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Socialist Voice #290, December 1, 2008

Coalition Government? Let's Not Give Away the Store

By John Riddell

The Harper government's economic proposals, announced November 27, aroused a cry of outrage from unions and social activists across the country: "Throw the bums out."

The Conservative plan for cutbacks, combined with attacks on the rights of unions and women, showed clearly, as CLC President Ken Georgetti said, that the Conservative government aims "to make working people pay for a crisis they did not create." Efforts by the Liberals and NDP to forge an alternative government have won wide of support in progressive circles, where many see a coalition as the only way to bring the hated government down.

Leaders of four major national unions and three influential progressive advocacy groups joined November 28 in an appeal to the Liberals and NDP to join in pursuing this goal, since "only a coalition government can provide the leadership Canada needs.") These calls all assume that the coalition would be Liberal-led – and none of them has raised any programmatic agenda for such a government.

Is the prospect of a Liberal-led government really so appealing as to deserve a blank cheque? Have the advocates of coalition forgotten that it was the last Liberal government that originated most of the hated "Harper" policies, including the gutting of social services, attacks on civil liberties dressed up as "anti-terrorism" and Canada's disastrous war in Afghanistan?

From all reports, the NDP is not calling for changes in those policies in its negotiations with the Liberals. *The Globe and Mail* noted November 29 that "a senior NDP official said that no policy issues are considered deal-breakers."

The Liberals say they favour “an economic stimulus package,” but its content is unknown. Certainly the Liberals will give government a much bigger role in managing the economy. Every major capitalist government is doing that – and Harper will do it too, once he gets his signals straight.

As Margaret Thatcher might say, “There Is No Alternative.” Neo-liberalism is in shambles; the economies are in utter crisis; government intervention is capitalism’s only hope.

But there is no assurance that increased government spending will be associated with social reform – massive deficits were the hallmarks not only of Roosevelt, but also of Reagan and Bush. A Liberal “stimulus” package is most likely to combine massive handouts to big business with attacks on workers’ wages and pensions.

The aim of progressive policy must not be to enhance the power of capitalist governments but to increase that of working people. We cannot expect Stéphane, Iggy and Bob to do any such thing, even if the NDP has a few Cabinet posts.

The only force we can depend on is the pressure of independent popular and labour movements. In a situation of social and economic crisis, these movements can become an irresistible force.

And here is the fatal weakness of the coalition government scheme. Locked inside a Liberal-dominated coalition, the NDP would be unable to campaign against capitalist attacks. Accepting responsibility for the anti-labour measures of such a government could rapidly discredit the NDP and end its ability to continue as the bearer of popular hopes for social change.

At the same time, labour leaders’ current pledges of unconditional support to a coalition will undermine the unions’ ability to act independently in defence of workers’ rights and needs.

Tying ourselves down in this manner is particularly dangerous in the midst of an economic crisis that is unprecedented, and shifting rapidly in unpredictable ways.

Here the Bloc Québécois sets a positive example: whatever parliamentary manoeuvres they wisely or unwisely engage in, they are determined not to enter a Liberal-led government.

The best way to resist big business attacks and win immediate and specific gains is to stick to the path of independence from big business and its parties, and rely on the potential of popular movements.

On such a course, and in present conditions, it is by no means excluded that we could prepare the ground for a Venezuelan-type outcome: a sweeping shift in power relationships in favour of working people, the poor and the oppressed, and their organizations.

To move forward in this time of crisis, we must avoid falling into the deadly embrace of our enemies. As Muhammed Ali said, to be free to fight, you need to float like a butterfly – and sting like a bee.

John Riddell is co-editor of Socialist Voice. This article is reprinted with permission from rabble.ca

Socialist Voice #291, December 4, 2008

Venezuelan Elections: Pro-Chávez Forces Advance, Prepare for New Struggles

By Federico Fuentes

Supporters and opponents of Venezuela's Bolivarian revolution have produced very different assessments following the November 23 regional elections, which Venezuelan President Hugo Chávez called the most important electoral contest yet.

Twenty-two governorships, 328 mayoralty posts, and 233 legislative council positions were at stake.

In the lead-up to the polling, Chávez presented the vote as a virtual referendum on his government's socialist project — and on the goal of deepening the revolutionary process that has succeeded in significantly reducing poverty, but faces increasing pressures from the still-powerful corporate elite.

The opposition, echoed by the international media, claimed it would deliver a significant blow to the Chavista movement, and continued to paint the government as dictatorial.

Despite those charges, more than 130 international observers agreed that the vote was free and fair, as were the 12 previous votes held since Chávez was first elected in 1998.

Outcomes

The total of nearly five million votes for Chávez's United Socialist Party of Venezuela (PSUV) far surpassed the votes of the second largest party, the opposition A New Time (UNT) party, which scored just over one million.

The Chavistas describe this outcome as an advance, citing pro-Bolivarian victories in 17 governor races and 81% of the mayoral contests. They point out that the national PSUV vote exceeded the total opposition vote by 1.5 million.

On the other side, the US-backed right-wing opposition is emphasizing its victories in the three largest states — Zulia, Carabobo and Miranda — and in the mayoral election in Greater Caracas. It now controls the governments of five states.

In the last regional elections, held in October 2004, the Chavistas won all but two states. However, it must be remembered that the opposition largely abstained, and that pro-Chávez forces had just won a crushing victory in the August 2004 recall referendum. The regional elections are traditionally marked by low turnouts, but this time the number of registered voters was up, and an impressive 65% voted, reflecting the increased political participation that the Bolivarian revolution has spurred.

It should also be noted that just a year ago the Chavista forces suffered their first electoral defeat, when voters narrowly rejected the government's proposals for a wide-ranging, and somewhat confusing, package of constitutional reforms. In that referendum, 3 million of the 7 million

people who had voted for Chávez in 2006 abstained, giving the victory to the opposition, whose vote was only slightly larger than the 4.3 million it received in the presidential election.

Following the referendum, the opposition parties and counter-revolutionary media immediately declared the beginning of the end for Chavismo, predicting that the opposition would win 12 to 15 governorships this year.

The right wing hoped that the factors that let it win the referendum — dissatisfaction with the bureaucracy and corruption, the poor performance of many Chavista officials and ongoing problems such as crime and housing — would allow them to win new support from the poor Venezuelans who constitute Chávez's main support. Instead, the campaign developed as a referendum on the country's direction, a choice between accelerating the drive towards socialism, on one hand, and strengthening the opposition's frontal attacks on the revolution, on the other.

Results

Given this situation, what do the results mean?

The Chavista vote rose from just over 4 million last year to more than 5.5 million this year, an important recovery of support although only half way to the 7 million votes for Chávez in 2006.

Especially significant are the nearly 5 million votes cast for the PSUV itself, confirming that it is the primary political force in Venezuela, less than a year after it was formally constituted. The PSUV held primary elections for its candidates, involving 2.5 million people, the first time this has occurred in Venezuela's history.

Chávez called for the formation of the PSUV after his 2006 victory, to unite the dispersed revolutionary forces and create a badly needed political instrument to lead the process towards socialism. The party was formally launched only this year.

The lack of such a party contributed to the defeat of the constitutional reform campaign in 2007.

Previously, the Bolivarian process had to rely on the amorphous electoral machine of the Movement for the Fifth Republic (MVR) — viewed by much of the ranks as a vehicle for opportunists — and on several smaller parties.

In addition to the PSUV vote, 500,000 votes went to candidates from other parties that are part of the of the pro-Chávez Patriotic Alliance that involves the PSUV.

A number of dissident Chavista candidates who stood against PSUV candidates garnered just over 400,000 votes. These were either candidates that didn't win PSUV pre-selection or candidates of the Communist Party of Venezuela or the Homeland for All party. Both of these parties have declined to join the PSUV, but take part in the Patriotic Alliance. While some such candidates expressed left-wing discontent with the PSUV, most hold political positions counterposed to the revolutionary process.

Their comparatively low vote indicates a general rejection of attempts to pose a pro-Chávez alternative outside the PSUV.

As for the candidates of the rightist opposition, they tallied just over 4.1 million votes, a drop of almost 10% from the 2007 referendum.

Opposition gains?

Much has been made in the Western media of the fact that the opposition won five states, compared to two in 2004.

This ignores the fact that that since 2004 five governors who were elected as pro-Chávez candidates had broken with the government.

Two, in Aragua and Sucre, were aligned with the social-democratic party Podemos, which left the pro-Chávez camp in 2007 and which was aligned with the opposition this time. The governors of Carabobo, Guarico and Trujillo broke with the Bolivarian process this year and opposed the PSUV in this election.

This means that the Chavista forces held 16 states before the election; they now hold 17.

While the PSUV did not win the two states the opposition won in 2004 (Zulia and Nueva Esparta), it regained control of Aragua and Sucre — destroying Podemos on the way — as well as Guarico and Trujillo.

In Carabobo, the opposition candidate won a narrow victory mainly because a right-wing Chavista dissident split the vote.

In 2004 the Chavistas narrowly won Tachira, which borders on Colombia; they lost it this time.

Furthermore, the PSUV won 264 municipalities, up from 226 Chavista victories in 2004, including 80 of the 100 most populous municipalities. The opposition dropped from 70 to 56 mayoral offices.

The biggest upsets, however, were the opposition victories in the state of Miranda — which includes part of Caracas — and the Greater Caracas mayoralty.

Balance sheet

The first item on the balance sheet is the increase in the Chavista vote, which resulted from three factors.

First, the impact of decisive government measures this year to combat widespread problems causing dissatisfaction among the population. These measures include the nationalization of strategic industries such as cement, steel and milk production, together with policies that helped overcome food shortages, increased the construction of housing and to some degree reduced crime.

Second, the non-stop political campaigning by Chávez, who remains hugely popular, ensured that each time he visited a state the local PSUV candidate's standing in the polls rose several percentage points.

Third, and perhaps most important, was the role of the PSUV. Together with Chávez, it was the grassroots units of the PSUV that drove the election campaign.

The dynamic relationship between Chávez and the grassroots, revived after a certain weakening in 2007, was for the first time expressed in an organic manner through PSUV structures.

This was crucial for overcoming discontent among the popular sectors.

This relationship was demonstrated on election day when internal PSUV exit polls around midday looked bad. The PSUV moved into action and mobilized the popular sectors that recognized the danger.

This helps explain not only why voting booths in many areas remained open well past the official closing time of 4 pm, but also why the opposition urged the National Electoral Commission to close the polling booths after 4 pm — despite Venezuelan law stating that a booth cannot be closed as long as there are people waiting to vote.

On the other hand, it explains the surprising losses in Miranda and Greater Caracas. While an important turnaround in voting trends occurred — many of the last polling booths to close were in the impoverished neighbourhood of Petare — this was not enough to secure victory in the Sucre municipality and handed the opposition its victory in Miranda and Greater Caracas.

Mismanagement and corruption by the previous mayor of Greater Caracas, the governor of Miranda and the mayor of Sucre — all Chavistas and all with jurisdiction over Petare — meant that in poorer areas of Petare many people refused to vote for Chavista candidates. In those areas, between 40% and 45% of voters abstained.

Another factor was popular rejection of such candidates as incumbent Miranda governor Diosdado Cabello, who is widely viewed as a leader of the Chavista right wing.

Overall the opposition vote stayed solid at around 40%. This can be explained more by the corporate media monopoly than the policies of a divided opposition, which is united only around the goal of removing Chávez.

While that is not enough for the opposition to win national elections, it is still a major barrier to the move towards socialism, which requires the support and mobilization of the great majority.

Another important factor is U.S. intervention. In the border states of Zulia and Tachira, U.S.-inspired right-wing Colombian paramilitaries played a significant role in ensuring opposition victories. In Petare the U.S. government agency USAID funded opposition-run popular networks that built a base of support among the poor.

Growing confrontation

The election's outcome and reactions to it seem to point towards growing confrontation, and a possible return to the turbulence that characterized the period of 2002-2003.

While the opposition secured control of some crucial posts, it is clear that support for Chávez and the revolutionary process remains strong.

It is also clear that the revolution needs to resolve some internal questions.

The rejection of right-wing Chavista candidates by the revolution's working-class supporters, and the possibility that newly elected Chavista governors may jump ship (especially in Lara

where the new PSUV governor previously expressed his willingness to run on an opposition ticket and formed his own party during the campaign) demonstrates the need to carry out the “revolution within the revolution” that Chávez has spoken about.

To do this it is crucial to build the PSUV not simply as a powerful electoral machine but as a real political instrument at the service of working people and the revolution.

Chávez has stated that the election results are a mandate for accelerating the pace towards socialism. This will require dealing with the dominant corporate media, U.S. subversion and capitalist economic sabotage.

Opposition violence

A number of opposition governors were openly involved in the 2002 military coup that briefly overthrew Chávez, and will undoubtedly seek to use the institutions they control against the national government. Chávez has warned the opposition governors that any destabilizing activity will be met by the full weight of the law.

Already there are disturbing reports of opposition thugs in the newly opposition-run areas, violently attacking activists involved in communal councils, social missions and other popular organizations. In some places, street battles have broken out, while in others activists have been forcibly ejected from buildings that house popular projects that tackle the needs of the poor.

Addressing supporters on November 28, Chávez spent eight minutes reading examples of attacks on the pro-poor social missions, without completing the list. He declared:

“They want confrontation. Venezuelan people, Venezuelan soldiers, we are ready to defend the gains of the Bolivarian Revolution!... We are willing to die for the Bolivarian revolution, for the spaces that the people have won and the path we have chosen to take.

“Where civil or military functionaries try to interfere in the process of the recovery of the property that belongs to the people, they need to be singled out by the people ... and we need to apply the full weight of the law against these functionaries, no matter who they are.

“This is part of what I call a revolution within the revolution.”

That day, thousands of people marched in defence of the social missions in the capital of Miranda, Los Teques, and against the newly elected opposition governor, Henrique Capriles Radonski, who has been accused of orchestrating violent attacks.

The march was led by the Chavista mayor-elect of the Guaicaipuro municipality, Alirio Mendoza, who stated: “We are here today supporting the people in defense of their constitutional rights. We can not allow the representatives of capitalism, of fascism, to violently seize the spaces that we have won with struggle and revolutionary commitment.”

In this new political context, the PSUV will have to develop a strategy to directly confront coup-plotting activity in Miranda, Caracas, Zulia and other regions. This can only be done by simultaneously confronting the powerful right-wing within the PSUV.

The next year looms as decisive for the Bolivarian revolution, which faces lower oil prices, internal battles over direction, and the counter-revolution's newly secured control over important positions.

On the other hand, the important gains in 2008, as well as the still-high popular support for the process, show that significant progress is possible.

An earlier version of this article was published in Green Left Weekly, November 29, 2008. The Australia Venezuela Solidarity Network has published further information on current right-wing attacks on Venezuela's democratic process.

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Bolivia's Complex Struggle for Change

By Federico Fuentes

Having captured the imagination of progressives across the globe with scenes of indigenous uprisings confronting right-wing governments and multinationals, Bolivia has become a key focal point of discussion within the left regarding strategies for change.

Unfortunately, starry-eyed notions and schemas rather than reality have influenced the views of some left commentators on the revolutionary process unfolding in South America's poorest nation.

At the centre of this debate is the role of the Movement Towards Socialism (MAS), led by indigenous President Evo Morales, and its strategy for refounding Bolivia.

After three years of the Morales government it is possible to draw some tentative conclusions about this social experiment, which embodies the desire of Bolivia's oppressed indigenous majority to take power in order to bring about real change — unlike the Mexican Zapatista's "change the world without taking power" strategy or the practice of Brazil's Workers' Party, which combines power with as little change as possible.

Reformist MAS, revolutionary bases?

Two prominent figures who have consistently attacked the strategy of the MAS leadership are U.S. intellectual James Petras and Canadian socialist Jeffery R. Webber.

For Petras, the situation in Bolivia is defined by the division between "a revolutionary impoverished peasant mass base and [the] electoral-reformist petit bourgeois leadership" of Morales. Petras argues that the MAS has channelled the revolutionary base towards "electoral politics culminating in [Morales's] successful electoral campaign for the presidency" and is derailing a "revolutionary" outcome to the nation's political and social crisis.

Webber has argued that Bolivian social movements face the choice between MAS's "populist reformism" or "a turn toward indigenous liberation and a transition to socialism."

However, the MAS government and strategy can only be understood in the context of the intertwined and complex relationship between Morales, the MAS and the social movements.

Social explosions

The social explosions of 2000 were only the first visible explosions of growing discontent with neoliberalism in Bolivia. Since 1985, successive Bolivian governments had turned the country into a laboratory for neoliberal shock therapy. Privatization of mines, labour casualization and market deregulation led to a massive fragmentation and dispersal of the militant miners' movement, shattering any real resistance in the urban areas to the plundering of the country's economy and resources.

In the early 1990s, indigenous communities from the east marched in defence of their land and for a new constituent assembly to found a new, inclusive Bolivia, heralding a revitalization of the country's indigenous movements.

Many ex-miners and Aymara indigenous people, who in the '80s turned to growing coca following mine privatizations and droughts in the west of the country, found new political homes in the powerful *cocalero* unions.

Militant union traditions and indigenous communitarian organizing, combined with increased militarization in the coca-growing regions, led to the emergence of the militantly anti-imperialist *cocaleros*. Acting more as organs of local power than simple unions, the unions took on roles traditionally assigned to the state.

As disaffection with the neoliberal parties grew, so did the idea that a new political vehicle was needed.

The *cocaleros*, together with the peasant movement, predominantly based in the west, and the indigenous movement of the east, forged their own political organization: the Political Instrument for the Sovereignty of the Peoples (IPSP) — today more commonly known by its legally registered name, the Movement Towards Socialism (MAS). Ignored or downplayed by much of the urban left, the MAS-IPSP began to accumulate forces, attempting to reach out into the cities.

Even today, these organizations (particularly the *cocaleros*) make up the heart and organizational structure of the MAS, and it is with them that Morales continues to discuss and debate the next steps forward.

Elections and insurrection

Through a strategy of mobilization, alliance-building and the construction of a national project for change, the indigenous peasant movement burst onto the political scene in the 2002 national elections, when Morales came a close second with 21% of the vote.

While reflecting its still predominantly rural base, the vote marked the first time that large numbers of indigenous people had voted for one of their own. Together with Felipe Quispe's Pachakutik Indigenous Movement, indigenous parties controlled one third of the parliament.

This led to a strengthened belief in the possibility of winning elections in order to use parliament as a tool for transforming Bolivia.

This, in part, explains the limited role played by MAS and the *cocaleros* in the 2003 uprising against then-president Gonzalo Sánchez de Lozada. They restricted themselves to mobilizations and roadblocks in the Chapare, while the militant neighbourhood organizations of El Alto led the protests.

Divisions between the various leaders of the regional corporative social movements, each of which mobilized independently around its respective sectoral demands, also explain why Morales did not play a central role in these events.

The MAS, and particularly Morales, were much more prominent in the 2005 uprising against then-President Carlos Mesa. While originally raising a more moderate proposal regarding gas nationalizations than other, more “radical” social movements, the MAS listened to the ranks it had mobilized in large numbers and shifted its demands to the left.

Morales’s call for mobilizations to block the swearing-in of the next two in line to assume the presidency following Mesa’s resignation was crucial to opening the path towards early elections.

All the social movements — including the “radicals” — supported that outcome.

With no contending alternative project on the left, the MAS won the 2005 election with over 90% support in the Chapare, 80% in the impoverished Aymara city of El Alto, a clean sweep of the middle-class areas in La Paz, and 30% in the eastern department of Santa Cruz.

Indigenous nationalism

This emergence of a militant indigenous nationalism, expressed in the vote for Morales, whose vision involves promoting inclusion and power distribution for the indigenous majority, acts as a cohering force that has drawn around it important sections of the white and mestizo population.

Some of the social movements have proposed more radical actions or demands — reflected in the divisions that exist within MAS over whether to use dialogue or to directly confront the oligarchy. However, there is no real movement proposing a radically different project for change, let alone for socialism.

Instead today, with the unity pact that exists between the National Coalition for Change (CONALCAM, the largest indigenous, peasant and urban social movements) and the Bolivian Workers Central (COB), the movements are more united than ever behind “their” government.

What makes this national movement different from previous nationalist experiences is that for the first time, it is not sections of the middle class or military, but indigenous plebeian sectors that are leading the forces of change.

The Morales government has focussed on modernization of the country, promotion of industrialization, increased state intervention in the economy, social and cultural inclusion, and a more democratic redistribution of revenues from natural resources through various social programs.

In a country where only a few years ago the president spoke Spanish with a strong U.S. accent, the rise of the first indigenous president marks a new era. The Morales government has made real the possibility of achieving the indigenous majority’s desire for a new constitution.

Right-wing counter-offensive

That project of change met resistance from the old elites, who see in these changes Bolivia’s version of the Bolshevik revolution. They violently oppose any steps towards a new constitution that, far from representing idealistic wishes of the social movements, was always aimed at institutionalizing and deepening the gains of the MAS government.

The focal point of the elites' resistance has been the state of Santa Cruz, the origin of 30% of national GDP and more than 50% of tax revenue and food production, and also the home to 47.6% of foreign investment.

Together with the business elites from the “half moon” — the eastern states of Pando, Beni and Tarija — they unleashed a virulent campaign against the government, culminating in an open attempt to overthrow the government in September.

In response, the social movements — both those that are integral parts of the MAS and those that remain outside it, all of whom maintain a relationship with Morales that is characterised by a contradictory mix of autonomy and acceptance of his leadership — mobilized to defeat the coup-plotters.

The outcome was that the Congress, despite opposition control of the Senate, approved a modified text that, while including temporary retreats on some aspects of land reform, maintained the essence of the constitutional text — a plurinational state with greater indigenous rights and state control of natural resources — which the opposition had vowed to oppose to the death.

Demoralized and divided, the opposition has split over whether to support the new constitution. On the other side, MAS and the social movements have closed ranks around the new text and are campaigning to ensure a massive vote in support of the new constitution on January 25. They hope their momentum will lead to complete control of parliament in the national elections scheduled for next December.

Challenges

But important challenges remain.

The opposition will undoubtedly begin to regroup and plan its next offensive. Conflict has re-emerged as the government has made clear its intention to study the validity of large landholdings in order to redistribute illegally owned land.

The world economic crisis, which has resulted in declining mineral prices, also poses a challenge.

Moreover, the Bolivian state that MAS has inherited is still dominated by right-wing elements who actively work against the process. This is a major barrier — something Morales has emphasized, arguing that winning the elections did not signify taking power.

Yet the biggest challenge will undoubtedly come from within.

Acting more like a federation of unions and social organizations than a political party, MAS is riven by sectoral self-interest. The lack of political cadres has led to reliance on urban intellectuals and NGO leaders, without a framework for discussion of different perspectives.

The MAS also faces the challenge of preventing its transformation into a “traditional” political party. It appears that the future of the MAS will be greatly influenced by the rise of the broader CONALCAM.

But there remains a lack of organic spaces for the elaboration of policies and a program to drive the process forward.

Federico Fuentes edits Bolivia Rising. An earlier version of this article was published in Green Left Weekly.

Socialist Voice #293, December 9, 2008

A Ruinous Government, An Unpromising Alternative

By Paul Kellogg

“It is no solution to replace Harper with a coalition government led by the other party of corporate power and of militarism — the Liberal Party of Canada.”

Editors' Note: These three articles, by Paul Kellogg, are slightly abridged. The full texts, including graphs and footnotes, and a fourth article on this subject, "Are the Liberals An Alternative?" can be read on Paul Kellogg's blog, PolEconAnalysis.

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Harper's Tories: Attacking Quebec to Save Neo-Liberalism

Stephen Harper won a seven week reprieve December 4, the Governor-General granting his request to prorogue Parliament until January 26. But the events of the past week have pushed him into a corner and he is fighting for his political life. The fight has revealed something many people already knew. Behind the fuzzy sweater donned during the last election, behind the “fireside chat” chumminess that he was trying to cultivate, behind this façade of polite civilized behaviour, there resides the same man who was cadre for the Reform Party and Canadian Alliance. That political formation built itself on a combination of polarizing attacks on Quebec and neoliberal dogmatism. Harper in a corner, with his fangs bared, has showed himself not to have changed one iota.

The anti-Quebec politics he has unleashed are appalling. In Question Period December 3, Tory member after Tory member repeated the same two words over and over again — “separatist coalition” — 36 times to be exact, if the official record is to be believed. Harper used the same language in his address to the nation December 3, saying that a time of crisis is “no time for backroom deals with the separatists.” At various times, Tories were using the words “treason,” and “deal with the devil” as they carried their polemic against the proposed coalition. This was clearly a planned, coordinated strategy, the most blatantly open anti-Quebec politics to come from the federal stage in years.

Just a few months ago, Harper was trying to woo the voters of Quebec, hoping to re-create the Brian Mulroney coalition of the 1980s. He had surprisingly supported the idea of calling Quebec a nation — something that angered many of his old Reform Party comrades. But pushed into a corner, he needs to rally his base — and nothing energizes the old Reform Party more than attacks on Quebec.

“In the space of just a few days” said one commentator, “the phobia of ‘separatists’ has reappeared in Ottawa and in English Canada, with a force we haven’t seen in years, since the referendum in 1995, since the Meech Lake controversy.” It has become legitimate again to speak

about Quebec with outright hostility and bigotry, made legitimate by the irresponsible rants of Harper and the Tory caucus.

Harper is aware just how inflammatory is his language. In the French version of his address to the nation, he translated the loaded word “separatist” into the much less value-laden “souverainiste”. But this transparent ruse is unlikely to fool the people of Quebec, who are rightly recoiling in shock at the display of venom coming from Harper and his followers. As one radio commentator put it, the price for Harper rallying the troops to his anti-Quebec flag, was to put “scorched earth” between the Tories and what had been their developing base in Quebec.

Harper’s target is the Bloc Québécois (BQ), which has indicated it would support the proposed coalition between the Liberals and the NDP. Harper’s attack is ridiculous. First, the BQ is not part of the coalition — it has only indicated that it will give the coalition 18 months to govern. Second, this is not unusual. The BQ was, after all, central to keeping Stephen Harper’s last minority government alive in its early months. And these parliamentary details are beside the point. The Tories are focussing on the fact that the BQ supports sovereignty. That is their right. They are also the party supported by 1.3 million Quebecers in the last election. The BQ is a legitimate part of the political spectrum in Canada. It has a long record of operating in the House of Commons — including being the official opposition in 1993, a party which has “contributed to debates outside matters of Quebec’s status and powers, on everything from climate change and Afghanistan to efforts to repatriate Omar Khadr” as even the editorial writers for *The Globe and Mail* have to admit.

But Harper is teetering on the edge of losing his office, and will use every weapon at his disposal to say in office — even if that means fanning the flames of anti-Quebec bigotry. What brought Harper to this impasse was his stubborn commitment to neo-liberal orthodoxy, even in the face of the economic storm sweeping the world economy. In country after country, governments have turned their back on the neoliberal allergy to the state — and begun the process of rediscovering Keynesianism and state intervention — indispensable in the face of the horrors of the unfettered free market. But Harper and his finance minister Jim Flaherty — the latter trained in the neo-liberal era of Ontario’s Mike Harris — had delivered an economic update that instead of stimulating the economy, would have further depressed it. They are dogmatic neoliberal ideologues, very reluctant to abandon the old, failed orthodoxy.

Flaherty has been trying to argue that he has already stimulated the economy through previously announced tax cuts. The Department of Finance depends on four firms to help with the preparation of budget documents. One of these is the Centre for Spatial Economics. Flaherty’s view “is a fantasy” according to the Centre’s Robert Fairholm, quoted in *The Globe and Mail*. “Most of the short-term stimulus from these measures have already boosted economic activity, and so will not continue to provide [a] short-term jolt to growth.” The tax cuts coming January, 2009 put \$2.5 billion into the economy. But the update was going to cut \$4.3 billion, “so the net effect is contractive, Mr. Fairholm explained.” In fact, instead of stimulating the economy, Fairholm estimates that the impact of Flaherty’s “update” would be to turn a 0.3 per cent annual growth rate to a decline of 0.1 per cent.

Harper has revealed his colours — first as a neo-liberal dinosaur who has no understanding of how to respond to the economic crisis, second as a politician willing to go to any lengths — including irresponsibly provoking an anti-Quebec backlash in English Canada — to consolidate his base and keep his job. No wonder that his actions have disgusted thousands, and that the three other parties in the House of Commons are trying to push him out.

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Liberals And Tories — Parties of Corporate Power

It is not news to many in the social movements that we have had trouble with both the Tories and the Liberals while in office. Nonetheless, there is considerable enthusiasm for an NDP-Liberal coalition being able to offer real change — change that could not happen under the Harper Tories. But we have to be very sober about what is possible. We cannot judge political parties by their momentary positions, by their style, by their individual leaders. Parties are reflections of class power in a class-divided society — and in Canada, there is no question that the Liberals, like the Tories, are a party of the corporations, a party of the capitalist class.

This used to be quite easy to demonstrate. Until December 31, 2006, political parties could receive open contributions from corporations and unions. This changed with the passing of the “Federal Accountability Act” in 2006, which restricted donations to “citizens and permanent residents of Canada” and expressly forbade “corporations, trade unions and unincorporated associations” from making these donations. This does not mean that corporations and unions do not have parties of their choice — it just makes the links between parties and classes in society more obscure.

But the readily available information we have before the passing of this act makes one thing very clear — there is little difference between the Liberals and the Tories from the standpoint of the boardrooms of Canada’s major corporations. In fact, through much of the last generation, their preferred party has been the Liberals, not the Tory/Reform project of Stephen Harper.

While the Tories were in office under Mulroney, they were lavished with funds from Canada’s corporations. But once the Liberals replaced them, corporate funding for the Tories collapsed, and the corporations increased their donations to the Liberals, year after year preferring them to either the Tories or the Reform/Alliance, in some years sending many millions more into the Liberal coffers than into those of Tory/Reform.

We know that the economic crisis is seen differently from Bay Street than from Main Street. We know that the corporations will seek to solve the problems of the economy on the backs of working people. We know that attacks on wages, attacks on union rights, attacks on social services — we know that all of these are being prepared in the corridors of corporate power, their usual arsenal when faced with a crisis of their system.

And we know from the data on this page, and from years of bitter experience, that the Liberal Party of Canada is at its core, a party of these corporations — a party which will bend its effort to rule in the interests of these corporations.

Jack Layton is hoping that the NDP will be able to set the terms of the coalition. There is no chance of this happening. The NDP was committed to funding social programs by rescinding the corporate tax cuts made under Harper's watch. During the election campaign, this was one of the strongest part of the party's platform. It wasn't only Harper who opposed it. Stéphane Dion called it a "job killer." One of the first casualties of the coalition was this NDP campaign promise. Liberal finance critic Scott Brison said that "corporate tax cuts set to kick in next year would remain in effect as part of a Liberal-NDP coalition government."

What will it mean for working people of Canada if, in order to get into office, policy after policy from the NDP campaign book has to be sacrificed in order to try and align themselves with Canada's party of Bay Street?

* * *

Harper Out of Ottawa, Canada Out of Afghanistan

Of all the compromises that might happen to keep a coalition alive, by far the most troubling is the one that is brewing on the war in Afghanistan. As news of the coalition began to surface in the last week of November, *The Globe and Mail* reported that "a senior NDP official said that no policy issues are considered deal breakers" including that of the war in Afghanistan.

This above all else has to be a "deal breaker." The NDP has been the one major party that has been committed to ending the war in Afghanistan. As this is being written, news came across the wires that three Canadian soldiers have been killed, taking the military death toll past 100. We don't know how many Afghanis have been killed in the war — there is no official attempt to keep track.

No compromise is possible on war. You are either for it or against it. The Liberals began this war. The Liberals voted to extend it to 2011. We all know that it is an unwinnable war, fought for corporate profits and geopolitical power, not for democracy and human rights. An anti-war party cannot stay anti-war and enter a cabinet with a pro-war party. Layton and the NDP leadership have to face up to the fact, that were the coalition to take office, the war in Afghanistan would become their war, and the deaths and injuries suffered in that conflict would be their responsibility.

Some will say that were the NDP to insist on this point, then the coalition would not be possible. That is probably true. But a coalition that includes "compromise" on Canada's military adventure in Afghanistan is not a coalition worth having. Canada is engaged in an imperialist adventure in Central Asia — part of the long slow re-militarization of Canada begun by the Liberals and continuing under the Tories. Opposition to this war is a matter of principle, not one of political expediency. Were Layton and the NDP leadership to compromise on this issue, it would do immeasurable damage to the anti-war movement in Canada — and ultimately to the NDP itself.

There is fear among millions in the face of an unfolding economic crisis. There is anger at the arrogance of a Tory minority that is pushing full steam ahead with neoliberalism at home and militarism abroad.

But it is no solution to replace Harper with a coalition government led by the other party of corporate power and of militarism — the Liberal Party of Canada. All that would be accomplished would be the burying of the independent voice of Canadian labour — the voice of the NDP — behind the pro-corporate voices of Michael Ignatieff and his colleagues.

If the coalition does not take office, we know the way forward. We need to build social movements against war in Afghanistan, against the militarization of Canadian society, against sending off working class men and women to die for corporate profits. We need to build inside the workers' movements, unions with the muscle to challenge the agenda of the corporations. Don't bail out the auto companies — nationalize them and convert the jobs to green jobs, building public transit, building the infrastructure of a sustainable green economy. If the coalition does take office — the way forward is exactly the same.

We will be told that raising Afghanistan is divisive. So be it. We will demand that the coalition withdraw the troops immediately, even if that means the Liberals abandoning the coalition and the government falling. The only lasting basis for gains for working people and the poor is in building social movements that do not rely on manoeuvres at the top of the system. The Liberals will say “but we are a party of peace, we didn't go to war in Iraq.” We will remind them that they were going full speed ahead to war in Iraq in 2003, until 400,000 people took to the streets — including two massive, beautiful demonstrations in Montreal — demanding that Canada stay out of that conflict. The Liberals reluctantly stayed out of the Iraq war because it would have been political suicide for them to join the Coalition of the Killing.

That is the way we will win progress whether it be a Harper government, or a Liberal/NDP government — by mobilizing on the streets and in the workplaces, whether the Prime Minister is Stephen Harper, or Stéphane Dion, or Bob Rae, or Michael Ignatieff.

Socialist Voice #294, December 10, 2008

Political Crisis Exposes Canada's National, Class Divisions

By Richard Fidler

In a classic 19th century work, English journalist Walter Bagehot divided the Constitution into two parts. The “efficient” part — the executive (cabinet) and legislative — was responsible for the business of government. The “dignified” part, the Queen, was to put a human face on the capitalist state. Bagehot noted, however, that the Queen also had “a hundred” powers called Prerogatives, adding: “There is no authentic explicit information as to what the Queen can do....”

On December 4 Canadians learned, many to their dismay, that those Prerogatives, borrowed from England in their Constitution,[2] included the power to shut down the elected Parliament. Using her discretionary authority, Governor General Michaëlle Jean, the Queen’s representative, allowed Prime Minister Stephen Harper’s request to “prorogue” or suspend the proceedings of Parliament until January 26.

This enabled the minority Conservative government to avoid certain defeat in the House of Commons in a vote scheduled for December 8. At the same time, the Governor General rejected a formal request by opposition MPs from two parties to form a new government which, with the promised support of a third party, would have a clear majority in the House.

As one wit commented, Canada has now become a “pro-rogue state”. It is no laughing matter, however.

No recession?

The Parliamentary hiatus means that Canadians enter a deepening financial and economic crisis without even the promise of early government assistance that might provide emergency relief from mounting unemployment, vanishing credit and evaporating private pensions. Employment statistics released December 5 revealed the loss of 70,600 jobs in November alone, the biggest monthly job loss since the 1982 recession.

The economic crisis is now a political crisis — and threatens to become a “national unity” crisis — as government and opposition parties fan out across the country to rally public opinion behind their respective agendas.

The crisis was touched off two and a half weeks earlier when Parliament met for the first time since the October 14 general election. Finance Minister Jim Flaherty presented an economic statement that incredibly predicted that Canada would avoid a recession, projected a budget surplus, promised to privatize and sell off government buildings and other assets and imposed significant cuts in government spending. The government also announced it would drop pay equity measures for women in the federal public service, reduce the overall wage bill for federal government employees and ban their right to strike. And to add insult to injury, state funding of political parties was to be cut back sharply.

The Harper government had already earmarked \$75 billion to take mortgages off the books of the banks and is providing tens of billions in other forms of support and liquidity to the financial industry, with few conditions.

It seemed the right-wing Tories had forgotten they were a minority. Less than two months earlier, they had been elected in only 143 seats, 12 short of a majority.

NDP beds down with Liberals

Flaherty's statement caught the Opposition off guard, as the government had been hinting for weeks that it would propose economic pump-priming measures even at the cost of a budget deficit. Normally, so soon after an election, a defeated Opposition would be expected not to try to overturn the government. But to the government's surprise, the two major Opposition parties now moved to defeat the Tories in a parliamentary vote and form a coalition government to replace them.

Within days, Liberal leader Stéphane Dion had cobbled together a deal with the New Democratic Party, Canada's traditional social-democratic party. Dion and NDP leader Jack Layton agreed to form a joint government "built on a foundation of fiscal responsibility" to rule for at least three years. Liberals would hold the key positions of Prime Minister and Minister of Finance as well as 18 of the 24 cabinet posts, the other 6 going to the NDP. It began to look as if the NDP had rescued the Liberals, who only six weeks earlier had emerged from the election with their lowest voter support since Confederation in 1867.

Since the Liberals, with 77 seats, and the NDP, with 37, could not muster a majority, they got the pro-sovereignty Bloc Québécois, which holds 49 of Quebec's 75 seats, to pledge not to support motions of non-confidence in the Government for at least 18 months. Voilà, a government with a working majority of 163 seats, to be led by outgoing Liberal leader Dion until May, when he was to be replaced by whoever won the scheduled Liberal leadership race.

The political content of the Liberal-NDP coalition agreement[3] was, to say the least, rather modest. It featured vague promises of increased spending on infrastructure investments, housing and aid to troubled manufacturing industries; easier eligibility for unemployment benefits; improved child benefits; pursuit of a "North American cap-and-trade market with absolute emission targets" and unspecified "Immigration Reform".

Perhaps more significant were the things it did not contain — most notably, no reference to Canada's military intervention in Afghanistan. The NDP's promise to end Canada's "combat mission" in that country was one of the major planks that distinguished it from the Liberals and other parties in the recent election.

Nor was there any reference to the North American Free Trade Agreement or other trade and investment deals that the NDP had previously opposed or pledged to reform in workers' interests. There was nothing in the agreement that would in any way mark a Canadian departure from its close alignment with U.S. economic or foreign policy and military strategy.

Best case scenario?

The coalition proposal struck a responsive chord, however, among many trade union and social movement activists. On-line pro-coalition petitions were swiftly organized, attracting tens of thousands of signatures in support. Media talk shows and email discussion lists buzzed with favourable commentary.

Prominent left critics of neoliberalism volunteered their support. Naomi Klein, setting aside her autonomism for the moment, envisaged a “best case scenario”: “one, you get the coalition, and two, the NDP uses this moment to really launch a national discussion about why we need PR [proportional representation]....”[4]

Socialist Register editor Leo Panitch, while expressing reservations about the anticapitalist potential of the coalition, hailed the “courage” of the coalition proponents and saw some promise in the NDP’s role: “In Canada, as the New Democrats prepare themselves for federal office for the first time in their history, the prospect of turning banking into a public utility might be seen as laying the groundwork for the democratization of the economy that the party was originally committed to when it was founded....”[5]

Even some Marxists saw merit in the Coalition. The International Socialists, in a special supplement to their newspaper *Socialist Worker*, opposed giving a “blank cheque” to the Coalition, but said “The key question now is what demands we make on the Liberal-NDP Coalition and how we mobilize to win them.”

There were a few lonely dissenting voices. One that attracted some controversy in left circles was that of John Riddell, a co-editor of the web journal *Socialist Voice*. [6] Writing in *Rabble*, a popular web journal of “progressive” opinion, Riddell asked “Have the advocates of coalition forgotten that it was the last Liberal government that originated most of the hated ‘Harper’ policies, including the gutting of social services, attacks on civil liberties dressed up as ‘anti-terrorism’ and Canada’s disastrous war in Afghanistan?” He went on:

“The aim of progressive policy must not be to enhance the power of capitalist governments but to increase that of working people....

“The only force we can depend on is the pressure of independent popular and labour movements. In a situation of social and economic crisis, these movements can become an irresistible force.

“And here is the fatal weakness of the coalition government scheme. Locked inside a Liberal-dominated coalition, the NDP would be unable to campaign against capitalist attacks. Accepting responsibility for the anti-labour measures of such a government could rapidly discredit the NDP and end its ability to continue as the bearer of popular hopes for social change.

“At the same time, labour leaders’ current pledges of unconditional support to a coalition will undermine the unions’ ability to act independently in defence of workers’ rights and needs.

“Tying ourselves down in this manner is particularly dangerous in the midst of an economic crisis that is unprecedented, and shifting rapidly in unpredictable ways.”[7]

This warning rang like an echo of a period — not so long ago, in fact — when there was a workers movement that would have no truck or trade with bourgeois parties like the Liberals. The seeming unanimity of support for the Liberal-led coalition voiced by what passes today as Canada’s “left” was a sobering reminder of just how deeply the neoliberal TINA mantra (There Is No Alternative) has penetrated popular consciousness.

Labour campaigns for coalition

Among the leading propagandists for the coalition were political commentators Murray Dobbin and prominent feminist Judy Rebick, who had long fought for closer collaboration between anti-Conservative forces and especially during the recent federal election campaign. They were overjoyed that the NDP, which had previously resisted their pleas, had now come on board.

The organizational clout behind the campaign for coalition government, however, was provided by the Canadian Labour Congress and its major affiliated unions. Overnight, the CLC poured money and staff into organizing mass “Coalition Yes” rallies in major cities across the country. “The Liberal-NDP Accord would get Canada working again by providing immediate money for infrastructure projects, transit, clean energy, water, housing and retrofits,” proclaimed CLC literature and web sites.[8]

For weeks the CLC brass had been labouring over successive versions of a draft “Plan to Deal with the Economic Crisis”. [9] The Coalition Accord offered somewhat less than the CLC’s plan, of course, since its bottom line was what the Liberals were prepared to accept. But now, it seemed, the formation of a Liberal-led coalition held out the prospect of sufficient reforms to relieve the mounting pressure within labour’s ranks for effective action by the union leadership in defence of beleaguered workers.

Few doubts were expressed in the ranks of organized labour. For example, a convention of the British Columbia Federation of Labour voted nearly unanimously on November 27 to support the formation of a coalition government.

The Quebec unions, too, were quick to sign up. The major centrals (FTQ, CSN and CSQ) issued a joint statement in support of what it called “the Liberal-NDP-Bloc Québécois coalition” and urged members to join the Montréal pro-Coalition rally. “Let’s let the coalition, which has committed to implement a genuine plan of support to the economy, do the work,” the statement said.[10]

Impact in Quebec

The governmental crisis in Ottawa virtually eclipsed the final week of campaigning in Quebec’s general election, scheduled for December 8. The sovereigntist Parti québécois came out in support of the Coalition. “We have a sovereigntist party in Ottawa [the BQ] which has acted responsibly when faced with a Harper who crushes Quebec and denies that Quebec has needs”, said PQ leader Pauline Marois, adding that the political crisis showed that Canada does not function and that it is necessary to leave it. Liberal premier Jean Charest, in contrast, argued that

the instability in Ottawa was cause to turn his minority government into a majority. The top leaders of the left sovereigntist *Québec solidaire* (QS), Amir Khadir and Françoise David, issued a statement in support of the coalition. The only comment so far in the on-site journal *Presse-toi-à-gauche*, the nearest thing QS has to a media presence, has been an article by Pierre Beaudet and François Cyr along the same lines.[11]

Polls showed that the coalition proposal is very popular in Quebec, which voted heavily against Harper's Tories in October. Despite hostility in the corporate media (the pro-sovereignty *Le Devoir* is the only newspaper to support it), the coalition attracted little criticism even in nationalist circles, although there was some grumbling about the fact that the coalition was led by Stéphane Dion, the chief architect of the Liberals' Clarity Act of 2000 hamstringing Quebec's right to determine its constitutional future.

Former labour leader Gérald Larose, now chair of the Conseil de la souveraineté du Québec, a non-partisan sovereigntist umbrella group, issued a statement entitled "A sovereigntist view on a coalition".[12] It greeted the Liberal-NDP accord:

"In four pages, Quebec recovers the billion dollars that were to be cut in equalization payments (the Flaherty cuts), the millions that were cut to cultural funding (the Verner cuts), the cuts to regional economic development agencies (the Blackburn cuts), commitments for Quebec's forestry industry, improved benefits for the unemployed, a program for elderly workers....

"Québec's sovereignty is a political fight. Half of this politics is at Quebec City. The other is at Ottawa. The one in Québec is key. The one in Ottawa is strategic.... It is the Bloc that prevented the election of a dangerous majority Conservative government. It is the Bloc as well that allows the formation of an alternative coalition government, ensuring in the process that Quebec maximizes the achievement of a number of economic demands."

Quebec support for the coalition was bolstered by Harper's venomous attacks on the coalition as a capitulation to "separatists", and Tory MPs' characterization of the accord as a "deal with the devil" tantamount to "treason and sedition". Harper even challenged the legitimacy of representation by the Bloc and Bloc voters (close to 40 percent of Quebec voters) in Canada's parliament. The virulence of these attacks aroused some concern among leveller heads in the federalist camp, and led the editors of Canada's leading newspaper *The Globe & Mail*, among others, to call for Harper's resignation as Tory leader and prime minister: "Whether he contrives an exit from his immediate travails over the confidence vote, the Harper era appears to be approaching its end. But before that happens, there is danger Canadian unity will be harmed."[13]

These concerns were reinforced by a surge in PQ support in the final days of the Quebec election, as "soft" nationalists rallied to the party. On election day the PQ won 51 seats with 35% of the vote, replacing the less nationalist right-wing party, the Action Démocratique du Québec (ADQ) as Official Opposition and coming within a few seats of the governing Liberals. (Another

notable result was the election of Québec solidaire co-leader Amir Khadir as that party's first member in the National Assembly.)

Real change?

The coalition accord is also attacked as “socialist”, and indeed the NDP (along with the Bloc) is widely perceived as the driving force behind it. This in part explains the enthusiasm for the coalition among many working people. They see the NDP as a fetter on the Liberals, a potential restraint on the latter's predictable attempts to implement their own neoliberal program.

That is also a major reason why the corporate rulers on Toronto's Bay Street oppose the coalition. They know the NDP poses no threat to their system, and they have had little difficulty accommodating to the provincial governments the NDP has administered from time to time. But they also understand that the NDP is the actually existing political expression of the trade union movement and thus, in that sense, it is a destabilizing influence in Canada's politics. They prefer to keep it at one remove from the corridors of power. They don't see the need at present to call on the NDP as a direct partner in preserving their system.

Above all, however, the popular support of the coalition is a manifestation of how low expectations are among working people after close to three decades of neoliberal assault during which real wages (adjusted for inflation) have stagnated overall and even declined for many. The pro-coalition enthusiasm has expressed a real craving for some kind of change, any change, at the top in government. For many, the modest improvements in the coalition platform over Harper's agenda are sufficient to constitute change they can believe in.

Tories fan anti-Quebec hatred

This is not Canada's “Obama moment”, however. The pro-coalition rallies in the immediate wake of Parliament's prorogation mobilized only a few thousand in Canada's largest cities, while counter-rallies called by Tory operatives were in some cases almost comparable in size. Public opinion surveys indicate a country deeply divided on the coalition proposal, with a majority of those outside Quebec registering opposition. Mass media opposition has no doubt played a role in this.

Some of the pro-Harper counter-rallies staged in major cities were remarkable for their overt Canadian nationalist hostility to the Québécois. Media talk shows featured rants against the coalition as an undemocratic power grab by a cabal of opportunist socialists and separatists. According to polls, support for the NDP and Liberals has declined.

The Tories are mobilizing their supporters in the streets and church basements in high hopes of breaking Liberal support for the coalition. And indeed, the coalition looks quite shaky. On December 8, only four days after Parliament was prorogued, Liberal leader Dion, the putative PM in the coalition arrangement, agreed under party pressure to resign as soon as the Liberals could choose a new leader.

Although one major Liberal leadership contender, Bob Rae (a former NDP premier of Ontario) began campaigning actively for it, the major contender, Michael Ignatieff, is reported to have serious reservations. Ignatieff, known internationally for his support of Washington's foreign

policy as “Empire Lite”, has indicated he would be prepared to support a Harper budget that contained similar measures, but says the coalition is “the only tool that’s got us anywhere” in trying to force concessions from Harper. Call his position “Coalition lite”.

Quebec a destabilizing factor

At bottom, the current political crisis is an expression of the deepening dilemma posed to the Canadian political system by the rise of Quebec nationalism and its independence movement since the 1960s.

Until the mid-1980s, the federalist strategy epitomized by Pierre Trudeau of promoting French and English official bilingualism, coupled with occasional shows of force (as in the War Measures crisis of 1970), kept the “separatist” monster at bay. However, Quebec’s alienation from the federal state increased when Trudeau moved in the wake of the 1980 referendum defeat to unilaterally impose constitutional changes featuring an amending formula that seemed to rule out a constitutional path to Quebec sovereignty while imposing a “charter of rights” consciously designed to override popular legislation in Quebec to protect and promote French language rights.

The Conservative party under Brian Mulroney replaced the Liberals for a period by forging a delicate coalition of “soft” Quebec nationalists with Western provincial rights militants around support of “free trade” agreements with the United States. Most Quebec sovereigntists saw such agreements as a means of lessening Quebec’s dependence on the pan-Canadian market and undermining the economic influence of the Canadian state. However, pro-sovereignty sentiment mushroomed when Mulroney failed to get the other provinces’ agreement to constitutional recognition of Quebec as a “distinct society”. Nationalist Quebec Liberals and Tories, in collaboration with the PQ, formed the Bloc Québécois in the early 1990s, and since then the BQ has taken a majority of Quebec seats in the federal Parliament in six consecutive elections.

Following the extremely narrow defeat of the 1995 Quebec referendum on sovereignty, the federal Liberals, back in office, moved to limit Quebec’s right to secede; Stéphane Dion was brought into the cabinet to pilot the “Clarity Act” through Parliament. The Bloc redefined itself; no longer an intermediary at the federal level to facilitate Quebec’s accession to independence, it now saw itself as simply a promoter of Quebec’s interests within the federal regime.

Although both the Bloc and the Parti québécois continue to enjoy mass support in Quebec, the sovereigntist project itself has languished since 1995, unable to win compelling majority support for Quebec independence.

The developing economic crisis has put an additional crimp on the neoliberal “sovereignty” promoted by both parties. “Québec Inc.”, the once-vaunted flourishing of Quebec firms and economic institutions owned and managed by Francophone entrepreneurs, has likewise suffered some hard blows in the financial crisis. For example, the Caisse de dépôt et de placement, a financial behemoth that manages Quebec’s public pension funds, is in difficulty today owing to heavy exposure to the meltdown in asset-backed commercial paper investments. With the federal state and its control of banking and money serving as the lender of last resort, it is no accident

that the Bloc Québécois now proposes to become a surety for a Liberal-led government in Ottawa!

However, the national question continues to simmer, fueled above all by the weight of the language issue in a Francophone province that represents almost a quarter of Canada's total population but only 2 percent of North America's, as well as the constant tension with the centralizing dynamics of Canadian federalism.

Seemingly banal incidents can easily rekindle expressions of Québécois national sentiment. The federal Liberals discovered this in the 2006 election when their remaining support in Quebec was decimated by disclosures of massive illegal spending in the province through a program to "sponsor" federalism. Harper's Conservatives now seem destined for a similar fate as they vent their anger at the Bloc (and their rejection by Quebec voters in the October election) in venomous attacks on the Québécois.

NDP shut out in Quebec

As for the NDP, it has historically proved incapable of relating positively to Quebec nationalism and as a result has never enjoyed mass support in Quebec. A social democratic party, the NDP favours a strong central state as the vehicle for income redistribution and the administration of social programs. It is uncomfortable with the regional dynamics of a robust, assertive Quebec nationalism, and the party has been reluctant even to accept special status for Quebec within federal programs.

Furthermore, the NDP has from the beginning been seen by its union sponsors as a vehicle for potential liberal-labour regroupment that would eventually replace the Liberals as the major federal alternative to the Conservatives. This orientation is not facilitated by any sympathy for Quebec self-determination; as the "natural governing party" in Canada for most of the 20th century, the Liberals are the party of centralist federalism *par excellence*.

Shunned by progressives in Quebec because of its identification with the federal regime, the NDP has been unable to build a base in that province, although its identification with social democracy has led some to favour it over the BQ.[14] The NDP's only hope for federal office in Ottawa, then, lies in forging some alliance with the Liberals. Which it is now doing. Ironically, the present configuration of parliamentary seats means that the two parties cannot make a credible case for government without a pledge of neutrality from the Bloc Québécois! The BQ, for its part, could not join such a coalition without jeopardizing its role as a harbinger of Quebec independence.

The Bloc stands as Quebec's continuing reproach to the rest of Canada for its failure to recognize the Quebec nation in reality — and not just in non-binding words, as did Harper's motion two years ago to recognize the Québécois as a "nation within a united Canada".

Coalition falters

It is likely that when Parliament resumes as scheduled, on January 26, the Liberals will be headed by Michael Ignatieff, and the coalition as a formal power-sharing agreement will be dead, at least for the time being.

Harper will likely bring in a budget that incorporates most of the proposals in the Coalition Accord, or at least enough to win Liberal support and ensure the survival of his government. But he will no doubt try to embarrass the Liberals and their Opposition allies with numerous “confidence” votes in the House. Unless the NDP or the Bloc vote with the Tories, the Liberals will be faced with a choice between voting down the government — almost certainly precipitating a general election, this time — and voting with the government or abstaining, a humiliating dilemma for the new Liberal leader. It is probably safe to predict another election in 2009.

Where does this leave the NDP — and, more importantly, the main body of its supporters in the unions and social movements?

The NDP clearly emerges much weakened from this episode. Just weeks ago, NDP leader Jack Layton claimed to be running to be “prime minister”, arguing that there was no fundamental difference between Liberals and Tories and that the NDP was the only party that offered real “change you can believe in”. Now that the NDP has demonstrated its willingness to cohabit in government under Liberal leadership, that claim looks pretty unconvincing. The party may even have trouble justifying a vote against a Harper budget based on the coalition proposals or a reasonable facsimile thereof. Since the NDP is the party of organized labour in English Canada, a weaker NDP lessens labour’s influence in the Parliament.

In any event, Harper’s budget, whatever its content, will not address the needs of working people in the economic crisis. Labour and its allies will have to go back to the drawing boards and hammer out a coherent and effective program of action, one that is not contingent on Liberal or Tory — or, for that matter, NDP — support but goes far beyond the extremely modest proposals in the coalition accord.

Critical balance-sheet needed

It is important, too, that militants press for a critical balance-sheet of the coalition episode. If the coalition were to hold together, labour would be mortgaging its ability to adopt an independent agenda and actions capable of advancing workers’ interests. The discussion within the mass movements needs to get outside the straitjacket of devising a parliamentary agenda acceptable to the Liberals.

Canadian labour has not been defeated in major industrial struggles. In a series of important confrontations in recent years, militants have demonstrated their willingness and capacity to resist attacks on their living standards and organizations. In British Columbia, a number of struggles have come close to turning into general strikes: health workers (2004), teachers and Telus workers (2005), forest workers in 2004 and 2007. In Quebec, workers fighting the Charest government’s antilabour legislation twice came to the verge of general strikes. Even the enthusiastic reception at pro-coalition rallies for speakers advocating more militant action is a promising sign of the mood in labour’s ranks.

Labour in English Canada will also have to find ways to construct a pan-Canadian alternative to the crisis that includes the Québécois. The solidarity expressed with BQ leader Gilles Duceppe and the Bloc at pro-coalition rallies may signal new openness in the labour movement to

collaboration with the “separatists”. An anticapitalist coalition between grassroots activists in the two nations could pose a real challenge to Canada’s capitalists and their governments. A coalition with one of the traditional parties of big business points in the opposite direction.

Richard Fidler is a Socialist Voice contributing editor. This article was originally published in his blog, Life on the Left, on December 8.

Footnotes

[1] Walter Bagehot, *The English Constitution* (Oxford, 1961), p. 52.

[2] The Preamble to the *Constitution Act, 1867* (formerly the *British North America Act*) states that Canada has “a Constitution similar in Principle to that of the United Kingdom.”

[3] “A Policy Accord to Address the Present Economic Crisis,” <http://tinyurl.com/6yk4ox>. See also the “Accord on a Cooperative Government,” <http://tinyurl.com/6pe49t>.

[4] Naomi Klein, “We Can’t Lose This Moment,” *Rabble*, <http://www.rabble.ca/news/naomi-klein->

[5] Leo Panitch, “From the Global Crisis to Canada’s Crisis,” *The Bullet*, a Socialist Project e-bulletin, No. 164, <http://www.socialistproject.ca/bullet/bullet164.html>.

[6] <http://www.socialistvoice.ca/>.

[7] “Coalition? Let’s not give away the store,” <http://www.rabble.ca/news/coalition-lets-not-give-away-store>.

[8] CLC, “The Best Plan for Canada,” <http://canadianlabour.ca/sites/clc/files/shared/Rally-Flyer-EN.pdf>.

[9] Successive versions have appeared on the web. Here is one of the more recent ones: <http://www.progressive-economics.ca/2008/10/27/clc-response-the-full-version/>.

[10] “La FTQ, la CSN et la CSQ invitent la population à appuyer la coalition afin de faire face à la crise,” <http://ftq.qc.ca/modules/nouvelles/nouvelle.php?id=1810&langue=fr>.

[11] “Dehors les voyous,” <http://www.pressegauche.org/spip.php?article3043>. An English version by Beaudet was published in *Rabble*, at <http://rabble.ca/blogs/bloggers/pierre-beaudet/throw-bums-out>.

[12] *Le Devoir*, December 5, 2008, <http://www.ledevoir.com/2008/12/05/221040.html>.

[13] “Fanning anger toward Quebec,” December 4, 2008, <http://tinyurl.com/5oj3r9>.

[14] See “Election 2008 — the Quebec left’s challenge to socialists in the Rest of Canada,” *Socialist Voice*, <http://www.socialistvoice.ca/?p=340>.

Socialist Voice #295, December 12, 2008

The Coalition: Its Nature, Its Future and Our Perspectives

By Bernard Rioux

An intolerable economic statement. The formation of a coalition of opposition parties claiming they want to bring down the government. A shuttered parliament, MPs flushed from it for two months at the prime minister's whim. The House of Commons has been the setting for a parliamentary crisis the likes of which have never been seen in Canada. How should we analyze what has just happened and its consequences?

The Context

The world economic crisis is imposing its share of suffering on the people of Canada and Quebec: job losses, greater insecurity, household debt, decline in purchasing power, erosion of savings accumulated over the years by small investors, etc. And the most devastating effects of the crisis are just arriving at our doors.

Harper's Conservative government with all its partisan and doctrinaire projects provoked a parliamentary crisis

Insensitive to the angst and difficulties of working people, the government gave priority to weakening the opposition and crushing the main opposition party, the Liberal party of Canada. Prime Minister Harper wanted to take advantage of the leadership crisis in the Official Opposition to force it to accept the unacceptable while cutting off its financial lifeline. So Finance Minister Flaherty's economic statement proposed to put an end to public funding of political parties; it attacked pay equity for women; it prohibited the right to strike in the public service in coming years and proposed some economic measures characterized by the Conservative obsession with deficit-fighting. Flaherty announced cutbacks of four billion dollars in government spending that may further dampen economic activity and speed the onset of recession.

Opposition parties form a coalition

In an act of self-preservation, the opposition parties joined in a coalition — denouncing neoliberal rigidity, calling for a needed boost to the economy, and proposing themselves as an immediate alternative to the Harper government. Hoping to head off this possibility, the Conservatives retreated on party funding and the prohibition of the right to strike.

It was no use, for the perspective of overthrowing the Tories responded to a genuine democratic feeling among the Canadian people who, in their majority, did not vote for a Conservative government. They want to do away with a government that seeks to make working people pay for a crisis they did not create.

The Harper government used the State institutions to avoid being overthrown

But the government was not overthrown. Using some institutions of the Canadian state established to protect the governing party, Harper asked Governor General Michaële Jean to

prorogue Parliament until the end of January 2009. In responding to the prime minister's request, she was simply performing her institutional duties, [constitutional lawyer] Henri Brun argues. This meant there would be no non-confidence vote on the economic statement on December 8.

To legitimize this call to shut down the Canadian parliament for two months, the Tory leader launched a media campaign designed to undermine the legitimacy of the coalition, claiming that it included the Bloc Québécois. It was a horrifying prospect, he said, to give a coalition including a "separatist" party control of the Canadian government, even if that party would not be an actual part of the government. Harper's campaign effectively whipped up hatred against Quebec in English Canada.

His objective was not only to delegitimize the Coalition and its proposed government but to divide it and make the Liberals in particular pay a high political price for this alliance with the "socialists" of the NDP and the "separatists" of the Bloc. He won some serious points on this score.

The Conservative operation was particularly cynical and . . . easy. Didn't the opposition forces radically overestimate the depth of the political crisis? There was indeed a parliamentary crisis, but the legitimacy of a change in government was not rooted in the population as a whole, especially in English Canada, and nowhere did these sentiments give rise to a significant extraparliamentary mass movement. That is what explains the angle of attack taken by Prime Minister Harper, focusing on Canadian unity and his capacity to resist the parliamentary crisis, which will reoccur of course. Judging from opinion polls, he emerges a winner from the crisis.

The nature of this coalition and its program

The Liberals entered this coalition for self-preservation and out of opposition to Harper's doctrinaire non-interventionism at a time when all other Western governments have already rejected this economic abstentionism.

The Liberals have imposed a program on this coalition that is fully consistent with the logic of the G-20 governments. "The new Government is committed to working with the international community, particularly with G-20 partners, in pursuit of an effective new global financial architecture." [1] But the G-20 plans do not question the deregulation of the financial industry in any way whatsoever. The G-20 have assigned the job of extricating them from the present crisis to the IMF and the WTO, the promoters of an unjust and unviable model. The only proposed solutions defend the interests of the major creditors. Poor peoples and countries continue to be denied a say.

The Coalition's common plan aims to "provide active stimulus for the economy over the next two years, with a shared commitment to return to surplus within four years." [2] This is the principle of fiscal responsibility and it promises future attacks on existing gains of the people. Even the promised support to families is limited "as finances permit." Not much, then.

The NDP and the Bloc are asking for measures to help people affected by the economic crisis, to protect pensions and employment insurance benefits, and to support cultural activities through cancellation of the budget cuts announced by the Conservative government. But there are very

few clear and itemized commitments in the coalition's founding agreement. That is understandable, as it is led by a party that cut back on unemployment insurance, attacked democratic freedoms through its anti-terrorist laws and initiated the disastrous intervention in Afghanistan.

And then there is what is not explicitly written. "In order to sign the coalition agreement with the Liberals, on Monday, NDP leader Jack Layton renounced his party's call for the cancellation of a proposed reduction in corporate taxes." [3] Even more serious: "The NDP's deputy leader Thomas Mulcair stated Wednesday that the party would no longer oppose Canada's war in Afghanistan while it was teamed with the Liberals. This was a significant concession for a party that was the standard-bearer of the country's peace movement. Mr. Mulcair, the only New Democrat MP from Quebec, stated that 'the NDP is setting aside the differences that have always existed with the Liberals on issues such as Afghanistan'." [4]

This is a minimalist agreement given the scope of the crisis, and it essentially replicates, as its framework, the positions elaborated by the G-20 countries aimed at maintaining a development model that has led us to this crisis, adding to it an interventionism that is oriented entirely toward support to big business. It is an agreement that says not a word about the withdrawal of Canadian troops, the colossal sums that are being spent on them, and the unacceptable nature of that intervention.

Will this coalition hold together?

The federal Liberal party has a crisis of leadership. Stéphane Dion has been ejected from his position as leader. The Liberals have already decided not to develop an alternative budget to the one that the Conservatives will present next January 26. Will they participate in the budget preparation consultations being proposed by Stephen Harper? No doubt.

For the NDP, the coalition is still a governmental alternative, and if there are some good ideas in the Tory budget, they say, the Coalition should adopt them and include them in its own budget. Taking power as a coalition remains the party's perspective. For the NDP, there is no going back.

The Bloc will be the only party to benefit from the Coalition episode. Its participation in building the coalition was not the expression of any confidence in the Liberals, but reflected its understanding that consistent opposition to the Conservatives is the source of its strength among the people of Quebec. Duceppe has clearly understood that all the manoeuvres designed to dislodge the Tories could only reinforce his own legitimacy and his base in Quebec. This does not mean he is setting out a clear strategy that can actually protect the people against the crisis. That's another matter altogether.

The Coalition is already being torn by the contradictions among the Liberals, and the internal dynamics of the Liberal party will no doubt lead to its implosion.

Two scenarios that merge into one

Several scenarios are possible, but they lead to the same conclusion. The Coalition's days are numbered.

1. The Liberals vote for the budget and refuse to defeat the government. This theory is based on the fact that many Liberal supporters on Bay Street were not happy with the party's alliance with Layton's NDP and the separatists of the Bloc. This is reflected in the questioning of the coalition in the Liberal caucus, the scope of which is currently masked by party discipline. Voting for the budget would give the Liberals time to rebuild under a new leader. Also, recent polls indicate that Harper has to this point been the main beneficiary of the crisis in English Canada, with the Liberals far behind. Some Liberals are already arguing that the door is not completely closed to possible support to Harper's budget even if, they say, he will have to make many concessions. In that case, the coalition will be over.
2. If the Tories don't shift much the government could be defeated and elections called. Would a coalition hold together in an election? The answer is clear. The Liberals could not accept an electoral agreement with the Bloc. The NDP likewise, given the national polarization that could be manifested during the next federal election campaign.

What coalition should be built to confront the crisis, the Conservatives, and all the federalist forces?

The unions have chosen to line up behind the coalition and ally with a party that has led a major offensive against the majority of the working population in recent years. The only perspective before working people and their organizations is not a coalition without a future, it is class independence and the unity of the workers and popular forces at the level of the Canadian state in a united struggle against the parties of big business. The NDP must stop tying its hands to the Bay Street Party and assist in the organization of this coalition of workers and popular forces. Only repeated mass actions can block the attacks being prepared to make the people pay for the economic crisis of the capitalist system. It is important that the unions and the popular, feminist and ecologist forces retain their freedom of action and coalesce on their own bases.

We must build campaigns to demand a complete revision of employment insurance in favour of the workers, the construction of social housing and a better public system of transport, strengthened public pensions, strict regulation of greenhouse gas emissions and the immediate withdrawal of Canadian troops from Afghanistan.

The parliamentary crisis in Ottawa has not produced a nationalist upsurge comparable to the one provoked by the rejection of the Meech Lake accord. But Harper's campaign has been an unacceptable provocation for many Québécois. The independence perspective, however, will broaden only if it is rooted in a strategy that can articulate a social agenda capable of contending with the coming crisis. There are no shortcuts. The only way to do this is to develop a party that makes the link between the social and national struggles, in place of a party whose elitist leadership uses sovereigntist sentiments to monopolize provincial power, a party content with managing as the Parti québécois has been doing for a long time.

Bernard Rioux is a leader of Gauche socialiste, a collective within the left sovereigntist party Québec solidaire. QS won its first seat in the Québec National Assembly in the December 8

*election. This article was published in the web journal Presse-toi-à-gauche, on December 9.
Translation by Richard Fidler.*

Footnotes

[1] *A Policy Accord to Address the Present Economic Crisis*, a Coalition document dated December 1, 2008.

[2] *Idem.*

[3] *La Presse*, December 3, 2008.

[4] *Idem.*

Socialist Voice #296, December 17, 2008

BC Labour Convention Confronts Economic Crisis

By Roger Annis

The biannual policy convention of the British Columbia Federation of Labour, held in Vancouver from November 24 to 28, reflected a growing anger among unionized workers with corporate attacks and deteriorating economic and social conditions in the province.

The collapse of world financial markets has yet to fully hit the province. But the decline of the U.S. economy, the onset of recession in Canada, and seven and a half long years of right-wing government under Liberal Party Premier Gordon Campbell have taken a heavy toll on working people and produced a determination that “enough is enough.” The convention set a course to campaign to replace the Liberals with a government of the New Democratic Party in the provincial election to take place next May.

But how will the election of the NDP put the province on a better economic footing, and what measures will it introduce to bring relief to working people? Does the labour movement have a particular role and responsibility to fight for working class interests, regardless of which of the two contending parties wins office? Convention deliberations showed that these questions are far from answered.

Capitalist assault on working people

In the province’s principal industry – paper and wood products –10,000 jobs have disappeared in the past year. Entire towns have lost their economic mainstay. Since the election of the Liberals in 2001, 54 sawmills, paper mills and wood manufacturing plants have closed in the province, costing 20,000 jobs.

Several tens of thousands of health care workers saw their jobs privatized and their wages nearly halved by the Liberals following a defeated strike in 2004. Conditions inside the hospitals for patients and workers alike have declined sharply.

Poverty and homelessness have increased. The minimum wage has been frozen at \$8 per hour since 2001, and welfare rates are well below the poverty line. British Columbia has the highest rate of child poverty in Canada for the fourth year running.

The province is a growing emitter of greenhouse gases, notwithstanding the government’s impressive “greenwashing” policies that have lured most environmental groups into its entirely undeserving fold.

The hardest hit by the Campbell government have been the original inhabitants, the two hundred thousand Indigenous people living within the provincial boundaries. Indigenous activists and organizations are exerting steady pressure on the government to tackle the appalling poverty in which most communities live and are demanding political and economic sovereignty. But the government signalled its response early in its mandate when it staged a racist plebiscite in 2002

setting restrictive guidelines for future negotiations. The vote passed with only one-third of voters participating.

Fighting mood

Since 2001, workers have strongly challenged attacks on unions and social services. They have waged militant strikes. The province has twice come to the brink of a general strike – in May, 2004 when health care workers went on strike and were ordered back to work, and in October 2005 when teachers and workers at the telecommunication giant Telus were on strike.

Forestry workers have twice shut down the industry along the BC coast in an effort to resist company takeback demands – in 2004 and 2007.

The BC Fed convention indicated that more struggles of this type can be anticipated. The teachers' union, for example, told delegates it was gearing up for job action to refuse the government's plan to introduce standardized, province-wide testing of students. As union leaders and activists explained, such testing discriminates against students from poor families and stigmatizes schools that score poorly.

Workers in hard-hit resource industry towns explained to the convention that they are resisting the devastation of their local economic base. A trade union-based "Stand Up for the North" committee has been formed in northern British Columbia to oppose forest industry plant closings and demand improved employment insurance. Rallies by workers in Prince George and Mackenzie took place on December 11. More can be expected.

Indigenous sovereignty

One of the highlights of the convention was a signing ceremony of a "protocol of cooperation" between the Federation of Labour and organizations of Indigenous peoples in the province. Moving talks were delivered to delegates by Ed John of the First Nations Summit, Stewart Philip of the Union of BC Indian Chiefs, and Shawn Atleo of the BC Assembly of First Nations. A signing ceremony took place after their talks.

All three referred to the historic apology delivered by the federal government earlier this year for the policies of cultural genocide symbolized by the residential school system in Canada. They said that the apology would only have meaning if accompanied by effective action by government to redress injustices and restore Indigenous sovereignty rights.

The Protocol acknowledges mutual objectives including raising awareness of the rights and interests of First Nations, building consciousness of workers' rights, "achieving social justice for First Nations in BC through joint initiatives to advance reconciliation and close social and economic gaps," and collaboration on public policy issues of mutual concern.

Forestry in crisis

Delegates identified three reasons for the sharp decline of employment in the forest industry. One is the downturn in the U.S. housing industry. British Columbia softwood lumber exports to the U.S. dropped from \$4.9 billion in 2005 to \$3.5 billion in 2007, and the downward trend continues. Paper production and exports have also declined.

A second reason is deregulation of the system that allocates the right to cut lumber. Previously, tree cutting rights would be granted to companies on condition that the wood fibre be processed locally. The Liberals have loosened this coupling. One result has been a massive increase in the export of unprocessed logs – nearly doubled since 2000. Another has been escalating prices of tree cutting licenses as “decoupling” makes them attractive to speculators. Forest companies holding licenses are even trying to sell their lands to real estate interests.

A third reason offered for the job decline is the agreement signed between the U.S. and Canada in 2006 to resolve a long-standing trade dispute over competing accusations that lumber industries in the respective countries were receiving subsidies and favourable tax regimes.

In the convention discussion, many forest workers gave angry testimonies regarding the devastation of their jobs and communities. Yet no proposal was presented regarding what to do save for one – to vote for the New Democratic Party in the provincial election next May and hope that it will ease the crisis.

‘Capitalism to blame’

BC Federation of Labour President Jim Sinclair’s speech kicking off the convention explained many of the difficult challenges facing the working class in the province and the world. “Capitalism is to blame,” he said when summarizing the devastating collapse of the world financial system and its consequences.

But what to do? Several times in his speech, Sinclair returned to the theme, “If the corporations don’t clean up their act and start providing jobs and sustainable economic development, then we will step in and do it for them.” Why the “if”? Their system has proven itself spectacularly incapable of running the world. So what are we waiting for?

With the exception of the 2005 teachers strike, the major strikes of the past four years have been lost because the labour movement has not engaged in the level of solidarity action, including strikes, that could have brought victory. Instead, union officials simply point to electing the New Democratic Party as the way to solve our problems. Restricting labour’s strategy in this way weakens the labour movement. Gains cannot be won even under the most friendly of governments without strong pressure from labour’s ranks. Otherwise, the capitalist class uses its many levers of control to veto reforms that cut into their profits and domination.

The Liberal government has similarly ignored the needs of other sectors of the working population. For example, while the Federation of Labour has initiated an important movement for a rise in the minimum wage to \$10 per hour, the provincial government and the industries that rely on cheap labour have adamantly refused it. Urgently needed increases to welfare rates have been similarly refused.

The Federation is also enmeshed in the financial debacle now looming over the 2010 Winter Olympics that will open in just over one year in Vancouver. It’s increasingly evident that the Games will leave taxpayers in British Columbia and Canada with a deficit of hundreds of millions of dollars.

The unions and their political party, the NDP, supported the bid for the Games. They will have to deal with the wrath of working people angered over the cuts to government services that will result from deficits in Games financing.

Some new voices

A highlight of this convention was the increased role of young worker delegates. There were 90 delegates under the age of thirty, compared to just 38 at the last convention. They made their presence strongly felt on such issues as raising the minimum wage and fighting for better and affordable daycare. A report of the Federation youth committee laid out the following campaign issues:

- Winning a \$10 per hour minimum wage and carrying this forward to win \$11 per hour.
- Campaigning in high schools to inform students of their rights as workers.
- Organizing young workers into unions.
- Expanding a “Gen U” email and telephone network to link young workers and union members.
- Holding an annual Young Worker Conference sponsored by the Federation of Labour.

Harper government attack on union rights

The second-to-last day of the convention received dramatic news, while in session, that the newly elected minority Conservative government in Ottawa had just announced legislation that would ban the right to strike of federal government workers and remove the right of female federal government workers to appeal for pay equity measures. The news was all the more infuriating because it was contained in an “economic statement” by the government that made clear it would be doing nothing to address the economic downturn under way in Canada.

In response, Federation leaders introduced a resolution calling on the three opposition parties in Canada’s Parliament to vote down the government’s economic statement and form a coalition government that would address the needs and concerns facing working people in economic difficulty.

The resolution was discussed for 45 minutes and approved near-unanimously. The call for action to oust Harper was welcome; less positive was the proposal for the NDP to enter a Liberal Party-led government.

Only weeks earlier during a federal election, the NDP condemned the Liberal Party as a party of big business and the architect of destructive social and foreign policies. Now it turned on a dime and with very little dissent from the labour movement voted to join a government in which the Liberals would exercise the predominant influence.

The coalition government proposal now sits lamely in Ottawa, spurned by the Liberals as of the selection of their new national leader, Michael Ignatieff. The federal Parliament will reopen in late January. The government has withdrawn its anti-union proposals for now.

Independent labour political action

The convention's surprising and near-universal support for a coalition government with the Liberals highlights the challenge before the labour movement today. Should we chart a course of political action that is independent of the parties of big business, Conservatives and Liberals alike? Or do we place our bets on political manoeuvring with parties or interests that are entirely hostile to workers interests?

More broadly, can the capitalist system be salvaged and should workers' interests be sacrificed to achieve that?

These questions are being discussed and debated by growing numbers of workers, as discussions at this convention made clear. Socialists must immerse ourselves increasingly in these discussions and in the experiences of peoples who engage in struggle to resist the capitalist crisis. Our goal must be to find the most effective means to resist the capitalist offensive and defend our immediate interests as workers, all the while fighting for governments that can lead society out of the worldwide impasse that capitalism has created.

Roger Annis was a delegate to the BC Federation of Labour convention.