

#19 SEPTEMBER / OCTOBER

2007

\$3.00

R

# ELAY

A SOCIALIST PROJECT REVIEW



SPECIAL FEATURE ON THE ONTARIO VOTE  
NEOLIBERAL CULTURE \* ELECTORAL REFORM  
SPP \* ATLANTA SOCIAL FORUM

L A K E



*Editor:*

Peter Graham

*Culture Editor:*

Tanner Mirrlees

*Web Editor:*

Pance Stojkovski

*Advisory Board:*

Greg Albo

Len Bush

Yen Chu

Carole Conde

Bryan Evans

Richard Fidler

Matt Fodor

David Kidd

Jess MacKenzie

Govind Rao

Richard Roman

Ernie Tate

Carlos Torres

Elaine Whittaker

*Printed by:*

Open Door Press

Winnipeg



## About Relay

Relay, A Socialist Project Review, intends to act as a forum for conveying and debating current issues of importance to the Left in Ontario, Canada and from around the world. Contributions to the re-laying of the foundations for a viable socialist politics are welcomed by the editorial committee.

Relay is published by the Socialist Project. Signed articles reflect the opinions of the authors and do not necessarily represent the views of the editors.

## About the Socialist Project

The Socialist Project does not propose an easy politics for defeating capitalism or claim a ready alternative to take its place. We oppose capitalism out of necessity and support the resistance of others out of solidarity. This resistance creates spaces of hope, and an activist hope is the first step to discovering a new socialist politics. Through the struggles of that politics – struggles informed by collective analysis and reflection – alternatives to capitalism will emerge. Such anti-capitalist struggles, we believe, must develop a viable working class politics, and be informed by democratic struggles against racial, sexist and homophobic oppressions, and in support of the national self-determination of the many peoples of the world. In Canada and the world today, there is an imperative for the Left to begin a sustained process of reflection, struggle and organizational re-groupment and experimentation. Neither capitalism nor neoliberalism will fade from the political landscape based on the momentum of their own contradictions and without the Left developing new political capacities. We encourage those who share this assessment to meet, debate and begin to make a contribution to a renewed socialist project in your union, school and community. For more information on the Socialist Project check our web-site at [www.socialistproject.ca](http://www.socialistproject.ca) or e-mail us at [info@socialistproject.ca](mailto:info@socialistproject.ca).

## Subscribe & Donate!

\$20 for an annual subscription of six issues. \$20 for a bundle of ten issues. Relay is financed solely by donations from its supporters. Please send cheques payable to Socialist Project.

PO Box 85  
Station E  
Toronto, Ontario  
M6H 4E1





# RELAY II CONTENTS

September /  
October #19

2007

## **Labour Day**

Reviving the Labour Movement Through Reviving Class Solidarity .....	SP Labour Committee	4
Reclaiming Labour Day .....	Bradley Walchuk	5

## **Ontario Elections**

Treading Water: Four Years of Ontario's Liberals .....	Bryan Evans	7
Anti-Poverty or Anti-Capitalism .....	Jacquie Chic	10
Politics, Poverty and the Social Determinants of Health .....	Dennis Raphael	12
What Goes Around, Comes Around in Northern Ontario .....	John Peters	14
McGuinty's Public Power Promise .....	Paul Kahnert	18
Building Houses and Political Influence .....	Robert MacDermid	20
A Progressive Directory .....		22

## **Ontario's Referendum on Electoral Reform**

Against All Odds: Winning Electoral Reform in Ontario .....	Dennis Pilon	24
The Ontario Referendum on Electoral Reform: Left Possibilities? .....	Besmira Alikaj	27
Loading the Dice on the Referendum .....	Elizabeth Rowley	28

## **Canada**

In Opposition to the SPP .....	Socialist Project	30
The AFN Day of Action .....	James Lawson	32

## **Culture Front**

Flexibilized Work as Neoliberal Entertainment .....	Tanner Mirrlees	36
Union Karaoke .....	Herman Rosenfeld	39
Textures of Dispossession .....	Julian Holland	40

## **International**

The Social Forum in Atlanta: A Turning Point for the US Left? .....	Peter Brogan	43
Notes from Atlanta .....	Dianne Feeley	45
The Norwegian Method .....	Asbjørn Wahl	46

# Reviving the Labour Movement Through Reviving Class Solidarity

*A Statement from the Socialist Project Labour Committee*

As Ontario's labour movement marches in this year's Labour Day Parade it does so with something to celebrate: an increase in the provincial minimum wage. That victory, all the more significant for victories being so rare in recent times, was partial - amongst other things it is only being phased in over three years - but all victories for working people are partial. Why this achievement merits special celebration is that:

- i) It materially matters for hundreds of thousands of workers.
- ii) It demonstrated the exciting possibilities of creating spaces through which immigrant workers and youth could express their frustrations and mobilize to improve their conditions.
- iii) It opened a new door through which the unionized labour movement - in various stages of crisis since the Days of Action - might be revived: supporting the struggles of non-union workers because it is both the morally right thing to do and because it contributes to uniting and building the working class as a potential social force agent.

## What next?

That victory poses a number of questions. First what will the labour movement now do to build on this momentum? One option is to move on to fight for improvements in other standards (such as paid time off). Another is to raise the ante and get unionization itself more clearly on the agenda. New minimum standards are themselves an opportunity to do so because in many cases, these minimum standards are not enforced. And so there is a powerful opening for the need for a union just to get what the law allegedly guarantees you. A further campaign might be to take on the 'temp agencies' - parasites that live off the back of workers - and restore this function to public agencies providing a social service.

Second, having experienced the potentials of collective action at the community level, how can the labour movement strengthen these capacities? One step is internal: if we really want to make some organizing breakthroughs, we will have to overcome our sectionalism (divisions over who 'gets' new

members) and develop an effective degree of cooperation that puts workers and the movement first. Another is external to formal unionism: there are groups like the Workers Action Center in Toronto that currently provide services to non-union workers (and have been long-time activists in the struggle for raising the minimum wage); they should be encouraged and supported in expanding their work.

## What about the people on welfare?

A third question relates to the shameful conditions of those members of the working class who, for various reasons, are currently not in the workforce or only marginally attached and who consequently depend on welfare. Welfare rates are today 40% lower in purchasing power than they were when the Conservative government launched its own version of the 'War on Poverty' in the mid-90s (and they were hardly overgenerous before then). This too must be of fundamental concern to all working people simply because of the injustice it exposes in how we treat those with disabilities, single mothers trying to raise a family on their own (poverty rates are stunningly higher for women and 280,000 Ontario children live in families who rely on social assistance), and workers who have been laid off (such as those now benefiting from the higher minimum wage but at risk of not getting full-year employment or seeing rising



housing prices and the lack of affordable housing eroding any gain they thought they made). Furthermore, the low standards brought on by unemployment represent pressures to stay at any job, no matter how poor the pay and conditions and no matter how sick you might be. And this can't help but increase pressures on standards for other workers.

A coalition of anti-poverty and related groups is planning a protest this fall (September 26) to profile their plight as the Ontario election takes place. Their goal is to 'raise the rates' (bring the \$10 minimum wage forward and return welfare and disability rates to their former levels with a 40% increase), build affordable and accessible housing, and access without fear to government services for non-status immigrants. This coalition - Toronto Anti-

Poverty (TAP) – is committed to continuing that struggle after the election. For organized labour, the question is where do we stand? Will we identify the fight against poverty as not just a matter of charity, but a dimension of solidarity against all the manifestations of exploitation and injustice working people experience?

### **We have no alternative**

It is crucial, in all our struggles, to recognize that we are not simply fighting against ‘bad policies’, but something deeper. Governments seem to have concluded that capitalism in its present phase can only reach and maintain the profits it needs by: a) limiting ‘diversions’ to those not in the labour market and therefore not contributing to profits; and b) keeping those in the labour market insecure and fragmented from each other – insecure about

their jobs, increasingly cut off from essential services, and struggling to survive on their own rather than collectively. This will not be fundamentally changed unless we can mobilize in a way that scares them the way they have worked so hard to scare us. Real change will only come if we reject their cramped and debilitating vision of what is possible and develop the solidarity, structures and capacities to move towards an alternative vision. Their own mantra of ‘there is no alternative’ within capitalism is essentially an admission that capitalism has itself become a barrier to human progress and that we ‘have no alternative’ but to challenge capitalism itself. **R**

Contact Toronto Anti-Poverty (TAP) to get involved in the campaign: [torontoantipoverty@tao.ca](mailto:torontoantipoverty@tao.ca)

---

# **Reclaiming Labour Day**

Bradley Walchuk

Like many other Canadian communities, St. Catharines, Ontario has traditionally marked the last long weekend of the summer by holding Labour Day celebrations, most notably a parade through the former Township of Merritton. The parade itself has never been organized and run by the local labour movement, but rather, the Merritton Lions Club has been responsible for the preparation and execution of the event. That being said, the local labour movement has always been present in the parade and the day’s festivities with a variety of locals and labour umbrella groups marching alongside one another. However, 2006 marked a change in the way in which the annual Labour Day parade occurred in St. Catharines. The local Lions Club chose not to organize the parade as a result of the parade’s traditional route being under construction, and thus the future of the Labour Day parade in St. Catharines was put into question.

A number of activists within the Canadian Labour Congress affiliated St. Catharines and District Labour Council (SCDLC), fearing the end of the celebrations of the working class event, took responsibility for organizing the parade and making the proper arrangements to ensure the events continued celebration. The SCDLC decided to use an alternate route, starting at the Canadian Auto Workers Local 199 hall and ending at the traditional location in Merritton, to ensure that the parade would take place and still pass through the working class St. Catharines borough. The 2006 St. Catharines Labour Day parade, the first one organized and executed by labour itself, was a successful event. In essence, Labour Day was saved and even improved upon, or so it seemed.

The Merritton Lions Club decided in early 2007 that it was interested in reclaiming the responsibility for organizing the Labour Day festivities. Despite a majority vote by the SCDLC del-

egates indicating that they would like to retain the planning and coordination of the 2007 Labour Day parade, the president of the labour council obliged the request and allowed the Lions Club to once again coordinate the event.

But in the meantime, local Conservative Member of Parliament Rick Dykstra voted against the third and final reading of Bill C-257, the legislation that would have implemented anti-scab legislation in industries falling under the jurisdiction of the federal government. Dykstra, who voted in favour of the legislation at both the first and second readings, had provided every indication that he was intending on voting in favour of the legislation at the third reading. His sudden change of mind had effectively betrayed the local labour movement and worked against the interests of Niagara’s working-class. Interestingly enough, only six months before voting against federal anti-scab legislation, Dykstra used the 2006 St. Catharines Labour Day parade for publicity, riding in the back of a convertible and waving to parade goers.

Many activists within the SCDLC were rightfully upset with Dykstra’s decision to vote against Bill C-257. Of course, they naturally assumed that Dykstra would once again want to use the Labour Day parade as a platform upon which to be visible to the local community. However, the thought of a politician who voted against meaningful labour legislation appearing in a Labour Day parade seemed sacrilegious to many within the local labour movement. Two motions were passed at SCDLC meetings which affirmed that the majority of the council was opposed to having Dykstra appear at the 2007 edition of the parade.

However, having rescinded organizing control of the parade back to the local Lions Club, the activists within the SCDLC →

could only send letters to the Lions Club asking that Dykstra not be invited, as opposed to simply choosing not to invite him themselves. The Lions Club, attempting to remove themselves from the political wrangling, chose to ignore the request of the SCDLC and extended an invitation to Dykstra to appear at the parade. Many local unions who would have otherwise appeared in the parade decided to abstain from the 2007 festivities in protest of Dykstra's involvement with the parade.

At roughly the same time that these unions were withdrawing their plans to participate in the St. Catharines Labour Day parade, UNITE HERE Local 2347, representing over 500 hotel workers in Niagara Falls, decided that it would use Labour Day to publi-

cize its ongoing struggle with their hotel's management. The event, appropriately entitled 'Bring Labour to the Front Lines' served as part of the larger 'Hotel Workers Rising' campaign, which seeks to bring fairness and justice to hotel workers across North America. The Niagara-area UNITE HERE local and its members claim that hotel management has failed to pay the wage increases in their collective agreement, withheld a signing bonus following the ratification of a new collective agreement, resisted implementing a straight eight-hour shift and terminated many activists within the union.

Sensing that this event represented the true working-class spirit of Labour Day, many of the unions and labour activists who had withdrawn their involvement from the St. Catharines Labour Day event openly proclaimed their support for the Niagara Falls Labour Day Rally and made preparation to become involved in that event instead. Actor and labour activist Danny Glover, who had previously been privately prosecuted by hotel management for his involvement in an earlier Niagara Falls labour rally, announced that he would be returning to the Niagara area to take part in the 2007 Labour Day event. Instead of spending Labour Day at home or at a parade that failed to give labour its proper due, activists in the Niagara Region rallied around a cause that was close to their hearts and one that represented working-class struggle.

On any given Labour Day, one of two things can occur. There can either be a parade on Labour Day, or there can be a Labour Day parade. Many labour activists in the Niagara Region have elected to support the latter. A Labour Day parade, in contrast with a parade on Labour Day, recognizes the struggles faced by working-class men and women and seeks to publicize them in an attempt to better the lives of these workers. Labour Day in Niagara Falls was an event run by labour in the interest of labour. In addition to being one of the first Labour Day events held in the city, it was an event that should not soon be forgotten. The same spirit evoked by the activists in the Niagara area should be readily applied elsewhere to ensure that labour issues remain on the front lines of Labour Day events and that the struggles of Canada's working class are made known. **R**

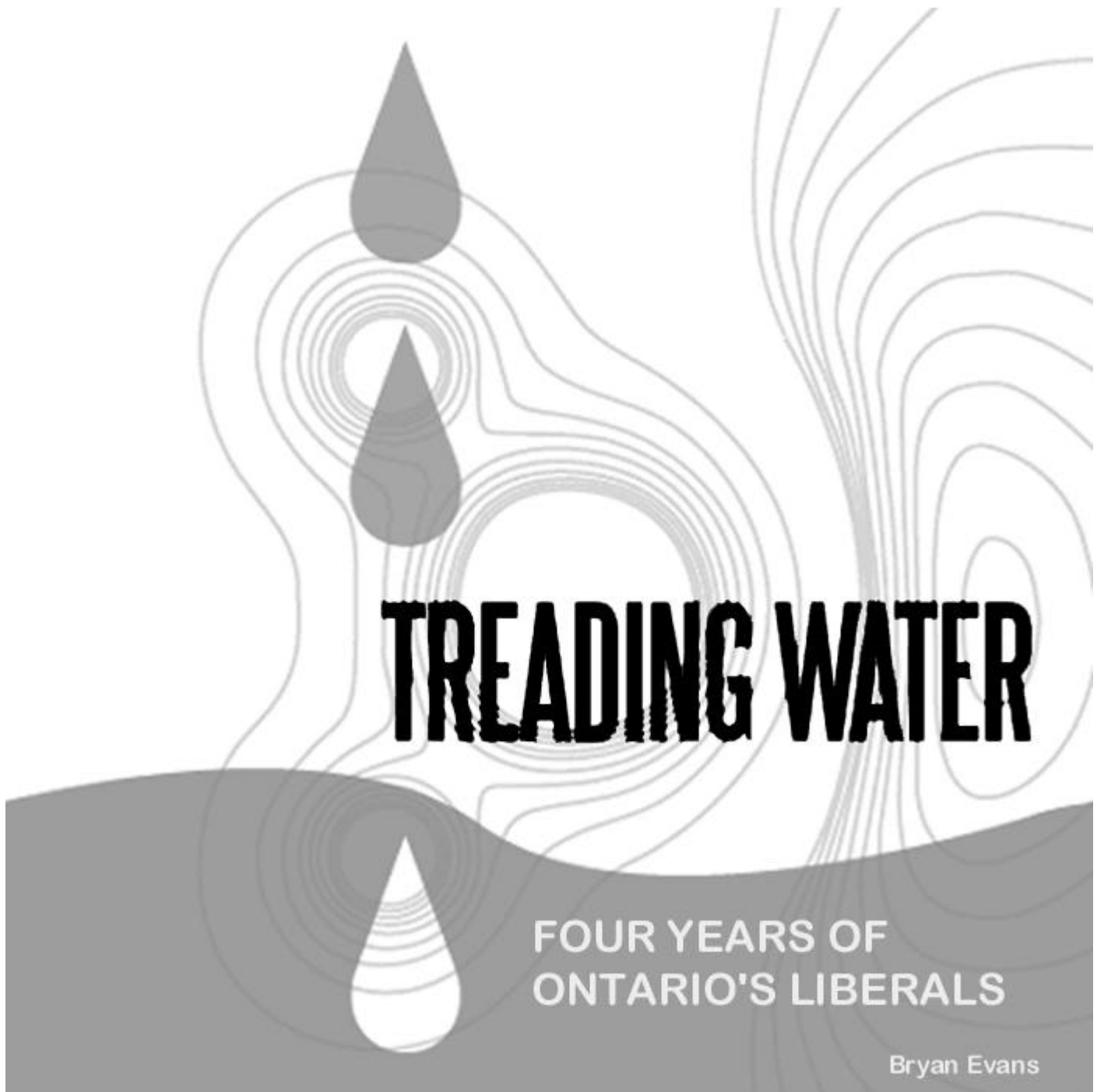
Bradley Walchuk is a graduate student in the department of Political Science at Brock University and the Chief Steward of CUPE Local 4207. To read more about UNITE HERE Local 2347, visit [www.niagarahotelworkers.ca](http://www.niagarahotelworkers.ca).

# SEPTEMBER 26TH MARCH AGAINST POVERTY

Wednesday, September 26<sup>th</sup>, a broad coalition of community organizations, trade unions, health providers and low income people will march to and rally at Queen's Park. Groups will have their own actions before marching on the Legislature.

## TORONTO ANTI-POVERTY

For more information see: [torontoantipoverty.tao.ca](http://torontoantipoverty.tao.ca)



The champagne corks were popping the night of October 2, 2003, the night four years ago when Dalton McGuinty and his Liberal party sent the Common Sense Revolution to the dustbin. Eight years of the most repugnant government in Ontario's postwar history had concluded. It was indeed a cause for celebration. McGuinty's Liberals had run on a platform which bravely stated that, if elected, taxes would not be cut again. Maintaining important public services was simply too important. The Liberals were unequivocal on this. They were equally unequivocal in saying taxes would not go up. This gave them a political edge, but it also blocked the need for public debate on that issue. But after eight years of watching the hollowing out of the Ontario public sector, it was refreshing to hear a commitment to

reinvesting in public services and words of respect for the people who deliver those services.

### **Neoliberalism with a Human Face**

That was then. There is now a four year record to examine. The enduring theme of the Ontario Liberals over this period has been that they have chosen to reinvest in health, education and social services. The record shows that they have reinvested in social programs, spending 19% more on these services in 2007 than in 2004. Although when inflation is factored in, the real growth in expenditure is a rather less interesting 10-11%. And when one looks at inflation in specific sectors, such as health →

for example, the sectoral inflation rate is about 9%. It certainly beats the roll-backs and gouging that took place under the Harris-Eves Conservatives. But it is, at the same time, indicative of the tepid commitments of the Liberal government and their unwillingness to reverse the policies and cuts of the Harris years. A stark illustration of this is the Liberal government's recalcitrant and meager increase in social assistance rates. These were cut by 21% in 1995 and have never been restored to their pre-Common Sense Revolution levels.

It is worth noting that the Liberal failure to reverse the Harris cuts has occurred during a period of very decent economic growth and a concomitant expansion of government finances. Now that the economic future is rather less sure, as the Ontario manufacturing sector continues to be hammered with job losses and as financial markets appear very unpredictable, one must wonder, what will a 2008 Liberal budget look like? Should they return on October 10th with a majority, the odds are, and history predicts this, that Ontarians will see even this modest improvement cut back or, at best, frozen.

Throughout their four years in government, the McGuinty Liberals have maintained an abiding fidelity to the fiscal conservatism and the privileging of business interests which marked the Common Sense Revolution. This legacy lives on at Queen's Park, having been politically embedded in policy and structures. The McGuinty government has not meant a rupture with the Common Sense Revolution: it has served to sustain that project. The evidence for this charge is ample. From the beginning the Liberals were committed to a policy of no tax increases. This is a promise they have kept (notwithstanding the reintroduction of an extraordinarily regressive health care surtax that sees teachers and Bay Street bond traders paying the same additional taxes).

Taxation has become a politically vexing issue. Working families have seen their pre-tax income stagnate for the past 20 years. At the same time, the tax regime has become increasingly regressive. Every advantage has been given to those with money to duck and dodge the taxman both legally and illegally. The McGuinty government again demonstrates that it is a party of and for business. Rather than tackle the question of taxation in a meaningful manner, the choice is to maintain the arrangements struck by Mike Harris. The Harris era 30% cut in the tax rate and the elimination of several dozen taxes on various business-related activities left in place a more regressive tax regime and one that is not capable of meeting the needs of Ontario infrastructure, social and economic needs. Fair taxation might have been a theme for a pragmatic government. But not this one.

### **Liberal P3s: Public Pays and Bay Street Profits**

The McGuinty government has also sustained the usage of public-private partnerships. These are arrangements where private interests make safe investments in public infrastructure like hospitals. Citizens ensure profits with their tax dollars. The McGuinty government has invested some \$30 billion in such infrastructure projects. They revealed in 2005 that they wanted to use workers' pension funds for such P3s and leverage this with

private investors. This is risk-free capitalism for private investors, but it has proven, in almost every study of the issue, to be more expensive for taxpayers.

P3s were a central and prominent theme of the Liberal government as far back as 2004, when Greg Sorbara, the Minister of Finance, announced a full review of government spending and priorities. As a result, in 2005, 15 ministries saw their budgets shrink and Sorbara signaled a strong preference for privatization and contracting out. He stated: "the province should only be in the business of direct service delivery when it can provide a service more efficiently than anyone else." Health Minister George Smitherman also mused about the money that could be saved if hospitals contracted out all non-medical staff such as laundry workers, cleaners and kitchen staff. This essentially means cutting jobs for the workers making \$18.00/hour, while increasing doctors' incomes, who then invest their surplus incomes in sidelines such as for-profit nursing homes, and allowing hospital managers to pull down a rather nice \$500,000 a year. People earning \$18/hour spend their money locally while the wealthy have a propensity to invest elsewhere.

### **Money for Nothing?**

Another theme of the McGuinty period in power has been subsidies for capital in a range of sectors. The largest of these has been the Ontario Auto Investment Strategy, meant to attract or retain auto industry plant in Ontario. The auto companies used job blackmail to leverage these subsidies. American states do the same thing, creating a race to the bottom where the key beneficiary is the stockholder. Whether workers' jobs are secured is unknown as the written agreements between the auto corporations and the Ontario government are not available for public review. Without greater public controls over investment, sectoral planning and public companies, this process will continue. The McGuinty government has done nothing to alter this aspect of neoliberalism.

### **Liberals Not in a Hurry**

The most recent Liberal budget of March 2007 maintained the 'talk progressive, act for business' politics. The commitment to raise the minimum wage to \$10.25/hour was sold as a bold move, but it is only to occur over three years and will still not exceed the cuts in real terms of the Harris years. Even this proposal had been resisted and disavowed by the government a mere week before the budget, a fact that speaks to the scare they received in losing what had been a rather solid Liberal seat in a by-election. New Democrat MPP Cheri DiNovo deserves full marks for placing the minimum wage back on the political agenda through her campaign to raise it to \$10.00/hour – not in three years but immediately. Combined with the Toronto Labour Council's "Million Reasons Why" campaign and the organizing efforts of UNITE-HERE, the message that declining and stagnant wages in the midst of unprecedented wealth was simply not acceptable struck a chord with working families in York South Weston and, indeed, across the province.

On other important fronts, such as energy, the McGuinty Liberals have been unsure as to how to proceed. They have flip-



flopped on promises around shutting down coal plants, re-regulating the electricity sector and expanding renewable energy. They have finally settled on what they had opposed in the last campaign – expanding nuclear power generation. The lack of an energy strategy has been costly for Ontario workers, but also for the provincial government's commitment to making a significant effort toward carbon emissions reduction (the cover they now use for the expansion of nuclear power). Once again, the Ontario McGuinty government has failed to plan and act decisively and, instead, sustains the neoliberal energy and environmental policies of the Harris government.

### **Beyond the Political Horizon of Neoliberalism?**

The 1990s was a decade where the political horizons in Ontario were shrunk dramatically. The New Democrats self-destructed in their efforts to be respectable in the eyes of corporate Canada and, in the process, relegated the party to near obscurity. The Conservatives effectively reframed the terrain of debate and the Liberals cast themselves first as 'tory-lite' in the election of 1999. They learned from that fiasco and talked slightly left in their discourse and opposed the hacking down of public services. But they have not altered the neoliberal legacy of the Harris Common Sense Revolution (itself given political breathing space by the disaster of the Rae NDP government and its waffling on progressive issues before settling into public sector restraint). We still live in the policy shadow of that neoliberal mess as the provincial election date of October 10th draws near. The McGuinty government, too, has given the Ontario public neoliberalism, albeit with a human face. The economic context is now different. If indeed Ontario, and perhaps the world, is slipping into yet another economic crisis, the breadth of insecurity may well be horrifying as the destruction of what few tools for social protection we possessed prior to 1995 have never been rebuilt.

For the Left, there are important choices to be made and, as with past elections, important decisions to be made about our role and future prospects. New Democrats deserve a measure of credit for making the minimum wage central to political debate. And they and the Greens were quick to condemn the reactionary Conservative proposal to extend public funding to faith-based schools. The Greens have gone even further and have called for a completely secular public education system. Despite their embrace of 'market ecology,' this position of the Greens, and a few others such as a focus on proportional representation, will almost certainly draw attention and register in electoral outcomes. Opinion polls are consistently showing that the outcome on October 10th is uncertain, with the Liberals down in minority government range, the Tories up and the Greens now on the electoral radar.

The New Democrats are consistently showing at 18-20 % in public opinion polls. This is still a long way from their historic pre-Rae government averages of 25%, but there are signs of resurgence. It may well be that a minority government will emerge and the NDP will have an opportunity to place important issues at the forefront of the government agenda. In this respect, the Left

can play an important role in giving profile and substance to such issues as the pressing need for an anti-poverty strategy which encompasses the need for a living wage policy in addition to an economy that generates meaningful and quality employment, a sustainable and just settlement of the crises confronting Aboriginal communities, a re-conceptualization of health care before the profiteers turn this into a marketplace – and this is happening much faster than is generally acknowledged. And, of course, there is a need to link all of the above to environment policy.

Simply voting NDP is not going to deliver this agenda. There is an ongoing need to build a stronger anti-neoliberal coalition which would assist electoral mobilization by framing key issues that would otherwise be ignored. Again, the minimum wage is a stellar illustration of this point. It was nowhere on the political radar until extra-parliamentary forces placed it there, led by the long campaign of poverty activists around the Ontario Coalition for Social Justice, and some Ontario unions, especially UNITE-HERE and the Toronto Labour Council. The NDP was very slow to pick this up, reluctant even, until Cheri DiNovo and Paul Ferreira won two by-elections where the issue was a central part of their individual campaigns.

There is, as well, the significant and vital issue of organizing the socialist Left so that it can shape and inform debate but also play a role directly in all manner of engagement including electoral. The Left in Ontario, and indeed Canada, is incredibly disorganized. It is not really possible to speak of an activist union Left in any serious way, as it has neither organization and strategy nor campaigns across unions. The Left beyond that simply does not register as a social force, and is not capable of transforming union politics or winning specific campaigns at the current level of strength and unity. It is barely able to maintain the presence of socialist ideas in Ontario public discourse and education. This educational role is a crucial task for the Left during elections, given the make-up of parliamentary representation. Developing some additional organizational capacity in leading anti-neoliberal fights would also be an advance that the election campaign can help spur. The referendum on Mixed-Member Proportional Representation (MMP) is one crucial area where both education in democracy and some Left organizational capacity could be added. In the longer-term, an MMP system raises the potential of providing more options to workers and unions. For what it is worth, it would also ensure the New Democrats play an ongoing important role in setting the policy agenda of future governments. Anti-poverty, healthcare and indigenous rights campaigns during the election should also provide space for education in socialist ideas, and developing anti-neoliberal forces. These campaigns all deserve the utmost support and work of activists. But we are still some distance from being able to hoist the banner of socialism as an active social force in the realm of ideas, campaigns and political organization in Ontario. Without that Left reformation – and even if a minority government forms after October – neoliberalism and its discontents will continue to dominate the agenda of Ontario politics. **R**

Bryan Evans teaches public administration at Ryerson University.

# ANTI-POVERTY OR ANTI-CAPITALISM:

## A QUESTION FOR MOVEMENT BUILDING BEFORE, DURING AND AFTER ELECTIONS

Jacquie Chic

Poverty has gone mainstream, the newly discovered plaything of the rich and famous. The signs are unmistakable locally and globally. At home, the *Toronto Star* has been running a protracted series on the issue while a 2005 report released by the Toronto Dominion Bank lambasted governments for their inaction on income security programs. What's going on here?

It is undeniable that the frenzy of interest has been prompted by an anti-poverty movement that has been picking up steam.

In Ontario we need only look at the flurry of activity in the run up to the provincial election. A broad coalition of activists are girding for what is hoped will be a massive rally at the Ontario legislature on September 26. The demands are as essential as they are familiar: immediate and substantial hikes to social assistance and minimum wage rates and a hefty expansion of the affordable and social housing stock. The Ontario Coalition Against Poverty's (OCAP) "Raise the Rates" campaign, long predating the election, is bold and dramatic. Campaign 2000 has issued a report calling on political parties to commit to a poverty reduction – but not elimination – strategy. And under the banner "Ontario Workers Need a Fair Deal," the Workers' Action Centre is stepping up an already vigorous campaign that zeros in on the minimum wage, the stricter enforcement of labour laws and their expansion to protect precarious workers. There is more, too much to mention here [*Ed. see pages 22-23*].

Anti-poverty activists have ample fodder for making their case. The Liberal record on poverty is abysmal. Why wouldn't it be? It couldn't be otherwise in a capitalist state. But it's worth briefly reviewing.

Impoverishment has risen to dangerous levels, both in terms of rates and depth. Nearly 2 million people in Ontario are poor, close to 15% of the population. The vast majority are women, Aboriginal people, people of colour and recent immigrants. Current social assistance rates are frightful. A single person on Ontario Works receives \$547 a month while the Ontario Disability Support Program equivalent is \$979. The Ontario Child Benefit, introduced in the spring budget and part of a restructuring of how social assistance is delivered, will mean monthly payments to low-income families whether employed or not starting in July 2008 to a maximum of \$92 in 2011. At that point a single mother with one child on social assistance will see a whopping \$50 increase from current levels. At the same time, the minimum wage crept from \$7.75 to \$8.00 on February 1. Workers must wait until 2010 for the rate to go to what is even now the poverty wage of \$10.25. In

Ontario, the average rent for a one-bedroom apartment is \$787. In short, incomes have plummeted while costs have sky rocketed.

But if the issues are stark and the activism robust, there are questions that linger in terms of the longer-term goals of anti-poverty politics. There is anything but unanimity on what creates poverty within the anti-poverty movement. Answers such as the unraveling of an already meager social safety net and the proliferation of precarious jobs are as undeniable as they are unsatisfying, leaving untouched the question of what explains these developments. Here, the underlying assumption is that capitalist states make the choices they do because they are blind to the existence of poverty or its effects. This is a politics built on the futile pursuit of convincing the elite that poverty is a problem that deserves its attention.

The truth is that capitalism *requires* an industrial reserve army whose impoverishment compels low and unwaged members of the working class to accept dangerous work at poverty wages. This is the rocket fuel of soaring profits. Exposing the link between poverty and wealth – how, by whom and for whom it is produced – has the potential to move us in the direction of a socialist politics.

None of this is to refute how vital it is to fight for dramatic increases to the minimum wage and social assistance rates or the myriad of other demands on tap. These reforms are critical to people living on the edge. But the challenge for socialists is to embed anti-poverty activism before, during and after elections in a framework that illuminates rather than masks the fact that poverty is an unavoidable by-product of capitalism. Doing so puts front and centre the need for a movement that locates itself within an anti-capitalist framework. But what does that look like on the ground?

### **Building an Anti-Capitalist Movement of the Poor**

Materials and tactics of a movement led by low and unwaged workers need to make explicit the reality of their daily lives by revealing rather than concealing the connection between poverty and wealth. Instead of comparing low incomes to those of Ontario MPPs, the tactic of the Toronto and York Region Labour Council's minimum wage campaign, we might cite the soaring salaries of CEOs published last year in the *Globe and Mail* ranging from the nearly \$75 million raked in by the head of Precision Drilling Trust to the poor sots struggling on three-figure incomes. And profits are an indispensable part of the story. We could, for example, talk about the

fact that corporate profits in the mining and oil and gas extraction sectors edged up to 19% last year and a whopping 23% in the finance and insurance industries, while overall profits were up nearly 8% from the previous year.

Beyond this, an anti-poverty politics rooted in anti-capitalism would refuse to participate in the charade of treating social assistance recipients and low and unwaged workers as distinct. Instead, we need to be talking about the horrendous living conditions of low-income members of the working class. The issues of social assistance, wages, (un)employment insurance, workers' compensation and the rest need to be presented as a whole. In this way we bust through the fractures capitalism constructs. The "Ontario Needs a Raise" campaign, the demands of which include social assistance rates and minimum wage hikes, is one of few examples. A worker-led anti-poverty movement that locates itself within an anti-capitalist framework would weave together a political landscape that for now amounts to little more than a patchwork of single-issue campaigns.

### **Moving Beyond Electoral Politics**

An anti-poverty politics that is trained exclusively on the state – whether before, during or after elections – misses the mark. It is this focus that limits us to pushing for policy reforms, that are without question crucial, in ways that disguises capitalism's reliance on continued poverty. Direct confrontations with capital are essential to a socialist project.

This is not to wave away the importance of resisting the state. Doing so is as necessary as it is urgent. Social assistance rates and the minimum wage, amongst other legislative changes, are vital. And playing the game of electoral politics allows us to take advantage of somewhat heightened public interest in our issues.

But there are two caveats. Firstly, we can't sanitize our message in order to curry favour with politicians. An anti-poverty movement rooted in anti-capitalist politics must boldly trumpet its message no matter the venue, no matter the timeframe. The



nub of this is the second and related point: our strategies must be animated by the goal of building solidarity amongst and for low-income members of the working class rather than convincing those who cannot be convinced – a ruling class whose wealth depends on the impoverishment of others. If we win this or that reform on the policy front, this is not a sign that elites are starting to see the light. Nor can it be at the expense of expanding and unifying the anti-capitalist movement.

What does this mean in terms of the upcoming election? The strategy of showing up at all-candidates meetings only to politely ask mild and muted policy questions that inevitably generate the usual blather compromises a movement that needs to flex its muscle. Instead, these meetings should be the site of intervention and disruption including brash information pickets, the distribution of flyers containing explicitly anti-capitalist text and similar tactics.

Rallies at Queen's Park are important but could be supplemented by direct confrontations with capital in the lead up to the election, whether that is OCAP style actions in the financial district or the Bad Boss tours the Workers' Action Centre has perfected.

Elections offer activists an opportunity to beam a spotlight on capitalism's vile underbelly. If poverty has been taken up by mass media and corporate moguls, politicians still bristle at its mention, especially when their jobs are on the line. That's hardly a surprise. Poverty is capitalism's dirty little secret. Its exposure cracks open vital debate about complicity, political will and grotesque imbalances in the distribution of wealth and power.

We can make gains in these confrontations but only if we don't compromise the longer term goal of building a low and unwaged worker-led anti-capitalist movement that moves beyond reformist critique to present alternatives that are unabashedly socialist. **R**

Jacquie Chic is an anti-capitalist activist in Toronto.

# Politics, Poverty and the Social Determinants of Health

Dennis Raphael

Poverty is primarily about the experience of material and social deprivation and is associated with food and housing insecurity, childhood deprivation, unemployment and insecure employment, and exclusion from Canadian life. These aspects of living conditions – and the government policies that spawn them – are the primary causes of numerous health and social problems and have come to be known as the social determinants of health.

This current interest in social determinants of health should not disguise the fact that these issues are not new. In the 1850s Frederick Engels and Rudolph Virchow wrote about the important role that the distribution of economic and social resources plays in the incidence of disease and early death. Indeed, social determinants of health concepts have been present in Health Canada and Canadian Public Health Association documents since the 1970s and have been integrated into the health policy of many European nations. Yet in Canada, and especially in Ontario, as knowledge has increased of the means by which social determinants of health, such as poverty, threaten health, public policy decisions that weaken these social determinants of health continue to be made.

I synthesized a variety of differing formulations – in preparation for a national conference on these issues and subsequent book – to identify 11 key *social determinants of health* especially relevant to the Canadian scene: Aboriginal status, early life, education, employment and working conditions, food security, health care services, housing, income and its distribution, the social safety net, social exclusion, and unemployment and employment security. The conclusion from the conference presentations and the book contributions can be simply stated: current policy directions are threatening the quality of a variety of social determinants of health. The continuing incidence and depth of poverty is the most obvious example of these policy directions.

## The Evidence is Clear

The poverty and poor health relationship is one of the most robust associations known to the health and social sciences. In addition, it is well demonstrated that the material and social deprivation associated with living in poverty are of far greater importance to the health of Canadians than the ubiquitous biomedical and “lifestyle” choices which are the subjects of constant media and governmental messaging.

Poverty is the most potent predictor of health problems because in addition to serving as an indicator of material and social deprivation, it is a determinant of numerous other social determinants of health such as quality of early life, education, employment and working conditions and food security. The mechanisms by which poverty comes to determine health – material and social

deprivation, psychosocial stress, and the adoption of unhealthy coping behaviours – have been known since the mid-1800s. Indeed, an accumulating literature that details the day-to-day impact of living in poverty reports remarkable similarity of experiences among people living in poverty. It is a life characterized by material and social deprivation, the experience of stress, the experience of stigma and degradation and an awareness that poverty grinds down one’s health and well being.

Not surprisingly, poverty is the best statistical predictor of just about every indicator that describes Canadians’ health. While income is related to health indicators across all levels of income from very poor to very wealthy, income exerts its greatest effects upon those living in poverty. Children’s health is especially vulnerable to conditions of living in poverty. Chronic diseases such as coronary heart disease and type II diabetes are strongly related to living in poverty as is the incidence of respiratory disease, lung cancer and some other cancers.

The definitive work in Canada on income and health is done by Wilkins and colleagues at Statistics Canada who study death rates from various diseases among urban residents in Canada. In 1996, life expectancy differed widely among neighbourhoods of varying incomes and was especially low among the lowest income quintile (20%) of neighbourhoods. Among males in this lowest income quintile, their life expectancy of 73.1 years was 2.8 years shorter than the next quintile group, and a full five years shorter than males in the wealthiest quintile group. Females living in the lowest income quintile had a life expectancy 1.1 years less than those in the next group and 1.7 years shorter than the wealthiest income quintile. These differences in life expectancy occur because Canadians living within the poorest 20% of urban neighbourhoods die earlier from a wide range of diseases that include – among others – cardiovascular disease, cancer, diabetes, suicide and respiratory ailments than other Canadians.

Living in poverty has important health consequences for children and for their health as adults. Infant mortality rates of those living in the poorest 20% of Canadian urban areas is 60% higher, and low-birth weight rate is 43% higher than in the richest areas. Low birth-weight is a very important measure of health status as it is consistently related to the experience of chronic diseases such as heart disease and type II diabetes in adulthood.

Data from the *National Longitudinal Study of Children and Youth* paint a similar picture. Children from the lowest income families had a 13% chance of having poor functional health as measured by a composite measure of eight basic health attributes: vision, hearing, speech, mobility, dexterity, cognition, emotion, and pain and discomfort. The rate for the wealthiest group of children was only 5%. Indeed, the Canadian Institute for Child Health



reports that children living in poverty are the most likely to have asthma, other chronic diseases, visit emergency rooms, and die from injuries.

Longitudinal studies carried out in Europe – Canadian studies do not exist – have found that children living in poverty are more likely to develop cardiovascular disease, type II diabetes, respiratory problems and some forms of cancer as adults. These relationships persist regardless of adult income status. These findings also indicate that experiencing poverty during childhood is of more importance to later health than various adult behavioural risk factors such as weight, diet and physical activity. In essence, experiencing poverty as a child provides a significant health risk that is carried into adulthood.

### Public Policy under the Liberal Regime

The Ontario Liberal Party campaigned during the last election on the premise that the economic and social policies carried out by the Ontario Conservative government had served to create unacceptable levels of suffering and misery among the most vulnerable Ontarians. They did not hesitate to draw upon numerous reports that documented how the increasing number of children and families experiencing material deprivation resulted from the deteriorating social environment in Ontario during the Harris-Eves era. The explosive growth in numbers of children and families living in poverty, living as homeless or home-insecure and using food banks or other emergency food supplies resulted from the Province drastically reducing social assistance benefits, eliminating 18,000 new social housing units as it eliminated rent control and transferring wealth from the poor to the wealthy through income tax reductions for the well-off. The claw-back of the National Child Benefit to families on social assistance was outlined as an especially pressing issue that a newly elected Liberal Government would repeal.

### The Current Policy Situation in Ontario

Notwithstanding these campaign commitments, little has been done to fulfill them. And not surprisingly, the latest 2004 poverty figures show that the situation in Ontario has actually deteriorated. As of 2004, 14.7% of all Ontarians were living in poverty and among children under 18 years old the poverty rate was 17.4%. Among female-led families with children the poverty rate was 54.6%.



These rates have *risen* since the election victory of the Liberals in 2003. Similarly, the most recent 2004 data show an increase in the gap between the average income of people living in poverty and the actual poverty line. On average, families living in poverty in Ontario have incomes that are \$8,400 below the poverty line. Unattached individuals in Ontario have an average gap of \$7,600. People living in poverty are not just poor, they are very poor.

These numbers are consistent with what is known about the resources being provided to those living on social assistance and working at the minimum wage in Ontario. These Ontarians have gained little if any ground compared to their situation at the time of the election of the Liberal government. According to the National Council of Welfare, 2005 social assistance rates in Ontario fall well below the poverty line benchmark. A single “employable” person receives benefits that are 34% of the poverty line; a person with a disability receives 58%; a lone parent with one child receives 56%; and a couple with two children receives benefits that are 50% of the poverty line. Not surprisingly, 53% of Canadian food bank users and 62% of food bank users in the Toronto GTA in 2005 were on social assistance or disability supports.

Even with the increases in minimum wages announced by the provincial government, the amount received for a single full-time employed person is only 64% of the poverty line. The percentage of the poverty line attained for a single parent working at these wage levels is dramatically lower. Minimum wages as a percentage of the poverty lines are much lower than what they were in the 1970s.

And it is well documented that the Liberal government has refused to honour its commitment to end the claw-back of the child benefit to families with children living on social assistance benefits. The refusal to provide desperately needed resources to the most vulnerable children in Ontario is at best negligent and at worse borders on child abuse and neglect.

The solutions to the health crisis being experienced by the most vulnerable are clear. The Canadian Association of Food Banks, Campaign 2000, the National Council of Welfare and numerous other organizations have outlined a consistent set of priorities – related to raising assistance benefits and minimum wages and providing affordable housing and childcare – to promote the health of the least well-off. These solutions are not being implemented.

There is no reason that in an era of unparalleled wealth – typified by the reporting of record profits by Canadian Banks – that the most vulnerable in Ontario society are being forced to subsist on clearly inadequate and health-threatening levels of social assistance and minimum wages. Raising these levels would be just a first step in dealing with the affordability and related health crises being faced by so many Ontario residents. **R**

Dennis Raphael teaches at the School of Health Policy and Management at York University.



# *What Goes Around, Comes Around:*

## **The Mining Boom and Provincial Boosterism in Northern Ontario**

John Peters

Driving through Sudbury or Timmins these days, you're bound to see new pickup trucks pulling recently purchased boats, a new Porsche or two, and big 'Manitoulin' or 'Bison' transports carrying merchandise for suburban malls. You're also likely to see half-finished houses rising at odd angles on hillsides, and might even have to wait for one of the endless stream of southbound freight trains in the middle of town, brimming with ore and wood.

All this is a striking change. In the 1990s, much of northern Ontario was more known for high unemployment, shuttered downtowns, sulphurous pulp mills, and a mining industry in the doldrums. The landscape mirrored the unprofitable nature of the resource industries with trees dead for hundreds of miles, and the rock and earth blackened from the incessant acid rain, a by-product of the regular spewing of hundreds of thousands of tonnes of sulphur dioxide by the major mining companies.

But the past couple of years have seen an economic 'makeover' in the north. Skyrocketing demand for nickel, copper and gold – and now diamonds – has generated a mining boom. Also novel has been the renewed interest of the McGuinty government in northern Ontario. Old-style 'boosterism' has suddenly become fashionable again as over the past year hardly a week has gone by without a major new government announcement. Even the trees and lakes have made something of a comeback. The forests are now green and the lakes stocked with fish, due in large part to the efforts of forestry and summer workers hired by the mining companies who have counteracted the effects of acidity by spreading carefully measured doses of lime.

In economies dominated by resource development, the ups and downs of growth and employment are a given. Rising resource prices mean jobs and spending, new homes and highways. Falling resource exports mean plant shutdowns, unemployment, and people leaving town.

Political cycles usually follow in sync. In times of boom, governments generally win and if they are smart, they invest. In downturns, opposition parties have taken better advantage. In northern Ontario, with the current rise in mining fortunes, the Liberal McGuinty government seems set to take political advantage in the upcoming election, and shore up one of its major regional strongholds.

But even as it does so, all of the old problems will remain – mass environmental damage; lack of diversification; and an

economy chronically susceptible to the whims and sputterings of global capital.

Wealth lubricates an upbeat mood and more contented voters. Eight years ago in northern Ontario, with the re-election of Mike Harris, high unemployment, mine layoffs, and cuts to social assistance made northern Ontario cities and towns candidates for government construction projects and call centres. Social assistance programs were given penal style sanctions and Kimberly Rogers, a Sudbury woman convicted of welfare fraud, died in her apartment while under house arrest in 2001.

This was a bitter humiliation for communities used to frequent periods of boom and bust, and to functioning income support programs that allowed them to weather seasonal unemployment and cyclical downturns.

### *boom*

But against expectations, beginning in 2002 lower interest rates and an unregulated American mortgage market led to record Canadian lumber and wood product exports that in turn fed an American housing boom. More capital investment in pulp and paper meant a declining number of paper manufacturing jobs. But new investment in finished housing products and building materials created new lumber processing jobs throughout northern Ontario.

Then in 2004, the rapid growth of China, India, and Brazil fed a growing appetite for energy, metals, steel and chemicals which Canada, Alberta and northern Ontario in particular, supplied. Prices for nickel, copper, and gold, doubled from 2004-2006, supercharging exports and new investment in mines and exploration. Similarly, steel exports to China and India grew at phenomenal rates.

Canadian exports of mining, mineral processing, and metal products – of which northern Ontario contributes roughly 60% – increased by over a third in value 2004-2006, rising to 74.5 billion dollars and a record 12.5 billion export surplus in 2006. Capital investment doubled to over one billion in 2005-2006, and small-cap, mineral exploration companies sunk another 1.2 billion, in the hopes of finding new 'rock-hard' cash.

Multi-national capital quickly joined in. Seeing money to be printed, Brazilian mining giant CVRD and nouveau Swiss upstart, Xstrata dropped \$40 billion buying out two long-time Ca-

nadian industrial giants Inco and Falconbridge in 2006. Essar, an Indian steel conglomerate, knowing the price of a good bargain when they saw one, also snatched up Algoma Steel, and quickly turned it around to ship steel into the U.S., India, and South-East Asia. Earlier, Argentinean pipeline and tube producer Tenaris had taken advantage of Algoma to buy its tube making facility in Sault Ste Marie and now exports pipe to Western Canada, the U.S., and Mexico, while adding to its workforce and plant capacity.

What this integration of northern Ontario into global networks of production and resource processing has meant is boom, at least for a majority. Throughout northern Ontario, unemployment has fallen to its lowest levels in twenty years, and now sits near the national level of 6%. More people have entered the labour force, and for the first time in two decades, northern urban populations have shown notable upticks.

The construction industry has benefited the most from this growth. New housing starts and new box stores – often centred around Home Depot – have fuelled a building boom not seen in decades. House renovations and flips have also helped leverage prices skyward, on average 10-15% annually over the past three years (even more in Timmins and Sudbury) and increased the demand for ever more scarce construction workers.

At the same time, retail stores have hired part-time workers in record numbers to service an expanding consumption economy, as miners and supply industry workers alike have taken the opportunity to spend in new malls and acquire toys for their ‘camps’ (the northern term for cottage). Even laid off pulp and paper workers have found new jobs, with many skilled tradesmen going to work for Inco and Falconbridge, and the unskilled to new mine construction or commercial building.

If historical precedents offer any guide, the incumbent Liberal government will have a modestly prosperous and economically contented populace backing them come October.

### *modern ‘boosterism’*

But the present good times are not the only reason to expect continued Liberal party dominance. Northern Ontario has also reaped the advantages of the Dalton McGuinty’s government’s modern-day version of ‘boosterism.’

One week there is the announcement of multi-million dollar investments in highways. The next, the kick-off for new hospital or medical school construction in Sudbury, Sault Ste Marie and Thunder Bay. The week after, new program funding for mining research at Laurentian University and new lab facilities in Sault Ste Marie. Over the past few years, the Liberals have used an older-style politics to try and win the hearts and minds of voters through jobs, contracts and better infrastructure.

At first glance, the scatter-gun nature of policy development and spending might appear too lightly conceived and too dis-

parate to have much impact. But such appearances would be electorally deceiving.

Because what the McGuinty Liberals have adopted is a pragmatic, programmatic policy stance common to a number of Social Democratic and Christian Democratic West European governments, and that is perhaps best characterized as ‘competitive liberalism’.

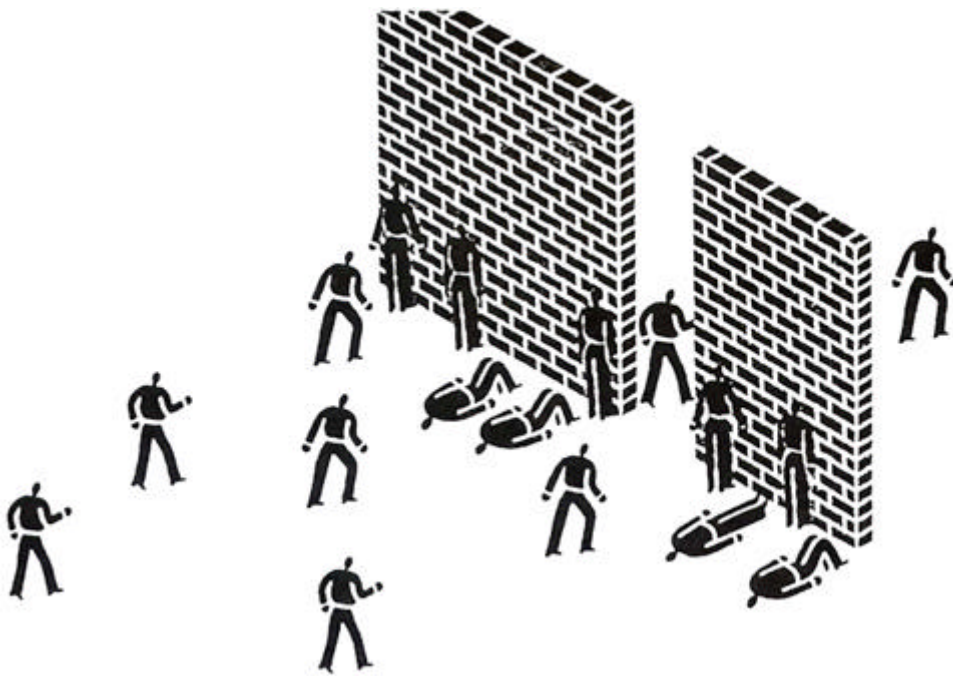
Similar to that of Tony Blair’s Labour Party attempt to construct a ‘Third Way’ in Britain, this governing stance seeks to build across the board appeal through policies that are ‘modern’, ‘responsible’, and ‘competent’. It includes neoliberal elements such as tax cuts and balanced budgets. But it also embraces new ‘post-materialist’ concerns with the environment and gender equality, all the while seeking to uphold education and health as the traditional liberal institutions necessary for middle-classes to achieve success and prosperity through hard work, while protected them from the risks of ageing, disease, and accident.

This ‘competitive liberal’ strategy is at best shaky throughout much of southern Ontario. Based on electoral and technocratic concerns rather than the ideological criteria of markets and sacrifice, the McGuinty platform has only modest moderate appeal to many business people, and many upper and middle income earners are also little convinced, continuing to hold a ‘capitalist frontier’ view of reality that taxes are theft and social distribution for losers.

Moreover, McGuinty himself also comes across as a too-earnest uncle – well meaning, but perhaps not the sharpest of players. Unlike the slick, educated, tv-friendly salesmanship of Tony Blair, McGuinty has the charisma of a too frazzled school headmaster, and rather than being the face of a pragmatic, technocratic, ‘modernity’, he more often than not portrays Liberal policies as so much cod-liver oil – good for you, even if its not the best the government can do.

Yet in the cyclical economy of northern Ontario, both the old as well as the ‘new’ liberal politics has appeal and make good economic sense. For mining companies as well as lumber and paper mills, tax write offs, grants, and incentives for new investment and their own energy efficient plants mean benefits. So do multi-million dollar new highway announcements (now planned for a 1.8 billion Northern Ontario Highways Strategy) as not only contractors make ‘good’, but so do their workers and the whole transport business. On top of that people reap the rewards of better roads

For ageing middle classes, as well as workers and their families who suffer among the highest rates of cancer in Canada, new hospitals along with the construction of cancer and long-term care facilities for Sudbury, Thunder Bay, North Bay, and Sault Ste. Marie – often wrapped in private financing deals and under the rhetoric of rationalization and administrative reform – offer security and just as importantly new employment opportunities and public investments that support house values. →



The investments in primary, secondary, and post-secondary education have done the same. In addition, by making incremental changes to education funding formulas that increase school budgets, the McGuinty government has won the whole-hearted support of one its key supporters – the primary and secondary school teachers.

Widening this appeal further has been the liberal government's 'new politics' agenda of environmentally-friendly policies of sound forest management, energy conservation, and recycling. New programs for forest regeneration and biomass and energy recapture are sensible to a middle-class electorate now concerned with the 'inconvenient truths' of global warming and impending environmental catastrophe.

Even in forestry and pulp and paper, the only northern sector currently in the tank due to a collapsed US housing market and multinational restructuring (and typically a sector strongly opposed to any new regulations or costs), Liberal programmes for sustainability have been welcomed. New electricity rebates have been introduced, along with interest free loans and grants for biomass energy and energy conservation projects that will lower operating costs. The government has also uploaded former forest industry costs, such as road maintenance and forest inventory, to offer short-term assistance in industries facing falling profits and rapidly declining share prices.

Problems, of course, still abound throughout the north. More people than ever are working in low-wage, below-the-poverty-line jobs. The new privately financed hospital in North Bay is already hundreds of millions over budget. Funds are still not flowing fast enough to the forest industry to keep mills running flat-out. Nor, after seven years of consultation, is there any final environmental assessment of the impacts of mining emissions on Sudbury. Nor are there any plans for a full analysis of the impacts

on public health that come from breathing the hundreds of thousands of tonnes of sulfur and toxic minerals emitted annually as waste products from mineral processing.

Nonetheless, programmatic, moderate 'boosterism' has been good for the electoral prospects of the Liberals and has added to the good economic times for their northern Ontario supporters. In 2003, the Liberals won seven of the eleven northern Ontario ridings, and winning Liberal MPPs often had popular support well above 55%, and often double the votes of their nearest challengers.

Rick Bartolucci (MPP Sudbury) and David Ramsey (MPP Timiskaming-Cochrane) were given the key ministerial portfolios for Mining and Natural Resources/Aboriginal Affairs respectively, and both have been seen throughout the North making countless policy and spending announcements. Other Liberal MPPs such as David

Orazetti (MPP Sault Ste Marie) and Bill Mauro (MPP Thunder Bay) are active and outspoken in their ridings on everything from hospitals to university investments.

Even if the Liberals are facing serious challenges in many parts of Ontario, in the north they are dominant. The McGuinty Liberal's programme of 'competitive liberalism' has wide electoral support across much of northern Ontario, and with full bank accounts, good fundraising, and avid supporters, Liberal candidates appear poised to reap the electoral benefits come October.

## *bust once more?*

But if all the signs are good for Liberals, how good are they for northern Ontario? Both the lumber and pulp and paper industries are on the downside of their market cycles. An 80 billion dollar industry nationwide, and long used to serious market swings, lumber and paper mills have recently seen the loss of 42,000 jobs and the downgrading of the debt and stock of the recently merged Bowater-Abitibi – a pulp and paper giant – to junk bond and 'sell-now' status.

Global competition from low cost producers in Asia and Russia has led to saturated markets, falling prices, and layoffs, despite billion dollar mergers among American and Canadian multinational giants alike. The collapse of the building boom in the United States, combined with a new softwood lumber deal that caps sales and prices, has only worsened the downturn.

Foreign direct investment, mergers and acquisitions, and greater competition were supposed to 'rationalize' and 'consolidate' the lumber and paper industries. They have done exactly that. But rather than expand investments and diversify operations, firms have boosted productivity by shutting mills and plants,



and consolidated milling in fewer operations that work longer hours. With only a few major companies dominating world markets in lumber and paper products, the new industry emphasis is on limiting supply and expanding operations wherever labour can be bought for cheap and where 'forest management' refers to how many trees can be clearcut on a daily basis.

Layoffs, contract re-openings, and more mergers are the near-term future for the industry; low wages and environmental destruction, the future social costs for the planet. Replicating the well-worn pattern, economic globalization has the long-term trends of over-competition, worsening work, and faltering social and environmental conditions. The lumber, pulp, and paper industries of northern Ontario are now living through this economic reality. Consequently, current competitive government policies based on lowering costs and underwriting new investment will do little for a resource-based industry governed by the laws of short-term profits and cut-throat competition.

In the near future, the same may also be true of mining and metal production. Already China – the driving source of new demand over the past decade – has begun to export steel and supply South East Asia with rolled steel and refined metal manufactures. Global steel transnationals are planning consolidation and worrying about price downturns.

If the lumber and paper industries show the common economic trend (also seen today in auto manufacturing throughout North America) over-competition in steel will once again spell a downturn for mining and metal workers in all advanced countries. And again it will booster policies that are good for business now but will do little for economic growth and ecological sustainability over the long haul.

## *alternatives?*

What of other parties and alternatives? The Progressive Conservatives have only one seat – that in Parry Sound-Muskoka. But it is arguable whether this multi-billion dollar outdoor playground for Toronto's well-heeled and their sea-doo crazed spawn, movie stars and vacationing NHL players is actually part of the 'North'.

More a cottage enclave for Canada's elite, it has long been represented by self-made Conservatives who have made a virtue of tax-breaks for their economic superiors, and the importance of hard work in feeding, cleaning, building, as well as repairing the toys, for the wealthy. Typically today, nowhere else in northern Ontario – with the exception of Mike Harris in North Bay in the 1990s – have the Conservatives done better than a distant third despite often larger campaign bank accounts and a steady flow of contributions.

The New Democratic Party currently holds the other three seats in northern Ontario, including that of Howard Hampton (MPP Kenora Rainy River) the leader, and is the only second choice in rest of the north. But its platform mix of public power, anti-priv-

tization and greater social spending appears to many as at best only a more generous version of the McGuinty programme but without the support of business.

At worst, with its cutting of ties to key unions and its abandonment of working class principles for a catch-all strategy intended to appeal to all and offend none, the current leadership of the NDP has made the party appear to many working class voters as even more unprincipled and less trustworthy than the traditional brokerage Liberal and Conservative parties.

Only when its candidates have been articulate, media savvy, highly educated, or had public positions in the community for long periods of time, has the NDP overcome suspicions of 'tax and spend socialism' and experienced electoral success in the north. Both Hampton and his spouse Shelly Martel (MPP Nickel Belt) are examples of this and, with characteristics that appeal to middle class and working class voters alike, they have both put forward more progressive positions on everything from the importance of public electricity generation to improving social assistance to the economic and social costs of provincial programme downloading on municipalities.

But apart from their own personal success in shifting the NDP to the centre over the past eleven years, Hampton and Martel have only seen party fortunes stagnate, membership rolls decline and the average age of supporters rise. In trying to turn the NDP towards a kinder, more 'social' version of 'competitive liberalism', Hampton and Martel have 'modernized' the party.

Yet in doing so, they have left the NDP as weak as ever with popular support in the mid-teens. Today, the NDP is far from being a political force in the province, and is only a second best option in much of the north. Now with Martel retiring from politics, the NDP appears set to lose another seat and yet another progressive voice from the political scene.

The long-term future of the north and Ontario thus looks far from promising. Boom, bust and repeat have long been a part of northern Ontario's political economic past, and with the current 'competitive liberal/neo-liberal' consensus in Ontario and the north, it appears these trends will be a part of its future as well. The strength of resource economies is that they do well in global upturns. But it is a waste if dysfunctional, liberal market politics make it miss its chance to transform periodic upswings into anything like the gold of long-term sustainable development.

What goes around, comes around. And when the current boom ends, as it surely will, many working people throughout northern Ontario may well again be left with only fading memories of a boom-time and nagging questions about what might have been. **R**

John Peters teaches political economy at Laurentian University in Sudbury.

# McGuinty's Public Power Promise

Paul Kahnert

On September the 5th 2003, in an exclusive with the Toronto Sun Editorial Board, Dalton McGuinty promised "Public Power". He said the competitive electricity market hasn't worked and promised "not to go back there".

Since that time McGuinty has done everything he can to expand private power very quietly and continue the Harris private power plan. The government never uses the word "Privatization". McGuinty has been privatizing by stealth with secret deals to private energy companies. In fact the Liberals have done everything they can to continue "The common sense revolution," from public private partnerships (PPP) in healthcare, the education funding formula, chronic underfunding of cities due to downloading, to the privatization of our electrical system.

The massive profits for private power will be financed by massive price increases when the smart meters are turned on AFTER the election. Smart meters are going to give the electricity consumer the choice between extremely expensive private power and very expensive private power. McGuinty also plans to expand the electricity market by having cash-strapped municipalities, universities, schools and hospitals pay the "market price."

The Harris Tories, backed by the McGuinty Liberals, brought in the legislation for a privatized electricity market in 1998, with a huge campaign promising lower rates. This has been proven false again and again the world over, a big lie that no one has been held accountable for.

Why? Because it's impossible to have lower rates when you add in profits to generators, profits to retailers, profits to distributors, dividends to investors, commissions to commodities brokers, smart meters, payments to the Independent Market Operator, the Ontario Power Authority and the Ontario Energy Board. Continuing down this path will result in billions in profit.

Under Public Power those billions could be going to pay to stop climate change and global warming, to pay for things like healthcare and education. It should be going to pay for real conservation measures, and to rebuild our infrastructure which is falling apart. It could also help us stop the loss of manufacturing jobs: for example, the lumber and pulp and paper industry in northern Ontario will be severely impacted by high electricity rates.

## **Ontario electricity market designed by Enron!**

Enron was the major player in the design of Ontario's electricity market. Why do we have an electricity market that was

designed by Enron and their friends still open? A market that Dalton McGuinty said was dead and promised not to go back to? Markets offer unlimited profit and put us under NAFTA and American control. Markets do one thing and one thing only: they maximize profits.

Public Power is working very well next door in Manitoba and Quebec. Why is Ontario continuing with the failed experiment of a private electricity market? The only people who criticized public power in Ontario were the ones who were going to profit the most from privatization.

Let's look at the nuclear issue: the Liberals and the Tories are planning a massive expansion in private nuclear power.

Public power was working very well until the introduction of nuclear power. Virtually all of Ontario Hydro's debt was a result of adopting the nuclear option. The current ads about nuclear power are very misleading. It's not as clean, cheap and safe as they say. It's very expensive and extremely toxic.

This is what private power looks like at the Bruce nuclear plant. The government privatized the profits but kept the debt in the public domain along with the enormous risks and the nuclear pollution. It was a fabulous deal for private companies but a rip off for the people of Ontario. The Bruce was given away for almost nothing. The debt was hived off to the public and appears on your bill as a Hydro debt payment. Does it make any sense for the people of Ontario to be paying the debt on assets they no longer profit from?

The nuclear risk is assumed by the public in two ways. First, if there is an accident at the Bruce, the company is only on the hook for \$75 million. The standing joke is that wouldn't even pay for the lawyers fees.

When the lease expires, the Bruce consortium and their mega profits simply walk away from the deal and the people of Ontario are left with the massive cost of cleaning up the nuclear plant. It cost billions to build it and it will cost billions to decommission and store the radioactive waste, which, by the way, has to be stored safely for over one million years.

## **A privatized electricity market will not prevent climate change**

We are all coming to terms with global warming. At the Ontario Energy Coalition's (OEC) first press conference in 2001, at the Sir Adam Beck statue on University Avenue in Toronto, we

said "It's impossible to practice conservation when you have a for profit, privatized electricity market." Companies selling electricity want you to use more so they can make huge profits. Do you think that a "for profit" electricity market can protect the environment? Obviously not.

Only under publicly owned, controlled and regulated power can we set in motion a plan to generate and distribute electricity that is produced locally and is based upon real conservation, green power and 100% renewables. Like drug addicts we have to have a plan of harm reduction and harm elimination to do it. It can be done and it has to be done.

### **We have to hold the politicians to account**

Politicians continue to lie after being elected because we let them get away with it. McGuinty has done nothing to reverse the damage done by the Harris/Eves government to Ontario and has lied about it. Let's not forget the three main lies of the Tories: the one about "tax cuts paying for themselves"; the one about "downloading will be revenue neutral"; and that a competitive, private electricity market would lead to lower rates. This was a lie that was backed by McGuinty's Liberals when they all voted for and passed Bill 35.

When politicians lie and get caught at it, it should be a huge political crisis for them. Why isn't this the case today? Because good people do nothing. When good people do nothing, bad things happen. We have to hold the politicians to account for their lying and hold them responsible for the damage their lies cause.

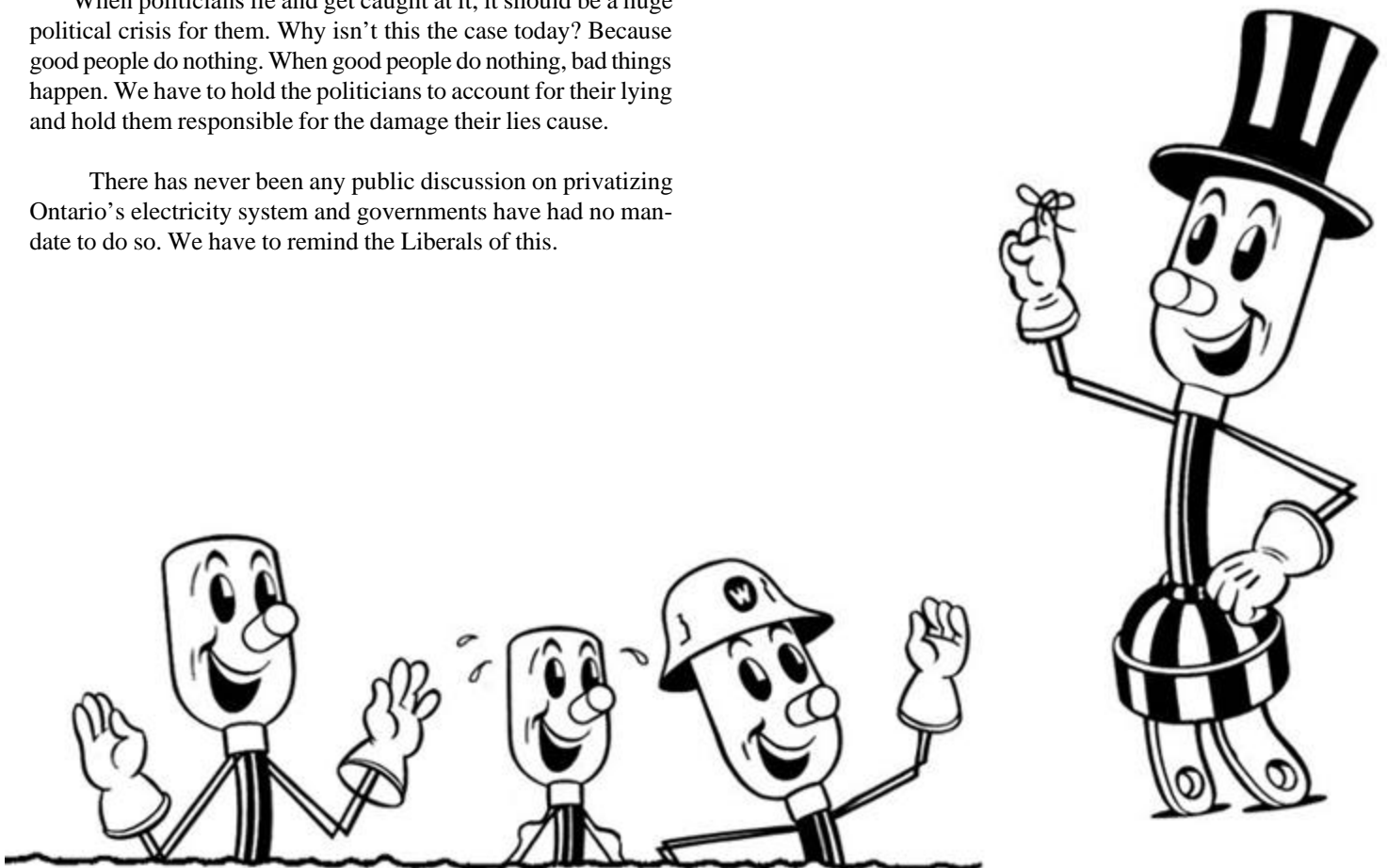
There has never been any public discussion on privatizing Ontario's electricity system and governments have had no mandate to do so. We have to remind the Liberals of this.

With a provincial election now in progress, it is time for those activists around the province who are concerned about energy policy and who understand its importance in developing a working peoples' manufacturing strategy to make sure the case for public power gets a fair hearing. The OEC needs this help more than ever.

Our coalition partners, The Communications, Energy and Paperworkers Union, CUPE National and the OEC stopped the sale of Hydro One in court in April of 2002. We need **YOU** to help stop the continued privatization and marketization of electricity in Ontario.

Download OEC materials and use them in your community. Order brochures. Confront your municipal and provincial politicians and demand action. Attend all candidates meetings and hold politicians to their promises. Donate to the OEC. Help stop the privatization of electricity in Ontario, protect the environment and keep democratic control over our electricity systems. **R**

Paul Kahnert ([www.electricitycoalition.org](http://www.electricitycoalition.org)) is a leader of the Ontario Electricity Coalition (OEC), which is campaigning to maintain a public power system in Ontario. The OEC led the fight that defeated the Harris Tories in their attempts to privatize Hydro.





# Building Houses & Political Influence: the development industry in the 2006 Ontario municipal elections

Robert MacDermid

tial development since municipal finances are largely dependent on property taxes. Increasing budgets means either increasing the rates at which real property is taxed, something that most cautious and short-sighted councils have shunned, or increasing the property tax base through more building. This popular second strategy will have dire financial consequences. Urban low-density sprawl means costly service sprawl, sewer and water pipes need to be longer, there is more road maintenance, public transit is inefficient in low density areas, schools are further apart and require transport, all trips require a car and on and on. Urban residential development is no more than a short-term fix that will pro-

I grew up in a 1950s suburb. It wasn't like today's sprawling suburbs that burst out of the ground like a final crop, just a street-by-street incremental advancement of the built area of the city. Small builders put up three or four houses and occasionally homeowners built their own. While the buildings were conventional designs, they produced a varied streetscape of brick, clapboard and stucco and one, two and three story buildings set different distances from the street. There were schools a few minutes walk away and just enough uncontained nature that a child could discover an unenclosed stream, an open field or an extensive woodlot. In most Canadian cities the 50s, 60s and 70s marked the transformation of the development industry into large companies which poured large amounts of capital to finance the purchase and banking of land for future development projects. *The Developers*, written by James Lorimer in the late 70s, is still one of the best accounts of the growth of the development industry and its vital links to municipal politics.

## Municipal Politicians and Developers

Municipal politicians are a key part of the process of creating value for developers. Municipal politicians and public officials make development possible through official plans, rezoning, land and lot subdivision, building plan approvals, the allocation of water and waste water rights, environmental approvals, building codes and so on. This political process of approvals turns a piece of agricultural land into a suburb of hundreds of houses that multiply by many times the value of the developer's investment in agricultural land on the fringes of the built area.

Since politicians and municipal officials are so important to development, it is not surprising that developers would want to ensure that the people making those decisions are generally favourable to the idea of development. Municipal politicians work within a financial logic that pushes them towards greater residen-

duce much longer term financial problems to say nothing of the forms of living that the suburbs promote. This logic is attractive to developers and not surprisingly works in their favour. The pressures of minimally controlling or even just providing ecological sustainable services to the chaos of development transformed many simple township governments into modern municipalities with developers and development logics buried at their core.

## Funding Political Campaigns: The Importance of Developer Money

I have been tracking the importance of campaign contributions to municipal politicians – over three municipal elections beginning in 2000 – in a number of municipalities that surround Toronto. Despite the public's growing awareness of the influence of funding from developers in an election campaign, aided by newspapers stories and publicity I could generate from my research, the overwhelming importance of that funding in the campaigns of many councilors continued in the 2006 municipal elections. GTA municipalities like Brampton, Richmond Hill, Vaughan, and Whitby all have councils where more than half of the funding for the campaigns of sitting councillors was provided by the development industry and related companies. Across the ten municipalities in the study, Toronto plus the nine surrounding cities, large developers made contributions to tens of candidates: Metrus gave money to 40 campaigns, Smart Centres, the big box mall builder supported 28, Greenpark 27, Fieldgate Developments 28, Mattamy 34 and industry lobby groups like the Greater Toronto Sewer and Watermain Contractors association supported 66 councillors' campaigns.

In classifying contributions I probably underestimated the scope of the development and development related industry but still found that 43 of 132 candidates had more than 50% of their contributions greater than \$100 coming from that industry and



10 took more than 75% of their contributions from that source. Brampton councillors Hames and Hutton both had about 85% of their disclosed contributions coming from developers and related companies. Municipal conflict of interest rules don't include campaign contributions though it is hard to believe that such a concentration of development support does not indicate a general interest in advancing development if not an interest in a particular development. It is also hard to believe that developers would lavish this kind of support on candidates who were not generally supportive of development.



No reasonable person would suggest that the maximum contribution of \$750 to a municipal campaign could sway a vote, though given the small size of most campaigns it would probably be enough to get a return phone call or visit to a councilor's office. But buying votes with campaign contributions alone is not how influence works. I once had a student who worked for a developer (an unforeseen practical application of his political science degree) and whose job it was to organize municipal politics and campaigns. He had to deliver votes to pro-development candidates and find and support novice politicians that had a record of working in the industry or every inclination to support it. Toronto's Bellamy Inquiry exposed some of these tactics in describing how a development industry lobbyist collected cheques from developers and bundled and delivered them to candidates thus magnifying their influence and gaining greater access.

Even though the inexorable logic of municipal financial constraints and the development process drives municipal politicians and developers together, there were some encouraging signs in the 2006 municipal campaigns. A growing number of win-

ning councilors publicly refused contributions from either the development industry or corporations. Of course many losing candidates took similar public stances and many other losers, while they might have accepted such contributions, were ignored by the industry in favour of better bets. People like Ajax Mayor Steven Parish and Pickering Councillor Bonnie Littlely made development contributions a higher profile issue and in the City of Toronto, Mayor Miller refused all contributions from corporations as did councilors Vaughan, Jenkins, Walker, McConnell, Mihevc, Pantalone, Rae and Stintz. Across all the ten municipalities contributions from corporations to winning candidates declined from 55% to 47% though most of that was because of Toronto winners. The importance of the residential development industry to the election campaigns of most councillors in the urban belt surrounding Toronto remains strong.

### Citizens and Unions Have a Role to Play

The other side of the prominence of development funding is the absence of union and citizen funding in some jurisdictions. Overall, union funding of winning candidates declined by one percent to four percent and in most municipalities outside of Toronto it was close to zero. While financial backing for winning councillors from citizens increased in municipalities with contribution rebate systems (Toronto, Markham) in other municipalities citizens contributed less to winners than the candidates themselves (Ajax, Oshawa, Whitby). The "Bloomberging" of politics, where wealthy candidates like New York Mayor Michael Bloomberg pay millions for their campaigns, is on a much smaller scale but is still a concern. Unlike provincial and federal campaign finance laws, municipal candidates can finance their own campaigns and evade the contribution limits that restrain their supporters.

What is to be done? It is not surprising that I would suggest more excavation and revelation of the links that bind municipal politics to the development industry and even the wider financial industry. But that will not be enough to get most citizens active in municipal politics where voting turnout rates (the least onerous though possibly least interesting form of political participation) are in the 25-35% range. But the not infrequent eruptions of citizen activism involving opposition to development or support for the preservation of natural features suggest some dissatisfaction with suburban life. That political actions are not entirely closed off by the dominant rational of real estate investment and wealth growth suggests that some progressive thinking is there, ready to be organized and sustained. In the meantime, we can lobby to change the municipal campaign finance laws to give progressive candidates a voice. **R**

Robert MacDermid teaches politics at York University

# A Progressive Directory

Below is a listing of some progressive organizations in Ontario, along with their web sites, and the issues they're trying to bring to the fore during the fall election campaign.



Founded in 1970 in the USA, the Association of Community Organizations for Reform Now (ACORN), is a community organization of low- and moderate-income families, working together for social justice and stronger communities. Current campaign: immediate raise in the minimum wage to \$10/hour pegged to inflation, a system of landlord licensing, investment in addictions services, 40% raise in social assistance rates and the regulation of predatory payday lenders. Web site: [www.canada.acorn.org](http://www.canada.acorn.org)



The Canadian Federation of Students was formed in 1981 to provide students with an effective and united voice, provincially and nationally. Today there are more than 30 Federation member local students' unions in Ontario uniting 300,000 full-time students and part-time. Current campaign: reduce tuition fees, raise the minimum wage to \$10 now. Web site: [www.cfsontario.ca](http://www.cfsontario.ca)



Cheri DiNovo was elected in a by-election in 2006. She quickly started to work in the Ontario Legislature by introducing a private member's bill to increase the minimum wage to \$10. Current campaign: Respect Campaign – raise the minimum wage to \$10 now. Web site: [www.cheridinovo.ca](http://www.cheridinovo.ca)



The Toronto & York Region Labour Council, with 190,000 members, is the largest labour council in Canada. Current campaigns: raise the minimum wage to \$10 now – RESPECT People, Work, Communities. Web site: [www.amillionreasons.ca](http://www.amillionreasons.ca)  
Fair Deal For Our City – a coalition of community, environmental, labour and social justice groups fighting for a fair deal for Toronto and its residents. Web Site: [www.fairdealforourcity.ca](http://www.fairdealforourcity.ca)



Campaign 2000 (founded in 1991) is a cross-Canada public education movement to build Canadian awareness and support for the 1989 all-party House of Commons resolution to end child poverty in Canada by the year 2000. Current campaign: call on all Ontario political parties to commit to a "Poverty Reduction Strategy for Ontario." Web site: [www.campaign2000.ca](http://www.campaign2000.ca)



Ontario Coalition Against Poverty (OCAP) is a direct-action anti-poverty organization based in Toronto. We mount campaigns against regressive government policies as they affect poor and working people. In addition, we provide direct-action advocacy for individuals against eviction, termination of welfare benefits, and deportation. We believe in the power of people to organize themselves. Current campaign: Anti Poverty Day of Action – Raise the Rates (Sept 26). Web site: [www.ocap.ca](http://www.ocap.ca)



The Ontario Coalition for Better Child Care (OCBCC) was founded in 1981 to advocate for universally accessible, quality, non-profit regulated child care in the province of Ontario. Current campaign: pressure the provincial government for child care funding – Child Care Funding Fax Campaign. Web site: [www.childcareontario.org](http://www.childcareontario.org)



The Ontario Coalition for Social Justice is a coalition of labour unions and community groups dedicated to promoting social and economic justice in Ontario. Current campaign: Ontario Needs A Raise – raise the minimum wage to \$10/hr in 2007; raise social assistance rates so no one needs to live in poverty; Vote for MMP. Web site: [www.ocsj.ca](http://www.ocsj.ca)



The Ontario Electricity Coalition's goal is to establish an effective opposition to the deregulation and privatization of electricity in the province of Ontario. Current campaign: Vote Public Power – speak out for Ontario's environment, for public power. Web site: [www.electricitycoalition.org](http://www.electricitycoalition.org)



The Ontario Federation of Labour (founded in 1944) speaks for 700,000 organized Ontario workers and provides its affiliated labour councils and local unions with services in the fields of communications, education, research, legislative and political action, human rights, health and safety, workers' compensation and basic education skills. Current campaign: Women Vote '07 On-The-Job Canvass of Women by Women; raise the minimum wage to \$10 now. Web site: [www.ofl.ca](http://www.ofl.ca)



The Ontario Health Coalition is a network of over 400 grassroots community organizations representing virtually all areas of Ontario. Our primary goal is to empower the members of our constituent organizations to become actively engaged in the making of public policy on matters related to health care and healthy communities. Current campaign: No P3 Hospitals. Web site: [www.ontariohealthcoalition.ca](http://www.ontariohealthcoalition.ca)



The Toronto Disaster Relief Committee (TDRC) provides advocacy on housing and homelessness issues. We declare homelessness as a national disaster, and demand that Canada end homelessness by implementing a fully-funded National Housing Program through the One Percent Solution. Current campaign: Day of Action on Poverty and Housing (Sept 26). Web site: [www.tdrc.net](http://www.tdrc.net)



Toronto Environmental Alliance (TEA) (formed in 1988) campaigns locally to find solutions to Toronto's urban environmental problems. Our Mission is to promote a greener Toronto. Our Vision of a healthy community is based on equity, access, safety and a clean environment. Current campaign: unknown. Web site: [www.torontoenvironment.org](http://www.torontoenvironment.org)



UNITE-HERE was formed in July 2004 by the merger of two unions that share the same values: social justice; economic opportunity; civil rights; the rights of immigrant workers; a commitment to organizing unrepresented workers. Current campaign: Hotel Workers Rising. Web site: [www.unitehere.ca](http://www.unitehere.ca)



Vote for MMP is a multi-partisan citizens' campaign supporting the Mixed Member Proportional (MMP) voting system that Ontarians will consider in the historic electoral reform referendum. The MMP system was recommended by the independent Ontario Citizens' Assembly on Electoral Reform, after eight months of intensive study, consultation and deliberation. Current campaign: Vote for MMP in the referendum. Web site: [www.voteformmp.ca](http://www.voteformmp.ca)



The Workers' Action Centre is a worker-based organization committed to improving the lives and working conditions of people in low-wage and unstable employment. Current campaign: raise the minimum wage to \$10 now. Web site: [www.workersactioncentre.org](http://www.workersactioncentre.org)



Over four years ago, the Working Families' Coalition came together with the goal of making voters aware of policies that were threatening the well-being of working families across Ontario. At the time Mike Harris and Ernie Eves led a revolution and put in place policies for big business and put programs and services that benefited working families at risk. Current campaign: to remind voters what it was like four years ago, what has changed and what's at stake for working families. Web site: [www.workingfamilies.ca](http://www.workingfamilies.ca)

# Against All Odds:

## Winning Electoral Reform in Ontario

Dennis Pilon

On October 10, 2007 Ontarians will go to polls in a provincial election. But this time, in addition to casting a ballot for a politician, voters will also be asked to make a choice about the kind democratic institutions they think the province should use. On a separate referendum ballot voters will be asked whether they prefer to keep Ontario's traditional 'first-past-the-post' or plurality voting system or would like to switch to the Mixed-Member Proportional (MMP) model as recommended by the Ontario Citizens' Assembly. Depending on the commentator, a victory for MMP would mean electoral disaster or democratic renewal for the province. Yet few Ontarians seem to know what the referendum is about or why the public is being asked to vote on this issue. So far, the politicians have shied away from the debate while the media have remained largely indifferent, occasionally drawing attention to some minor implication of the proposed alternative MMP system. Even the more independent media has offered little commentary, no doubt because they are generally suspicious of elections as largely empty charades. If this continues, the whole referendum may end up falling beneath the public radar.

### **Electoral Reform in Historical Perspective**

The upcoming referendum on the voting system may be the most important breakthrough for a more substantive democracy in Ontario's history. To understand why, progressives have to reorient how they understand the relationship between electoral activity, institutional rules, and capitalist democracy. There is a tendency on the left to treat the institutions of the state as mere instruments of class rule, as if they were unproblematically designed and implemented to allow those with power in civil society to exercise it over the state as well. But this ignores the actual historical development of these institutions. Comparing state institutions across western countries, it is interesting how different each configuration is, reflecting the different patterns of social and political struggle within each country. Decisions over voting systems were also a part of these struggles. In fact, in most European countries around World War I, the voting system became the key front in the struggle between right and left to either limit or expand the potential of the emerging minimally democratic governments. Though contemporary Ontario is far different than World War I era Europe, the voting system referendum is nonetheless an opportunity to push the boundaries of the province's limited democracy, if progressives take up the challenge.

Needless to say, the governing Liberals do not see the referendum as such an opportunity. How the referendum became government policy is a complicated story but an instructive one on

the state of contemporary politics. Historically, governments have maintained tight control over institutional arrangements like the voting system. Because the voting system is the link between organized political activity in parties and the exercise of state power through control of the legislature, the tendency was typically to make the rules as exclusive as possible, thus allowing only the most popular forces to gain election. This would assure that only those financed by capital would control the state. But with the rise of popular left wing parties, ones with a credible shot at gaining such exclusive state power electorally, voting system reform became a popular method of limiting their influence.

In Canada, voting system reform emerged continuously from WWI to the 1950s, whenever the electoral left appeared on the rise. For instance, BC adopted a new voting system in 1951 expressly to prevent the left CCF from gaining provincial office. More recently, voting system reform re-emerged internationally as part of struggles to either resist or entrench the neoliberal reorganization of national economies in New Zealand, Italy and Japan. Neoliberalism is also a factor in recent Canadian reform efforts, though more indirectly. Canadian governments have had less trouble restructuring the economy but the effects have led to great public dissatisfaction with the political system, and that has fuelled some of the interest in democratic reforms.

### **Electoral Reform Across the Country**

By 2005 five of Canada's ten provinces were considering some kind of voting system reform. In Quebec and BC, interest was partly fueled by a number of seemingly perverse elections results, ones where the second most popular party ended up gaining power, combined with a major party fearing that the rules of the electoral game might be stacked against them. In both provinces, analysts claimed that the pattern of Liberal party support meant that the party had to gain a much higher percentage of the vote than its main opposing party in order to win the election. Thus both Liberal parties were prepared to consider looking at the voting system. In the Maritimes a number of contests had returned only a marginal complement of opposition members, far fewer than their electoral support might suggest should be elected. The resulting embarrassment moved governments in PEI and New Brunswick to entrust commissions with examining the problem.

### **From Liberal Commitment to Liberal Reluctance**

The situation in Ontario resembled both patterns in some ways. The Ontario Liberals, despite consistently being the second





most popular party in the province, had seldom been in government in the postwar period. This reflected the uneven dispersion of the party's support across the province as well as a vote-splitting problem with both the NDP and the Conservatives, depending on the region of the province. After the party's disappointing loss to the Harris Conservatives in 1999, the Liberal leader Dalton McGuinty initiated a far-reaching policy renewal process, one plank of which involved democratic reforms.

When the Ontario Liberals won a majority of the legislative seats in the 2003 provincial election there was little blocking them from acting on their policy promises. Various aspects of their democratic reform package, like fixed election dates, were quickly introduced. But other aspects, like their promise to examine the voting system, kept missing the order paper. Midway through the government's term in office they were still dragging their feet on the issue, while cabinet ministers and backbenchers grumbled that the whole thing was an albatross around their necks.

Finally, in 2006, the government established a citizen body to examine the question and make recommendations. The Ontario Citizens' Assembly (OCA) was modeled after a similar process in BC and they came to similar conclusions – the existing plurality voting system was antiquated and undemocratic. In the spring of 2007 they recommended that Ontarians adopt a mixed-member proportional (MMP) voting system, one that would retain the traditional single member ridings but would add an additional pool of seats that could be used to bring the overall legislative results into line with the popular vote for each party. Unlike plurality, where 40% of the popular vote for a party might result in 60% of the seats or 30% of the seats, depending on the state of party competition, under MMP parties would get seats roughly equal to their voting support. Thus 40% of the votes would pretty much always result in 40% of the seats – no more, no less.

While the Liberals may be credited with (finally) honouring their pledge to allow a citizen-driven examination of the voting system, they have broken another election promise – to remain neutral about which voting system choice should triumph. In numerous ways they have tried to rig the process so as to favour keeping the plurality voting system. First, they waited far too long to establish the OCA, thus limiting the amount of time to educate



the public about the issue. By the time the OCA reported their decision there was less than six months before the referendum had to be held, with most of that coinciding with the summer decline in active media coverage. Second, they lumbered the referendum with a super-majority rule to pass. Thus voters wanting change need 60% of the total votes and a majority in 60% of the ridings to displace the current plurality system. This inflates the voting power of one side in the contest and dilutes the voting power of the other, hardly a neutral decision rule. Third, they have manipulated the referendum question, shifting from a simple yes or no for the proposed new MMP system to an alleged choice between the current plurality system and the MMP alternative. Yet, as pointed out above, this choice is hardly fair when the votes for one side are plumped and the other side are diminished.

### **The Pressing Need for Change**

Clearly, the Ontario Liberals have decided that their losing streak is over. Not surprisingly, they want to retain our traditional plurality voting system, one that typically awards a legislative majority to the party with the largest minority of the vote. The point is to reduce the scope of democratic pressure to just the election day and force all the public wants into a single 'all or nothing' X vote. While the wealthy are free to use their resources to lobby on a myriad of issues all the time, the public are largely limited to being heard on election day, and even then can only 'choose' on the basis of, at best, just a few policy positions.

But it is no longer just voting system reformers who are unhappy with the present state of electoral competition. Many voters are frustrated with an electoral process where so many votes do not count toward the election of anyone, where there is constant pressure to vote 'strategically' (i.e. not for their first choice but for one of the top two contenders in their local area) and where governments continually promise one thing at election time but do another in office. There are also factions within all the major parties that are unhappy with the current state of things. It is often forgotten that parties are actually coalitions, ones where not all members have equal influence. Some of the push for a focus on electoral reform →

in the various parties has come from those elements that feel marginalized within their own groups, like the social conservatives on the right or the socialist caucus in the NDP.

Now that the OCA has declared against plurality and for MMP, there is some pressure for the provincial parties to clarify their positions in the coming referendum. At present, only the NDP has come out solidly in favour of the new MMP voting system. There are a few high profile Liberal supporters of MMP like Toronto-area MPPs George Smitherman and Michael Bryant but most of the government caucus is opposed or not talking. No provincial Conservatives have indicated their support but many have spoken out against any change.

Yet, as the referendum approaches, the parties have largely remained fairly quiet on the issue. The public debate, such as it is, has been mostly in hands of media and various MMP advocates. And this explains why the public knows very little about the issue: the media are not in the business of educating the public on complex matters of public policy and the MMP groups do not have the financial resources to launch the kind of media campaign to get through to voters. The challenges in such an initiative are considerable. For instance, in BC, where the voting system issue was in the public realm much longer and with more positive coverage, polling before the 2005 discovered that few knew about the referendum or understood the proposed alternative voting system. Still, in the end, nearly 60% of BC voters supported the change, largely because it had been recommended by their fellow 'citizens'. Not surprisingly, media opponents of voting system change in Ontario learned from this experience and have expended a great deal of effort trying to discredit the legitimacy of the OCA as a proxy for the public.

To the extent that media have taken up the issue, the coverage has been slanted in favour of the status quo. A number of reporters and columnists have trotted out alarmist accounts of the instability that would result from switching from our present unrepresentative plurality system, with speculative and largely uninformed predictions of party fragmentation, the rise of single issue and extremist parties and weak and indecisive government. The fact that most western countries already use some form of proportional representation – with fairly stable results – seems lost on these commentators. Or media analysts and politicians wax romantic about how great our system of constituency representation is and how the alternative MMP system would diminish this or strengthen than hand of oligarchic parties. Never mind that few voters make their voting decision on the basis of local issues or the local member (study after study demonstrates that people vote on the basis of party, not the individual candidate or locale) and that parties are a force in all political systems, including our present one.

What might be gained from change is seldom highlighted – like accurate election results, a more competitive political environment that responds more quickly to public concerns and governments that must gain a real majority of support to push through their agendas. Those opposed to change have so far effectively managed the agenda of the public debate, focusing the public dis-

course on aspects of the new system that could be considered controversial (like the party control in nominating candidates for the extra pool of MPPs). In this they may have been helped by the pro-MMP forces, who decided to build their campaign around the idea that the proposed new voting system represents just a modernization of Ontario's electoral system rather than a break with a history of undemocratic practices. The inference of the strategy is that the change is not all that major – it's just bringing Ontario up to world standards for democratic procedures. Pro-MMP supporters, worried that Ontario voters might be less populist and anti-system than BC voters, think that an evolutionary message will get them past 60% support. But they appear to have forgotten a truism of politics: that governments are typically defeated rather than being elected. In other words, the failure of what people already know is often more persuasive than the promise of what they don't know.

A campaign focused around the failures of the present plurality system would have accomplished a number of things. First, focusing on the system people already have some experience with would be more concrete than attempting to sell the details of a new system that people have never experienced. Second, focusing on the existing system would have highlighted aspects of its performance that most of the public is unaware of. For instance, nearly 50% of Canadians believe that legislative majority governments also enjoy a majority of the popular vote – even though almost none ever do. The last government in Ontario that had the support of over 50% of the voting public was elected in 1937. Nonetheless, most governments since then have controlled a majority of the seats in the legislature. Finally, focusing on the flaws in our current system would have focused the agenda around the issues that will be crucial in gaining 60% of the vote on election day – issues like the distorted results of our present system, the artificial barriers to political competition it raises and the role that phony majority governments play in limiting electoral accountability to voters. By their strategic choices, the reformers have taken a tough situation and arguably made it tougher.

While the odds may be against victory for MMP on October 10, success is not impossible. There is always an unpredictable aspect of politics and given that there will be a specific referendum question on the voting system, the issue may break out into the public consciousness. But for that to happen, people have to start talking about it. Progressives need to take the initiative on this by getting their networks to focus activist attention on this question of voting system reform. Though a shift to a more proportional voting system will not bring about any revolution, it will dramatically alter the space in which we fight for a more substantive form of democracy. And as Marx noted long ago, there is a radical kernel embedded within any notion of democracy – even capitalist democracy – that remains a constant threat to those with power. **R**

Dennis Pilon's new book, *The Politics of Voting: Reforming Canada's Electoral System*, is out now from Emond Montgomery.

# A New Possibility for the Left?

Besmira Alikaj

In the upcoming provincial election Ontario voters will be presented with an unprecedented choice. Voters will be asked to choose in a referendum held on October 10th (election day) between the existing First-Past-the-Post (FPTP) electoral system and the proposed Mixed-Member-Proportional (MMP) representation system. A change in the electoral system could have important effects on the political landscape of the province. A significant educational effort is required if this referendum is to successfully result in a new voting system. While it would be naïve to argue that such a reform would magically solve the democratic deficit long identified by the left, it is still important to acknowledge and actively support the Vote for MMP side in the referendum.

## The Flawed FPTP System

Our current electoral system, rooted in 18th century Britain, is infamous for denying general voter preferences through disproportionate and biased allocation of seats to political parties. Under FPTP, each riding elects one representative member of parliament based on who wins the most votes. Given that few candidates ever receive a majority of votes cast in their riding, the current system disproportionately benefits major parties and distorts the political landscape by manufacturing a two-and-a-half party system that prevents smaller parties from gaining their fair share of seats in parliament. For example, in the 2003 Ontario provincial elections the Liberals won a majority government with 69.9 percent of seats in the legislature while receiving only 45.5 percent of the popular vote, while the NDP, which received 14.7 percent of the popular vote, only received 6.8 percent of the seats.

FPTP has been long criticized for producing phony majority governments and thwarting the wishes of the electorate. With

voter turn out declining and a rising dissatisfaction with the political process, the McGuinty government entrusted a group of citizens ("The Ontario Citizens' Assembly on Electoral Reform") to develop a recommendation for an alternative system that would then be voted upon in a province-wide referendum as part of an initiative for democratic renewal. The recommended MMP system would keep some elements of the existing system while adding an element of proportionality. Under the new system, 70 percent of seats would be allocated under the existing FPTP system and the remaining 30 percent would be allocated based on proportional representation.

You have two votes	
<b>Party Vote</b> This vote determines what share of provincial party seats voters will receive. Vote by putting an 'X' next to the party of your choice.	<b>Local Candidate Vote</b> This vote determines what candidate will be elected to represent your district. Vote by putting an 'X' next to the candidate of your choice.
Vote Here	Vote Here
Party C	Oliver Olive
Party E	Tony Tangerine
Party I	Veronica Violet
Party A	Yasmin Yellow
Party F	Rita local candidate
	Thérèse Turquoise Ind.

sample mmp ballot

## What does MMP have to offer?

MMP is often credited with producing parliaments that better reflect the party-choice of citizens, encouraging better collaboration between parties, enabling greater participation of women and other ethnic and minority groups, as well as stimulating better voter participation.

In New Zealand, where a stronger version of MMP than that proposed for Ontario was adopted eleven years ago, observers have identified a general reduction of voter cynicism, a significant increase in mi-

nority representation and participation of women, an increased opportunity for smaller parties to get their fair share of seats in parliament and an overall decrease in disproportionality. These outcomes are also supported by comparative data for other countries that use some form of proportional representation (PR) system. Countries with PR systems tend to fare better on social and environmental policies. Of course, policy outcomes are the result of many more factors than just the type of electoral system in each country, but some benefit for poor and marginalized Ontarians is possible if a left party along the lines of Québec solidaire entered the parliament and used its leverage to improve Ontario's labour laws.

The proposed MMP offers an opportunity for the left to have an impact on democratic reform. These opportunities arise from the simple process of informing people about the workings of electoral system, by politicizing it and making people think about the ways in which their day-to-day dissatisfactions are in part linked to the kind of electoral system that is in place. Most important, some of the more disastrous undemocratic outcomes of the existing system such as the Mike Harris Conservatives 1995 receipt of 66% of the seats with only 45% of the popular vote would be less likely to occur. Certainly electoral politics should not be the exclusive focus of progressive forces, but it is too critical a centre of power in our society to ignore.

## Grassroots Mobilization Still Important

Electoral politics and a reform of the voting system can never replace the importance of grassroots mass mobilization and struggle. Allies in the political sphere can work in conjunction with grassroots movements in the struggle for power and economic and social transformation. And as recent events in Latin America illustrate, victories at the ballot box can be an important step to developing an alternative politics. Thus it is important to critically approach formal institutions while not losing sight of their value.

After all, it is often through electoral outcomes that the neoliberal agenda has been pursued. While the turn to →

neoliberalism involved a broad public campaign on the part of corporate forces to shift and transform the public consciousness and opinion, it is through political power that the ruling class was able to institute much of the neoliberal agenda and ensure its continuity. The left needs to struggle also at the electoral level against these forces if the neoliberal agenda of closing down democratic space and control is to be pushed back. MMP could play a role in this if the left is able to effectively organize education campaigns that can help people make the link between their daily experiences and dissatisfactions with specific government policies, corporate behaviour, and more importantly the capitalist system itself.

These campaigns require a reopening of public debate by reclaiming public structures and exposing the ways in which neoliberal ideology has entered our institutions and the public consciousness and then linking this to a broader analysis of the system. If Ontario voters express a preference for MMP (as difficult as this will be given that at least 60% of the ballots will be needed) the socialist-left will be presented with an opportunity for building a political party that could help broaden public debate.

### **Critics: MMP Not the Be-All-and-End-All**

Critics on the left and the right have pointed to the fact that the proposed MMP system for Ontario is still only a minor patch to the present system that rewards parties with financial resources and powerful allies. While the MMP certainly does add a needed aspect of proportionality to the current system, it will not by itself bring about a more participatory democracy. The definition of democracy that informs the system is still a very narrow one that reduces citizenship to an act of voting and does little to address the many ways in which most people are excluded from having a real say in how policies are developed and broader decisions that affect us all are determined.

Also, a move towards a MMP system does not necessarily imply a positive outcome for left politics. The outcome of an

electoral reform could as easily result in a move towards the right for Ontario politics if parties like the Family Coalition Party are better able to take advantage of the new system and influence public opinion. The current electoral reform proposal is quite distinct in that it has brought into rare agreement many from the left and the right. The system stands to benefit both sides of the spectrum and it makes the more urgent the need for the left to become more active through effective organizing and educational campaigns.

This would require a re-engagement with politics and political parties. Clearly the NDP has a poor policy record in Ontario, as it was Bob Rae's NDP government that initiated many of the cuts to social services in Ontario in the 1990s. However, a more proportionate electoral system may change the dynamic where the NDP would need to track left to avoid losing votes to new or existing left political parties.

### **Spread the Word: Vote Yes to MMP on October 10th**

For the time being, the focus will have to be on educating the public on the choice it will face with this referendum. With polls showing that Ontarians lack an understanding of the current system and its effects, the educational campaign needed to con-

vince voters of the benefits of a new system is significant. While Elections Ontario has been given the responsibility to run the official public educational campaign for the referendum, its financial contribution falls short of what is required to inform the more than fifty-percent of Ontarians who still know nothing about the referendum. In July 2007 the Chief Electoral Officer of Ontario released estimates for the public referendum education campaign at a total of \$6,825,000. This amount fell quite short of the minimum \$13 million being called for by Fair Vote Canada, which based its estimate on the successful New Zealand campaign.

Thus, progressive groups will need to organize educational campaigns about MMP at the community level. We will need to work towards encouraging debate about the ways in which our electoral choices affect our daily lives, while not losing track of broader spheres of democratic action in our workplaces, schools, and communities. In the end, a MMP electoral system may open more space and opportunities for the left to effectively influence political power, which is an important aspect of any struggle for social justice. **R**

Besmira Alikaj is involved with the organizing coalitions for Fair Vote at York University.



## *Loading the Dice on the Referendum*

Elizabeth Rowley

On July 10th you won't be able to read the views of any political party, candidate or incumbent on the subject of the October 10th referendum on Mixed Member Proportional Representation – an electoral reform proposed by the Citizens Assembly on Electoral Reform.

You won't see anything in candidates' or parties' election material either. There will be nothing on their websites and nothing in their campaign advertising.

That's because the McGuinty government has issued Regulation 211 (an implementation directive from the government to Bill 155 on the Referendum) making it illegal for political parties and their candidates to "campaign to promote a particular result in the referendum"

Regulation 211 defines all written commentary on the Referendum as third party advertising. Parties are banned from putting their positions forward, and candidates who want to express an opinion in their election material, campaign ads, or website, must register as Registered Referendum Campaign Organizers under the law. They will be required to act as third parties as well as candidates, will be required to raise and spend funds as third parties; will be required to file financial reports with Elections Ontario as third parties. This is in addition to the Elections Act requirements for candidates and parties to file audited financial returns for the election period with Elections Ontario.

Clearly the intent of Regulation 211 is to ban political parties, and gag candidates, from participating in the very significant and important public debate on MMP leading up to October 10th. This is an extraordinary and possibly unconstitutional limit on free speech and public debate. In fact, broad and probing public debate is exactly what is needed in considering the proposed change to our electoral system. The public has a right to know where the parties and candidates stand before they vote; and the parties and candidates have a responsibility to state where they stand.

In view of the fact that the government and the official opposition voted together last spring to require a super majority of 60% for the referendum to pass, the public has a particular interest in knowing where these two parties stand.

Subsequently, the government has worded the referendum question in a confusing way so that the only possible answer is "yes" as in "Yes I support this" or "Yes I support that." That's why opponents of MMP argue that there isn't a No campaign. Literally true perhaps, but cynical, political double-speak nonetheless.

In fact, concerns about a well-financed media campaign against MMP in the weeks leading up to October 10th are well founded. There are no spending limits for third parties campaigning in the referendum, and no real time disclosure of financial contributions to those campaigns. Corporations and individuals opposed to electoral reform are likely to have very deep pockets, and there is nothing to prevent them from using the limitless contribution rule to purchase big media ads in the last weeks of the campaign. But the public won't know who financed the big ad campaigns until six months after the vote is over.

Meanwhile, voting in the referendum is about to get very difficult for 650,000 students, many of whom will be first-time voters or on campuses October 10th. Those living away from home will find it hard to get on the voters' list, and to get

their referendum (and election) ballots, despite the hype about getting out the youth vote. New requirements for voter identification put the onus on voters to prove their eligibility to vote, while old requirements refusing students living on campus the right to vote on campus, leave students the option of going home to vote in advance polls or giving their proxy to someone else. Expect long line-ups at polls, as young and not-so-young voters try to get their ballots.

So what is this really about? Why so many obstacles? The answer is that the Liberals (who claim to be neutral) and the Tories (who claim not to have a position) do not want to be seen as opposing a popular electoral reform that, if passed, could sharply reduce the number of Legislative seats each will have in future.

The heart of the matter is that MMP will distribute Legislative seats on the more democratic basis of the popular vote that each party receives. This will end the century-long practice of majority governments elected by a minority of voters. It will open the door to coalition government and a more productive Legislature. And, despite the 3% threshold, it means many more votes will be counted, opening the door to small parties with big ideas, such as the Green Party and the Communist Party, neither of which is currently represented.

Polls show that the public supports electoral reform in Ontario (and nationally). Leading into the election, Ontario's Liberal government and Tory opposition want to appear to support democratic reform. But their actions don't support their words.

Facilitating democracy would mean rescinding Regulation 211 which gags candidates and parties, rescinding the super-majority required for the referendum to pass, capping third party spending and requiring real time disclosure so that contributors financing the referendum campaigns would be publicly known before the vote, requiring spending on lawn signs to be included in candidate and party election spending limits, introducing new rules to allow young people to vote where they live on election day, and replacing new voting ID requirements with regular enumeration and voting cards.

### Post-script

Elections Ontario has just effectively raised spending limits for candidates in the October 10th election, without even a whisper in the Legislature or the media. Worth ten to twenty thousand dollars to Liberal and Tory candidates, election lawn signs purchased and planted on or before September 9th will be excluded as an election expense because the Writ period begins September 10. In a 29-day election campaign, money counts. Democracy, not so much. **R**

Elizabeth Rowley is leader of the Communist Party of Canada (Ontario). This article first appeared in the August issue of *People's Voice*.

# In Opposition to the SPP

The Security and Prosperity Partnership (the SPP) was originally launched in March, 2005 by U.S. president George Bush and the former leaders of Mexico and Canada, Vicente Fox and Paul Martin, in Waco, Texas. The SPP is not a signed treaty, debated and passed in parliament. It is a semi-secret informal process – driven by the executive levels of the state and major capitalists in all three countries. The various components of the SPP continue to meet apart from the oversight of elected institutions.

Covering over 300 policy areas, the SPP is a further step in locking-in neoliberal globalization in North America, through increased continental integration. It takes the objectives of NAFTA and adds the post 9/11 political and security priorities of the U.S., creating new concerns around civil liberties, water, energy, the environment and the capacity of working people to shape a different economic and political future.

But more than just another attempt at pushing the agenda of “deep integration” forward – an effort that certainly needs to be challenged – the SPP should be understood as a reflection of the state of the neoliberal project today, driven by the strategic interests of Canadian, U.S. and Mexican capital. Opposing it requires building a movement that goes beyond the necessary defence of sovereignty and moves towards fighting the system that underpins the entire project.

## What does the SPP do?

The SPP seeks to increase integration with the U.S., all the while strengthening the reach of neoliberal practises and institutions here. Among the areas covered by the SPP are:

- Efforts to harmonize the regulatory regime downwards to lower standards (reflecting the U.S. standards in most cases) in areas such as food and agriculture and electronic commerce.
- Reducing the rights of immigrant and non-citizen workers, seeking to increase the number of super-exploited workers.
- Strengthening the already dominant control over energy resources in Canada (and increasingly in Mexico) by the USA. The SPP agenda goes further than the proportional clause in NAFTA, seeking to mobilize energy resources to enhance US access to fossil fuels, leaving Canada more dependent on their production and export across the border.

- Promoting further development of the tar sands (and slimming down the environmental regulatory approval procedure governing it) – planning to increase production there from about 1 million barrels per day, to 5 times that by 2030. This would increase Canadian production on that highly polluting resource and make it impossible to reduce overall greenhouse gas emissions.

- Threats to water supplies, through planned bulk water exports to the U.S. and the creation of infrastructure to facilitate these exports.

- Integration with the U.S. security establishment and the repressive regime associated with it. This covers everything from Canadian participation in Afghanistan; the changing role of Canada’s military; FBI, CIA and US Army presence here; the no-fly list; intelligence sharing (facilitating the kind of “partnership” between Canadian and U.S. security organs that led to the kidnapping and torture of Maher Arar); banning Canadian workers born in countries designated as “dangerous”, from working on defence contracts; framing access to Canadian and Mexican resources as “security” issues.

- The creation of the infamous “North American Competitiveness Council,” made up of CEO’s from the 10 largest corporations in each of the three partner states (such as General Motors, Ford, Wal-Mart and Home Depot). In a perverse form of corporatism, NACC has been given key powers to recommend and make policies. Their initial program unsurprisingly called for a common tri-national tariff, energy integration and a common security strategy.

- Efforts to further strengthen neoliberalism in Mexico, reducing the role of PEMEX (the state petroleum company), and increasing the importance of maquiladora-type production for export.

## What does it mean?

The SPP is not something that is being done to all Canadians. The Canadian capitalist class, like their counterparts in the US and Mexico, are co-sponsors of the SPP and see this as a project that reflects their interests and goals. They introduced neoliberalism into Canada in the 1980s, and the Canada-US Free Trade Agree-



ment and NAFTA were both efforts to push it forward and lock-it in. They remain committed to deepening the neoliberal transformation of Canada today (more deregulation & privatization, tax cuts, weakening social programs) in the face of the growing opposition of much of the country's population. They also desperately want to secure their access to U.S. markets and cement their ties to American capital in the face of the post 9/11 obsession with "security." The SPP, and the deep integration agenda of which it is a part, is a project that allows them to accomplish both: the Canadian state and business interests, tied-in with the security apparatus of American imperialism, impose the neoliberal measures that Canadian people would never vote for, while economic integration continues.

### Challenging the SPP

Opposition to the SPP has been building, focused on the recent summit in Montebello. Thousands of protesters gathered there and in Ottawa, demanding an end to the SPP. They expressed the interest of Canadian working people. The build-up to the protests took the form of locally-based educational forums, rallies and organizational efforts to let the Canadian people know the dangers of the SPP and the project that underlies it.

Whether this will lead to the development of a new mass protest movement reminiscent of the anti-globalization demos of the earlier part of the decade – or the growth of a movement similar to the anti-free trade struggles of the 1980s and '90s remains to be seen. Organizations like the Council of Canadians, other coalitions and groups and new movements based in Quebec have been working together to challenge the SPP. This has been very positive. But many of the young people that led the anti-globalization protests have moved on. The level of political mobilization of the anti-globalization movement remains quite below a few years ago. The trade union movement has yet to really engage, mobilize and educate their members on these issues. While the CLC officially endorsed the recent protest, the absence of the kinds of massive union numbers that marked the Windsor and Quebec protests of 2000 and 2001 was evident.

More important is the orientation we take in fighting the forces which drive the SPP. Opposition to integration with the US is critical. Moderating this or that element of the SPP, or even forcing major revisions to the entire initiative, would signal an important political victory. But it is not enough. To defend our right to use our own water and energy; to break our dependence on fossil fuels and create renewable and environmentally-friendly energy sources; to protect the rights of working people – immigrants and native born, citizens and non-citizens; and to develop our own economic and political strategies, we need to direct our attack against the Canadian capitalist class that has set this agenda – and work to challenge its power.



The protest movement we need to build today must keep protesting. But we also need to reform the political capacities to challenge the logic of capitalism in the workplace and in political and state institutions. The fight against the SPP is one flag being raised with the message of the need to fight for a different social system.

Mass demonstrations, such as those in Ottawa and Montebello, are potent political symbols. They represent political capacities and consciousness existing quite apart from the demonstration itself. They now register our opposition and distaste for specific policies. They need to evolve into a political movement that is capable of directly confronting neoliberal globalization throughout Canada and North America – in our workplaces, communities and political institutions. Such a movement is yet to be built. **R**

# AFN

## Day of Action

James Lawson



On May 31, the Assembly of First Nations (AFN) called for a national day of action on June 29, to force changes in key features of federal aboriginal policy. On June 12, the Harper Conservative government responded with an important reform of “specific claims” settlement policy, and continued thereafter to blunt the possibility of militant action, headed up by cross-country initiatives headed up by Indian Affairs Minister Jim Prentice. On June 28, Canadian provincial and territorial premiers issued a joint statement recognizing the basis for grievances, but calling on protesters to remain peaceful and non-violent. On June 29, with a few outlying exceptions, the day of action broadly kept to the AFN’s limited and reformist direction for protest.

In the short-term, the Harper government has managed by its focus on specific treaty obligations to appear responsive on this file without either a costly resort to repressive force against protesters, or a costly investment in the kind of self-government and social programme structures that would further alienate its neo-conservative base. But with numerous opinion columns in the national media choosing to identify the largely rural reserve communities at the base of the AFN itself as part of the entrenched social problems that indigenous people face, the long-term effects of the day on the dominant society remain uncertain. Meanwhile, the anger and impatience of indigenous people at conditions both on and off reserve – and particularly the anger and impatience of the growing ranks of indigenous youth – still point to the need for deeper structural changes. In seeking such change, an as-yet unresolved internal discussion continues over effective channels of political action that indigenous people themselves accept as legitimate.

On his May announcement, AFN Chief Phil Fontaine made three core demands of the government:

- rapid movement toward self-government agreements on the basis of an AFN plan;
- restoration and expansion of federal funding to First Nations’ organizations, removing 2% annual funding caps, implementing the \$5 billion Kelowna Accord, and building population growth and inflation into future funding formulas; and

- accelerated resolution of over 800 outstanding specific claims.

The government response announced on June 12 included \$250 million for each of the next ten years to settle the “specific claims” backlog, and a three-point reform of the settlement process. (Specific claims arise from alleged government violations of existing treaty obligations and other federal responsibilities. New “comprehensive” agreements or modern treaties address land and self-government questions where no treaties have previously been signed, and are handled separately.) The Indian Specific Claims Commission will become a dispute resolution body; smaller claims will be targeted for accelerated settlement; and a panel of six “impartial” sitting judges will be appointed to make binding decisions in cases where negotiations fail.

The government’s move had been foreshadowed in mid-May, and builds directly on the December 12 Senate report on specific claims, *Negotiation or Confrontation: It’s Canada’s Choice*. Like the government’s recent environmental announcements, the reform in itself is substantial. Like those announcements, it has been highly publicized by the government itself as a break with Liberal practice, but it also breaks with widespread perceptions of recent Conservative philosophy on aboriginal policy. Like the government’s recent environmental reforms, however, the change also carefully targets the least controversial matters in dispute, leaving questions like the \$5-billion Kelowna Accord and comprehensive claims to one side.

The impartiality of the new appeals process will have to be judged in the light of the actual judicial appointments that are made. The Conservative government and many of its closest advisors have been careful observers and critics of the perceived ideological slants among the members of the judiciary. But after a period of isolation as a perceived ally of the former Liberal government, Chief Fontaine can already present a partial gain to the AFN’s member chiefs and first nations. For its part, the government has partly deflected attention from its refusal to implement the Kelowna Accord; and it has also begun to blunt the indignation of moderate indigenous people. It has done so by selectively targeting other points on the AFN’s list of demands, as well as specific grievances that it could address in full or in part. And in the longer-term, a steady

stream of positive, but modestly priced announcements can now follow on specific claims, particularly in places like rural BC where specific claims – and Conservative votes – are clustered.

### The Situation in British Columbia

The implications of these announcements vary strongly by province. Of these, BC stands out, with the vast majority of its rich public lands untreated. Half the outstanding specific claims affected by the June 12 announcements also originate there. Problems in BC may therefore play straight into events at the end of June.

This possibility may seem surprising. BC Premier Gordon Campbell's sharp change of course has been one of the most important recent developments in Canadian aboriginal affairs. After championing an anti-treaty referendum campaign in his first term, Campbell has championed the Kelowna Accord and signed a "New Relationship" agreement with First Nations leaders in his second.

This about-face has won the premier unprecedented support from many BC chiefs, undermining the BC NDP's reputation as a First-Nations ally and complicating the Liberals' otherwise natural alliance with federal Conservatives. BC business needs the certainty of land and self-government agreements to extract rural resources profitably, and it also needs a positive world image leading up to the 2010 Vancouver/Whistler winter Olympics. BC Liberals also find aboriginal agreements more palatable, as business-led development models become more important elements in both interim and long-term agreements.

However, the pace for most BC treaty talks is still glacial, and some of the most advanced talks are in trouble. In the Prince George area, the 250-member Lheidli T'enneh was the first BC First Nation to initial an agreement under the treaty commission. But they narrowly rejected that agreement at the end of March. In May, Chief David Luggi of the neighbouring Carrier-Sekani Tribal Council (CSTC) became associated with an emergent group called the Indigenous Rights Alliance, which opposes the BC treaty process. On May 14, the Alliance called on First Nations to reject the BC treaty process on June 21, which is National Aboriginal Day, just a week before the AFN Day of Action. It is not yet clear how much support this position enjoys, whether generally or within the eight-nation CSTC. Those most dissatisfied with the treaty commission process are now turning their attention to the Tsawwassen First Nation, whose traditional lands surround Vancouver's major ferry terminal. They vote on their agreement July 25.

These trends could threaten the wider BC treaty process, which is handling dozens of other treaty talks across the province under the BC treaty commission. Recognizing with the Campbell government the same underlying dangers that such an outcome would present for the federal Conservatives, Prentice completed his "diplomatic tour" in advance of the Day of Action with an announcement that he would be discussing a substantial restructuring of the commission over the summer. BC protests on the Day of Action were broadly moderate.

### Protest Beyond the AFN

In responding to the AFN call, some indigenous leaders and opinion makers announced protest plans that differed from what the AFN contemplated or condoned. This trend is evident far beyond BC.

On the same day as the Conservative aboriginal policy announcements, Cree artist Floyd Favel rejected the AFN's call to action in a *Globe and Mail* op-ed piece. While highly critical of the government, he was equally critical of what he described as a dysfunctional AFN and an often-corrupt and self-serving leadership supporting it in reserve communities.

South of Winnipeg, Roseau River Chief Terrance Nelson, long known for militant protest, called for indigenous people to block rail-lines and highways for a week. Chief Nelson's own community is located along a major north-south land transportation corridor. This long-outstanding specific claim has now apparently been settled, expanding the Roseau River First Nation reserve territory on the eve of June 21, National Aboriginal Day. Important questions have already been raised about the future uses of the land parcel, but Chief Terrance Nelson has publicly acknowledged this settlement. While he has emphasized that problems with Ottawa remain, he has called off his threat to block major rail lines. This use of recent specific-claims reforms as an immediate tool to neutralize protest this month reflects the wider tendency of the present government to drive policy change primarily in response to immediate political embarrassment.

In an interview for this article, Mohawk academic and political philosopher Taiaiake Alfred has echoed Favel's criticisms, viewing a more direct and sustained confrontation than the AFN's day of action as necessary to serve indigenous people well. Indeed, Alfred argues that the end of the AFN itself is a necessary step towards real progress for First Nations, and the current treaty process has become a tool of assimilation. The best that could be hoped, in Alfred's view, is that more sustained confrontations could redirect energies that now fuel the everyday violence within indigenous communities, and simultaneously destabilize what he considers to be essentially colonial institutions both on and off reserve.

Rather than a comprehensive, revolutionary movement that would cut across the country, Alfred looks to a more diffuse decolonization process. As autonomous pockets of indigenous freedom and regeneration arise from this process of resistance, the wider forces of capitalism and colonialism would not be overthrown, but would be compelled to engage in an increasingly transformative process of adjustment.

The real question in the current context is whether indigenous withdrawals from the treaty process or other radical political actions would feed into growing confrontations and a better outcome for first nations; or feed into deeper indigenous marginalization, a more sterile policy impasse, or a return to sharper repression. →

## Watching Southern Ontario

Though smaller blockades did occur, the one major protest that did ultimately cause large-scale economic disruption occurred at Deseronto, Ontario. A group of dissenting Mohawks around spokesperson Shawn Brant threatened to block Highways 2 and 401, as well as the major CN lines. The provincial OPP was careful to avoid direct confrontations with Shawn Brant and the group of dissenting Mohawk protestors for whom he speaks. The police themselves closed off Highway 401 for part of June 29, while CN and VIA suspended traffic on the Toronto-Montréal rail corridor.

That this outlying event has occurred in southern Ontario deserves careful attention, as do its roots in a unique constellation of indigenous political-economic enclaves. Mohawks and other member-nations of the Six Nations or Haudenosaunee (Iroquois) Confederacy have communities distributed throughout the densely populated agro-industrial zones of southern Ontario and the Montreal area. Members of these communities have developed long-standing ties to the wider North American economy through agriculture, immigrant labour, military service, and small-scale retail and service industries. Some (though by no means all) of the latter activities exist in a grey area of Canadian and American law, some of which is variously interpreted as cross-border smuggling, or as free, untaxed trade protected under the 18th century Jay Treaty. In many cases, these communities have been internally divided by sharp political and economic cleavages, as well as by international and interprovincial boundaries. At times, these divisions have led to outbreaks of political violence and a highly unstable legal status in the surrounding society.

But Haudenosaunee intellectuals, including Alfred, have also built on deep existing political traditions, forging a distinctive, powerful and hotly contested tradition of militant protest and autonomist opposition to the Canadian and American states. Often, developments in this region have become powerful inspirations for cross-country protest. While not alone in the political positions they take, these communities are relatively large, and are easily covered by the national media centred on the region's dominant cities. Communication is also relatively easy with the large bodies of urban-based indigenous people in the region, whose family and community ties link them to communities all over Canada. In recent years, this tradition can be traced through the highly publicized protests and other controversies at Kanawake, Kanasetake, Caledonia, Akwesasne, and now, Deseronto.

As southern Ontario imports a series of economic shocks to its manufacturing base, resulting in part from oil-driven appreciation in the Canadian dollar, it has also become a region – perhaps the most notable region – where government relations with indigenous people are unstable, and could most easily slide into broader, more costly confrontations. One scenario – though by no means the only one – would be for more militant, widespread confrontation and these developments link up with the emergence of a broader schism between existing indigenous leadership and more militant dissenters elsewhere in the country.

## The Significance of Federal Responses

Despite the federal government's recent initiatives, undermining the AFN and the treaty process may not ultimately trouble



leading elements within the Conservative Party, albeit for different reasons than the AFN's indigenous critics. Tom Flanagan, senior advisor and associate of Prime Minister Harper, has long criticized modern treaties and First Nation self-government. This fact alone puts the AFN in a difficult position, given the heavy dependence of the organization and its member nations on funds the federal government controls.

But the recent report of the Linden inquiry in Ontario has also served as a reminder of the possible stakes of undermining the AFN or adopting a tougher stance towards dissent. The inquiry concerns the 1995 death of Dudley George during the indigenous repossession of Ipperwash Provincial Park. Linden explicitly exculpated senior provincial Progressive Conservatives, including then-Premier Mike Harris, of directly ordering the police attack on indigenous protesters that led to George's death. But it also concluded that key Ontario conservatives, including the premier, had acted rashly in demanding a quick end to the indigenous action, and that several of them, including Harris, had made racist remarks to drive this point home to police. Linden also faulted the slow federal specific claims process for leaving Ipperwash protesters no plausible alternatives to their own actions.

Arguing from past experience and past associations has not proven especially helpful in predicting the Harper government's recent moves. Personal links between the Harris cabinet, the so-called Calgary school, and the present federal cabinet have ultimately proved less important than the new context in which protests took place this summer. The government's ultimate tools of repression are otherwise preoccupied, much of them half an empire away. Furthermore, the government's most desperate political need right now is to avoid fulfilling the left-liberal expectations of them that are still widespread in the various opposition parties and their constituencies. It is quite unclear that any blunt response would serve the current federal Conservatives and their allies very well.

In this regard, the *Globe and Mail* reported on March 31 that the Canadian military had been preparing a confidential manual on counter-insurgency techniques. The manual included specific references to the Mohawk Warrior Society and other militant indigenous organizations as examples of domestic targets. After protests from aboriginal and opposition leaders, Defence Minister Gordon O'Connor denied that indigenous organizations would actually be targeted, or included in the manual's final draft. Lest anyone still be deluded about who in Ottawa is willing to use security policy against indigenous militants, drafting of this manual was reportedly started under the previous Liberal government.

If such rational calculations continue to prevail in the federal Conservative leadership, and if moderate aboriginal protest continues to be muted, one might anticipate heavy but localized police actions to break up any outlying "extremist" actions. The logical federal strategy would be to divide, mute, and sit through subsequent criticism from both indigenous and non-indigenous sources. The "outsourcing" of any overt repression to local police could be accompanied by an economical "public-private partnership" in applying fines as a deterrent. CN Rail has responded to the actions at

Deseronto by filing injunctions and suits against the protestors. Notably, Ontario Progressive Conservative leader John Tory has supported extending this slap-suit approach in the future, ostensibly to reduce the costs of future protests to "third parties."

The full implementation of such a strategy makes sense, only if more militant protest is isolated, but exceeds the costs that affected provincial governments deem acceptable. That test was approached, but not met, at the recent protests at Deseronto. While thousands of Ontarians were inconvenienced on Canada Day weekend, it would be difficult to say that Brant and his group will be able to claim to have the masters of the situation. Under the weight of the Linden findings and with a Liberal government in power at Queen's Park, it appears that the OPP have both diffused immediate confrontation and deprived this action of galvanizing symbolic power.

### **Emancipation, Aboriginal Nationalism and the Canadian State**

As conservatives wrestle with their private demons on this file – now necessarily at public expense – more progressive activists and thinkers face important challenges of their own. For across the political spectrum, there are critics of the current AFN, of the treaty and self-government project, as well as of the various expressions of more radical indigenous nationalism. It is easy to concede that political corruption and class exploitation are dangers in all polities, dangers that citizens can and should resist in their own leaders. But a thornier problem for progressive praxis is the widespread perception in parts of the left that indigenous nationalism also constitutes, whether in whole or in part, an unacceptable and inherent affront to enlightenment values such as individual equality, universalism, and wider solidarities.

All Canadian governments also face pressures to limit the emancipatory demands of First Nations. This, more surely, is a consequence of the interlocking imperatives of capitalism, internal colonialism, and racism. In assigning blame for this, it is easy to finger the business interests concerned with "uncertainty", the supposedly "unenlightened" rural and resource-based constituencies most immediately affected, and those who associate most indigenous protest with a crisis in law and order.

It is much harder to acknowledge, let alone resist, the greater or lesser structural implication of all non-indigenous persons, including oppositional forces and disadvantaged groups, in the continuing benefits of Canadian colonialism. The path to this dual emancipation may be uncertain. The uncertainty is enhanced as indigenous people themselves debate the strategies and the forms of leadership that will best create the contexts in which indigenous freedom, socio-economic recovery, and political self-determination can emerge. But that path of emancipation surely begins when non-indigenous Canadians refuse the four-fold tools of repression, wardship, neglect, and delay, four riders of an indigenous apocalypse that their state has unleashed in their name. **R**

James Lawson teaches political economy at the University of Victoria.

# flexibilized work as neoliberal entertainment

Tanner Mirrlees



*Marx contended that constant revolutions in the mode of production constituted an intrinsic feature of capitalism's culture of "creative destruction." An "uninterrupted disturbance of all social conditions, and everlasting uncertainty and agitation, represent necessary consequences to which modern people are increasingly exposed." "What is solid melts into air," Marx wrote when describing capitalism's tendency to perpetually and dynamically transform itself without fundamentally transforming (abolishing) class relations in society. As the capitalist mode of production undergoes profound transformations, workers are regularly coerced and compelled (out of sheer necessity) to adjust to the new times.*

Today, capitalism is said to be undergoing a profound transformation in the neo-colonialist states of the North. Within the United States, Canada, and the U.K., there is constant talk of a shift. We once worked under a Fordist-era industrial model based on the extraction and processing of natural resources and the assembly of heavy things. Now we are working according to the demands of a post-Fordist information economy that is based on the commodification of knowledge, the manipulation of images, and the production of ideas.

This underlying transformation in the mode of production within the North - concretely expressed by plant closures, de-industrialization and the outsourcing of industrial jobs to Southern states - is justified by state-implemented neoliberal policies. On behalf of the trans-national capitalist classes, neoliberal states facilitate sweeping changes by de-regulating and privatizing public institutions, disorganizing labour unions, and building a new "economically competitive" environment to attract foreign direct investment.

In this new neoliberal regime, workers are being compelled to change too. The gains made by much of the Northern industrial working class following World War II - unionization, wage-increases, full-employment, security, vacations, unemployment in-

surance - are being rapidly dissolved as result of an unending corporate offensive. To mystify the corporate offensive against the industrial working class, state and business intellectuals present workers with arguments about how much better their life will inevitably become once they submit to and embrace the new times as "flexibilized knowledge workers."

The post-Fordist and neoliberal information economy demands that workers adjust their identities, their bodies, and even their way of life. Flexibilized knowledge work is presented ethnocentrically and imperialistically to workers as a Western civilizational advance. The state encourages us to see "progress" as a move away from the hard physical labour demanded by the Fordist industrialized economy toward more intellectually laborious tasks that are affective, creative, and exciting. The flexibilized knowledge worker is a disciplinary ideal that the state and capital foist upon workers in the North while workers in the South are exploited according to new and more brutal industrial arrangements.

Since capitalism not longer guarantees a job that requires a specific skill set, workers are told to develop "flexible minds." They must be willing to learn and relearn, to adapt and change. Since capitalism has radically transformed the traditional temporality of work from an eight-hour, nine-to-five, forty-hour work week to absolutely precarious flex-time, workers are compelled to continuously adjust themselves and their schedules to the ebb and flow of increasing and unpredictable corporate demands on their time. Twenty-four hours of waged-labour one week; seventy-two hours another; no hours the week after.

Since the post-Fordist corporation increasingly undertakes commodity production at multiple locations, workers are told to become more mobile and accept the destruction of community bonds. At the same time, workers are encouraged to technologically tether themselves to black-berries, laptops, pagers, and cell-phones in order to work at a distance. As result, the sphere of



work is blending into the sphere of leisure. The surveillance and management of workers is being extended outwards from the shop floor and the office cubicle into the spaces of everyday life. And since capitalism now, more than ever, is about the commodification of feel-good services, workers are told to flexibilize their emotions, personalities, and identities. To manage multiple jobs, shift between client and customer relations in service sectors, workers are now required to be “performative.” The postmodern mantra of performativity has been industrialized as workers are made to adjust their personality and feelings according to the demands made of them.

Flexibilized knowledge work, despite the utopian management narratives that surround it – freedom from the boss, autonomy, self-reliance, individualism, collaboration – reflects corporate strategy. By flexibilizing knowledge workers, corporations are able to cut a number of production costs. Expenditure related to training, a safe and healthy work environment, pensions, vacation and other rights are eliminated by demanding that workers “go it alone.” The life of a flexibilized knowledge worker is physically and emotionally challenging as well. The need to constantly upgrade skill-sets and re-orient oneself to the latest demand causes deep insecurity and anxiety. Self-reliance and autonomy without collective bargaining tools is disempowering. Flexibilized knowledge work is capitalism’s latest way to rationalize unfreedom and inequality as more freedom and equality.

On this shifting terrain where the ruling class demands a reserve supply of new flexibilized knowledge workers for the emerging post-Fordist information economy while uprooting the livelihood of the remaining sectors of the Fordist-era industrial working class, Reality-TV intervenes. The media industry – in this case, cheap-to-produce Reality-TV for a mass consumer audience – promotes this new neoliberal regime of flexibilized knowl-

edge work. Commercial entertainment presents the conditions and values of flexibilized knowledge work as an ideal and a standard against which audiences are instructed to evaluate themselves and their enjoyment. Today’s Reality-TV promotes to millions of working audiences a flexibilized way of life guided by values of self-reliance, entrepreneurial competition, hyper-individualism, performance, image, and niche consumption.

In doing so, Reality-TV attempts to organize audiences consent to neoliberalism’s regime of flexibilized knowledge work. It also attempts to teach younger generations of workers that did not experience the labour demanded by industrialism and the Keynesian welfare state what they must do in order to subsist as workers in the present conjuncture. Reality-TV overwhelmingly acts as neoliberal propaganda that attempts to orient audiences to the changing conditions of life and labour under an emergent capitalist dynamic.

*What Not to Wear* suggests that service-sector workers need to spend many unpaid hours shopping for clothing in order to assemble an appropriate work “outfit” to succeed on the job. The show introduces audiences to a service-sector worker whose friends believe that she lacks a “fashion sense.” The service-sector worker lacks a fashion sense, not because she doesn’t assemble her own outfits or because she goes to work naked, but because she doesn’t conform to the latest trends. The worker is publicly humiliated by two “fashion experts” who descend upon her bedroom, criticizing every item of clothing that does not correspond with their vision of style. The worker is made feel ashamed for not “keeping up” with fashion trends and is then compelled to undergo a reformation.

The paternalistic hosts take the worker on a shopping-spree to designer clothing stores. They purchase a few new outfits and dress up the worker in one that they say reflects her “true identity.” At the end of the show, the worker’s friends arrive and celebrate her “new look.” The fashion experts are nothing more than cultural industry salespeople dressed up as the privatized solution to the absence of “paternalistic” civil servants downsized by neoliberalism. They tell the worker how much happier she will be now that she has new clothing. The show teaches audiences how to consume and what to consume in preparation for service work. Shopping, the ability to flexibly stay afloat of the latest fashion trends and the capacity to re-style one’s body are presented as means of social mobility in a world where social mobility is itself becoming less and less possible.

While *What Not To Wear* teaches audiences how to shop for service work, a number of Reality-TV shows cynically respond to the anxiety of unemployment in the information economy by presenting various post-industrial workers competing against each other for jobs. *The Apprentice* features a number of aspiring white-collar middle-managers competing with business plans and promotions strategies to impress a cantankerous Donald Trump who gleefully shouts “You’re Fired” when their knowledge work fails to pay off. Audiences are expected to derive pleasure watching Trump’s simulated acts of bourgeois instrumentality, his →



reduction of human life to revenue-driven performance criteria. Trump's authoritarian personality is promoted as a mark of his success; the show glorifies his wealth and power and relishes in the humiliation of those below him.

*The Apprentice* teaches audiences to embrace the cutthroat will-to-power of the bourgeoisie in its determination to accumulate as much wealth as possible: "Money, Money, Money" chants the voice in the show's theme song. This entrepreneurial spirit is performed by the show's individual worker-contestants. They aggressively compete for a job by Trump's side. These worker-entrepreneurial protagonists, in their pursuit of employment as loyal bourgeois lapdogs, teach audiences that employability requires the emulation of neoliberal values. The boardroom of the post-Fordist corporation – not the middle class household – is the primary space of drama in this program. Personalities clash in pseudo-free market competitions. The grand prize is nothing more than the banal security of white-collar work.

Other shows mimic *The Apprentice*'s abusive job search format. *Hell's Kitchen* depicts culinary workers competing to prepare the best meal for the affluent clients they serve while *The Cut* presents aspiring fashion designers competing to impress Tommy Hilfiger with a new design. In both cases, service-sector based labour is presented as an ideal means for workers to express their unique identities, cultural desires, and exceptional creative energies. The shows efficiently respond to and incorporate the 1960s counter-cultural experiments against Fordism's mass-consumerism and standardized forms of blue-collar work. Counter-cultural yearnings for aesthetic difference and flexibility against the conformity and routine demanded by industrialism have been institutionalized as a new service-industry managerial mantra: be unique, flexible, and creative. Just obey!

In addition to promoting obedience to flexibilized work, Reality-TV, as a genre, teaches people to work without pay. Shows like *American Idol* cut wages once paid to actors, script writers, and directors – the cultural industry's workforce – and mobilize the unpaid labour of the "average" or "common" people that it features as its contestants. The unpaid work done by various contestants whose dream is to have their unique talent recognized displaces the labour performed by real cultural industry workers. The Fordist-era "American Dream" of social mobility to the middle classes facilitated by de-personalizing factory work has been replaced by a new post-Fordist dream of social mobility to the creative classes facilitated by personalized unwaged labour in the cultural industry.

The real people selected to perform themselves on *American Idol* enter into something akin to a neo-feudal relationship with the show's producers. In exchange for the intellectual property rights to their image (and everything else associated with their image), the contestants are given food, shelter, a small amount of cash to live on, and a chance to realize their dream of achieving fame as real waged-labourers in the cultural industry.

Shows like *American Idol* present individual talent competitions and performances within the entertainment industry – a perpetually expanding and multi-billion dollar sector of the Northern states, especially the United States – as an ideal form of work to its audiences. They do this, not only because the economies of the North more and more rely on the exploitation of cultural labour, but also, because the traditional ethos of bourgeois individualism no longer makes sense in a world where no more than nine vertically and horizontally integrated media corporations own the means to produce, distribute, and market nearly all entertainment. Now that the myth of bourgeois individualism has been revealed as a sham, it returns in the mediated guise of individualistic personality and skill competitions for public recognition as celebrity superstars.

Yet, as much as *American Idol* emphasizes the individual personality and unique talent of the average people it uses, the personality and unique qualities of each person on the show are destroyed in the competition. To win, contestants imitate the walk, talk, look and charisma of celebrities that came before them. They tilt their heads, smile, complete the next dance step and exhibit a positive attitude, all to impress the panel of quasi-cultural industry judges that determine their fate as future workers in the cultural industry. The show reduces the personalities of all contestants to image-commodities that correspond with a particular niche market. The winners simply get re-circulated as yet another typologized face that is airbrushed and digitally enhanced on the screen or magazine cover.

Images in capitalism – even images of post-Fordist work – are made to sell. Reality-TV's images are made for one purpose: so that television networks can attract as much audience exposure-time as possible in order to generate advertising revenue. The networks responsible for the circulation of Reality-TV are financially dependent on advertising dollars. They profit, not only by exploiting the waged (and unwaged) labour of cultural workers, but also, by exchanging the exposure-time of millions of audiences for millions of dollars worth of advertising dollars. Reality-TV and its many images do tremendous work for capitalism. As capitalist logics move from the space of the factory and begin to pervade all facets of social life, Reality-TV legitimizes a new regime of flexibilized post-industrial work to audiences while turning audiences themselves into commodities.

Images certainly aren't everything. But the images of post-Fordist work and neoliberalism packaged by Reality-TV are something. In such images we see the shifting ground of capitalism and the new forms of worker subjectivity that capitalism demands and attempts to command. Reality-TV's optimistic images of flexibilized knowledge work mystify real and contested conditions. Working classes continue to struggle against the forms of life and labour that global capitalism, neoliberal states and popular television impose on them. **R**

Tanner Mirrlees is Relay's Culture Editor and a PhD student at York University.

# Union Karaoke

Herman Rosenfeld

Many of us have participated in Karaoke nights – in bars, parties and in union and political gatherings. Aside from the fun, drinks, (sometimes the embarrassment) and general camaraderie of these experiences is something we usually don't think about: that the songs in Karaoke reflect almost nothing about our political lives. Karaoke almost always gives us a chance to pretend we are singing the songs that we hear – or have heard over the years – on popular radio stations.

That can be a lot of fun, but a group of labour activists in Toronto came together to challenge that reality. They formed an association called People's Progressive Karaoke. Working with a series of labour-friendly singers and performers as well as the Steelworkers union, they produced a 10-song karaoke package called *Karaoke Union Songs*.

It includes a CD that can be used to listen to the songs being sung by others. As well, the disc includes karaoke versions of the songs with instrumental and backing vocals. This will play in a karaoke player and display the lyrics on the accompanying screen. (The blurb on the back of the package also suggests that you can, "...play the instrumental versions while you sing along in your car.")

The CD comes inside an illustrated booklet that describes the particular history and background of each song, along with historical photos – over 40 of them. The songs are: *The Ballad of Springhill*; *Ruby and the Painted Pants* (written and sung by former Steelworkers local president Mike Hersh, about workplace struggles in the now-closed Inglis plant); *Joe Hill*; *Union Maid*; *Put it on the Ground*; *Bread and Roses*; *Which Side Are You On?*; *Strange Fruit*; *There is Power in a Union* and *Solidarity Forever*.

The performers are all local artists, some of whom like Hersh, Paula Fletcher and Anne Healey are activists as well. There a number of people of colour such as Coco Brown and the justly revered Jazz/Blues singer Jackie Richardson as well.

I took the time to listen to the CD and ended up keeping it on my CD player, repeating it over and over as I worked at my computer. The songs are wonderful, the versions are fresh (but not so different from the traditional formats as to be unrecognizable or unsingable) and the performances are excellent. I found myself playing the karaoke portion of the disk and singing along with all of the songs. Thankfully, they seem to be in a key that is easy to match (and equally thankful, no one was around to listen to me.)

The background notes to the song are rich with facts and principles that union activists need to know – told through a narrative that is filled with quotes, references and photos. We read about Peggy Seeger learning from balladeer Ewan MacColl about life in the mines in order to credibly write about the Springhill mining disaster; the rich history of the workplace strength of the Inglis workers; the touching words of Phil Ochs in calling on people to apply the lessons that Woody Guthrie told us all; the histories of the women's struggles that went into *Bread and Roses*; and the experiences that shaped the work of Billy Bragg as a socialist and working class songwriter and performer.

I highly recommend Karaoke Union Songs and hope that labour and socialist activists buy it, use it and perhaps pressure the People's Progressive Karaoke to produce some more (and the union movement to help them pay for it).

The project has its own website: [www.ppkmusic.com](http://www.ppkmusic.com). The site includes more background and descriptive materials, as well as promotional information. It also provides information on how to order the CD package. CD's are \$20 each. Shipping and handling is \$3 for 1 CD, \$5 for 2-10 copies, and \$10 for 11 or more copies. **R**

Herman Rosenfeld is a union activist in Toronto.



# Textures of Dispossession:

## Hard Culture in the Early Neoliberal Era

Julian Holland

### Periodizing the Neoliberal Canon

Check your calendar and you can confirm the next date for celebratory positivism: Earth Day, International Youth Day, Day for Tolerance, etc. Add to this list a smaller number of traditional observances that have been structurally adjusted to correspond with the social realities of the new millennium, with both International Women's Day and Labour Day offering convenient opportunities to applaud the progressive unequal distribution of formal equality, private equity, skills development, and increased productivity. The capitalist dreamwish is, of course, to convert all popular sentiment into a messaging package weighed by the media hype devoted to International Trade Day.

Until recently such officially sanctioned observances, with the exception of the most obvious instances of nationalist bombast and financial boosterism, at least provided predictable venues for the "legitimate" expression of civic-minded dissent: not so today. The polarization of worker/capitalist interests has led to the erosion of any strong identity between citizen and state. When it comes to the fabric of routinized market ideology, it is abundantly clear that most events now function as quasi-public affirmation for privatized policy. The Toyota Earth Day Scholarship and Canadian Entrepreneur Awards always go to A (if not close runners-up B and C); leaders from the corporate, non-governmental, and governmental world line up to highlight milestones, always against the odds, on the journey for personal, spiritual and monetary realization. If we are to believe in the message of the film *The Pursuit of Happiness* (2006) where Will Smith plays Chris Gardner, a failed salesman who becomes a successful stockbroker, then the pleasures of individual commodity achievement far exceed the corresponding misery associated with mass proletarianization.

The identity between spectacular private lives and market sociality has long been recognized and subjected to ideological critique from the Left. In this respect it is not surprising that the many staged miracles of finance have been suitably accompanied by a succession of penny stock to blue chip fantasies. The most ominous of these mystifications, a correlative to the reification of fictional capital, are those doctrines of prosperity theology and divinely blessed accumulation that have propelled neo-Pentecostalism to its current status as one of the globe's fastest growing religious movements. And yet, in this ongoing epoch of reaction, the priority of analysis must shift from the examination of isolated artifacts to the construction of a properly predictive map. How can we periodize and systematize the emerging neoliberal canon? This task facing Marxist aesthetic theory today is one

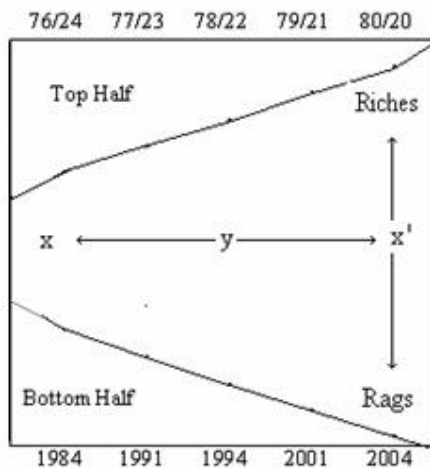
familiar to conventional literary scholarship; to sort the many dramatic/melodramatic products of our time into one cohesive critical record of forms that structure the shared imagination.

A good place to start is with narratives of illusory exception since these texts express most directly the harsh unreality of the *condition humaine* under capitalist society. The dynamo Horatio Alger Jr., perhaps the most prolific dime novelist associated with the rags to riches genre, converted with machine like efficiency the energy of crisis ridden competitive capitalism into over one-hundred books. His literary output during the turbulent boom and bust cycles of 1860-1890 included titles such as: *Struggling Upward* (1868), *Paul the Peddler, or, the Fortunes of a Young Merchant* (1871), *The Errand Boy, or, How Phil Brent Won Success* (1888) and *Joe the Hotel Boy, or, Winning Out by Pluck* (1906). These writings belong, borrowing a term coined by Mark Twain and Charles Dudley Warner, to the industrial era tradition of the "gilded" fable. But the quick fix story itself is identifiable as an enduring ideological convention, one which is most closely associated with the dramatic shocks and aftershocks imposed by market-generated instability. This is a narrative type that appears in its most pronounced form during periods of transition between regimes of accumulation. Predictably, the structural readjustments of the 1980s created favourable conditions for the reemergence of a mythological syntax promising easy cash at the end of a turbulent market rainbow. Such a hypothesis concerning the linkage between quick fix stories and the disruption of established patterns of exploitation also goes some way to explaining why Gabriele Muccino's film *The Pursuit of Happiness* begins by returning the contemporary viewer back to the genesis of the present era with a television clip of Ronald Reagan extolling bootstrap economics in 1981. This historically reflexive movie, one which openly admits the material conditions of its aesthetic possibility, is a perfect example of capitalist culture at the close of the early "hard" neoliberal period.

### The "Hard" Poetics of Market Inequality

Narratives of illusory exception disaggregate market relations down to the field of individual experience and therefore offer accompaniment to the dismantling of burdensome societal compromises. The present texture of inequality began to emerge with the neo-conservative onslaught. Studies such as The Canadian Centre for Policy Alternatives' *The Rich and the Rest of Us: The Changing Face of Canada's Growing Gap* (2007) clearly show the result of this attack upon labour protection and social programming. According to the data utilized by author Armine Yalnizyan, in 1981 the top fifty percent of Canadian households

accounted for 73.5% of total annual earnings and the bottom fifty percent accounted for 26.5%. By 2001 the top fifty percent of Canadian households accounted for 79.2% of total annual earnings with only 20.8% distributed among the remaining half of households. The simplest way to grasp this data as cultural raw material is in the form of an approximate ratio: the Canadian *degree of dispossession* registered at 73/27 in 1981. Over the next two decades the overall societal balance would shift significantly in favour of the wealthy so that the degree of dispossession registered at 76/24 in 1984; 77/23 in 1991; 78/22 in 1994; 79/21 in 2001; and, 80/20 in 2004 (*figure one*). If a canon of neoliberal culture is assembled, it will surely be this dynamic texture that is discovered to constitute the classed *zeitgeist* for art as an expressive force.



**Figure 1:** Degree of Dispossession as Cultural Raw Material: The Changing Ratio in Share of all Earnings of Families with Children Under 18, by halves, Canada 1984-2004.

And yet, there are many ways in which this formulated degree can be applied to the interpretation of narrative. One possibility is to think of this ratio of dispossession as a positive model. Such an approach gives primary focus to income itself as an object of analysis. The top half of the population proportionally possessed more income in 2004 than they did in 1981: the bottom half of the population proportionally possessed less income in 2004 than they did in 1981. Viewed from this perspective one might simply suggest that early “hard” neoliberalism speaks a particular configuration of money as a differentially distributed substance. Translated onto the cultural terrain such a proposition would appear as follows: the higher proportion of income possessed by the top half of the population in 2004 relative to 1981 resulted in a correlative increase in certain discursive forms; conversely, the lower proportion of income possessed by the lower half of the population in 2004 relative to 1981 resulted in a correlative decline in certain discursive forms. While this reflective assumption is simplistic, it fits with the rise of cultural products devoted to the valorization of moneyed lifestyles and the decline in products given over to the normalization of working-class routine.

Everyone has been watching this ideological correction. The spirit of capitalism is visual and the shared corporate mandate conferred upon entertainment producers and advertising executives makes T.V. an especially sensitive medium to shifts in the demography of consumer/class composition. The pseudo-reality patched together on screen must provide a plausible outlet for an unpredictable sensuous viewership while also programming a predetermined audience commodity. These Ben Bernanke’s of the aesthetic field need to know just which pumps trim and prime in order to regulate desire. For this reason the axis of program selection offers a particularly useful site to track the transfer of social wealth.

Television in the early 1980s provided viewers with an eclectic mixture of sitcoms. Top ranking shows of the 1981/82 season included *Dallas*, *The Jeffersons*, *Joanie Loves Chachi*, *Three’s Company*, *The Dukes of Hazzard*, and *Different Strokes*. Regardless of the fact that all these shows reproduced dominant market ideology – including patriarchal and racial imaging – the above mixture included both “old boys” and “good ole boys” for viewer (mis)identification (it should also be noted that the 1980s saw a marked rise in the number of sitcoms belonging to what Yvonne Tasker has described as the “working girls” tradition: *Lavern and Shirley*, *Kate and Allie*, *Private Benjamin*, and *Cagney and Lacey*). The combined ideological gesture of this primetime schedule, as a reflective proposition would suggest, was inclusive insofar as it was oriented towards social generalization: popular programs acted in unison to create a network for the circulation of status, sympathy, and injury distributed in accordance with the welfare state settlement of ethnic, racial, gender, and class power. Content included bigotry and bias; however, the governing logic did not *a priori* assume the exclusion of any large segment of the population from participation in the economy. In other words, North American capitalism at the close of the monopoly era was *not* represented as a Trumpian zero sum game (“You’re fired!”).

The televisual world would deploy a very different messaging package by the close of the 1990s. When the new millennium arrived primetime content in North America was almost exclusively given over to the disparagement of poverty and the celebration of haute-bourgeois lifestyles. Shows like *Who Wants to Be a Millionaire*, *E.R.*, *Friends*, *Frasier*, *The Practice*, and →



*Seinfeld* collectively performed a paradigmatic shift from the burger and fries to tossed salad and scrambled eggs, an ideological-culinary phenomenon wonderfully duplicated on political front in the U.K. with New Labour's rejection of "beer and sandwiches" corporatism in favour of investor friendly "prawn cocktail offensives." Quite simply, an increasing number of wage-earners, those "not waving but drowning" to quote poet Stevie Smith, were absented from the visible consumer and cultural market during the last decades of the twentieth-century. (The exclusion of affordable figurations from the televisual realm offers us one key example of "hard" capitalism utilizing a passive mechanism to diminish working-class expectations since aspirational inflation effectively prices a significant portion of the population out of the fantasy market).

### The Transition to "Soft" Neoliberal Culture

In the late 1960s Tzvetan Todorov demonstrated convincingly that, at its most rudimentary level, *story* constitutes nothing other than a linear shift from one point of equilibrium to another – a textual process of beginning X disturbed as content Y and resolved in ending X (*figure one*). And, since discourse is encoded with the material relations of its historical moment, it is possible to appropriate this basic narratological insight for application to the wider socio-cultural landscape. Over the last decades the restructuring of capital inside North America has resulted in a dramatic shift in income distribution from point X to X (*figure one*); however, to become a conscious fact of social reality this histori-

cal movement had first to arrive at signification within language. The initial ideological object of "hard" neoliberalism was simply to transpose an open-ended alteration in the degree of dispossession into the teleological closure of a textured narrative. It is in this context that the "hard" communicative cultures of the early neoliberal period can best be understood.

Structural readjustment results initially in narrative forms that register a direct imprint of economic dislocation – one doesn't need to scratch far below the surface to discern causality between imagined relations and real conditions. This is because the rags to riches story teaches, albeit without income statistics: these fables of exception, supported by a flimsy fantasy apparatus, figure the newly modified contours of an unequal society by presenting polarized images of poverty and wealth. And yet, uninhibited articulations of the ideal laissez-faire worldview constitute only a single tradition in the evolving neoliberal canon. Quick fix myths are obviously not adequate to maintain stability in the longer periods of exploitation that follow transitional crisis. The concomitant price of introducing the degree of dispossession to conscious reality is an inevitable process of reflection. Thus, it is just a matter of time before the "losers" lose their faith in market miracles and begin to despair in their fruitless pursuit of happiness. Already mainstream ideology, as a consequence of victories for property on the economic front, has started to move towards a much "softer" agenda of consolidation that assumes the prior resolution of tainted Keynesian social admixtures into a market

society of "haves" and "have-nots." The consequence of this is straightforward. The challenges facing developed neoliberal capital have everything to do with the implausible objective of maintaining a high rate of economic growth while also managing a high-risk social portfolio into the far-off future (a task which the revolutions, reforms, and readjustments of the 20th century prove in hindsight to have been well beyond the abilities of previous capitalist regimes). The success of this project in the current context will depend upon the capacity of dominant culture to become far more sophisticated at producing ideological messaging that resublimates the causality between popular poetics and economic exploitation.

The early moment of "hard" culture has passed, it is now time to prepare for the paradoxical "soft" blast of the maturing neoliberal canon. **R**

Julian Holland recently finished his PhD at McMaster University.

### An evening on the life and politics of Ernest Mandel

Ernest Mandel (1923-1995) was one of the most innovative Marxist thinkers of the second half of the 20th century. He was a "professional revolutionary" who invested all his energy, knowledge and vast personal culture in the struggle for socialism and in the building of revolutionary parties and the Fourth International. At the same time, Mandel maintained a hectic pace of scholarly activity; he is the author of several books: *Marxist Economic Theory*, *Trotsky: A Study in the Dynamic of his Thought*, *Delightful Murder: A Social History of the Crime Story*, and *Late Capitalism*, among others.

Chris Den Hond's 90-minute documentary looks back at Mandel's life and 60 years of struggle: from the Civil War in Spain to the fall of the Berlin Wall, with segments on Algeria, Che Guevara, Vietnam, the 1960-1961 Belgian general strike, May 68, Portugal, Chile, feminism, ecology, workers control, the Sandinistas and more. The documentary is being launched as part of a two-disc DVD that also includes "A man called Ernest Mandel", a 40-minute film by Frans Buyens.

**Toronto** - Friday, October 5th - 7pm to 9pm  
O.I.S.E., Room 2-212, 252 Bloor Street West (at St. George subway)

Speaking at this special launch event will be:

**Cherie MacDonald.** Cherie is a well-known pro-choice activist, socialist-feminist and longtime supporter of the Fourth International. She will speak of the important role played by Ernest Mandel during the radicalization of the 1960s and 1970s.

**Greg Albo.** Greg teaches political economy at York University and is a member of the Socialist Project. He will speak on Mandel's major contribution to Marxist political economy.

Copies of the two-disc DVD set will be available for sale at this launch meeting. For further information about this meeting, or if you are interested in purchasing the two-disc DVD set, please e-mail [mandeldvd@gmail.com](mailto:mandeldvd@gmail.com) or call (416) 537-8925.



# The Social Forum in Atlanta: A Turning Point for the US Left?

Peter Brogan

In the final days of June 2007 approximately 12,000 organizers and activists emerged from the trenches of their day-to-day organizing against US imperialism and neoliberalism to convene in Atlanta, Georgia for the first United States Social Forum (USSF). As Dan Berger observed in *The Nation* (6/30/07), “The social forum is a gathering of veterans – of wars and of movements.”

## An Activist Forum

The forum brought together a myriad of organizations from the LA Bus Riders Union to INCITE! Women of Color Against Violence. It was a space to reflect on and learn from each others struggles, to debate visions and alternatives to the degrading and alienating realities of global capitalism and American imperialism, and to develop strategies for how to get from here to there.

In what seems like a never ending nightmare of war, displacement, and occupation, from New Orleans to Palestine, the USSF marks a critical leap forward for organized resistance in the United States, much of which has long been fragmented and isolated to such an extent as to barely warrant the name movement.

Indeed, the central question posed at the forum was: what would it take to build a unified movement for radical (maybe even Revolutionary) change in this country?

As many have observed, in such a context of fragmentation the fact that the forum came together at all is an amazing achievement in itself.

The majority of people who attended the forum were young, queer, militant and predominantly from working class and poor communities of color. Perhaps even more striking was the fact that almost everyone at the forum was actually involved in organizing, something all too rare in US conferences on the left.

## Organizing the Atlanta USSF

The idea for the forum originated amongst a group of activists and organizations (some of which later united to form Grassroots Global Justice, one of the key players behind the USSF) at the 2002 World Social Forum (WSF) in Brazil.

Project South’s Jerome Scott said they held back from organizing a national forum at that time because most agreed that the moment wasn’t yet right for a social forum in the United States. In order to organize a forum truly representative of the people and organizations engaged in resistance in the US some serious relationship building amongst those in the grassroots was required first.

Unlike the 2007 WSF in Nairobi the USSF was not sponsored by commercial sponsors like mobile phone companies. Funding came mostly from the grassroots organizations and trade unions involved in the forum, but also from a sizeable number of foundations. However, according to Scott, most of the foundation money did not come in until the end of the organizing process, when it was apparent that the forum was definitely going to happen.

It is especially important to note that the National Planning Committee (NPC) responsible for organizing the USSF was made up predominantly of member-led organizations from Black, Latino, Indigenous and Asian working class communities in the United States. This is in stark contrast to the increasingly dominant role played by NGOs and center-left political parties like the Brazilian Workers Party (PT) in the World Social Forum (WSF) process. While it would be a mistake to view the forum as reflecting a weak identity politics of representation neither should we romanticize the diversity of its organizing committee or participants as though people of color or their organizations, especially those from the grassroots, are some monolithic force devoid of real ideological and political differences. They are not.

As was made clear by activists who were on the National Planning Committee of the forum in a workshop entitled “Moving the Movements in the US,” many of these political differences and organizational/strategic orientations emerged clearly, and at times in contradiction or conflict with one another, during the forum’s organization.

Unfortunately no one from the NPC has yet come forward, either at the forum or since it, with any details about what these differences were or what impacts, if any, they may have for “moving the movements” in the US.

## Bringing the Issues Together

There were over 900 workshops at the forum, mostly self-organized by those groups organizing around those issues, which ranged from prison abolition, Palestine liberation and solidarity, ending homelessness and gentrification, immigrant rights, anti-war organizing, Latin American solidarity, anti-privatization struggles and organizing workers in the current conjuncture, both in traditional trade unions and alternative organizations like the Miami Workers Center, Coalition of Immoklee Workers (CIW) and the New York City-based Domestic Workers United.

While there has been a tendency by those in and outside of US-based movements to see these issues and struggles as →



fragmented and loosely connected (not entirely without reason) we need to appreciate how the forum served in the first instance as an fairly effective space for breaking down these artificial walls of fragmentation, which isolate and paralyze our struggles – both in terms of our understanding of each other and our work as well as the construction of concrete bridges within and across our organizations.

### Assessing the Forum's Impact

On the other hand commentators like Judy Rebick, who did attend the forum, have been quick to declare the USSF the birth place of the most powerful movement the US has ever seen and as “shifting the balance of power” on the American left from middle-class forces to the poor and oppressed.

While clearly rooted more in hopes and dreams than in the history and present realities of the American scene, there are some kernels of truth in this statement as indicated by how the forum was organized and carried out.

For example, in its nightly plenary sessions the forum successfully highlighted key movement building opportunities and experiences, from Katrina and Gulf Coast reconstruction and the immigrant rights movement to tackling the issue of integrating gender and sexual justice within and across our movements.

### Discussion at the Social Forum

In highlighting these key “movement building moments,” these sessions illuminated important terrains of struggle and work that is being done in those areas as well as the missed opportunities, weaknesses and obstacles we face in building a powerful movement in the US, key amongst which is the lack of adequate movement infrastructure to deal with everything from how we fund organizing to how we communicate and develop unified strategies and coordinating actions and alternatives.

These limitations have been no where better illustrated then in our incapacity to effectively respond to the man-made (neoliberal) crisis in the Gulf Coast or against American imperialism in Iraq, Afghanistan, and Palestine. Everywhere, activists at the forum demonstrated keen awareness of these failures along-

side a serious desire for figuring out how to learn from and transcend such shortcomings.

Unfortunately there was far too little debate amongst the panel speakers, and with the exception of the first plenary no comments or questions were taken from the audience; this may in fact explain why the audience seemed to applaud at almost everything said since it was the only way to “participate.” Having such a diverse number of activists it is a shame that these sessions were not more participatory and used as lively spaces for the debate and discussion on what our next steps should be.

But important conversations were sparked by these sessions and continued to be had throughout the rest of the forum – in organizing meetings before and during the forum, such as those had Palestine solidarity activists, queer, antiracists, and antiwar activists. It is important to highlight that many of these discussions occurred in the “solidarity tents” set up as intentional organizing and education spaces.

The final event of the forum was the “Peoples Movement Assembly” and took place on Sunday July 1. It was framed under the rubric of “new paradigms of change” but it was intended by organizers of the forum to be the way in which grassroots resistance takes that next step in building a unified movement in the US.

The assembly represents both the recognition of the inherent political limitations of the Social Forum process generally (a process where no actual decisions or course of action can be decided upon according to the WSF Charter of Principles) and at the same time are product of the forum process and sadly a reproduction of many of those same weaknesses.

Although each day of the forum was begun with a session at 8:00am going over what the assembly was supposed to be about and what expectations the organizers had for it, a majority of forum participants seemed perplexed throughout the forum as to how exactly the whole thing would work (indeed, many of us still are).

For instance, the assembly called for the drafting of resolutions by different regions and groups at that forum, which were to be incorporated into a larger “action plan” for us to unite around

and carry forward in our particular localities between now and the next USSF in 2010. We were encouraged to organize around different global days of action that had come out of the most recent WSF in Nairobi. But regional break-out sessions, held two days prior to the assembly, barely had enough time for everyone to introduce themselves and to say a sentence about the work they are involved in, much less develop any resolutions or agree on a day of action. The process of submitting resolutions has been extended until September but whatever democratic legitimacy it might have had if it was concluded in Atlanta seems to have evaporated. Neither is it at all clear what potential exists for coordinating organizing and actions amongst all those (or even a fraction of those) who attended the forum.

What is certain, however, is that critical alliances were established and strengthened, like that between Black organizations and Latino immigrant rights groups, workers and students, those

fighting for the right of return in New Orleans with those fighting for that same right in Palestine, as well as between those working against gentrification, homelessness and other urban issues through the recently formed Right to the City (RTC) alliance. And an important national organization of domestic workers was born, spearheaded by the NYC-based Domestic Workers United.

From what I've gathered from discussions with those who were at the USSF and reading various report-backs it is apparent that virtually everyone left the forum inspired and with a deeper understanding of each others struggles and a commitment to doing that difficult work not only of building our base but in building a united movement for radical transformation in the United States alongside our comrades in the Global South. **R**

Peter Brogan works with the United Electrical workers in the US.

---

# Notes from Atlanta

Dianne Feeley

"Another world is possible, another U.S. is necessary." – US Social Forum

The US Social Forum (USSF), held in Atlanta at the end of June, showed us what the broad left looked like seven years into the 21st century. More than 10,000 registered. It was young, female and interracial - not the "usual" suspects. An air of enthusiasm and a feeling of solidarity hovered over the Civic Center, the operational center of the forum. Six plenaries were held there over three evenings: Gulf Coast Reconstruction in the Post-Katrina Era, US Imperialism: War, Militarism and Prison, Indigenous Voices: a plenary from the heart of Mother Earth, Immigrant Rights, Liberating Gender & Sexuality and Workers' Rights in the Global Economy.

Surrounding the Civic Center were two dozen solidarity tents that provided space for networking. These were organized around the themes: Native American, Africa, youth, democracy, people's freedom and solidarity, health, healing and environmental justice, peace and justice, Palestine, North-South tent of the Americas, immigrant rights, solidarity economy, right to

water and poor people's economic human rights. The form of expression wasn't just dialogue; it was also theatre, music, song, ceremonies.

The organizing committee decided not to fill the plenaries with big "stars," instead depending on grassroots organizations to both bring people to Atlanta and to provide speakers for the more than 900 workshops. These were held in hotels, churches and community centers throughout the downtown area. There was a continual stress on unity as the way to fight our common enemy; unfortunately this was not matched by frank strategic discussions. The forum was still at the stage of show and tell - and that was pretty energizing, especially if one is at the beginning of one's political life.

Many of the 75 labor-oriented workshops were held in the Westin Hotel, where a lot of the participants were lodged. There were contingents from the United Electrical Workers (UE), the Communications Workers (CWA), the Service Employers International Union (SEIU), Jobs with Justice and a variety of

workers centers. The CWA got the word out on their organizing campaign at Verizon by building an effective pledge card campaign. Domestic workers used the forum to organize a new national network of domestic worker organizations. Labor also organized two rallies, one in support of the poultry workers right to organize at the Smithfield plant in Tar Heel, North Carolina and the second in defense of Colombian trade unionists in front of Coca Cola's offices.

The USSF showed that a new generation is becoming politically active. They are antiwar, see the hypocrisy of the federal and state governments who have abandoned the rebuilding of New Orleans, do not focus on elections as the way change occurs and strongly believe in unity. They are far more aware of the interconnections between movements. For example, they see themselves as feminists even though they do not primarily work on women's rights issues. Only a few belong to left political formations. **R**

Dianne Feeley is an activist with US-based Solidarity and Labor Notes.

# The Norwegian Method

## On Alliance policies and experiences in the fight against neo-liberalism

Asbjørn Wahl

In spite of the neoliberal offensive that still ravages our countries, the movements and the left in Norway have experienced some successes over the last years. New and untraditional alliances have been built. New working methods have been developed. Some important victories have been achieved. We have even been able to push the social democratic party to the left in some important areas.

In 2005 we got rid of our most neoliberal, right wing government ever, and replace it with a centre-left government, involving the Labour Party, the Centre Party (a peasants' or rural party) and the Socialist Left Party. Although the experiences with this government are rather mixed, the coalition's political platform is probably the most progressive in Europe today.

Under the current unfavourable balance of power in society, this represents important achievements, and colleagues from other countries have expressed great interest in the Norwegian experiences on these areas. It can therefore be useful to take a closer look at what has taken place, what has been achieved and what we can learn from the concrete experiences – be they good or bad.

### The Political Context

When new tendencies started to develop on the political left during the 1990s, the political situation was characterised by the ongoing neoliberal offensive. Privatisation and competitive tendering were high on the agenda. Public services were under attack. The trade union movement was on the defensive. Deregulation and widespread attacks on trade union and labour rights were met by retreats, among other things by bargaining concessions and by giving up positions at the negotiating table. A relatively de-politicised, de-radicalised and bureaucratised labour movement was taken by surprise by the neoliberal offensive and the ideology of the social pact was not able to explain the new confrontational policies from the capitalist forces. The result was great ideological confusion and backlash.

The “reality oriented” social democratic leadership followed the dominant political trends and adopted many of the neoliberal ideas. In Norway, the peak was reached when a Labour government in 2000-1 carried through some of the most extensive market reforms in modern time, when the state telecom (Telenor) as well as the state oil company (Statoil) were partly privatised – and the entire hospital sector was restructured into a new market-oriented model. At the same time the Party gave way to competitive tendering of public services at the municipal level.

### Re-orientation of the Trade Union Movement

In this situation some people in the trade union movement started to reassess their policies. The Norwegian Union of Municipal and General Employees and its President, Jan Davidsen, have played a decisive role in this development – in addition to a number of local trade union councils and branches. They acknowledged that the trade union movement was facing a new and defensive situation, and discussions started around new ways to meet and to stem the neoliberal offensive.

More or less clearly expressed, new goals were identified, which can be summarised in the following points:

- To stop the policy of privatisation.
- To change public opinion.
- To shift the political hegemony to the left.
- To push the social democratic party to the left.
- To create a centre-left majority alliance in Parliament.
- To change power relations in society.

In other words, it was no longer only a question of a narrowly focused trade union struggle, but a more comprehensive project of changing society. Not least the move to the right of the social democratic party made it necessary for the trade union movement to take on a broader political responsibility. The situation required renewal – organisationally as well as politically.

Different currents and initiatives on the left in the Norwegian trade union movement, as well as in allied movements, have in many ways followed this path and, assessed retrospectively, we can identify four main pillars which have contributed to the positive results:

1. Focus on our own analyses – our comprehension of current developments.
2. The building of new, broad and untraditional alliances.
3. The development of concrete alternatives to privatisation and marketisation.
4. The development of trade unions as independent political actors.

In the following, I will describe each of these four pillars and examine what has been achieved as a result of this reorientation of parts (still a minority) of the trade union movement – as well as among allied forces and movements.

## **Our Own Analyses**

A thorough analysis of current economic and social relations is important, since it is decisive for the development of strategies and alternatives. Therefore we have developed analytical documents and organised widespread general education projects to spread knowledge of what the global, neoliberal offensive really is about. The question of social power has been focused on and it has been stressed that behind the apparently neutral notion of globalization an enormous interest-based struggle is going on. In the current situation this struggle, through deregulation, privatisation and market orientation, is undermining democracy and leading to an enormous shift in the balance of power in society.

Of course, there have also been internal political and ideological struggles on this – inside the trade union movement as well as on the political left. The neoliberal account of globalization as a necessary and unchangeable process, most strongly expressed through Madam Thatcher's "there is no alternative" (TINA), gained a foothold also in great parts of the trade union movement as well as in traditional political parties of the left. 'Globalisation has come to stay' became an often-expressed statement, and the trade union movement was told to accept this and adapt to it. Increased competitiveness became the most important way to secure jobs. In the same way, policies of privatisation were interpreted as a necessary modernisation of an old-fashioned and bureaucratised public sector.

This apprehension was rejected by the municipal workers' union and many of the other alliances and initiatives that developed. Through the production of small booklets, the organisation of our own conferences, participation at countless meetings and arrangements in other organisations, as well as in general public debate, we in the Campaign for the Welfare State alliance (see below) painted another picture, focusing on the question of social power, resistance and alternatives.

## **Broad Social Alliances**

The comprehensive change of power relations in society also led to the realisation that it was necessary to build new, broad and strong alliances – inside the trade union movement as well as between trade unions and other organisations and movements. The Campaign for the Welfare State was one of the results of this reorientation, when in 1999 six national trade unions in the public sector, inside and outside the dominant Norwegian Confederation of Trade Unions, joined forces to fight the on-going attacks on public services. The Norwegian Union of Municipal and General Employees was the initiator, and the six unions were later followed by another nine – most of them from the private sector – as well as a farmers' union, a national association of retired persons, women, student and user organisations. At its height this alliance united 29 national organizations that together represented more than one million members (and that is not bad in a country with about 4.5 million inhabitants).

Alliances were built in other areas as well. As the financial situation of the municipalities became more and more constrained (an effect of a comprehensive redistribution of wealth to the private sector during the 1990s where the public sector's share of GNP was reduced from 52% to 43%) widespread discontent developed among local politicians. There was a flurry of petitions from a number of mayors and protest meetings were repeatedly organised against the annual state budgets. In the Campaign for the Welfare State we considered the situation to be ripe for a more extensive organisation of the opposition. In 2002 we, together with a number of mayors and local popular movements, took the initiative to organise the Popular Movement for Public Services. A co-ordinating committee was set up, including representatives from all the groups involved. Within a year 90 of the approximate 430 municipalities in Norway had joined the action. This was the first time that municipalities had organised an action outside the formal structures of the Norwegian Association of Local and Regional Authorities. This strongly contributed to increasing the pressure on the national government and parliament.

Before the fifth ministerial of the World Trade Organisation in Hong Kong in December 2005, a new initiative was taken by the Campaign for the Welfare State to establish a broad alliance of organisations, with more than 800,000 members, in support of a statement which demanded a break with neoliberal trade policies. Trade unions and farmers' organisations bore the brunt. This was later followed up on through the establishment of the Norwegian Trade Campaign network. Many of the same driving forces were some few years earlier involved in the setting up of Norway Social Forum. Through these alliances processes were developed which further radicalised participants.

The initiative to create a parliamentary alliance between the Labour Party, the Centre Party and the Socialist Left Party was also taken in these surroundings. Until as late as a year before the parliamentary elections in 2005, the Labour leadership entirely rejected the possibility of forming a coalition government together with the Socialist Left Party. It was the trade union movement that pushed this through, not least because, as time went by, the national confederation of trade unions also threw its strength into the project. In 2001, a majority at the trade union congress decided to support financially not only the Labour Party, but also for the first time in history the Socialist Left Party – against the recommendation of the union's executive board. At the next congress, four years later, even the leadership had changed its political position on this question and the leader of the Socialist Left Party was invited to speak to the congress. The municipal workers' union started to hold contact meetings both with the Socialist Left Party and the Centre Party, in addition to the Labour Party. Together with increasing scores for the Socialist Left Party in opinion polls at that time, this created strong pressure on the Labour Party leadership.

Another alliance was created in Oslo before the 2005 parliamentary elections – focusing on the need for a new political course.\* A wide variety of organisations took part: the local trade union council, Attac Norway, the Campaign for the Welfare →

State, the Norwegian Council for Africa, the Committee for Solidarity with Latin-America, the youth organisation of Save the Children and another couple of local trade unions. Under the umbrella of *Oslo2005* these organisations joined forces in demanding a break with the neoliberal policies which had been pursued by all governments, irrespective of right or left, over the last 20-25 years. No particular political party was focused on, but the necessity of a new political course was emphasized.

### Our Alternatives

When the attacks on public services started in the 1980s, neoliberal politicians exploited discontent which was already prevalent with existing public services. This discontent was linked to bureaucratisation, low quality or limited accessibility. For those of us who wanted to defend the many gains that were won through the welfare state, it was important to admit these weaknesses; to fight for improved services, but without giving way to the neoliberal reforms.

This was solved by a stand against privatisation and competitive tendering, while at the same time saying yes to the reorganisation and development of public services on our own premises – and within the public sector. In the political climate that existed at that time, this was not an easy position to carry forward. Market solutions were *in* and we were told that competitive tendering had come to stay. We were advised by strong currents inside the trade union leadership and the Labour Party to focus on securing wages and working conditions as well as trade union rights, within the tendering system. We rejected this position. Our view was that it was deregulation and privatisation itself that posed the threat of undermining working conditions. This clear stand led to our union and its president being systematically abused in editorials in dominant newspapers over a long period of time.

---

\* The term “a new political course” has been used a lot by the left in Norway over the last few years to demand a change of politics – away from neoliberalism with deregulation and privatisation, towards progressive policies with increased democratic control of the economy. It includes a criticism of social democratic as well as right wing government policies, which in reality did not differ that much during the 1980s and 1990s. It is with this meaning the term is being used in this article.

But the union did not limit itself to this defensive struggle. It also took on a more offensive initiative – through the so-called Model Municipality Project. The union entered into three-year agreements with a number of municipalities with sympathetic, political majorities. The aim was to mobilise the employees to further develop and improve the quality of the public services – under the following three preconditions: that no privatisation, competitive tendering or dismissals should take place.

The project was based on a bottom-up process, where the experiences, competence and qualifications of the employees would form the basis, together with the experiences and needs of the users of the services. Two independent research institutions followed the first model municipality (Sørum) and concluded as follows: the project had led to higher user satisfaction, better working conditions for the employees and better financial situation for the municipality – a win-win-win situation. More than anything else, this proved that the policy of privatisation was not primarily about improving public services but rather a political-ideological struggle to change society in the interest of market forces.

The new centre-left government, which won power in 2005, has now adopted the Model Municipality Project as government policy, by launching in the autumn of 2006 the so-called Quality Municipality Project. Indeed, it represents a modified version of the Model Municipality Project, but the aim is to increase the quality of local public services and strengthen local democracy – without privatisation and competitive tendering. This was an important victory for the fight against privatisation.

### A More Politically Independent Trade Union Movement

Finally we have the example of Trondheim, which inspired us greatly in the struggle against neoliberalism in Norway. Before the local elections in 2003, the trade union council of Trondheim, together with its allied partners, broke with an old trade union tradition. Usually trade unions’ role during election campaigns had been to support political parties on the left (most often the Labour Party) and the political programmes on which they campaigned. Before the 2003 elections the local trade union council turned into an important political actor itself. Through a comprehensive, democratic





process, 19 concrete demands were developed on how Trondheim should be governed the coming four years. The demands were sent to all political parties with the following message: we will support those parties which support our demands. This had a strong educational effect on a number of the political parties, not least the Labour Party, which could hardly stand to loose support from the trade union movement.

The new initiative in Trondheim received positive answers from the Labour Party, Socialist Left Party, Red Electoral Alliance, Greens, Pensioners' Party and a local list. The Centre Party supported about half of the demands, and it was kindly included as a supportive party. Subsequently, the trade union alliance urged its members and the voters to vote for one of these parties, at the same time as it continued to campaign for its own political platform (the 19 demands). The traditional financial support from the trade union council to the Labour Party was cancelled this year since the resources were used for its own campaign.

Thus a more politicised trade union movement was decisive in revealing the real political contradictions in society, as well as pushing the Labour Party and other, smaller parties, to the left. The Conservative Party, which had dominated this third biggest city in Norway for the last 14 years, became the main loser in the election. The union-initiated political alliance won a clear victory, with more than 60% of the votes. The three parties linked to the labour movement, the Labour Party, the Socialist Left Party and the Red Electoral Alliance achieved a majority of the votes (51%). Those three, together with the Greens, and with solid representation from the trade union movement, worked to develop a joint political platform for the new majority. They were later joined by the Centre Party, on a platform which included most of the 19 demands from the trade union alliance.

The political platform of the new majority was not only about abolishing the policy of privatisation, but also about taking back public sector services which had already been privatised. So far, the result of this has been that two nursing homes and half of the refuse collection services in Trondheim, which had been privatised through tendering under the previous conservative majority, now have been returned to the public sector. The same has happened with the maintenance of public buildings. Social benefits

have been increased, the public transport fares have been reduced and an extensive maintenance and new construction programme for public schools has been introduced.

Before the parliamentary election in 2005, the Norwegian Confederation of Trade Unions (LO is the Norwegian abbreviation) partly followed up this model. A comprehensive project, "*You decide – LO on your side*," was developed in order to collect the demands and priorities of the members. 155,000 proposals from 44,000 members were received. 54 concrete demands were identified and sent to all political parties. Their answers were collected and sent to all 800,000 members while LO began mobilizing for a new political course a full year before the election which resulted in the coalition government.

## So What Have We Achieved?

Alliance building, new social movements and more politicised trade unions were the new developments that contributed most to the important changes on the left in Norway over the last few years, and which has given us some important political victories. We have been able to change public opinion, from a situation in which about half the population was in favour of privatisation in the middle of the 1990s, till almost 70% were against in opinion polls before the elections in 2005. This also strongly contributed to moving the Labour Party from a pro- to an anti-privatisation platform in the same period.

We have increasingly been able to expose the real contradictions in society and to sharpen the political/ideological debate. An example of this new debate is the Conservative Party proclaiming its main opponent in the 2003 local elections to be the Norwegian Union of Municipal and General Employees, which obviously did not stand for election, but which the party anyway saw as the main barrier against its neoliberal offensive, and correctly so. It was a brilliant situation for the trade union, of course, which more and more defined the grounds for political debate.

In both the Trondheim example and the parliamentary elections in 2005 we experienced stronger than usual political polarisation between the right and the left. In practice these experiences have confirmed that it is when political alternatives →



**DU BURDE IKKE VÆRE NØDT TIL  
Å SVØMME I PENSER FOR Å HA  
RAD TIL Å REISE KOLLEKTIVT...**

Vi har opplevd det alle sammen. Å punge ut med 20 kroner etter en halvtimes venting i påsegen for å ta en skolebuss som sannsynligvis får deg til skolen i tide. Eller å måtte overnatte under stuebordet til noen du kanskje ikke en gang kjenner etter fest bare fordi den siste bussen gikk allerede før klokken slo midnatt. Samtidig som politikerne maser og maser om miljøet, gjør de det vanskeligere og vanskeligere for ungdommer å ta bussen. Og sannsynligvis hvem som styrer er resultatet det samme - dyrtre billetter og færre avganger.

RV mener buss og tog ikke skal være for spesielt interesserte. I stedet for å rakke ned på dem som tar bilen, vil vi gjøre buss til et fullgodt alternativ for alle. Derfor vil RV ta av oljefondet for å redde miljøet. Vi vil innføre en makspris på voksenbillett over hele landet på 10 kroner, og et ungdomskort i alle fylker til maks 150 kroner i måneden.

**BILLIGERE BUSSI!  
STEM RV!**



stand clearly against each other, when the real contradictions in society are exposed, the left can most successfully mobilise. The simplistic comprehension that if voters move to the right, the left parties have to go to the right as well in order to catch the middle-voters, has once again proved wrong. Political movements are not linear – it is rather a question of conflicting interests, as well as political-ideological confusion or clarity.

Over the last few years, by means of our alliances, our politicization of trade unions and our alternatives, we have been able to slow down and partly stop the policy of privatisation and get rid of the most right wing, neoliberal government we have ever had in Norway. It was replaced by a centre-left government after the elections in 2005, where all the three political parties had to campaign on an anti-privatisation platform, not least because we had succeeded in changing public opinion, heavily supported by the fact that privatisation was no longer only a theoretical promise, but a concrete experience that did anything but meet the rosy expectations which were created by the neoliberal pundits.

It was also important, of course, that the Labour Party experienced a formidable electoral defeat in 2001, punished by the voters for its neoliberal excesses in the previous period. The party's score was reduced from 36% (in 1997) to 24%, its lowest score since the beginning of the 1920s. So the demand for a new political course also received strong support from great parts of the party's own rank and file. By moving politically to the left in the 2005 elections, the party recovered many of its voters.

The political platform of the three-party coalition government was in many areas surprisingly radical in its contents. The government's *morning gift* to its people consisted in the redemption of a number of the most important demands raised by trade union and other movements. The privatisation of the railways was stopped and the door opened to allow more private primary and secondary schools was shut. Labour laws passed by the previous government were reversed. Billions of fresh money has been put into municipalities, who carry out most of the public services. Demands on a number of developing countries to liberalise their services sectors through the WTO agreement were withdrawn. And Norwegian soldiers were withdrawn from Iraq.

## New Political Course?

After this morning gift, however, it has, with some few exceptions, been difficult to catch sight of the new progressive political course in Norway. It seems as if the Labour Party's right wing has taken the offensive, while the Socialist Left Party shows all its weaknesses – among them a lack of insight into basic power structures in society. Even if they pretend to be a left socialist party, they obviously do not have any well-developed strategy for their participation in government. The points on which the party has chosen to conflict with its coalition partners has so far turned on foreign policy and environmental questions, while the social struggle is more or less absent as a subject, in spite of the fact that the poverty gap is still growing – and social dumping and anti-trade union policies are on the increase. This lack of roots in the social movements and in the social struggle is the main weakness of this political party. The building of alliances with social movements outside the parliament is therefore also non-existent. They rather encourage people to stay calm, “so that we can carry out our policies.”

Even if the centre-left government is still able to carry through progressive decisions, like the cancelling of debt to some developing countries, or the recognition of the Hamas-led Palestinian government, it seems to reach its limit where it would have to confront strong economic interests. Structural reforms, which can contribute to shifting the balance of power in society, are therefore completely missing. On the contrary, the government is currently pushing through a pension reform plan that will weaken the existing, redistributive pension scheme. The government has also proposed a regional reform which fails to take the opportunity to structurally strengthen and consolidate local democracy.

For quite many of us, it was clear from the outset that the new centre-left government would only represent an opportunity, while real developments would depend on a strong and continuous pressure from outside parliament. There are many reasons for this. Firstly, a lot of power had been transferred from democratic bodies to the market in the neoliberal era. Secondly, the political space has also been reduced through a number of international agreements over the last 10-15 years, where the European Economic Area and WTO agreements are the most important ones. Thirdly,



**DET VAR KANSKJE IKKE KIWI  
MAGNUS HADDE I TANKENE DA  
HAN BEGYNTE PÅ BYGGFAG...**

De aller færreste som begynner på elektro eller helsefagsskolel gjør det fordi de vil bli telefonisalgsperson eller flippe burgere på McDonalds. Likevel er det stor sjanse for at det er nettopp der du ender opp etter to år på yrkesfag. I dag står nemlig 40% uten lærlingeplass etter VKL. Samtidig som politikerne klager over mangel på norsk arbeidskraft, velger bedriftene å ansette underbetalte polakker i stedet for norske lærlinger.

RV mener det er en selvfølge at folk skal få sjansen til å ta den utdannelsen de vil, enten de vil til universitetet eller på ut i læra. Derfor vil RV lovfeste retten til lærlingeplass i virkeligheten, og ikke bare på et fint papir i Stortinget. RV vil også øke lærlingelønnen med 50% og fjerne arbeidsgiveravgiften på lærlinger slik at det skal bli lettere og mer lønnsomt for bedriftene å ta inn lærlinger.

**LÆRLINGEPASSER TIL ALLE - STEM RV!**



the pressure from the political right and capitalist interests is strong and the government gives way. Fourthly, the right wing still hold the most important positions in the Labour Party, while the Socialist Left Party has neither the strategic perspective nor social roots which are necessary to pose an alternative stronghold on the left.

The political misery on the left has, in other words, not been overcome. Neither have the radical parts of the trade union movement or other social movements proved to be strong enough to maintain sufficient pressure on a government which many consider to be *their own*, and where, although weakened, loyalties still dampen the ability as well as the willingness to take actions from below. The implementation of a new, more left-oriented, political course will, however, completely depend on such a pressure.

So far it is the right wing populist party (the Progress Party) which has been the big winner in the opinion polls since the centre-left government took office in Norway. Neoliberalism creates a real basis for anxiety, discontent and contradictions in society. The right wing populists have specialised in exploiting all such discontents – and in channelling it in ruinous political directions (against immigrants, single mothers, people on social benefits, ‘politicians’, etc). The only way to challenge this situation is through policies from the left parties which take people’s discontent seriously, politicize it and channels it into a social struggle for collective solutions.

## The struggle continues!

The next parliamentary election in Norway will be in 2009. The following could be the most extreme alternative developments up to these elections:

### Worst case scenario

The centre-left government has not delivered or lived up to its expectations. The enthusiasm in the movements, which brought the coalition government to power, is dead. The Campaign for the Welfare State and the other alliances have been demobilised. The conservative party together with the right wing populist party win power.



### Best case scenario

The government has delivered. It has introduced a real new progressive political course and created enthusiasm in those movements which brought it to power. The Campaign for the Welfare State and the other alliances have been strengthened and the centre-left government wins a new mandate period for a new political course.

It is too early to conclude which of these scenarios we will end up with. What is clear, however, is that the present government has problems with delivering according to the expectations it created. It looks as if most of the government defines a new political course, not as a comprehensive new approach to politics, but as a list of single issues which will be implemented (if possible?), while politics at large will continue as before – along a soft, neoliberal path.

Irrespective of these developments, the most important experiences from the last few years’ of political fighting in Norway are the new alliances created and the political independence which has developed in important parts of the trade union movement as well as in allied movements.\*\* It is these developments which have led to the victories we have won. It is here we can find the most important and positive parts of the Norwegian Method. It is here that the potential can be found to further change power relations in society. The struggle continues! **R**

Asbjørn Wahl is National Co-ordinator of the Campaign for the Welfare State

\*\* As this is being written, the President of the Norwegian Confederation of Trade Unions (LO) is being forced to step down after a dramatic process which was triggered off by an internal personnel conflict. She had, in a couple of important cases, pursued a more independent political position in relation to the Labour Party, also by forcing the party and the centre-left government on retreat on a couple of occasions. Her resignation can, therefore, have important political implications, as more moderate currents are now on the offensive.



Provocateur and cheap import