

# The Liberal Party and the Canadian State

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## The Liberal Party and the Canadian State

The Liberal Party is a central enigma in the Canadian conundrum. The "government party" has been in office more than 80 per cent of the time since the First World War. In 24 general elections held in this century, the Conservatives have gained more seats than the Liberals in only seven — and more votes than the Liberals in only five. For the last 100 years, the Liberals have had only five leaders, and each has been returned by the voters as prime minister at least twice, and one as many as five times. The Conservatives have had more than three times as many leaders, and of these only John Diefenbaker in this century managed to survive more than one term under the name "Conservative". Pierre Trudeau, despite all his ups and downs, has outlasted every other western leader in office when he began in 1968, and is now dealing with his fifth American president, his fourth British prime minister, his fourth French president. Only Leonid Brezhnev can outclass him for persistence, and he has not had to fight five general elections. In Canadian terms, Trudeau will, in 1983, surpass Laurier for longevity in office, leaving only Macdonald and King still on the horizon. By all these counts, the Liberals should feature in the *Guinness Book of Records*.

Yet they are at the same time an enigma. This most successful of parties is also an abject failure. Today there is not a single Liberal government in any provincial capital in the country, where some 15 years ago half the provincial governments were Liberal. Moreover, there is not a single Liberal extant in any provincial legislature west of Ontario. In British Columbia and Alberta, the Liberals are taken about as seriously as the Rhinoceros Party. A Liberal government in Ottawa appears to arouse visceral hostility from virtually every provincial premier. In another sense, if Quebec were to be removed from the federal election statistics, the Liberals would have won only one election out of the last ten. In English Canada, the Liberals are an opposition party, and in some provinces a splinter third party behind the NDP and the Conservatives. And yet, paradox of paradoxes, Quebec, the very bedrock of Liberal success, provincially elects a party which is not only the implacable enemy of Liberalism, but is also dedicated to bringing about Quebec's secession from Canada.

Clearly the prolonged presence of the Liberals in Ottawa has meant that any examination of the Canadian national state must include some understanding of the Liberal Party as a political institution. Just as obviously, the decline and fall of Liberalism in the provinces is an essential element in explaining the course of federal-provincial relations, which is to say, the federal state system as a whole. It is therefore worth taking notice of a number of recent books which, in various ways, cast some illumination on the Liberal phenomenon.

I should like to begin in a rather roundabout fashion with a book of a few years ago which is not about the Liberals at all, but concerns the Conservatives of the First World War era. John English's *The Decline of Politics: The Conser-*

*vatives and the Party System, 1911-1921* (Toronto, University of Toronto Press, 1977), besides being a very fine and useful book in itself, offers a kind of negative introduction to the nature of the Liberals. In describing the making and un-making of the Union Government of 1917, English mobilizes the tools of social science to explain both the modernity of Borden Conservatism and its self-limiting and self-destructive nature in the Canadian context. In a very important sense, but one missed by many historians, the collapse of the Union Government and the near collapse of the Conservatives which ensued in 1921 defined negatively the nature of the Liberal Party of William Lyon Mackenzie King which inherited the chaos of 1917-1921.

English argues persuasively that Borden Conservatism represented a political adaptation to the modernization, industrialization and urbanization which Macdonald's National Policy had fostered. Like Progressivism in the United States, Borden Conservatism sought to take "politics" out of "administration", to establish national regulation of the market, a more effective state apparatus to carry out tasks set by corporate consolidation and international competition, the rationalization of *laissez-faire* and old patronage politics in the interests of efficiency, the establishment of an apolitical "business government": in short, to bring to birth the modern capitalist state. In this, the Conservatives were in direct continuity with the old National Policy, its continental nation-building project now drawing to a more or less successful close. Although English does not use these terms, I would suggest that having helped create a national bourgeoisie and having beaten back the farmers over reciprocity in 1911, the Conservatives set about to rationalize and consolidate the political power of that bourgeoisie. The opportunities offered by the war were immense. The War Measures Act restored to the federal government a constitutional ascendancy over the provinces which it has lost since Macdonald's heady first years after Confederation, and added to this an unprecedented power to intervene in hitherto private economic affairs. Union Government not only seemed to take partisan politics out of the executive power, but it could be used to apply universal conscription, a universal income tax, and the merit system of appointment to the civil service.

This nationalization of politics, while in some senses irreversible, was at the same time an extreme form of utopianism heading for a mighty fall before the implacable realities of a Canada divided by class, region, language, religion and culture. Apolitical national government was, in fact, an imposition of the power of the Anglo-Saxon Protestant bourgeoisie of Montreal and Toronto on the rest of Canada, which shared in this "national" image with rapidly decreasing enthusiasm, and with sharply diminishing material returns. Central Canadian capitalists were bloated by war-profiteering and graft while humbler Canadians sacrificed life and limb in the trenches of France. There had been fighting in the streets of Quebec against the imposition of conscription, and a definitive break from the Conservative Party, begun a generation earlier with the hanging of

Louis Riel. The agricultural hinterland of Canada, from pockets in the Maritimes to rural Ontario to the entire Prairies was ready to rise up in revolt against protectionist big business government with the United Farmer and Progressive movements. In 1919 the workers of Winnipeg went out on a general strike, soon joined by sympathetic strikes in other western cities. And in the Maritimes, freight rate "rationalizations" carried out by Robert Borden (ironically the member from Halifax) helped destroy indigenous Maritime industry and deepened a brutal regional depression in the 1920s.<sup>1</sup> The Conservatives paid the price in 1921, slipping to third place behind the Progressives. "National" government turned out to be the most divisive government Canada had ever seen.

This lesson was not lost on Mackenzie King. The Liberal Party which he shaped, hesitantly at the beginning, but with increasing confidence by the 1930s, was in many ways the Union Government turned on its head. Imperialist jingoism was rejected for the studious conciliation of Catholic Quebec. A vaguely corporatist ideology of labour-management-government co-operation sought to co-opt labour, while, much more importantly, a vaguely free trade ideology was employed to pry farmers loose from their protest movement. Just enough concessions were made to western Canada to keep the peace there, while just enough concessions were made to the Maritimes to take the edge off the Maritimes Rights movement by the mid-1920s. The era of nation-building was over; that of regional pay-offs and the judicious redistribution of national income had begun. This was the beginning of what V.C. Fowke called the "New National Policy", and it was as much identified with the Liberals as the first National Policy had been with the Conservatives.

The ideological genius, if one wishes to call it that, of the Liberal enterprise in the King era was to eschew the pursuit of great national goals imposed upon the constituent elements of the country, and instead to seek, as agnostically as possible, the management of conflicts engendered by a competitive economic order through the mediation or conciliation of competing claims. The National Policy had succeeded, but at a cost: capitalist development in general both fostered and deepened class divisions and encouraged uneven regional differentiation. In Canada this latter characteristic inevitably coincided with uneven governmental differentiation in federal-provincial relations. King and the Liberals understood that reliance on the symbols of nationalism in the Canadian case was divisive. The symbols were British, too often Imperialist, and implicitly signified the hegemony of Anglo-Saxon Protestantism over French Canadian Catholicism as well as non-British immigrants. The Liberals were not averse to making relatively contentless assertions of independence from Imperialism, but the relative ease with which Liberal Canada later fell into

<sup>1</sup> Ernest R. Forbes, *Maritime Rights* (Montreal, 1979) and "Misguided symmetry: the destruction of regional transportation policy for the Maritimes" in D.J. Bercuson, ed., *Canada and the Burden of Unity* (Toronto, 1977), pp. 60-88.

dependent status with the United States is proof enough of the lack of positive nationalist content to these earlier autonomist posturings. In any event the main preoccupation of the King Liberals was internal and here nation-building was more or less reduced to a concern for economic growth as a material basis for the kind of tradeoffs and porkbarrelling deemed necessary for stability. If massive resource extraction and American branch plant industry contributed to this growth, and to an economic surplus for redistribution, then few questions were needed or desirable.

The Liberal Party played a crucial role in this era of the "New National Policy". As a great centrist grouping competing in a democratic process, it was the party's sensitive electoral antennae which would communicate to the government information on where money and policy needed to be applied to staunch any haemorrhage of Liberal support. That old favourite of political science, the brokerage model of the political party, might almost have been invented to describe the Liberal Party. The King Liberals added, in effect, an interesting proviso: only a *Liberal* party could play this role properly because only a Liberal party was open to the progressive forces generated by economic development and industrialization. King tirelessly asserted, and doubtless believed, that the Conservatives were incapable of constituting themselves as a true brokerage party because they were defenders of special privilege and followers of the divisive symbols of British Imperialism. Those to his political left King considered misguided idealists on the correct side of history, proper subjects for co-optation or seduction into the fold; Tories, on the other hand, were Colonel Blimps, not worth much attention since they would ultimately be left stranded like beached whales by the tides of history. King was haunted throughout his political life by the "strange death of Liberal England" and deeply concerned that the Canadian Liberals not follow the fate of their British namesakes. One may, of course, harbour legitimate doubts about the "progressivism" of the Liberal Party. But there is no denying a persistent rhythm of Canadian politics set by the Liberals' apparent willingness to turn to the left in electoral appeals at crucial moments: the pattern of 1919-1921 was repeated in 1945, in the mid-1960s, in the Liberal-NDP alliance of 1972-1974, and once again in the snap election of 1980.

From the end of the First World War until the end of the 1950s, the Liberal Party went on organizing itself much as parties had always done, as a web of patron-client relations which began in the local riding with its member or candidate, continued through local power brokers to provincial power brokers who generally sat in the cabinet, to the Prime Minister. What distinguished the Liberals organizationally from the Conservatives was nothing more than the Liberals' customary hold on national office, confirmed by the Conservatives' suicidal tendency to defeat themselves quickly when they did blunder occasionally into power. A near-permanent lease on Ottawa gave the Liberals command over patronage, which in turn kept the machinery of party organiza-

tion well-oiled; a well-oiled machine delivered the votes to renew the lease. It was, in Donald Creighton's phrase, the Mackenzie King Millenium.

Of course, in this world, there are really no millenia. The Liberal machine found itself situated in an ever-changing milieu. Modernization, the very wave on which the Liberals rode so skillfully, also constantly undermined the traditional bases of party organization. This was reflected in a long transition from what I have called *patronage* politics to *bureaucratic* politics, from a politics which looked to redistribution of resources as a particularized by-product of the electoral process to a politics of universalized policy outputs of the state. This had specific implications for the party as an organization. The Liberals had developed a *ministerialist* form of organization, with powerful regional power brokers in the cabinet controlling both patronage and their provincial wings of the party. There was an extraparlimentary party from the early 1930s on, but this was generally small, impecunious, and lacking in prestige vis-à-vis the ministers. Certainly it is a remarkable fact that for an entire generation (most of it spent in power) from King's accession to the leadership in 1919 to his retirement in 1948, the Liberals held not a single national convention. No doubt cabinet meetings were considered a satisfactory equivalent.

The problem in this was that ministers were not only local political warlords, they were increasingly administrators of large bureaucratic structures, the outputs of which were more and more salient to the health of their constituents, and thus to the health of the party. The coming of the Second World War gave a mighty impetus to this trend. The transition to peacetime with only gradual abandonment of economic controls, a new fiscally centralized federalism, and a magnitude of government activity which would never return to low prewar levels, all meant that bureaucracy was well on the way to displacing the older patronage politics. The Liberal Party was becoming the Government Party.<sup>2</sup>

J.L. Granatstein's *The Ottawa Men: The Civil Service Mandarins 1935-1957* (Toronto, Oxford University Press, 1982) takes us behind the scenes in the senior civil service during this golden age of the mandarins. Here was the other half of the Government Party: the Skeltons, Clarks, Mackintoshs, Robertsons, Pearsons, Heeneys and Bryces who generated and implemented policy ideas, administered, and regulated the flow of information to the cabinet ministers. It was a small, closely-knit, very talented group of men. Power was not as diffused and fragmented as it is today. There really was an Ottawa Establishment and Granatstein tells us a great deal about the personalities and their ideas. They were, with some exceptions, surprisingly liberal or even "progressive" in their views. Long years of bureaucratic power may have attenuated youthful radicalism but many retained an interventionist mentality. They were the advance guard of the new middle class; centralization, Keynesianism, and the skillful

2 This and previous paragraphs draw on my *The Government Party: Organizing and Financing the Liberal Party of Canada, 1930-1958* (Toronto, 1977).

management of social and economic conflict were as much in their style as in their ideology. The package of policies which came out of the war — Keynesian stabilization, a social security minimum, and the prospect of economic growth through resource exports and investment inflow — served as a good short-run alternative to the spectre of renewed depression, and as a workable fulfillment of Mackenzie King's ideal Liberal platform.

In 1957 the Mackenzie King Millenium came to an end. By 1963 the Liberals were back in office, where they continue — after one brief stutter — two decades later, but it is now a different kind of party operating in a very different environment. Yet even by 1957 the Liberals had become something quite unlike what they had set out to be in the 1920s. For one thing, the long fusion between party and state had made them not merely the Government Party, but the Federal Government Party, which presided over a federalism effectively the most centralized since the 1860s, and dealt with other, provincial, Government Parties (sometimes called Conservative, sometimes Union Nationale, sometimes Social Credit, sometimes CCF, but only occasionally Liberal). In this form of politics, later dubbed “executive federalism”, most of the trump cards (fiscal capacity, bureaucratic expertise) were in federal hands. At the same time the Liberal government's capacity to respond to regional demands through its own channels seemed greatly weakened, especially on the Prairies, where even Jimmy Gardiner, the regional boss *par excellence*, was unable to prevent the erosion of Liberal support to the Diefenbaker Conservatives, later to become an irreversible landslide. From its ancient stand as the party of provincial rights, it had become the party of centralization, with the ready answer that “Ottawa knows best”. Along with this, it had also become the pre-eminent party of Big Business, the party most trusted by the corporations, but less trusted by the little guys. In short, they were beginning to look a little like the Union Government of old — not so sharply divisive, perhaps, but a long way from being liberal conciliators. Even in Quebec, Liberal strength eroded in 1957; then in 1958, Quebeckers elected no less than 50 Conservative MPs.

Joseph Wearing's *The L-Shaped Party: The Liberal Party of Canada, 1958-1980* (Toronto, McGraw-Hill Ryerson, 1981) is an important contribution to our knowledge of how the Liberals returned to office and how they rebuilt a party organization along new lines, or at least how they tried to do so. The vanguard of the future in the dark days of Diefenbakerism was “Cell 13”, a group of upwardly-mobile young Toronto professionals, lawyers and media men, who first took control of the Toronto Liberal Party and went on from there to act as the sparkplug for the 1962 and 1963 national revivals.<sup>3</sup> Keith Davey was a central figure in this group. It was a classic case of the new middle class on its way up, and the Liberals became their chosen vehicle, in Central Canada at

3 This story was first told in Denis Smith's *Gentle Patriot: A Political Biography of Walter Gordon* (Edmonton, 1973) and Walter Gordon, *A Political Memoir* (Toronto, 1977).

least.<sup>4</sup> Not content to simply regain the Liberal lease on Ottawa, Cell 13 wanted to reform the party structures, to practise what they called the "New Politics". This included an attempt to attack the patronage basis of the old politics and to encourage a more participative role for the party members, a "democratization" of the party. Ultimately this resulted in biennial "policy conferences" where rank-and-file delegates voiced their views on everything from foreign policy to marijuana laws. (Needless to say, this exercise would have amazed and horrified Mackenzie King, whose only brush with such a concept was a small "thinkers'" conference organized over his protests by Vincent Massey in 1933: King's reaction to policy discussions was to become constipated for the duration, as he meticulously noted in his diary.)

It is too easy to sneer, along with glib journalists, at this "new politics". Of course there was a mixture of naivety and self-serving phoneyism, a not very attractive combination, in this hodge-podge of middle class reformism. But the basis of the old politics was changing, and the Liberals, once again, were first in line to adapt. The decline of traditional patronage as an incentive to attract the interest and involvement of the relatively affluent, relatively well (or over-) educated, and relatively influential young metropolitan middle class professionals, had left a yawning gap in the political parties' organization. These people did not want a local postmastership for a corner of their Bay Street office, nor did they want to board a government horse in their Don Valley penthouse. The new politics recognized that new forms of patronage, "psychic" patronage, were more appropriate: a chance at participating in public affairs, the opportunity to discuss great policy questions, to rub shoulders with the "stars" of the party. Thus rewarded, they would then turn out during the election campaigns and do the volunteer jobs so necessary for getting out the vote.

There were limitations on this revolution. For one thing, patronage at the highest levels continued as it always had. And patronage at the lower levels refused to go away in the face of the incantations of the Toronto reformers. Strange to say, many parts of the country proved to be more backward than Cell 13 had anticipated. Stranger yet, the new affluence had not spread so widely from Toronto as to undermine the material incentives of the old politics in the hinterlands. By the mid-1960s, some began to wonder if the practitioners of the new politics had not made the worst of worlds: they failed to dislodge the old politics, but in attempting to do so, they roused deep enmity from Liberals in parts of the land less favoured than Toronto, thus weakening the party organization.

In policy terms the Pearson years saw an urban electoral concern about the fledgling NDP reflected in a very creditable burst of reformism: universal medicare, the Canada Pension Plan, and a series of innovative attempts at channel-

4 Peter Regenstreif in *The Diefenbaker Interlude* (Toronto, 1965) laid some stress on the Liberals' capacity to attract the voting support of the new urban elites in the early 1960s.



ing federal funding into local projects. At the same time the party was becoming increasingly nationalized. A Liberal government in Quebec from 1960 to 1966 proved to be a formidable antagonist to the Ottawa Liberals, as did the Liberals of Saskatchewan after returning to office in 1964, although with much less technocratic expertise and finesse than their Quebec counterparts. Increasingly, the national party was cut off from its provincial parties; this included a formal separation of federal and provincial parties in Quebec, a model later followed in some other provinces. Moreover, the effects of the reforms within the party were to diminish regional power structures in favour of more undifferentiated "national" criteria: a single national majority will composed of individual, rather than regional, units. Trudeau's great victories in 1968, first in the party and then in the country, seemed to seal this idea of a disembodied national majority will. The new prime minister then seemed set on reorganizing government in a quasi-presidential manner, downgrading the regional power brokers in the cabinet and centralizing power in his office and the Privy Council office.

This tendency, along with attempts at so-called rational decision-making, and the introduction of the "Planning, Programming, Budgeting System" (PPBS), the "Operational Performance Measurement System" (OPMS) and other managerial systems, led many overheated imaginations to issue alarms over the coming of a technocratic dictatorship, the Americanization of our British heritage, a nefarious "Supergroup" which was undermining parliamentary democracy, and so on, and on. Some critics, such as Denis Smith, raised serious and thoughtful misgivings<sup>5</sup>; others, less scholarly but much shriller, unleashed sensationalist polemics like Walter Stewart's *Shrug: Trudeau in Power*<sup>6</sup> which may well merit a special award for the most unreliable book on Canadian politics in the past two decades — with the possible exception of John Diefenbaker's memoirs.

The problems with the alarmist view are many. Trends toward executive domination of representative institutions hardly began with Trudeau, nor were they limited to Canada. The trend toward "rational decision-making" was an international bureaucratic fad in the late 1960s; in adopting it Trudeau was being not so much innovative as simply trendy. And the fruits of this rationalization have been meagre indeed. As Richard French makes clear in his excellent recent book, *How Ottawa Decides*,<sup>7</sup> these technocratic planning theories have now been "irreparably devastated", with no new theories to replace them and no "obvious technical solutions". Now the Liberal member for Westmount in the Quebec National Assembly, French worked in something called the Machinery

5 Denis Smith, "President and parliament: the transformation of parliamentary government in Canada", in T.A. Hockin, ed., *Apex of Power* (Scarborough, 1971), pp. 224-241.

6 *Shrug: Trudeau in Power* (Toronto, 1971).

7 *How Ottawa Decides: Planning and Industrial Policy-Making, 1968-1980* (Toronto, 1980), p. 157.

of Government Directorate of the Privy Council Office from 1974 to 1977, and pronounces himself "older and sadder" but "perhaps a little wiser as well". Apart from a sense of limitations and a chastened realism, the reader of French's carefully and clearly argued book can only come away with an image of Trudeau as much less than a high-tech *roi soleil*: as, instead, a prime minister who strove to control the operations of big government in the interest of efficiency, and failed. It is probably not that Granatstein's Ottawa Men of an earlier era were so much more clever than those of today; it is that government is so much bigger and the problems so much more intractable.

Even before the full effects of the economic crisis came home to roost in Ottawa, it was evident that the new nationalized Liberal Party had run into difficult political shoals. The 1972 general election was a severe blow to Trudeau Liberalism. Just four years after his cross-country media triumph and the first Liberal majority government for over a decade, he saw power almost slip away. In the wake of this near-defeat, three major changes took place. First, true to historical form, the party moved to the left to accommodate the NDP in a tacit alliance of convenience which lasted for two years. This task was made easier by the Conservatives' purist but suicidal refusal to sully themselves by making deals with other parties.<sup>8</sup> Second, Trudeau rediscovered the party, that is to say, the party organizers. Keith Davey returned to direct the Big Red Machine (Jim Coutts being added later as Trudeau's personal political antenna). Third, Trudeau began backing off his attempt to circumvent the regional power brokers in the cabinet, and such powerful cabinet figures as Otto Lang in Saskatchewan, Don Jamieson in Newfoundland, Donald MacDonald in Toronto and Jean Marchand in Quebec were allowed to recreate to some degree the roles of the C.D. Howes and the Jimmy Gardiners of years past. This, at least, is my own interpretation of the years 1972-79, although Wearing does not accentuate this development (or regression). In any event, just as the new technocracy fell back before bureaucratic inertia and compromises, so too the new politics receded into a somewhat messy alliance with a renascent old politics. There was, however, one missing ingredient in this re-run of the 1950s-style Government Party: the West. Unlike Jimmy Gardiner, Otto Lang could barely deliver any more Liberals than himself, and by 1979 he could not even deliver himself.

Despite his difficulties in the West, Trudeau did the Quebec job for which he had been hired in 1968. With cool rationality, backed by a burning passion to vanquish separatism in his own province, he played his cards brilliantly and finally had the satisfaction of seeing his ancient rival, René Lévesque, standing in defeat the night of the Québec referendum. Yet he, and his party, seem haunted by a curious *doppelgänger* effect: for everything they do right with

8 Ian Stewart, "Of customs and coalitions", *Canadian Journal of Political Science*, 13 (1980), pp. 451-80.

regard to Quebec, they do something wrong with regard to the West. Just as their historic role in Quebec seems reaffirmed, their fortunes in the West sink to lows never before recorded. As early as 1965, Keith Davey noted despairingly to a correspondent that: "Today in Canada, we really have two majorities. One in Eastern Canada which is predominantly Liberal and one on the prairies which is predominantly Conservative. I think I understand why this has happened but I really must confess I don't know what we can do about it. Particularly since attempting to build a base in the West could easily jeopardize our base in the East".<sup>9</sup>

A very useful and intelligent attempt to explain the "strange death of the Liberal West" is David Smith's *The Regional Decline of a National Party: Liberals on the Prairies* (Toronto, University of Toronto Press, 1981). Smith has written more than another party history. This is a distinguished contribution to the literature of prairie regionalism. The first section outlines the history, the demography, the economics and the political culture of the region, and does so with considerable sensitivity and even, at times, eloquence. Into this setting, Smith then places the Liberals, the most successful party on the Prairies until 1957 and an historically important link between the region and the national government. Since that time, it has been pretty well all downhill. In addressing himself to this question, Smith shows a slight tendency to be more provincialist than regional, with a persistent list toward Saskatchewan and its predominantly wheat economy. The politics of cattle-ranching and energy resource production in Alberta, and the politics of the manufacturing mini-metropole of Winnipeg are given less attention. No matter. The problems of the post-Diefenbaker Liberals are perhaps not all that dissimilar across the Prairies. The old Saskatchewan Liberal Party which Smith has already studied extensively<sup>10</sup> was very much a patronage machine. Policy was not unimportant, especially to wheat farmers, and the St. Laurent (or the C.D. Howe) Liberals had begun making policy mistakes, even before they fell before the Diefenbakerites. But policy errors can be rectified. It was the organizational reforms in the Liberal Party which initially cost the Liberals most dearly.

In Smith's account we see the mirror image of the reforms which Wearing and others detailed from the perspective of the centre.<sup>11</sup> From the perspective of the Prairies, everything is seen in reverse. The new politics undercut the organizational base of the Liberals (and led to a poisonous quarrel in Saskatchewan between the old-style provincial Liberal Party — which under Ross

9 Quoted in Wearing, *The L-Shaped Party*, p. 72.

10 David E. Smith, *Prairie Liberalism: The Liberal Party in Saskatchewan, 1905-71* (Toronto, 1975).

11 For instance, see Stephen Clarkson, "Pierre Trudeau and the Liberal Party", in H.R. Penniman, ed., *Canada at the Polls: The General Election of 1974* (Washington, 1975), pp. 57-96, and "Democracy in the Liberal Party" in H.G. Thorburn, ed., *Party Politics in Canada*, 4th edition (Scarborough, 1979), pp. 154-160.

Thatcher was in power from 1964 to 1971 — and the federal wing under Otto Lang). On the other hand, the national party, in office after 1963, produced policies which both in content and in the very process of formulation, seemed designed to alienate prairie dwellers. From agricultural policies which favoured bigness and rationalization and refused to recognize the family farm as a way of life, to resource policies which seemed discriminatory and invasive, to the single-minded pursuit of bilingualism which appeared irrelevant to the West and insulting in the absence of similar national priorities given to Western concerns, the Liberals struck out again and again. To compound matters yet further, the “participatory democracy” reforms, with their nationalizing method of gathering individual opinion under a single, regionally disembodied, national majority will of the party, were seen as the very symbol of that domination by the Central Canadian numerical majority which had always rankled Westerners, and this was now made still less acceptable by the removal of the mediating influence of the regional power brokers. Finally, the continuing disengagement between federal and provincial wings of the party, and the increasing emphasis on government-to-government relations (“executive federalism”), severed one more traditional linkage between region and national government. The collapse of the Liberals in provincial politics weakened the bases of the federal wings of the party. Smith concludes that attempts at institutional or electoral reform<sup>12</sup> are beside the point; the Liberals are, in the end, the authors of their own misfortunes. We are left with the perception that the Liberals have by now become a symbol, that of eastern domination, and that there is very little which they can do ever to break this dread identification and make a recovery. Though some Liberals may comfort themselves that it is merely Pierre Trudeau’s personal insensitivities to the West which are at fault, that is an altogether superficial reading.<sup>13</sup>

The relatively rich literature on party politics in the West highlights one of the major gaps in both political science and journalistic literature: the Maritimes. While there is quite a bit in print relevant to the Liberal party in Newfoundland, the Maritime Provinces are less well-served.<sup>14</sup> Given the historical reluctance of

12 Proportional representation had been bruited about by the Liberals in 1979-1980. The case for a mixed electoral system is made in W.P. Irvine, *Does Canada Need a New Electoral System?* (Kingston, 1979). If the Parti Québécois follows through on its threat to enter candidates in the next federal election, I suspect that this will put paid to any Liberal enthusiasm for proportional representation.

13 This is also a conclusion reached by Alan Tupper in his essay “Mr. Trudeau and the West”, in Larry Pratt and Garth Stevenson, eds., *Western Separatism* (Edmonton, 1981). On the Liberals in Saskatchewan, there is a good, if unanalytical, journalistic account in Barry Wilson, *Politics of Defeat: The Decline of the Liberal Party in Saskatchewan* (Saskatoon, 1980).

14 This statement is, I confess, a self-criticism of *The Government Party*, whose section on the Liberals in the Atlantic region is less than adequate — a point well made by Colin Howell in “The Maritimes and Canadian Political Culture”, *Acadiensis*, VIII (Autumn 1978), pp. 107-114.

Maritime voters to opt for third parties, and an equal reluctance on the part of provincial Liberals to be divisive or disruptive in their relations with the federal Liberals, we need an explanation of the continued strength of the Liberals in a region which can scarcely be called a favoured child of Confederation. Perhaps the most fruitful recent research is into the political economy of the Maritimes, into the structural basis of party politics and how it differs from that of the West, where different economies have given rise to third party politics.<sup>15</sup>

Regional dimensions apart, it was apparent that the Liberals were on their way out by 1978. When Trudeau finally went back to the electorate after five years in 1979, it seemed like the last hurrah of the aging politician, whose doomed campaign took on a retrospective dignity, even in the eyes of the old Tory Dalton Camp, who chronicled it like a tragic romance.<sup>16</sup> Many long-suffering Conservative sympathizers sat back with satisfaction to watch the beginning of what they assumed would be a new political era. Rarely have so many been so brutally, and so rapidly, deceived. Even now the familiar story of the swift slaughter of the Tory lambs, and the miraculous resurrection of Pierre Trudeau in three months from defeat and retirement to his triumphant "Welcome to the 1980s" before the jubilant Liberal mob at the Chateau Laurier the night of 18 February 1980, retains an aura of the incredible. This is, as they say, the stuff of legends.

The whole story, the manipulations, the illusions, the sense of astonishment, is retold vividly in Jeffrey Simpson's Governor-General's Award-winning *Discipline of Power: the Conservative Interlude and the Liberal Restoration* (Toronto, Personal Library, 1980). This is very superior journalism, combining fresh behind-the-scenes reporting, relatively thoughtful analysis of events, and a style which carries the reader along. From the brief Conservative interlude one can gain an appreciation of why the Liberals are in power most of the time. It was not merely that Joe Clark utterly lacked prime ministerial presence, and that Canadians quickly decided to return to their usual practice of selecting national leaders who stand above, rather than melt into, the crowd. It was not merely that Clark chose policies with the sure instinct of a kamikaze (Jerusalem Embassy, PetroCanada). What really distinguished the Tories was a peculiar combination of self-righteousness and incompetence. Like their Republican counterparts in the United States Conservatives hold to a myth that they represent the *real* country, while the other party is a faintly illegitimate collection of "others". In the Canadian case, this gives the Tories a distinct WASP middle-class character, (though ethnically a bit more diverse in the West since Diefenbaker). The Liberals actually polled four per cent *more* of the popular vote in

15 See some of the essays in R.J. Brym and R.J. Sacouman, eds., *Underdevelopment and Social Movements in Atlantic Canada* (Toronto, 1979) and R. James Sacouman, "The Peripheral Maritimes and Canada-wide Marxist Political Economy", *Studies in Political Economy*, 6 (Autumn 1981), pp. 135-150.

16 Dalton Camp, *Points of Departure* (Ottawa, 1979).

1979, but the Tories shrugged this fact off as merely representing Liberal strength in Quebec, while they were the leading party in the *real* (i.e. English) Canada. From the moment the Conservatives came into office, public support actually dropped, and continued to sag the longer they remained. Yet despite their minority position in the House, they refused to deal with the smaller parties, primly choosing instead to maintain their petticoats unsullied, while proclaiming that they were, in effect, a majority government. Finally sheer incompetence took over. According to Simpson, Clark had to be told by a junior aide the morning of the budget vote that they would be defeated — the top brass, it appears, could not even count. Twenty points down in the polls, they campaigned for re-election by promising to *raise* taxes. Partisanship quite aside, one concludes Simpson's account with the clear impression that this government deserved defeat, given its near-cretinous conduct in office.

Perhaps if the Liberals are the Government Party, the Conservatives are a kind of permanent Opposition Party. George Perlin's *The Tory Syndrome* (Montreal, McGill-Queen's University Press, 1980) suggests a psychologistic explanation of this opposition mentality. There may be a material basis for two different party psychologies. The political science literature on recruitment to parties demonstrates, not surprisingly, a multiplicity of motives. There is evidence that the Liberals recruit disproportionately from those whose motives have to do with power, while Conservatives tend to indicate less power-related motives. This is not unexpected, but it does leave the Tories more and more given to factionalism, ideological excesses, and undue obsessions with personality cults. Liberals, on the other hand, are far better disciplined, more deferential to the leadership, and rarely given to disputing policy. These virtues can all be traced to a single source: the threat of losing office does concentrate the collective party mind most wonderfully.

Never was the Liberal mind concentrated more wonderfully than in the events of November 1979 to February 1980. It was a tightly controlled campaign which concentrated on contempt for Joe Clark and fear of the economic unknown, with a dash of class appeal to the "working people", and featured a leader under strict orders to strike statesmanlike poses, look resolute, and say as little as possible. It was not very ennobling, but it did the job. What would have been dismissed three months earlier as a demented fantasy was now history: Pierre Trudeau was back, with a majority comparable to his coronation in 1968.

This was also the moment that Richard Gwyn's biography of Trudeau, *The Northern Magus* (Toronto, McClelland and Stewart, 1980) hit the stands. Gwyn is one of the better Ottawa journalists, but by and large this is a disappointing book. It is generally engaging, and not as dull as George Radwanski's earlier biography,<sup>17</sup> but it is still pretty gossipy and given at times to that peculiar sin of political journalists, sententious overwriting. Most of all, one is still

17 George Radwanski, *Trudeau* (Toronto, 1978).

left with a question about this extraordinary politician: is it, after all, only the manipulation of appearances which gives the impression of there being more to him than meets the eye? And if not, just what is that something more? Just as his predecessors have all failed, Gwyn also fails to bring down the minotaur. Perhaps in the end this is the real strength of Trudeau: the maintenance of an alluring mystique. In this case the man himself is now larger than the packaging. What we still need, however, is a serious study of Trudeau the intellectual in politics,<sup>18</sup> as well as of the techniques of leadership he has employed. The long view will probably differ strikingly from that prevalent today. For example, his actual behaviour has been much less authoritarian than his image would suggest. Compromise and concession have been the usual result of confrontation (as in the recent constitutional dispute and the Alberta energy-price "war"). He does, however, believe in taking strong bargaining positions at the beginning; given the tactics of the premiers, this seems not unreasonable. Yet the image, the theatrics, impress much more than the substance, and journalists share along with Trudeau's opponents responsibility for this misperception.

Beyond the theatrics, there is a profound puzzle about the series of events of 1979-1980. Once back in office, Trudeau and his ministers seemed born again. Within a brief period following Trudeau's spectacularly successful intervention in the Quebec referendum campaign, the Liberals set out on the road to the patriation and revision of the constitution by means of unilateral action and followed through, over a year and a half of the most bitter and intense controversy; they established the National Energy Programme, not only a sharp turn to nationalism but perhaps the single most important government economic intervention in this century — and stuck to it in the face of ferocious opposition from business and the American government; they set in motion a major fiscal reorganization of federalism and have threatened to push it through even over the opposition of all ten provinces; they launched a major overhaul of the tax system; and they undertook a host of other ambitious initiatives. Wearing, who was able only to note the 1980 election in a postscript, terms the 1979-1980 episode as "reform pre-empted". Similarly, Stephen Clarkson, a proponent of democratic policy-making in the party, in a recent account of the 1979 election draws a dark picture of how Trudeau had dragged the party down from 1974 to 1979, but then surprisingly concludes that events since 1980 indicate that the leadership was apparently capable of regenerating itself without recourse to democratic pressures from below.<sup>19</sup> Perhaps the fault lies in associating policy outputs with internal policy-making structures. The latter have no real outlet

18 I have written some reflections on Trudeau as a liberal intellectual in politics: "Reason, Passion, and Interest: Pierre Trudeau's Eternal Liberal Triangle", *Canadian Journal of Political and Social Theory*, 4 (Winter 1980), pp. 5-31.

19 Stephen Clarkson, "The Defeat of the Government, the Decline of the Liberal Party and the (Temporary) Fall of Pierre Trudeau", in H.R. Penniman, ed., *Canada at the Polls, 1979 and 1980* (Washington, 1981), pp. 152-189.

and serve mainly as internal strategies for attracting and keeping members. The former follow a quite different rhythm. In 1979-1980 the Liberals became aware that monetarist and neo-conservative solutions were simply not popular, and they seized the opportunity to bring down the Tories by once again painting them as reactionaries (and incompetent reactionaries to boot). The combination of Trudeau's immense new freedom of action — elected on the promise not to run again, he was in a sense beholden to no-one — and the Liberal euphoria which came with the victory of federalism in Quebec, gave further impetus to a party already emboldened by the fact that business disapproval, near-unanimous press disapproval and the active dislike of most provincial regimes had not stopped their triumph. Perhaps what these events indicate is that too much attention can be paid to the internal organization of parties, and that more attention might be profitably expended on the competition of rival party leadership elites and the context within which this competition takes place. Politics is about *conjunctures*, about opportunities and how they are seized.

It is here that critics of Liberalism, both right and left, were badly prepared for the Trudeau government's turn toward economic nationalism post-1980. It was, of course, absurd to argue that a political party — which, especially in the case of the Liberals, is not much more than a franchise over which different groups of political entrepreneurs contend for the exclusive marketing licence — actually carries about with it some kind of timeless ideology. Yet this was the mistake made by the late Donald Creighton and George Grant on the one hand, and by the left-nationalists of the former Waffle wing of the NDP on the other. The sudden about-face of James Laxer on Liberal nationalism, as well as the sour ruminations of the nationalist *This Magazine* on how the Liberal leopard never changes its spots, were both equally misjudged responses to an unanticipated change.<sup>20</sup>

Nor is there any better reason to assume, like George Grant in *Lament for a Nation*, that there was a liberal ideology of continentalism inherent in the wider set of bureaucratic and academic elites surrounding successive Liberal governments. Certainly an interpretation of liberalism which looked benignly upon continental integration with the American economy was dominant in the post-war decades. And that such thinking is by no means a thing of the past is evident from a new general history, *Canada since 1945: Power, Politics, and Provincialism* (Toronto, University of Toronto Press, 1981) by Robert Bothwell, Ian Drummond and John English. This book, written in a popular and accessible style, certainly fills a gap — or at least advances into a gap which the authors correctly identified. And they do deserve credit, in these days of lamentations and despair over Canada's fate, for beginning with the iconoclastic statement that "Canadian history is a success story" and that the years since 1945 "have

20 In James and Robert Laxer's *The Liberal Idea of Canada* (Toronto, 1977) the Liberals were still seen as the continentalist party. Yet in James Laxer's *Canada's Economic Strategy* (Toronto, 1981) Trudeau was now declared the direct political heir of Sir John A. Macdonald.



been more successful than most" — an *obiter dicta* which seems to have scandalized, if not, in some cases, traumatized, reviewers.

Yet there remains about this history an air of nostalgia for the old Liberal doctrine of faith in individual material progress. Their point of reference is very much what the late John Porter identified almost 20 years ago as the statistically unsubstantiated myth of a middle-class Canada. And true to their liberalism, they show no understanding of the need for a sense of nationality, of a public realm, or of how the unimpeded pursuit of individual gratification can destroy the sense of what is held in common. Their attitude toward Canadian nationalism, particularly egregious in the economic chapters by Professor Drummond, is one of unrelenting scorn, as when we are informed that in the 1950s "myth-makers began to chatter about the American domination of the Canadian economy". This same incomprehension helps to account for a major weakness in the book, its failure to adequately describe the forces of "provincialism" promised in the sub-title. A lack of appreciation of the regional roots of emergent postwar Canadian culture and a failure to appreciate the non-economic as well as economic factors behind so-called "provincialism" stems from the same liberal failure to understand the sense of the collective, the sense of place in people's imaginations. In the end the authors become blinded to the ways in which economics itself began to reinforce both nation-building and province-building, as the limitations of continentalist logic became increasingly evident. Instead the authors unconsciously provide us with an image of the *mentalité* of late St. Laurent Liberalism: smug, blandly optimistic, and ever ready with a patronizing sneer for those who dare to question the accepted verities.

Since politicians, unlike academics, must submit themselves to the voters now and again, they cannot remain so faithful to the old-time religion. Indeed, in keeping with their reputation for managing to remain just a little ahead of their time, some Liberals showed an appreciation of the new nationalism relatively early. It does some damage to the George Grant thesis simply to note that the two national politicians most associated with an emphasis on economic nationalism in the 1960s were Liberals: Walter Gordon and Eric Kierans. It does still greater damage to note that in the course of the 1970s it was the Conservatives who emerged as the single-minded party of continentalism, this view closely entwined with an American neo-conservative emphasis on *laissez-faire* and a Reaganite suspicion of the public sector. All of these are ideological elements antithetical to the romantic Grantian idea of an organic traditionalist Toryism with its gut commitment to Canada. Red Tories are a peculiar Canadian myth.

Also undercutting this myth is the actual historical evidence of the views of the Liberal elites in the past. They were never so single-minded as all that. Jack Granatstein's biography of Norman Robertson, *A Man of Influence: Norman A. Robertson and Canadian Statecraft, 1924-1968* (Ottawa, Deneau Publishers, 1981) is a portrait of a typical, perhaps an archetypal, Liberal mandarin.

Yet, for all that Robertson had lent advice in support of trade and economic integration with the USA — usually for what seemed cogent enough reasons having to do with the short and medium-term national advantages to Canada of such policies — it is genuinely astonishing to find that in the Bomarc missile crisis of the early 1960s, the very event which led Grant to his *Lament for a Nation*, Robertson was bombarding Prime Minister Diefenbaker with arguments in favour of unilateral nuclear disarmament! He had, it seems, come to the conclusion that Western unilateral disarmament was the only way to avoid a nuclear holocaust.

If the ideological polarization was greatly overdrawn, it does not appear all that surprising that in 1980, faced by a crisis in fiscal federalism caused by the new wealth and power of the oil-producing provinces and the dangerous flow of profits which would accrue to the multinational oil companies with sharply increased energy prices and the consequent pressure on the balance of payments as windfall profits flowed out, the Liberals should have intervened with a programme of bourgeois nationalism to encourage Canadian capital and to contain the crisis in federalism.<sup>21</sup> Nor is it surprising that they should have noticed that Canadianization of the oil and gas industry was immensely popular with the voters.

Yet politics is not just conjuncture, it is also context. It is equally apparent that in the present context, the Liberals are capable of a short, sharp burst of economic nationalism in energy, but are highly unlikely to carry the same policy on into different areas. The problem is that the background to everything they have done is the darkening economic horizon of international crisis and the apparently irreversible slide into depression. Even where nationalist arguments make some sense as a means of insulating Canada against the multinationals and against the nationalism of larger and more influential economies (such as in the long-advertised and never forthcoming “industrial strategy” of Herb Gray, or in the pleas for fostering high technology, export-oriented sectors), the government is crippled by fears of antagonizing the Americans yet further or undermining the confidence (already frazzled) of private investors.

A superb annual overview of where the government is going is offered by Bruce Doern in his introduction to the volume *How Ottawa Spends Your Tax Dollars: Federal Priorities 1981* (Toronto, James Lorimer, 1981) which he edits each year. In 1981 Doern argued that the government’s expenditure plans “reflect what is perhaps the most coherent assertion of political belief and principle by the Liberals since the early years of the Pearson Government”. By 1982, Doern was reporting that over-confidence resulting from success in the constitutional and National Energy Programme battles has led the Liberals into the “non-military equivalent of a five-front war” for which they lack sufficient

21 The best introduction to the new policy is Larry Pratt, “Energy: Roots of National Policy”, *Studies in Political Economy*, 7 (Winter 1982), pp. 27-60.

resources. Economic development policies, Western development and the fiscal initiatives on social policies will, Doern suggests, prove too complex and could bring the Liberals into profound difficulties.<sup>22</sup> By the summer of 1982, Doern's strictures were already proving very accurate indeed. The Liberals were now in retreat on many fronts, once again confused and battered.

Something very important has been happening in our politics from the 1960s on, which has perhaps been only dimly perceived. Federal and provincial levels of politics have separated more and more into autonomous sectors, and party politics has followed. Once the Liberals had been dominant federally, and variably successful at the provincial level. They now seem well on their way to disappearing from most provinces, except Quebec and the Atlantic region. They increasingly strive to be simply a *national* party, maintaining that they alone speak for Canada. The Tories speak of Canada as a "community of communities" and in office under Clark seemed ready simply to knuckle under to Lougheed's Conservative oil sheikdom in Alberta. Thus when Trudeau speaks of "co-operative federalism" giving way to "competitive federalism", he is perhaps only recognizing in name what has already come into effect: a Liberal national government in competition with Conservative, PQ and NDP provincial governments. The Government Party is on its way to becoming definitively the Federal Government Party. Its policies of fighting for its jurisdictional and fiscal authority against the provincial warlords, its new-found economic nationalism (however limited), and its attempt to play a dominant role in national economic development (especially through energy-related "megaprojects"), are, in fact, all of a piece. The problem with all this is twofold: first, the worsening economic crisis promises to saddle the Liberals not with credit, but with *blame* for the declining economic fortunes of Canadians; second, the Liberals are widely perceived in Western Canada not as a national government, but as an instrument of Central Canadian domination over the West.

In short, to return to where we began, the paradox of a nationalized politics embodied in the Union Government of 1917 may be upon us once again. Just as the Union Government saw itself as above localisms and speaking for the nation, Trudeau, his huge maple leaf backdrop trundled faithfully around with him for every address to the people, seems bent on representing "Canada" — more than the sum of its parts, he lectured Joe Clark. And just as the Union Government was the most divisive in our history, the Liberals seem to be presiding over an increasingly hostile and fractious nation. Will they finally perform a full circle by ending in conflict-ridden defeat? It will be no greater irony than that the Conservatives who, under Macdonald were centralist and nationalist, should inherit national office under the banner of giving away the Ottawa shop to the premiers and to continentalism. There is good reason to believe that the very ex-

22 "Liberal priorities 1982: the limits of scheming virtuously", in *How Ottawa Spends Your Tax Dollars: Federal Priorities 1982* (Toronto, 1982).

istence of a viable national government is increasingly at stake, and that its future is deeply entwined with the fate of the Liberal Party. The regional enclaves into which the national parties are locked (and this includes the NDP) suggests that no party can be truly national any more, but the Liberals, for the simple material reason that Quebec has more seats than Alberta, but also because of their chosen ideological stance, are the closest we have to a national party. Close may not be enough.

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