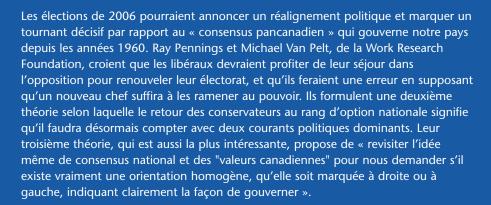# REPLACING THE PAN-CANADIAN CONSENSUS

Ray Pennings and Michael Van Pelt

The 2006 election may prove to be the beginning of a political realignment, making a decisive shift away from what the authors term the "pan-Canadian consensus," which has governed Canada since the 1960s. Ray Pennings and Michael Van Pelt suggest that the Liberals may have their work cut out for them in renewing their franchise in opposition, and that it would be a mistake for them to assume they can return to government simply by electing a new leader. A second theory is that with the return of the Conservatives as the national alternative, there are now two mainstream political brands. But the third and most interesting theory is the one they propose: "It requires us to revisit the very idea of a 'Canadian consensus' and 'Canadian values,' and ask whether there really is a homogeneous mainstream that represents, whether with a right or left emphasis, a clear path on which to govern."

Les élections de 2006 pourraient annoncer un réalignement politique et marquer un tournant décisif par rapport au « consensus pancanadien » qui gouverne notre pays depuis les années 1960. Ray Pennings et Michael Van Pelt, de la Work Research Foundation, croient que les libéraux devraient profiter de leur séjour dans l'opposition pour renouveler leur électorat, et qu'ils feraient une erreur en supposant qu'un nouveau chef suffira à les ramener au pouvoir. Ils formulent une deuxième théorie selon laquelle le retour des conservateurs au rang d'option nationale signifie qu'il faudra désormais compter avec deux courants politiques dominants. Leur troisième théorie, qui est aussi la plus intéressante, propose de « revisiter l'idée même de consensus national et des "valeurs canadiennes" pour nous demander s'il existe vraiment une orientation homogène, qu'elle soit marquée à droite ou à gauche, indiquant clairement la façon de gouverner ».

What should Canadians expect from the new Stephen Harper-led minority government? Predicting the direction of any government is an imprecise science — governments necessarily respond to the issues of the day, and their best intentions can be overtaken by political dynamics. Especially for a minority government, agendas are necessarily shaped by compromise and by a keen "political" rather than "governmental" mindset. Still, there are core motivating priorities that will emerge at the heart of this governing party, and understanding where they fit within the political framework remains the most reliable predictor of how Canadians can expect to be governed.

How is this political framework being formed? Some analysts have focused on the regional differences between the West and central Canada; others have highlighted the urban-rural split in voting patterns; still others find most significant the social values and fiscal values which are seen to divide not only Canadians but even the Conservative Party.

To one degree or another, all of these forces are obviously in play. But in order to turn our focus from the rear-view mirror (what brought us here) to the front window (what lies ahead), it will be helpful first to understand why this week's election played out as it did. Consider at least these three alternative theories on what this vote meant.

One theory suggests that voters used this election to "send the Liberals a message" that their role as the natural governing party is not absolute. Although uncomfortable with the Conservatives and their real agenda, it was an acceptable risk to allow them a short-term stint, while the Liberals are punished for allowing scandals and internal division to distract from the task of good government. The expectation is that the Harper government is just a blip that will fast-forward the Liberal internal renewal process, and

that in a few years, with a new leader and renewed vision, the Liberals will almost naturally reassume their governing role, since they better reflect the "centre" of Canadian values.

A second theory presumes that *both* the Conservatives and Liberals are in the mainstream of "the Canadian consensus," and while the wedge issues of a campaign magnify the differences between the parties, essentially both walk the centre line. The 2004 election represented the first time since 1988 that Canadians had a choice between two parties that had a realistic chance of forming government. And as long as that choice exists, future campaigns will most likely be about management and competence. It really doesn't much matter which party governs — the essential policy direction and vision of the Conservatives and Liberals are relatively compatible. An inevitable mainstream momentum of public consensus will drive government decision-making, regardless of who holds office.

There is a third theory. It requires us to revisit the very idea of a Canadian consensus and "Canadian values" and ask if there really is a homogeneous mainstream that represents, whether with a right or left emphasis, a clear path on which to govern.

Questioning the mainstream model is certainly a daunting task; it is, after all, the working consensus in today's broad public debate. The present model has been operative since Pierre Trudeau, and its continuation can be labelled a *pan-Canadian consensus*:

- a strong central government unified under the maple leaf, multi-culturalism and bilingualism;
- an activist government developing new social programs (cf. the argument of some in the recent campaign that national daycare is as desirable as national health care);
- an aggressive rights-based polity that identifies with tolerance over definition;

- peacekeeping over taking on one's enemies; and
- programs targeting the perceived causes of crime over policing and punishment.

There is little question that governments from Trudeau's in the 1960s through Mulroney's into the 1990s operated on the premise of this pan-Canadian consensus. But what's happened to that consensus today, in 2006?

The answer to that question is the key to understanding Stephen Harper and what Canadians should expect from his Conservative government.

Understand the division (and failure) of yesterday, and one might understand the unity (and success) of today. In explaining 20 years of division of

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the political right, it is too easy to call it simply a poorly managed civil war and too easy to attribute Harper's success today to his ability to simply put Humpty Dumpty back together again.

Rather, it is more accurate to see these 20 years as the process by which the political right sorted out its response to the demise of the pan-Canadian consensus. It is telling that the issues dividing the party were not just those that typically split social conservatives, neo-conservatives, and red Tories. The fissure erupted while the Conservatives held power under Mulroney and resulted in not one but two significant breakaway groups: the Reform Party in Western Canada and the Bloc Québécois in Quebec (as well as several less significant movements including the Confederation of Regions Party and the Christian Heritage Party). While these move-

ments disagreed about many things, what they had in common was an agreement that the pan-Canadian consensus wasn't for them.

Although what you are against forms an easy point for division, the genius of successful politics is translating that into what you are for in a way that can attract the support of a critical mass. For the right, this integrating process began with the October 2003 agreement between Peter MacKay as leader of the Progressive Conservative Party and Stephen Harper as leader of the Canadian Alliance. The 2004 federal election was held before the new party had an opportunity to define its framework consensus in a policy convention. Although the Conservative policy convention in Montreal in March 2005 was as significant for the topics it avoided (e.g. contentious social issues) as for those that it addressed, its declarations provided the launching pad on which the campaign platform of 2006 could be designed.

What is most significant from a careful analysis of both the convention declarations and the 2006 platform is that they do not neatly fit within any one of the various camps that make up the Conservative Party but represent instead a unique amalgam of the many streams of contemporary conservative thought.

This significance can be illustrated in two policies that had significant play in the recent campaign. The first is the daycare policy. The Liberals had in the previous Parliament introduced a national daycare policy that reflected classic pan-Canadian politics: the federal government provides the money through a series of federal-provincial agreements that allow the feds to both insist on certain conditions and claim credit for a "national daycare program" that, even by the most optimistic of predictions, would provide child care space for only a small fraction of the nation's children.

There was a diverse reaction to this proposal within the conservative camp. Libertarians found the increased reach of government unnecessary and expensive. Social conservatives naturally rejected this state involvement in family life. But to avoid advocating a daycare program would have alienated the Red Tories in

campaign was Stephen Harper's December 19 speech in Quebec City. Although a lot of groundwork had preceded this speech outside of the public eye, until that day the Conservatives were perceived by virtually everyone to be a non-factor in Quebec, with less than 10 percent support in that province. In one month, they convert-

The point is this: for 30 years, the federal government has assumed the role of equalizing and ensuring standards across the country — defending and enforcing the pan-Canadian consensus. It is clear, both in the West and in Quebec, that this consensus has been fraying for some time. But the lack of a credible national alternative has allowed the Liberals to keep power. Even though the principles underlying the Liberal government have remained unchanged essentially since the 1960s (and if this theory is right, no longer reflect a Canadian consensus), what the Liberals lacked in ideas they made up for in superior organization and tactics (at least until this campaign). It isn't without reason that Wilfrid Laurier remains a Liberal icon: "It is not enough to have good principles; we must have organization also. Principles without organization may lose, but organization without principles may often win."

> Though the bravado from every leader on patriotism, the maple leaf and the fleur-de-lis was hard to penetrate, the Quebec City speech hit its stride on the fiscal imbalance issue or, to oversimplify, the appropriate powers and responsibilities of federal and provincial governments when it comes to taxation. It was here that the Conservatives unveiled their (awkwardly named) "Charter of Open Federalism." The details of this document have understandably escaped the notice of most Canadians, but its impact is significant.

the tent. The fiscal conservatives were not ideologically opposed to daycare *per se* but did worry about the long-term burden of another universal social program. The other camps within the conservative streams had variations on these concerns.

The daycare alternative proposed by the Conservatives in their 2006 platform was as popular as it was symbolic: budgeting twice as much money as the Liberals in order to provide $1,200 per child under six years old for parents to spend as they choose. The compromise not only won enthusiastic support from almost every corner of the Conservative Party, it reflected the sort of solution that better suits the new era of Canadian politics. It was understood and celebrated very differently in different parts of the constituency, precisely because the pan-Canadian consensus has dissolved. The point is, even as the policy has different results as the money flows to different people, the compromise is widely supported.

A similar example is the Conservative policy regarding the fiscal imbalance. Several analysts have suggested the turning point of the

ed that to 25 percent and 10 seats in the province.

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Essentially, under this plan, no new federal proposals regarding national cost-shared programs (such as daycare) may be proposed without majority provincial support. Even then, provinces that wish to opt out can receive financial compensation provided they offer a comparable provincial program. Since finding a way for the provinces to pay for health and education is among the most difficult tasks facing Canadian politicians for the next decade, the ground rules established by this plan could scarcely have been more timely.

To summarize the theories and their implications, if the first is right, there is a Canadian consensus and the Conservatives are outside it. The most Harper can hope for is to competently manage government while the Liberals renew themselves, but as soon as they do, they will reassume their place as the natural governing party.

If the second theory is correct, both the Liberal and Conservative parties represent different streams in the mainstream consensus, and we are back to the two-plus party system that shaped Canadian politics from the 1950s through the 1980s, with the best organizers and managers likely to maintain power. This theory presumes there is no essential difference between the Conservatives and Liberals — both reflect the mainstream of Canadian values. While the parties may campaign against each other's policies, they will inevitably implement the

same basic framework. (See for example the various positions on deficits, tax cuts, free trade, and the GST.) Under such a theory, a Harper government will look very much like the Martin government did.

But if the third theory is correct (as we believe it is), then the Conservative party is ahead of the curve in adjusting to the emerging Canadian polity. The challenge of Liberal renewal thus runs much deeper than finding a way of overcoming the internal feud between Chrétienites and Martinites. A new expression of liberalism must be found that works within the post-pan-Canadian consensus era.

There are hints that this internal discussion is taking place under the surface within the party, although traditional Liberal discipline has for the most part kept this out of the public eye. At the same time, the internal contradictions within the campaign were stark. Paul Martin made a centrepiece of equating values with the Charter of Rights and Freedoms (including the proposal to dump the notwithstanding clause) while Deputy Prime Minister (and leading constitutional expert) Anne McLellan disagreed. Ironically, over 10 percent of Liberal candidates disagreed with their party on the immediate issue (same-sex marriage) that provoked the discussion. Former deputy prime minister and leadership contender John Manley talked last year about a North American economic and security community. Newly elected MP and rumoured potential leader Michael Ignatieff outlined a foreign policy framework that is very different from his own party's. Thus, while it would be unfair to say that the Liberals had no ideas — they had many, and some were very provocative and worthwhile — it is fair to say that not all Liberals were working from the same framework, whatever common campaign slogans they might have been using.

The results of this campaign demonstrate that all of the parties — Conservatives, Liberals and NDP — still have work to do to come to grips with whatever it is that will replace the pan-Canadian consensus. On the opposition side of the house, there is likely to be more radical reorganization (the freeing of the responsibilites of government and a leadership

Herman Cheung

Stephen Harper's pledge to cut the GST from 7 percent to 5 percent over the course of five years was one of the defining moments of the campaign. While Harper was reaching out to consumers doing their holiday shopping, Paul Martin's Liberals replied that economists favoured the GST as an efficient tax. Ray Pennings and Michael Van Pelt believe the Conservatives may be "ahead of the curve in adjusting to the new Canadian polity," in a coming era in which the pan-Canadian consensus could be replaced by a new one.

race will provoke a more open and vigorous debate).

We expect a very different political realignment between the Liberals and the NDP. The springtime agreement (and resulting "NDP budget") between Paul Martin and Jack Layton, plus the blatant appeals from each party for strategic "progressive" voting, indicate some partisan competition but more significantly, an attempt by both parties to hold on to the old pan-Canadian consensus. Both parties advanced in each of these past two elections a resistance to the "scary Conservative social agenda" — but with Harper unlikely to significantly push that agenda during this mandate, both parties face a huge challenge in the next election. The "Harper will take away your Charter rights" advertisements and arguments will simply not have any basis for credibility, and lacking an alternative argument, the opposition will see only further Conservative advances in the next election, and a majority government.

The challenge for both the Liberals and the NDP is to find a new argument to raise, and such an argument is likely to find resonance only if it is based on the current reality of Canadian diversity, not a leftover argument from the old pan-Canadian consensus.

While the challenges for the NDP and Liberals are significant, they are much more intense for Prime Minister Harper, as his actions will be subjected to more intense media scrutiny. He needs to sort through the different aspirations of his coalition, keeping them all on-side while he lowers the expectations and the pent-up demands that 13 years (and for those who left the Mulroney conservatives earlier, 20 years) of opposition powerlessness have created.

As we already noted, it is too simplistic to view the Conservative party as a fiscal/social conservative coalition. If the party's strength were that limited, it

would inevitably crumble, as there are too few natural compromises around which such a coalition can be sustained, especially in the context of minority government. The nuances of the coalition are the keys, and it's in deeply understanding these nuances that Harper will find the building blocks for the consensus he needs to sustain power.

In fact, Harper's model for making the different Conservative streams work together is where he will need to start in minority governance. The political left sees an almost counterpart six-party division on their own side, and it is minority government that will provide both a framework for Harper to work with the opposition and a spur for the Liberals and New Democrats to develop a renewed policy framework that will work in the post-pan-Canadian consensus era of Canadian politics.

There are at least six distinct streams within the Conservative movement, all of which will need to find some identification within a

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Conservative government to motivate their ongoing support.

1) *Libertarians* with an emphasis on individual rights and minimal government;
2) *Populist/democratic Conservatives* with an emphasis on structural reform and process;
3) *Social Conservatives* with an emphasis on social issues. This group is not as homogeneous. There are those for whom immediate action on the hot-button issues of abortion and same-sex marriage is a practical litmus test, while there are others (for whom a description such as *Burkean Conservatives* would be more accurate) who advocate a broader

social agenda. It would include creating space for institutions other than government to be part of the solution to larger problems. This would include a foreign aid agenda that leverages the relief work of religious organizations, alternative approaches to poverty and welfare issues that recognize a greater role for community (including religious) groups, and a cities agenda that recognizes a place for the church.

4) *Liberal Conservatives (Reagan Democrats)* with a self-consciousness based on cultural identity and tradition;
5) *Fiscal Conservatives* with an emphasis on fiscal accountability and less costly government; and
6) *Red Tories* with some historic affiliation with the Progressive Conservative Party, but otherwise not fitting into any of the above categories.

The way for Prime Minister Harper to appease the often-conflicting expectations of these groups will not be as much through the direct actions of the federal government but rather the facilitation of actions by others. The daycare example provides the classic illustration. By providing choice and space for other institutions (such as extended families, neighbours, community groups, faith groups, etc.) to provide daycare services and be indirectly supported through federal dollars, the proposal earns the support of these various groups in a way that a government daycare program never would.

So what to expect from the Harper government? There is no immediate risk of any party forcing an election within two years so, assuming basically competent and scandal-free government,

Harper has the space to implement the five priorities he highlighted during the campaign:

1) Clean up accountability and ethics in Ottawa. As he noted in his election night speech, this will mean not just replacing Liberal appointees with Tory appointees, but changing the system to

Between these priorities, learning the ropes of effective politics, making Conservative rather than Liberal appointments, and providing a contrast in style and attitude to the Liberals, a Harper government will more than likely provide an adequate base for appealing in the next election for a majority.

to note that his attempts to avoid being tagged as belonging to any of the six strands (despite some evidence from his writings in pre-leadership days that he had libertarian leanings) is both deliberate and consistent. It reflects an understanding that no one segment of the conservative movement has an adequate base around which to build enough momentum to form government. As he noted last year, his ambition was to build a new national governing party, one that he rightly understood needed to build on policies that could resonate with the diversity of values that motivate his potential support base.

As with health care, the fiscal imbalance issue will require great cooperation between federal and provincial governments. And for both issues, more significant even than the dollars involved is the structural impact. Tackling them will affect the "Quebec question," and will significantly impact the ability of federal governments to return to the pan-Canadian consensus model.

strengthen the institutions and make them accountable to the Canadian taxpayer.
2) The crime and punishment agenda. Dealing with the crime issue will not only address a philosophic Conservative priority and election promise, but it will have the added benefit of increasing exposure to the leaders of major urban centres, which will raise the profile of Conservatives in those areas where they were electorally shut out.
3) The child care choice via the tax credit.
4) Tax reform: Symbolically important and practically impossible for the other parties to oppose, cutting the GST has tremendous symbolic significance as a promise that must be kept for the sake of political integrity.
5) Committing the health care system to limiting patient waiting lists.

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Will this keep Harper's base satisfied? The challenge will be whether the leaders of the various groups — all of whom had proportionately more influence in their part of the old divided right than they do in the larger united right — are patient enough to look for long-term change rather than a short-term victory they can trumpet to their constituencies.

That will require a significant mindset change — Conservatives are more accustomed to the periphery of complaining than the core of decision-making. And government is not the only institution that matters; cultural change cannot be legislated. The comparatively friendly ride (at least compared to previous campaigns) the Conservatives enjoyed from the media is unlikely to be repeated, and there is little evidence that the fifth estate has undergone the transition that government has. Cultural groups and even significant portions of the business establishment have well-established ties that are not close to this government. Old habits die hard, and it will take a sustained period of competent government before the naysayers will be convinced and the new government will be taken seriously as a potential long-term player on the federal scene.

What does Prime Minister Harper want out of all of this? It is interesting

Still, for all of the challenges Harper faces, his surprising ability to merge two parties that were thought to be unmergeable by many, his ability to transform his image and learn from the challenges of the 2004 campaign, and his ability to discipline and unite a disparate team that reflects the full diversity of the Canadian family, has shown him to be as poised as any one to succeed. And if Mr. Harper conducts himself with the same savvy in the next few years as he has in the past few, the question that Canadians will be asking themselves in the next election will not so much be about Harper but about whether the opposition parties have sufficiently reorganized themselves to be considered viable alternatives in the new reality of Canadian politics.

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