

Covering the Liberal Waterfront— Reflections on a One-Party State

Stephen LeDrew is president of the Liberal Party of Canada, which was in government for 69 years in the last century and appears to be forging another dynasty in the new one. Is Canada in danger of becoming a one-party state, and is that a good thing even for the Liberals? In the run-up to November's Liberal convention, will the race be competitive or a coronation of Paul Martin? What about campaign finance reform? The outspoken LeDrew has called Jean Chrétien's plan to ban corporate and union donations "dumb as a bag of hammers." In his Toronto law office, LeDrew met with L. Ian MacDonald, editor of *Policy Options*, for a conversation that covered the Liberal waterfront.

Stephen LeDrew est le président d'un parti politique qui a totalisé au siècle dernier pas moins de 69 ans de pouvoir et qui, à l'aube du présent siècle, semble en voie de reconduire sa dynastie, le Parti libéral du Canada. Le Canada risque-t-il de devenir un État à parti unique ? La campagne du congrès à la direction de novembre donnera-t-elle lieu à une véritable concurrence ou se soldera-t-elle par le couronnement attendu de Paul Martin ? Et qu'en est-il de la réforme du financement des campagnes électorales ? Réputé pour son franc-parler, Stephen LeDrew a qualifié de « bête à pleurer » le plan de Jean Chrétien visant à bannir les dons des entreprises et syndicats. L. Ian MacDonald, rédacteur en chef d'*Options politiques*, a rencontré M. LeDrew pour un tour d'horizon libéral.

Options: This may be a strange question to ask the president of the Liberal Party, but are we facing a crisis of governance in this country? Are there issues of a one-party state that we're looking at?

Stephen LeDrew: I don't think it's a crisis, but there are issues of a one-party state, and, as I said to some commentators who decry the loss of democracy in Canada: don't blame the Liberal Party for that. In other words, what are we supposed to do? Fold our tent and not run candidates in certain ridings? There are serious issues involving the predominance of the Liberal Party. There are a few observations to be made about that. First of all, it's not the Liberal Party's fault. I think it's the fault of the opposition. We wouldn't have the divisions within our party, or they wouldn't be so read-

ily apparent if there was an opposition that Canadians thought was ready, willing and able to take over the reins of government. And there isn't.

I don't think there is long-term damage done to the country as a result of that. And the other sure thing is that it won't be the situation for a long time. You know as well as I do that when there is a vacuum in politics, it's filled. So, it's been a problem. I think that the Liberal Party itself has suffered as a result of the inability of the Opposition parties to get their act together. But I am certain that it's going to be remedied. We have the Conservative Party now searching around for leaders. If they get the right leader, it will help resolve the issue of the two right wing parties.

Options: What about those divisions to which you refer within the

Liberal Party? The break-down in caucus discipline, the leadership agenda, especially since Mr. Chrétien announced his decision to retire last August. Here we are six months later and he's still here, and he's going to be here for another year.

LeDrew: Part of the problem we're experiencing in the party and in the caucus is certainly due to the fact that we have no effective parliamentary opposition or effective political opposition. It's like a bunch of soldiers—if you have no enemy to shoot at, you start taking target practice at yourself. This is what we are exhibiting. As far as the prime minister's long goodbye, a lot of people could argue that it shouldn't have been so long, but in politics, it's the art of what is possible. And the prime minister signals his intention to retire in August, it's very

public, and it is a long time between August and February a year and a half later on, but this is what is the art of the possible.

Options: Is there an issue of two prime ministers and two governments? The prime minister living at 24 Sussex and the prime-minister-in-waiting? Of the machinery of government coming to a halt, the deputy ministers putting ideas back in the drawer until they even know who is prime minister? Of George Bush perhaps not visiting Canada until there is a new prime minister? And the whole conduct of the Canada-US relationship?

LeDrew: There are a lot of problems that could arise, and there are so many issues that we can't envision them all in advance. But I think that unless there are some events, such as the possibility of war, some cataclysmic events that would make it very, very difficult, I think that it actually could be an advantage. Instead of having the usual ten-day or two-week period within which the leadership changes, we could have a very functional, considered and constructive period over the three months between November 2003 and February 2004 whereby the leadership will be transferred. It could be very, very positive.

Options: Is it possible that in the now unlikely event that Mr. Chrétien decides to move up his departure, you would be able to move up the convention from November?

LeDrew: No.

Options: So Toronto in mid-November is definite.

LeDrew: We're locked in. Anything can change. But your question was whether it was likely, and it's highly unlikely. If something else happens, we have provisions in the constitution for interim leaders. In the leadership race, we want to give the option to anybody else who is seriously tempted to get into the race. And for that we have a period within which to sell memberships. And that's what we have between now and June. We cut

off memberships in June, we draw the delegate selection in September and then it's on to the convention.

Options: What's your assessment of the leadership campaign at this point? What's your sense of how competitive it's going to be?

LeDrew: I'm glad you said "at this point," because I hope it's going to change. Well, it is going to change, no question about that. It's easier to have a debate on issues, a debate of ideas, when there are four, five candidates all talking about it and discussing it, and people can listen to it and provide comments. That is a very easy way to deal with policy discussions. But without that engine of a competitive leadership campaign, we would have more of a policy conference. We're very good at that. We'll have resolutions from the ridings and we'll have a bunch of policy discussions across the country. The convention may not have, as you say, the sizzle of leader-

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ship, it will instead have the discourse of great policy discussions.

Options: So, in fact, an American-style convention where the nominee is crowned and the discussion and the excitement is about ideas on the floor.

LeDrew: Yes, about ideas. The other thing I believe we'll have to deal with is the question of renewal of the party. There is going to be the whole question of the leader: his challenge will be to put new faith in government and to talk about renewal of the party.

Options: What about the funding of the leadership campaign and some of the inequities around a game where it costs five million dollars to be competitive with Paul Martin, who could easily spend ten million himself?



Stephen LeDrew

LeDrew: First of all, the party is going to have a limit—it will probably be around three-and-a-half or four million dollars.

Options: Plus a lot of money that's already been raised outside those rules.

LeDrew: Absolutely, there is no question about that. Our rule starts once the call for the convention is made. That's when we can be accountable. But a lot of money is spent in advance. While money is a huge advantage in political races, you and I both know that's not the be-all and end-all.

Options: Is the leadership campaign drying up sources of money for the party? And is Martin soaking up so much money that there isn't enough left out there for other candidates? At a certain point, people say they gave at the office.

LeDrew: There is always money for good candidates and for good races. And there is no question that Mr. Martin and his supporters are raising a lot of money. My answer to that is that's good, because the party gets a percentage of it. Probably 20 percent of all the money that's raised will go to the party.

Options: Normally a leadership campaign is also an opportunity for membership drives and bringing not only money but people into the party. Are you seeing that?

LeDrew: No, not yet. I anticipate that we will, and the Liberal Party in Canada is a federation. In Ontario, you sell a membership, that money goes to the riding. In Quebec, it goes to the central party.

Options: How is that a party in government is millions of dollars in debt?

LeDrew: Part of the problem is that the Liberal Party traditionally has been a party of debt. It bugs me, but it's a fact that we've always had to deal with a debt. The other thing is that funding has changed over the years. Years ago, the bagmen would raise money and it would all go to the central office and that would be the end of it. Now, many large donors give to the riding association, and not to the party central. Which is why we changed the rules last year so we get a percentage of everything above \$15,000 donated to riding associations. The preponderance of political money, donated money, now goes to ridings.

Options: The prime minister, as you know, has come back with the idea of campaign finance reform and of banning corporate and union donations. An idea which you have been quoted as saying was "dumb as a bag of hammers." Quite an eloquent quote, which I'm sure was noted at 24 Sussex.

LeDrew: It was.

Options: I'll give you an opportunity to round out that thought.

LeDrew: There should be legislation for campaign financing reform. There should be laws for accountability of every political cent that is raised. As well, there should be laws for accountability of not only how it's raised, but how it's spent. There also should be limits, I believe, on the amount of money that can be donated. There is no question about that. But to ban corporate donations is as dumb as a bag of hammers. Corporations are active participants in the economic life of the country. There is no reason why they can't be involved in the political process.

And if you asked the question in a poll: "Should there be a ban on big corporations being involved in the electoral process?" people would say, absolutely. But if the next question was: "Are you willing to spend twenty dollars of your tax money every year to uphold the party?" they would say, "No way." There lies the other part to that equation. Before taking that step, there should be a big public debate.

Options: Are there implications around Article 2 of the Charter? Freedom of speech and association?

LeDrew: Absolutely. And it's one that's been litigated in the country with some of the interest groups. One of the newspapers called me and said, "Corporations shouldn't be involved because they don't have a vote." To which I replied, "Neither do newspapers. Does that mean you can't give your views?" That's what I mean.

The whole discussion of the Canada-US relationship, is going to be a big debate for the future of Canada. For the next 10 or 20 years every policy issue that's going to be discussed is going to be in that context.

Options: Is this a flashpoint in the Liberal caucus?

LeDrew: Yes.

Options: There are the Chrétien forces and the Martin forces, and then other MPs who just are in favour of or opposed to this for reasons of their own.

LeDrew: It's huge. The prime minister has been in politics for almost forty years. He has lived, or the party has lived, off corporate donations.

Options: With such a bill presented in this session of the House, do you think it should be interpreted as a question of confidence?

LeDrew: It would certainly be interpreted as quite a conversion on the road to Damascus. For someone who has been in power most of forty years to say, less than a year before he's leaving politics, "Well, I want to change the whole system," that would be a huge problem.

Options: It is highly hypothetical at this point, but if the government

were to lose a vote on such a bill, and decided to go to an election, would that trigger not only a constitutional crisis, but a crisis in the party?

LeDrew: The PM is a very experienced leader. I just can't see that happening. If something like that were to happen, there is no question that there would be a big problem in caucus.

Options: There are clearly other sensitive policy issues, other flashpoints within the party and caucus over the conduct of the Canada-US relationship, and particularly the question of war in Iraq and whether Canada should join in that outside the UN framework. What's your sense of that?

LeDrew: The war with Iraq has been the flashpoint because right now it's a symbol for that whole discussion of the Canada-US relationship, which is going to be a big debate for the

future of Canada. For the next 10 or 20 years every policy issue that's going to be discussed is going to be in that context. For example, exporters are very concerned about a smart border with the US, and some business leaders even want to do away with the border.

Options: Perhaps because trade is 45 percent of Canada's output, and 87 percent goes to the US.

LeDrew: Well, exactly. And there is nothing wrong with that. But you don't have to do away with the border. A smart border? Yes. But there's the issue of sovereignty. I think a lot of Canadians want to talk about sovereignty. So, on Iraq there is a question of war, but aside from that, the question is whether we automatically fold in with the United States. How do we deal with that huge elephant that we sleep beside? That is a huge question. There is a cost involved in maintaining our sovereignty.

Options: Pierre Trudeau once said that the great strength of the Liberal Party is that it is the party of the extreme centre or the radical middle. Where does the extreme centre lie now?

LeDrew: I'd forgotten about that. That was good. There is the radical middle: I think that Chrétien, for most of his leadership, has captured the radical middle. And it's frustrating for a lot of people in the opposition. And it's frustrating to some people in the Liberal Party. I think the radical middle on sovereignty in Canada is that it's not the extreme anti-Americanism, which has sometimes appeared in the Liberal Party. But neither is it in becoming a fifty-first state. Canada is a distinct society. I think most Canadians are willing to engage in an exercise or debate to try to characterize ourselves, with what we are, what we want to be, and then have public policy to deal with that. So that deals with

not only border issues, and all the issues after the events of 9/11. And not only with economic integration, but another issue is cultural policy in light of that.

Options: We are in what has been called a legacy phase of Mr. Chrétien's decade as prime minister.

LeDrew: Don't use that word. I know, I read it all the time. It absolutely makes me sick. The legacy. We are not like the French, where if you are president, you get to build the Pompidou Centre.

Options: But if you had to measure the Chrétien legacy in terms of looking out 10 or 20 years from now and looking back, if you had to measure two big things that Chrétien had done, say on economic and constitutional policy, what would they be?

LeDrew: The *Clarity Act* was big. The economy has been big. The balanced budget and the fiscal dividend are big.

I think that Chrétien will be also remembered for his style of government. Mr. Mulroney's years in government can be viewed as activist. And Mr. Chrétien's as not activist in the sense of Mulroney. Most Canadians, I think, wanted a bit of a rest in 1993: they said "Let's just deal with the economy and take a break from huge activist government." And I think Mr. Chrétien read this message correctly and provided that.

Options: Is it fair to say that Trudeau and Mulroney were transformational leaders who attracted a lot of thunder and lightning, and that Chrétien is more of a transactional style of leader?

LeDrew: I think that is fair. Until now. But now Mr. Chrétien is attracting a lot of thunder and lightning. I'm not sure he wants to do that but he certainly is doing it now, unlike the previous nine years.



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