Canadian elite applauds Liberals' pipeline approval, demands Trudeau show more "steel"

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Liberal Prime Minister Justin Trudeau announced Tuesday that his government has given the go-ahead for two major pipeline projects, including the expansion of the Trans Mountain pipeline to transport diluted bitumen (heavy oil) from Alberta's tar sands to the British Columbia coast.

Trudeau's announcement has been universally hailed by big business, because it will decrease Canadian dependence on the US energy market and open up Asian markets for Canada's oil industry.

In a bid to placate some of the Liberals' environmentalist supporters, Trudeau confirmed that an alternate, long-troubled project to transport bitumen to Kitimat on BC's north shore, the Northern Gateway pipeline, will not be allowed to proceed. This enabled Trudeau to announce his government will make a ban on oil tankers off the northern BC coast permanent.

The Liberals' approval of the Trans Mountain pipeline has major economic and geopolitical implications for Canadian big business. The previous Stephen Harper-led Conservative government sought to establish Canada as an "energy superpower." A key element in this strategy was securing access to tidewater for Alberta oil, rather than having it "locked-into" the Canada-US market. The Canadian ruling elite has been keen to take advantage of rapidly growing markets in Asia and the commodity price-boom of the first decade of this century. Harper even hoped that the growing conflict between the western powers and Russia, in which Canada has been playing a leading and provocative role, could open European markets to Canadian oil and liquid natural gas exports.

Harper's strategy suffered a major blow with the 2014 oil price collapse, which led to the cancelling or delay of oil-projects worth tens of billions of dollars, the elimination of tens of thousands of jobs in Alberta and the rapid spread of poverty and economic insecurity in what had been Canada's richest province. In addition, the vast growth of shale oil and natural gas production in the US in recent years undermined the market for Alberta's high-cost tar sands oil south of the border.

But a significant impediment to building the pipelines needed to open up new markets for the rapidly expanding output of Alberta tar-sands oil was political: the Conservatives' belligerent assertion of the interests of big business, packaged in aggressive Canadian nationalist and militarist terms, provoked widespread opposition among the population. As a result, despite the Conservatives' repeated vows of support for the energy sector, not a single kilometer of new pipeline was built during Harper's ten years in office.

The Trudeau Liberals: a "progressive" mask for continued austerity and war

This was one of the chief reasons why decisive sections of big business rallied behind the Liberals in the 2015 election. The ruling class calculated that Trudeau's professed commitment to a clean energy strategy, environmental protection, and a "nation to nation" relationship with native people—that is his policy of integrating the aboriginal elite into big business and the state—would provide a Liberal government with the necessary political cover to oversee a crash program in pipeline building and expansion.

Aided and abetted by the trade unions and New Democratic Party (NDP), which leant their weight to an "Anybody but Harper" campaign in last year's election that promoted the big business Liberals as a "progressive" alternative, Trudeau and his cabinet have now begun to deliver the goods. Speaking in the House of Commons Wednesday, Trudeau boasted, "Yesterday's announcement demonstrated that in one year we were able to do what, in ten years, the previous government was unable to do."

The Liberal government and Big Oil hope to achieve a number of inter-related goals with the building of the Trans Mountain pipeline. Their first goal is to reduce the Canadian oil industry's dependence on the US market. Although the Canada-US partnership remains pivotal to Canadian imperialism, with Ottawa deeply implicated in Washington's principal military-strategic offensives and reliant on the US market for three quarters of all its exports, much of Canada's energy sector views the US as a direct competitor and is determined to increase Canada's access to the world market. Fully 99 percent of Canadian oil exports currently go to the US, where Canadian producers are compelled to accept reduced prices, a problem only compounded by the present low price of oil.

Secondly, Canada's ruling elite is seeking to make the tar sands, reputedly the world's third largest reserve of recoverable oil, an important source of oil for Asia's rapidly growing economies, especially China. The Liberals have been conducting a behind-the-scenes review of their policy towards China over recent months and Canada's inability to get its oil to a Pacific port has been identified as a major obstacle to boosting Canada's economic relations with the world's second largest economy.

While the Trans Mountain decision was long in the making, it is clear that the election of Donald Trump to the US presidency last month reinforced the argument for approving it. Although the

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billionaire demagogue has vowed to revive the Keystone XL pipeline, which would transport bitumen from Alberta to US refineries on the Gulf of Mexico, he has threatened to impose additional charges that would make the project less attractive. More fundamentally, his "America First" economic nationalism and protectionism is forcing ruling elites around the world, from Canada to Europe and Asia, to more openly assert their own imperialist interests.

The revival of the Canadian bourgeoisie's "energy superpower" ambitions with this week's pipeline announcements has been brought about by an alliance of the Liberals with the social democratic NDP. The Alberta government—currently the only provincial government led by the trade union-aligned NDP—collaborated closely with the Trudeau Liberals in laying the political groundwork for the greenlighting of the Trans Mountain project.

Fittingly, Trudeau and Alberta Premier Rachel Notley met and engaged in mutual back-slapping immediately after his Tuesday announcement. Notley, whose NDP government has implemented austerity measures to offload the economic crisis onto working people while refusing to increase taxes on the oil corporations, has introduced a carbon tax and a 100 megaton annual cap on greenhouse gas emissions that will allow tar sands oil production to grow for years to come.

The Liberals have pressed ahead with their own federal "clean energy" initiative, which while providing the expansion of oil pipelines with political cover also seeks to create new opportunities for corporate profits in renewable and other energy sectors.

Notley hailed Trudeau for his "extraordinary leadership," before going on to concisely sum up the hopes of big business, "We are getting a chance to break our land-lock. We're getting a chance to sell to China and other new markets at better prices. We're getting a chance to reduce our dependence on one market, and therefore to be more economically independent."

Big business lauds Trudeau for defying public opinion

The corporate media has rushed to praise Trudeau's decision. Important as Trans Mountain is for the Canadian ruling elite's economic and geopolitical ambitions, the media also views Trudeau's support for the project in the face of widespread public opposition as a test for other "tough decisions" it insists must be implemented. These include the soon to be announced deployment of hundreds of troops to wage war in Africa under the fraudulent banner of peacekeeping, the implementation of an already unveiled program of privatizing public infrastructure that will funnel billions into the pockets of the super-rich through the adoption of user fees and tolls on everything from water-supply to roads and bridges, and the enforcement of further attacks on the working class including pension reform and public spending cuts.

Campbell Clark, the *Globe and Mail's* chief political writer, summed it up in a column Wednesday. Trudeau's Trans Mountain announcement, he asserted, "marks a turning point in his prime ministership. Until now, it was easy to doubt whether Mr. Trudeau had the steel to make decisions that offend." But now, continued Clark, he has shown that he is ready to implement measures "he knows will anger many who supported him."

Andrew Coyne in the right-wing *National Post* was even more explicit. Under conditions of ongoing economic crisis and signs of growing class struggle in Canada and internationally, Coyne declared, "At stake in the coming battle over the Trans Mountain pipeline is not just the fate of the project or (Trudeau's) own political fortunes, but how Canada is to be governed. It is a conflict we have been avoiding until now … Are decisions on resource use development to be made by democratically elected governments … within a framework of law defined by independent courts, or are we to be ruled in effect from the streets?"

The concern of Coyne and the many others who have written along similar lines is hardly with the likes of Green Party leader Elizabeth May, who has indicated she is prepared to go to jail for engaging in acts of civil disobedience to stop Trans Mountain. May is a representative of the political establishment who played a critical role in promoting the Liberals' "progressive" bonafides during last year's election, including by offering to help negotiate a Liberal-NDP coalition in the event of a hung or minority parliament.

What troubles big business and its media mouthpieces is the prospect of growing social unrest. Although the public protests against Trans Mountain have largely been confined to British Columbia and remain under the control of pro-capitalist environmentalist and First Nations groups, the ruling class fears that the attacks to be implemented by the Liberals in the period immediately ahead and the ongoing economic crisis will trigger a working class upsurge. This is why Coyne goes on to urge Trudeau to worry less about his abilities to "listen, to conciliate, to empathize" and to focus more in the coming period on displaying "his father's steel."

This is a reference to the right-wing, anti-working class record of Liberal Prime Minister Pierre Trudeau, who in the 1970s imposed the War Measures Act and sent troops onto the streets of Quebec, imposed a three-year wage-cutting wage-control program, and in 1978 threatened to fire postal worker *en masse* when they defied a strike-breaking law.

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