harcourt was joined in his call for the party to drop all pretense of representing the "little guy" by David Bieber, longtime BC NDP communications director. In an article published in the *Vancouver Sun*, Bieber advised that Carole James, the party leader, "needs to do more to reach out to business leaders and build the partnerships her government will need to ensure a strong economy that benefits all British Columbians, not just friends of the Liberal Party." Taking up a frequent criticism from the province's business leaders concerning the NDP's close ties to the union officialdom, Bieber, said James "needs to recruit candidates with financial and economic credentials"—i.e. corporate executives and capitalists.

Harcourt and Biebers' claim that governments must tend to the needs of big business if they want to improve public and social services is demonstrably disproven by the experience of recent decades. While the economy has more than doubled in size since the 1970s, real incomes have stagnated and gaping holes have been cut in the so-called social safety net.

Provincial leader Carole James, not surprisingly, took the advice of the party brain trust, making a speech and issuing statements at the convention that were singular in their embrace of market principles. For James, the sustainability of social programs must rely on "growing" the economy and not on taxing the wealthy. Business leaders must be consulted on building a "new, modern economy."

The convention, comprised of delegates who were able to afford the \$350 registration fee paid to the party (not to mention travel and hotel expenses), overwhelmingly agreed. It endorsed the James-backed slate of business-friendly candidates for full-time party posts.

The leading personnel of a party often reveal more about its character than any convention or pre-election promises, which are quickly forgotten

after the vote. In this regard, it is important to note that former Harcourt cabinet minister cum prosperous businessman, Moe Sihota, has been installed as party president. "For the NDP to be successful," said Sihota, "it needs to have stronger relations with all sectors of the business community. People need to see that the party is attentive to both business and social concerns. You need to reach out so that people feel comfortable."

James is also keen to elevate as a future "star candidate" George Heyman, a longtime bureaucrat in the B.C. Government Employees Union and current Executive Director of the provincial Sierra Club. As president of the BCGEU, Heyman came to be despised by workers for his cozy relationship with the government. Along with B.C. Federation of Labour chief Jim Sinclair, Heyman played a leading role in torpedoing a movement building towards a general strike against the right-wing Liberal government of Gordon Campbell in 2003. He imposed a settlement on hospital workers under which thousands saw their jobs contracted out.

Supporting James' embrace of big business, Heyman declared, "I'm not saying you don't allow people to accumulate wealth and benefit from their ingenuity, their investments, their creativity or what they're willing to put into business" as long as there is a "fair" taxation system that rewards people for their work.

Such is their close adherence to the neoliberal conceptions that predominate on the Canadian political scene that key NDP leaders in British Columbia have had no difficulty transitioning to the higher echelons of the Liberal Party and the corporate world in recent years. Former NDP Premier cum Liberal Member of Parliament Ujjal Dosanjh sat in former Prime Minister Paul Martin's cabinet and has served as the Opposition Liberal's shadow critic for National Defense, Foreign Affairs and Public Safety. And Dosanjh's predecessor as B.C. NDP premier, Glen Clark, managed to land solidly on his feet after being forced from the premiership and today holds an executive vice president's position in billionaire Jim Pattison's sprawling business empire.

The unquestioning allegiance of the NDP to the capitalist market has not been confined to Canada's west coast. In Nova Scotia, an NDP majority government under Premier Darrell Dexter was elected last June with open support from sections of business. Dexter, a self-confessed "conservative progressive" who enthusiastically propped up the provincial Conservative government of John Hamm for three years, ran a campaign that was to the right of the Liberal Party on economic and environmental issues. Dexter jettisoned a public auto insurance option from his party's platform, renounced a longstanding NDP commitment to repeal legislation designed to thwart union organizing at the province's Michelin plants, and heralded the NDP as the most willing to cut spending. Recently, Dexter has acknowledged that in order to fulfill his promise to balance the books, his government will have to address a \$540 million budget deficit through social spending cuts and income and sales tax increases.

Dexter's government has been favorably compared by the *Globe and Mail* to the "moderate" Manitoba NDP governments led by Gary Doer

and his successor, former Provincial Finance Minister Greg Selinger, for avidly pursuing policies indistinguishable from the big business Liberal Party. Doer, who engineered three majority election victories in Manitoba, openly proclaims himself a “small l” liberal. His government’s cozy relationship with the “mega-barn” hog factories and meat-packing companies in the province was so egregious that it was criticized even within NDP circles.

During his tenure, Doer provided more than a billion dollars in tax cuts that were heavily weighted to favour the wealthiest sections of the population, weakened environmental regulations, and oversaw an alarming increase in poverty. He and Selinger unveiled plans to further reduce corporate taxes in the province from 14 to 12 percent by 2012, making them the lowest in the entire country. The province has one of the highest rates of child and family poverty in Canada, some of the lowest average weekly earnings, and an alarming crisis in affordable housing.

Such is Doer’s reputation as a trusted supporter of big business and the Canadian state that he was recently appointed by Conservative Prime Minister Stephen Harper to the high profile position of Canadian ambassador to Washington.

Federal NDP leader Jack Layton declared that he was “delighted” with Doer’s appointment. “Premier Gary Doer,” gushed Layton, “is a statesman, respected by people across the political spectrum...[who] will help Canada establish a healthy working relationship with the Obama administration... New Democrats feel honoured to have one of our most effective leaders chosen to play this significant role on behalf all Canadians.”

Doer’s right-wing record and his new appointment have been universally praised by the corporate media, including by the neoconservative *National Post*, whose owners, the Winnipeg-based Asper family, have frequently found in Doer an eager advocate. Doer, noted the *Post* editorial board, “supported the Afghan war, opposed the federal firearms registry [a right-wing bugbear], and could keep up with anybody when it came to fire-breathing law-and-order talk. Manitoba’s business interests generally found him congenial (especially with regard to tax policies)...”

Shortly before Doer’s appointment the NDP’s subservience to big business and implacable support for the existing social order was again on display, this time at their federal party convention in Halifax. There, the leadership was at pains to identify itself with the US Democratic Party and the Obama administration, no matter that in the seven short months Obama had held office he had already proven himself to be a ruthless defender of US imperialism, by plundering the state treasury for the benefit of the financial plutocracy, intensifying and extending the war in Afghanistan and Pakistan, imposing draconian concessions on auto workers, and continuing, with only cosmetic changes, the wantonly antidemocratic practices of the Bush administration, including rendition and military tribunals.

One does not need to look further than the maneuvers of the NDP during last year’s stillborn attempt to form a governing coalition with the Liberals in Ottawa to see the true nature of social democracy today. As world capitalism was being convulsed by the initial shocks of its greatest crisis since the Great Depression, the NDP, with the enthusiastic support of the Canadian Labour Congress and the rest of the union bureaucracy, agreed to become the junior partners in a Liberal-led coalition government committed to waging war in Afghanistan, upholding “fiscal responsibility,” and implementing the Harper government’s five-year, \$50 billion-plus schedule of corporate tax cuts. Then when the Conservatives, with the backing of the most powerful sections of Canadian capital, used a patently antidemocratic mechanism—the proroguing of parliament by the unelected Governor General—to shut down parliament, the Liberals and NDP meekly relented before what was for all intents and purposes a constitutional coup.

It is important to note that despite the shameless capitulation of the NDP to the demands of Bay Street, the party continues to receive the support from a whole coterie of middle class ex-radical groups, who despite everything attempt to breathe life into this moribund political formation so as to divert growing social anger and protest into channels harmless to the ruling elite.

Organizations like the International Socialists (I.S.), Socialist Action, or the so-called Fightback group insist that this junior party of big business can under pressure be miraculously transformed into an instrument of working class struggle, if not a socialist party. Thus, the I.S. welcomed the election of Layton to the NDP leadership and perennially calls on workers and youth to vote for the social democrats. Other groups call on workers and young people to join the NDP and fight to build it!

For three decades, from its formation in 1961 to the early 1990s, the NDP was the “third party” in Canadian politics, a sometime occupant of provincial office in three of the four Western provinces and an increasingly potent electoral force in Ontario, Canada’s most populous and industrialized province.

As the political instrument of the trade union bureaucracy, the NDP played a vital role in regulating class relations. The union bureaucracy made use of the NDP in pressuring big business Liberal governments for social reforms, the better to head off the development of an independent and anti-capitalist working class political movement. Through parliament and collective bargaining, the profit system could be humanized, or so claimed the social democrats, with a decent living standard for all and a modicum of social equality.

In the early 1990s, under conditions of the worst slump in Canada since the Great Depression, working people brought the NDP to power in Ontario, British Columbia and Saskatchewan—provinces representing more than half the country’s entire population. Their hopes that the NDP would protect them from the slump were quickly dashed. The NDP governments imposed massive public and social spending cuts, as well as wage austerity, and parroted the rhetoric of the right on everything from welfare reform to anti-labour laws.

In Ontario, the NDP government of Bob Rae (now frontbencher for the Liberal Party) attacked public sector workers and was responsible for brutal social spending cuts. In 1995, discredited by their assault on the working class, the Rae NDP gave way to, and was itself responsible for, the coming to power of the Conservative regime of Mike Harris. Then in 1997, when a working-class upsurge against the Harris government culminated in an implicitly political province-wide teachers’ strike, the unions and NDP isolated and suppressed the strike.

The globalization of production and the associated dominance of the international financial aristocracy have completely undermined the program of social reformism, i.e. the attempt to reform capitalism through collective bargaining and parliamentary reform. While the unions and NDP always served the fundamental interests of capital, over the past quarter century they have shredded their timid reform program, sabotaged even the defensive struggles of the working class, and become instruments through which big business imposes wage and social spending cuts. More than ever, the defense of wages, jobs and past social gains requires a socialist perspective and a political struggle against the capitalist profit system.



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