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Legacy of Brian Mulroney

A Sow's Ear Presented as a Silk Purse

Brian Mulroney, Canada's 18th Prime Minister, died on February 29 aged 84. The family said he passed peacefully in a Palm Beach, Florida hospital, where he had been since a recent fall.

The House of Commons adjourned on news of Mulroney's death and did not meet on March 1 "as Canadians mourn the death of former Prime Minister Brian Mulroney." Prime Minister Justin Trudeau said that day that the state funeral for Mulroney would be a "right and fitting tribute" for "a titan of Canadian politics." He said, "Brian Mulroney never stopped working for Canada. He was a champion of the values that unite us as Canadians and will forever be remembered as a force for the common good. His funeral will provide an opportunity to honour his incredible legacy – one that will continue to shape our country for generations to come."

Much is being said about "the boy from Baie-Comeau." A state funeral ceremony was held on March 23 in Montreal, preceded by "a lying-in-state" in Ottawa, and "a lying-in-repose" in Montreal.

Brian Mulroney

Mulroney was a lawyer, businessman, and politician who served as the prime minister of Canada from 1984 to 1993. As a lawyer, he specialized in labour negotiations for concerns such as the Iron Ore Company of Canada (IOC) and Power Corporation of Canada. He advanced to become executive vice president of IOC, a joint subsidiary of three major U.S. steel corporations.

After placing third in the 1976 Progressive Conservative leadership election, he was appointed president of IOC in 1977. He held that post until 1983, when he became leader of the Progressive Conservatives (PCs). In 1984, he led the PCs to victory in the 33rd Federal Election with a campaign which told the workers, "It doesn't matter who gets in, we have to get Trudeau out!" His election was the result of this expediency, considered "ingenious" at that time.

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By the time Mulroney was induced to resign in 1993, the economic recession had carried on for

well over three years of his regime. Unemployment had steadily remained above 10 per cent throughout this period, and his government had distinguished itself by perfecting ways to extract more disposable income from Canadians. Through a broad plan of cutbacks, it made more and more money available to the economically most powerful. His government's strategy to do so was to use various pretexts to take more out of the economy than was put into it. In December 1990, the Goods and Services Tax (GST) was passed in the Senate and was made effective on January 1, 1991. He also privatized 23 of 61 Crown corporations, including Air Canada and Petro-Canada.



Protest against Canada's involvement in U.S. imperialist war preparations at the time of U.S. President Reagan's visit to Ottawa April 5-6, 1987, during Mulroney's term as Prime Minister



Demonstration in Montreal opposes first U.S. imperialist war against Iraq, November 1990.

Accompanying all of this, the Mulroney government participated in a broad ideological campaign, the main target of which was the working class. The working class and people were told repeatedly that there is no alternative to unemployment, tax increases and cutbacks in social expenditures. This firmly established the policy of expropriating maximum wealth from the economy, not worrying about who gets hurt in the process, while lowering what is put into the economy to the minimum.

This ideological and practical policy centred on the most inhumane attitude and was accompanied by Mulroney's insistence that he was doing what was necessary even though it might have been unpopular. In this regard, he took up the mantra of the leading neo-conservatives, Margaret Thatcher in Britain and Ronald Reagan in the U.S., both of whom ushered in neo-liberal free trade and a vicious anti-social offensive. Margaret Thatcher's declaration that there is no such thing as society, only families and their values, put the nail in the coffin of the social welfare state and introduced the new normal that everyone must fend for themselves.

An atmosphere of the most ruthless self-serving propaganda was created under this edict. One of the aims was to do whatever it took to permit an elected government to do whatever it wished without concern for what happens to the people, the economy, or the society. The government decided it would explain nothing and assert everything, using the methods of a tripartite corporate state in which big business, big government and big labour made all the decisions imposed on the people.

While Canada's governments have always served the interests of owners of capital, Brian Mulroney embarked Canada on its current neo-liberal anti-social and anti-national course set by the U.S. All subsequent prime ministers, Liberals and Conservatives alike as well as New Democrats on the provincial level, have used public funds to pay the rich by gutting and privatizing social programs and systematically integrating Canada's natural, material and human resources into the U.S. war economy. In the course of time, after services rendered, big labour was itself ignored, negotiations to determine wages and working conditions were taken off the table, replaced by dictates on the part of both businesses and government and moves to criminalize workers and their collectives who upheld the dignity of labour.

What happened to the capitalist economy during the Mulroney period revealed that this anti-social path could not be pursued without causing massive disruptions. And this is what has continued ever since in terms of employment, cutting back social expenditures, privatization and destroying the social fabric by undermining people's expectations in every facet of their lives.

As the worldwide crisis deepened and governments in eastern Europe were toppled one after the other, the Canadian peoples' discontent and disaffection with politicians, political parties and parliament itself also increased. Without carrying out any analysis of unfolding events and their significance, the Mulroney government used the opportunity to present itself and the capitalist system in a good light, as the representative of freedom and democracy in the world.

The self-serving attitude was transformed into self-deception as objective developments and the consciousness of the people turned more and more against the political system and the politicians.

By 1993, when it became abundantly clear that he could no longer fool the electorate and win its confidence, Mulroney was so discredited that he was induced, by both the conditions and the ruling class itself, to resign as Prime Minister. He handed over power to his cabinet minister Kim Campbell in June 1993 and she was later confirmed as the new leader of the PCs.

In the election which followed in October of that year, the Progressive Conservatives were reduced to two seats, down from a majority government with 156 seats. The election created a Liberal majority government under Jean Chrétien and made the Bloc Québécois -- with seats only in Quebec -- Her Majesty's Official Opposition, while the Reform Party with only a regional base won 52 seats. This ushered in a parliamentary disequilibrium whereby the two-party system made up of Liberals and Conservatives changing places every few years was ended. Since then, parties with seats in the House of Commons have formed a cartel. The cartel has passed amendments to the law governing elections and election financing to favour their own prospects of coming to power while marginalizing the electorate and parties without seats in the House of Commons.

Since the Mulroney tenure in office, the claim that the current institutions are democratic has been discredited to such an extent that they cannot be repaired but must be replaced with a modern democratic system. All efforts by the ruling elite to restore credibility have come to naught and promises to do so are equally discredited. This is Mulroney's legacy. While he is being lauded to the skies on his death, as indeed he was when he was induced to resign in 1993, the fact is that the measures he took as prime minister aroused practically the entire polity against him.

The Brutal Anti-Social Offensive Is the Mulroney Legacy

The origins of the anti-social offensive in Canada lie in the collapse of the mega-projects in the natural resources sector in the 1970s, enterprises in which the government of Liberal leader Pierre Elliott Trudeau had put great store as the key to development in Canada. The impact of the collapse of these mega-projects, along with the high interest rates imposed by the Reaganites, precipitated the economic recession in 1981-82.

The anti-social offensive as a policy of the entire bourgeoisie deepened with the subsequent

introduction of free trade. The neo-liberal agenda in the mid-1980s started systematically changing the aim of society from Trudeau's so-called Just Society, whose aim was said to be social justice, to one of making the Canadian monopolies number one on the world market and paying down the debt and eliminating deficits. The conception of society having responsibility for its members with the governments at different levels providing funding, infrastructure and organization to the health care and other social programs was discarded. Even though this funding was a way to finance the expansion of U.S. imperialism into Canada by increasing Canada's indebtedness to U.S. financial institutions, it provided what was called the "safety-net" Canadians could rely on from cradle to grave, the corner stone of Trudeau's "just society." All of this came systematically crashing down.



Ottawa demonstration in 1985 against Mulroney government plan to de-index pensions -- which it later withdrew

In 1986, the Mulroney government cut funding from transfer payments to the provinces for health, education and welfare to divert funds to paying down the debt and eliminating the deficit. The anti-social program of paying the rich and taking funds out of social programs was implemented with a vengeance, first with cuts in funding for health care as well as education, then to welfare and housing. This went along with deregulation and the reduction of unemployment benefits which opened the path for unemployment benefit monies later on being put into general revenues, no longer considered to belong to the workers for their benefit.

The *Royal Commission on the Economic Union and Development Prospects for Canada*, also known as the MacDonald Commission, mandated by the Trudeau government in 1982 to examine issues of social programs, social equity and free trade with the U.S., led to the conclusion of the Canada-U.S. Free Trade Agreement (FTA) by the Mulroney government in October 1987.

Even though the negotiations of the agreement were concluded and the agreement passed the review of the U.S. Congress in October 1987, the legislation to implement the agreement was delayed in the Canadian Senate, which had a Liberal majority. To resolve the conflict, Mulroney called an election in November 1988 which became known as "a referendum on free trade." Even though a majority of the voters, over 6.8 million, voted for parties opposed to free trade, Mulroney won a governing majority with 5.6 million votes and declared he had "a mandate" and the agreement was passed into law.

The Communist Party of Canada (Marxist-Leninist) pointed out at that time, "The free trade agreement -- which President Ronald Reagan hailed as the greatest event of the 20th century, and which the Mulroney government and others applaud as beneficial to Canada -- is one of the most brutal economic mechanisms the powerful use to dictate to the weak. The attitude towards the U.S. in the economic sphere is crucial. It poses the question: prosperity through self-reliance, which will be extremely hard work but at the same time most rewarding, or dependence, which would not only fail to bring prosperity but would embroil Canada in the wars of interference and aggression by the U.S. Canada really has no option other than self-reliance. This is the only way the stumbling block can be overcome."

In the election campaign, the opposition Liberal Party vociferously opposed the agreement, with Liberal leader John Turner saying that he would "tear it up" if he became prime minister. However, when the Liberals came to power in 1993 under the leadership of Jean Chrétien, they did not "tear

up" the FTA. Far from it, they signed into law the North American Free Trade Agreement (NAFTA) that had been negotiated by the Mulroney government. The imposition of NAFTA in 1993 which superseded the FTA negotiated and signed by the Conservative government, among other things opened the door to U.S. health care monopolies. Under NAFTA, health care was only exempt from foreign investors and service providers if it was delivered on a not-for-profit basis. Since then, the ruling class has systematically pursued its privatization and pursues every pay-the-rich scheme imaginable.

Similarly, in the 1993 election the Liberals campaigned against Mulroney's Goods and Services Tax but once elected they did not repeal it. Furthermore, the federal Liberals seized and put at the disposal of the rich whatever funds the Mulroney government had not yet gotten its hands on, such as the employment insurance funds, the pension plans, etc. Should confirmation have been required, this bore out once and for all that when one of these parties says it will do a better job at governing than another party, what they have in mind is doing a better job in paying the rich.

Mulroney and Canada's Constitutional and Political Crisis

Mulroney also goes down in history as a Prime Minister who failed repeatedly to enshrine new laws which would strengthen the constitutional status quo because Canadians, Quebeckers and the Indigenous Peoples said *NO!* to Constitutions which did not enshrine their rights.

A unique feature of Canada's Constitution is that none of its provisions define the fundamental rights and duties of citizens. Instead, in 1982, the *Charter of Rights and Freedoms* was appended by the government of Pierre Elliott Trudeau but it merely restricted all the rights which it listed by imposing "reasonable limits." It furthermore incorporated a "notwithstanding clause" which permitted any of Canada's 11 governments to override the key clauses of the *Charter* dealing with individual freedoms. Finally, the basis of the state as set out in the *British North America Act 1867* remained unchanged. Besides enshrining power-sharing arrangements with the provinces which developments have rendered obsolete, it recognized neither the nation of Quebec, nor Indigenous or Métis rights on a hereditary basis.

The imposition on the Canadian and Quebec people as well as on the Indigenous and Métis Peoples was so undemocratic that Quebec refused to sign the *Constitution Act 1982*. Mulroney declared he would bring Quebec back "into the Canadian family with honour and enthusiasm." In 1987, he convoked constitutional negotiations on the shores of Meech Lake, in Gatineau Park in the National Capital. The aim was to amend the Constitution by satisfying the minimum conditions Robert Bourassa's Quebec government said were necessary to get Quebec to sign the *Constitution Act 1982* without recognizing it as a nation with the right to self-determination up to and including secession if the Quebec people so decided.

The Meech Lake Accord was not intended to address any of the fundamental constitutional problems and instead put forward the peculiar notion that Quebec is a "distinct society." Instead of recognizing Quebec as a nation with the right to self-determination up to and including secession if it so desires, and presenting worthy arguments for Canada and Quebec and the Indigenous Peoples to form a modern free and equal union, the category "distinct society," deprived of both constitutional and juridical validity, was introduced. The sole purpose of doing so was to inflame passions against Quebec whose nationhood is denied to this day, as are citizenship rights for all on an equal basis, along with the hereditary rights of the Indigenous Peoples whose decision-making powers on their own territories superseding Canadian colonial law are to this day not recognized.

The Meech Lake Accord was defeated as it failed to be ratified by all provincial legislative assemblies by June 23, 1990. Between June 12 and 21, Elijah Harper, a First Nations Member of the Manitoba Legislative Assembly, to his eternal credit, repeatedly signalled his refusal to give approval by holding up an eagle feather. This blocked the required unanimous consent on a motion for the Manitoba Legislative Assembly to vote on the Accord before it adjourned on June 22. The

Newfoundland Legislature then cancelled a proposed vote and the Meech Lake Accord was officially dead.



Demonstration against Meech Lake Accord outside Manitoba legislature in June 1990.

The aftermath of the failure of the Meech Lake Accord witnessed more state attacks against the Indigenous Peoples by federal, provincial and municipal authorities and their police and armed forces. Faced with the repeated refusal of municipal authorities in Oka, Quebec to uphold their hereditary rights, the Mohawk of Kanesatake seized a plot of land where their ancestors lie buried, which municipal authorities were planning to turn into a golf course. The crisis lasted several months and ended only through the use of force and sending in the Canadian Army, along with the Quebec police and the RCMP. The federal and Quebec governments throughout declared that the seizure by the Mohawk of their own land deserved to be brutally suppressed by Canadian armed forces and provincial police with a hysterical media toeing the line. To this day, the Mohawk ownership of their own land is denied.



Left: Mulroney sent in the army in August 1990 against the Mohawk who were defending their lands in Kanesatake during the "Oka Crisis." Right: Protest in Winnipeg opposes the calling in of the army.

Having declared that its Meech Lake failure was of no consequence, the Conservatives then established the Royal Commission on Party Financing and Electoral Reform in 1989 "to review, among other issues, the many anomalies identified by Charter challengers," particularly regarding restrictions in the *Elections Act* inconsistent with Section 3 of the *Canadian Charter of Rights and Freedoms*. This section is said to guarantee the right to elect and to be elected. But the Commission refused to encompass addressing the problems which Canadians clearly stated they wanted addressed. Many issues they raised concerned making changes to the electoral process which would eliminate the role of power and privilege and empower Canadians. Literally hundreds of thousands of people expressed their discontent with the political process, the politicians, the political parties and institutions called democratic but no change in government policy took place. Nor has any change taken place since then on any major questions of concern to the electorate.

A broad discontent prevailed across the country with the political process and the politicians and the feeling that the people exercise no control over their affairs. The question of where the sovereignty lies -- with the monarch as head of state or in the people -- came to the fore. Far from being willing to give up their decision-making power, the people showed themselves to be deeply concerned about the constitutional affairs of Canada and laying down the fundamental law of the land.

In response, in August 1992, through a series of closed-door negotiations between Mulroney, cabinet ministers, provincial and territorial leaders, including a back channel with the government of Quebec, and other elite, a new deal was reached called the Charlottetown Accord which was to be submitted to a national referendum on October 26, 1992. The aim of the Charlottetown Accord, entitled *Consensus Report on the Constitution*, was to enshrine in the Constitution the status quo and turn over to Canada's First Ministers -- the Prime Minister and the provincial Premiers -- the right to make decisions on behalf of the Canadian people. The Charlottetown Accord would have given them *carte blanche* to do as they pleased, with the Canadian people marginalized as voting cattle every few years.

Besides the fact that millions of dollars were spent to blackmail, cajole and threaten the electorate to vote Yes, to make sure no substantive issues could be discussed, the Mulroney government only permitted Canadians to participate in either Yes or No Committees. They formed a powerful coalition comprised of themselves, the Liberal Party, the New Democratic Party, the Canadian Labour Congress, the Business Council on National Issues and others, as well as the media, on the Yes side. They gave the electorate an ultimatum to vote Yes or face terrible consequences. The Bank of Canada predicted the country's economic collapse in the case of a No vote.

CPC(M-L) formed a National Committee to Vote No on October 26 and was the principal force informing the electorate about the contents of the Accord and what was at stake. Canadians achieved its rejection in the October 26 referendum with a vote of 54.9 per cent to reject the Accord against 45.03 per cent to accept it. Brian Mulroney was presented with the greatest defeat of his career as the head of a coalition which refused to listen to what the people wanted. The capitalist class was then made to choose a new head for this coalition through the leadership convention of the Progressive Conservative Party as it faced an upcoming federal election which it was confident it could stage-manage.



In the end, Brian Mulroney did not resign of his own free will. He was forced to resign when the ruling class saw that their system was increasingly discrediting itself in the eyes of the electorate -- a factor confirmed by all opinion polls. Mulroney resigned to salvage the reputation of the political system and the political elites.

No sooner had he resigned, than the Canadian establishment and monopoly-owned press immediately went into action to give the impression that now Canada's rulers stood for change. The profound question of change was reduced to one of merely substituting one person for another, one party for another, one government for another. In this way the ruling class hoped to divert public opinion away from what people do not like, which is the self-serving political system and the politicians who wield positions of power and privilege and use them to their own advantage and those of the private interests they serve. To this day, the more governments and what are called the liberal democratic institutions discredit themselves, the more their apologists are determined to frustrate the electorate further by preserving the political system and the politicians no matter how much the country is destroyed in their hands.



Left: Public Forum launches the Committee to Vote No on the Charlottetown Accord. Right: Poster announces cross-Canada meetings on the Charlottetown Accord, October 1992.

Today, after Mulroney's death, the capitalist class as a whole has nothing more to say about Mulroney than the same accolades and criticisms they made 30 years ago when he resigned. It confirms how wretched they are. In the most shameless manner, Mulroney is being showered with praise, on one hand, and irrelevantly critical views on the other.

The bottom line is their portrayal of Mulroney as a true, loyal Canadian who loved his country, a champion of Canadian values and a force for the common good, all to hide his pro-imperialist, anti-worker and anti-people stand which caused the people and country so much harm. It confirms once again that the economically most powerful and their politicians have a common interest in committing fraud to keep their system going.

According to some in the media and not a few politicians, Mulroney made some tough decisions, even though they were unpopular. His failure, they say, was that he was not able to sell the electorate on these decisions. He had to pay for this failure by resigning, they say.

Falsifying history is a specialty of Canada's ruling elite and doing so about what Mulroney stood for and daring to call it rule of law serves their aim of covering up what is taking place today.

As for the praise given to Mulroney for opposing apartheid in South Africa, as is the case with everything else, there are words and there are deeds. As in the case of Diefenbaker before him who it is said was instrumental in getting South Africa kicked out of the Commonwealth, what is not said is that Diefenbaker simultaneously facilitated the increase of economic investments in apartheid South Africa. So too, while Mulroney is praised for having played a key role in the 1986 Commonwealth Nations meeting in London where several economic sanctions on South Africa were adopted, it was revealed two years later that Canada's economic investments in South Africa had increased.

It is known that the apartheid system in South Africa was modelled on the system established in Canada to put the Indigenous Peoples on reservations. Canada has never renounced this system. Many of the reserves -- although smaller in size -- are reminiscent of the system of bantustans established by the white racist regime in South Africa. They were an administrative device for the exclusion of Blacks from the South African political system under the policy of apartheid. To suggest that those like Mulroney who maintained the system of apartheid within Canada opposed it in South Africa is mistaken. It is like saying that the Canadian ruling class opposes apartheid Israel. Far from it, they are integral to it.

The working people will always remember Mulroney for tying Canada to U.S. "free trade," imposing the GST with which it is saddled to this day, and never having to render accounts for all the defeats the establishment suffered under his tenure. The ruling class promotes him as a "brilliant negotiator" from Baie-Comeau because he made a name for himself by resolving strikes in the Quebec mining sector in favour of the owners.

Meanwhile, what the workers remember, besides other things, is that he received thousands of dollars in bribes but when the RCMP made allegations against him in 1995, he denied them, and launched a \$50 million defamation suit against the Canadian government. He alleged that the newly elected Liberal government of Jean Chrétien was engaging in a smear campaign against him.

The government settled out of court in early 1997, and agreed to publicly apologize to Mulroney, as well as paying his \$2.1 million legal fees.

Mulroney acknowledged in 2003 that he accepted \$225,000 over 18 months, in three cash payments of \$75,000 each. The arrangement for the payments is said to have been made on June 23, 1993, two days before his resignation as Prime Minister on June 25, 1993. Mulroney was still a member of the House of Commons when one of the payments was made (Parliament was dissolved on September 8, 1993 before the October 25, 1993 federal election). Mulroney



claims that this money was paid to him for consulting services he rendered to help promote a fresh pasta business, and to develop international contacts for his benefactor who stated that he had actually made three separate payments of \$100,000 each in \$1,000 bills for a total of \$300,000.

Now, on the occasion of Mulroney's death, his legacy is a sow's ear which the ruling circles are presenting as a silk purse. The Canadian and Quebec working class and people are not impressed. To this day, they are paying through the nose for his much-lauded achievements.

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