

Social Democracy in Power: The Case of British Columbia*

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The defeat of the New Democratic Party in the December 1975 provincial election in British Columbia makes more, rather than less, relevant the subject with which I am concerned in this paper. For a long time now, debate in this country has swirled around different interpretations and approaches to the principal party of the left in English Canada, the NDP. Yet whatever the criticisms from the right or from the left, or the counter-arguments of social democracy's defenders, the debate has often lacked substance for an obvious reason — the NDP, like its predecessor the CCF, has never been a serious contender for power at the centre. Unlike its counterparts in Western Europe or in such Commonwealth countries as Australia and New Zealand, the NDP federally has been consigned to minority party status. And minority parties, by definition, never exercise power.

As a result, much of our interpretation of the phenomenon called social democracy tends to be based upon its experience in those countries where it has been a mainstream force — Scandinavia, West Germany, Austria, Holland, to some extent France, and most especially England. We think of Bernstein and Kautsky, the Webbs or Laski, Jaurès or Blum, just as in the modern period it is names like Brandt or Wilson or Mitterand that occupy the centre stage.

This is perfectly understandable, and even in this paper a good deal of my theoretical approach will be based on European examples. The fact remains, however, that Canada is a federal country, and that a significant amount of power in the social and economic fields falls within the purview of provincial governments. Particularly since 1960 or thereabouts, with the expansion of such provincial services as health and hospital insurance, education and social security, with the new salience of such provincially controlled resources as oil, natural gas or electricity, the political and

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financial responsibilities of the provinces has grown by leaps and bounds. This may have seemed most obvious in Quebec, coinciding as the 1960s did with the reforms of the so-called Quiet Revolution. In fact, a similar process was occurring in English Canada, with gross provincial products and provincial budgets tripling, quadrupling and quintupling over a ten- to fifteen-year period. Compare, for example, the following data for British Columbia over the 1960-74 period:

TABLE 1
GROSS PROVINCIAL PRODUCT BRITISH COLUMBIA 1964-1974
(In thousands of dollars)

| <i>Year</i> | <i>Gross Provincial Product</i> | <i>Year</i> | <i>Gross Provincial Product</i> |
|-------------|-------------------------------------|-------------|-------------------------------------|
| 1964 | 5,264,000 | 1970 | 9,463,000 |
| 1965 | 5,843,000 | 1971 | 10,646,000 |
| 1966 | 6,582,000 | 1972 | 11,939,000 |
| 1967 | 7,177,000 | 1973 | 13,819,000 |
| 1968 | 7,814,000 | 1974* | 16,172,000 |
| 1969 | 8,869,000 | | |

*Estimate

SOURCE: B.C. Dept. of Economic Development, *B.C. Summary of Economic Activity 1974*, Statistical Supplement, p. 1.

TABLE 2
B.C. GOVERNMENT EXPENDITURES, SELECTED YEARS 1960-74
(In millions of dollars)

| <i>Year*</i> | <i>Total Expenditures</i> |
|--------------|---------------------------|
| 1960 | 363.3 |
| 1965 | 488.1 |
| 1970 | 1,154.3 |
| 1972 | 1,437.1 |
| 1973 | 1,621.4 |
| 1974 | 2,095.9 |

*Fiscal Year ended March 31.

SOURCE: B.C. Dept. of Finance, *Financial and Economic Review*, July 1972, Graph 2, p. 12; August 1974, Table 2, p. 10.

The larger significance of these trends will be discussed below. For the moment, they help to establish the validity of focusing on power at the provincial level, particularly in a wealthy province like B.C., with a population approaching 2,500,000 (roughly that of New Zealand).

The fact that the NDP, like its predecessor, the CCF, has been largely a regional party, confined to B.C., Saskatchewan, Manitoba and Ontario, and that in the 1972-5 period it achieved the unprecedented success of constituting the provincial government in the three western provinces with its greatest strength, makes an analysis of the NDP in power in a province like British Columbia a test case of social democracy in practice in Canada. The lessons to be learned, the criticisms to be advanced, are at least based on Canadian experience, while those living in provinces like Ontario and Quebec may see important resemblances with the situation likely to arise if the NDP or Parti Québécois (as in fact happened in November 1976) come to power. *De te fabule narratur*, as Marx might have put it.

Before embarking on an analysis of the Barrett government,† a brief historical overview of socialism and social democracy in British Columbia is called for. Radical political traditions in this province go back to the nineteenth century, and the first socialists elected to a provincial legislature in Canada came from the mining communities of B.C. around the turn of the century. Resource extraction in frontier communities generated class conflict and consciousness quite unparalleled in the more settled eastern part of the country. The Western Federation of Miners, influenced by the anarcho-syndicalism of the Wobblies, and the Socialist Party of Canada, quite Marxist in its inspiration, were both features of pre-World War I British Columbia, alongside robber barons of the James Dunsmuir ilk. Under the latter's influence, the provincial government was the fulcrum of land and resource giveaways, as well as of repression of the working class.¹

Between the two world wars, and more particularly during the Great Depression of the thirties, socialist sentiment jelled in a number of forms. The most important was the creation of the Co-operative Commonwealth Federation in 1932, grouping farmers, trade unionists and Fabian intellectuals, and combining faith in parliamentarianism with fairly radical social programs:

†It may seem mistaken to speak of personalized power in the case of social democracy, but such were the realities of the situation.

¹ Cf. Martin Robin, *The Company Province*, vol. 1, *The Rush for Spoils* (Toronto, 1972).

This social and economic transformation can be brought about by political action, through the election of a government inspired by the ideal of a Co-operative Commonwealth and supported by a majority of the people. We do not believe in change by violence. . . .

Control of finance is the first step in the control of the whole economy. The chartered banks must be socialized and removed from the control of private profit-seeking interests. . . . A National Investment Board must also be set up, working in co-operation with the socialized banking system to mobilize and direct the unused surpluses of production as determined by the Planning Commission. . . .

Transportation, communications and electric power must come first in a list of industries to be socialized. Others, such as mining, pulp and paper and the distribution of milk, bread, coal and gasoline, in which exploitation, waste, or financial malpractices are particularly prominent must next be brought under social ownership and operation.

In restoring to the community its natural resources and in taking over industrial enterprises from private into public control we do not propose any policy of outright confiscation. What we desire is the most stable and equitable transition to the Co-operative Commonwealth. . . .

The management of publicly owned enterprises will be vested in boards who will be appointed for their competence in the industry. Workers in these public industries must be free to organize in trade unions and must be given the right to participate in the management of the industry. . . .

No CCF Government will rest content until it has eradicated capitalism and put into operation the full programme of socialized planning which will lead to the establishment in Canada of the Co-operative Commonwealth.²

The CCF ran for the first time in the B.C. provincial election of 1933 and won close to a third of the popular vote. From that point on, the CCF and, after 1961, the NDP were to be a permanent feature of the political scene, seldom dropping below 30 per cent of the popular vote (save in 1956 and 1963) and by their very presence leading to a coalescence of forces on the right. The B.C. CCF in the 1930s and 1940s was, if anything, to the left of the national party and at the height of its popular appeal. In the 1945 provincial election, in which it secured over 37 per cent of the popular vote, it advocated the nationalization of the forest industry, B.C.'s chief industry, and much besides. Subsequently, in the 1950s and 1960s, the B.C. party was to follow the path of the federal CCF

² *The Regina Manifesto* in Michael S. Cross, editor, *The Decline and Fall of a Good Idea CCF-NDP Manifestoes 1932-69* (Toronto: New Hogtown Press, 1974), pp. 19-23, *passim*.

and NDP, reformism replacing radicalism; in the words of Eduard Bernstein:

Their influence would be much greater than it is to-day if social democracy could find the courage to emancipate itself from a phraseology which is actually outworn and if it would make up its mind to appear what it is in reality to-day: a democratic, socialistic party of reform.³

The 1930s also spawned a relatively strong Communist Party, whose influence on the trade union movement and unemployed in B.C. in both the thirties and forties should not be underestimated.⁴ As the Cold War developed, however, the CP lost most of its organizational strength, and in B.C., as elsewhere in Canada, became a largely marginal force.

The most lasting consequence of the thirties, in Canada as in other capitalist societies, was the new role which the state, federal and provincial, came to play in stabilizing and "humanizing" the capitalist system. Unemployment insurance, family allowances and increased universal old-age pensions are some of the reforms of the 1940s, much like the new function of using fiscal and monetary policy to maximize employment outlined in the Federal White Paper on Employment of 1945. Social security cum Keynesianism was to be the post-war face of capitalism, even under non-social democratic governments.

To meet the threat from the left in British Columbia, provincial governments from that of Duff Pattullo (1933-41) on found it necessary to trim their sails from too doctrinaire an application of laissez-faire liberalism. Pattullo brought in his own "New Deal" measures,⁵ while the subsequent Coalition government of Liberals and Conservatives which ruled the province between 1941-52 introduced, among other things, a limited form of provincial health insurance. The Social Credit government of W. A. C. Bennett, whose twenty-year reign recalled Duplessis's in Quebec in more ways than one, combined cowboy capitalism and resource giveaways with measures more statist in character. Bennett shrewdly introduced health and hospital insurance when their hour had come in the 1960s, put more funds into education, and embarked on such ventures as the nationalization of B.C. Electric and the establishment of B.C. Hydro in 1961 in the pursuit of his particular concept of "development."

³ Eduard Bernstein, *Evolutionary Socialism* (New York, 1961 edition), p. 197.

⁴ Cf. Ronald Liversedge, *Recollections of the On to Ottawa Trek* (Toronto: Carleton Library Edition, 1973); Irving Abella, *Nationalism, Communism, and Canadian Labour* (Toronto, 1973), chapters 5-9.

⁵ Cf. Margaret Ormsby, "T. Dufferin Pattullo and the Little 'New Deal,'" *Canadian Historical Review*, December 1962.

The upshot of all this is that the state sector which the NDP inherited in 1972, following the August provincial election, was not the underdeveloped pygmy certain mythologists on the right and in the media later suggested. On the contrary, as the author discovered during research in Victoria in August 1975, *the most significant growth in the civil service of B.C. occurred not under the NDP between 1972-5 but under the Social Credit between 1964-7.*

TABLE 3
NUMBER OF FULL-TIME EMPLOYEES IN
B.C. GOVERNMENT DEPARTMENTS*

| <i>Year</i> | <i>Total Number</i> |
|-------------|---------------------|
| 1964 | 10,940 |
| 1967 | 21,111 |
| 1970 | 22,763 |
| 1973 | 29,156 |
| 1974 | 32,057 |

*Totals exclude employees of B.C. Ferries and Liquor Administration Branch.

SOURCE: B.C. Civil Service Commission, *46th Annual Report, 1964*, p. X 26; *49th Annual Report, 1967*, p. Y 29; *52nd Annual Report, 1970*, p. Y 29; *55th Annual Report, 1973*, p. U 30; Public Service Commission, *56th Annual Report, 1974*, p. V 32.

The doubling in provincial employees between 1964-7 was particularly reflected in highways, public works, forest service, health and education. By comparison, some of the major increases between 1970-4, which spans the first two years of NDP government, included transportation and communications, recreation and human resources. The scale of increase in these years, however, is apparently lower than that of the mid-sixties.

To be fair, it is possible that some of the increase between 1964-7 is explained by changes in Civil Service Act coverage to include groups of workers, particularly in the Highways department, not previously covered. Nonetheless, the larger part of this increase is explained by growing responsibilities of provincial governments in the 1960s. Formal ideology may be less important to the dynamic of state expenditure in late capitalist society than we often think. The coming to power of the NDP in 1972 did not revolutionize the nature and function of such expenditures, for all the changes, often positive, introduced.

Bearing this in mind, we can now turn to examine the period 1972-5. It is significant, first of all, that the new NDP cabinet was predominantly a mixture of members of what one can call the petty bourgeoisie, old and new. Social workers rubbed shoulders with town planners and lawyers, with the occasional chartered accountant and pension consultant thrown in for variety. True, there were two or three trade unionists as well, hardly the dominant element in class terms.⁶

Equally important was the sociological basis of support for the incoming government. With some 39.6 per cent of the popular vote in the 1972 election, the NDP had succeeded in breaking outside of the one-third ghetto to which it had been largely confined over the years. A certain amount of this new support came from new middle-class professionals such as teachers, social workers and civil servants frustrated with the authoritarianism and pettifoggery of an ageing regime. There was even greater disillusionment among trade unionists and others, particularly in the northern and outlying parts of the province, and these provided the backbone for the NDP's electoral success.

The other side of the coin in 1972 was the disarray of the right, symbolized by a strong Liberal and Conservative showing in the election — some 29 per cent of the popular vote — and by the plummeting of Social Credit support from the mid-40s to less than 32 per cent. The NDP's long-term chances of staying in power would depend then on what happened to the centre-right vote, and on its own ability to build on its 40 per cent base.

It was clear from the beginning that the new government could expect little sympathy from big business and its ideologies in the mass media. New channels of communication would have to be created between government and base if asphyxiation in Victoria were to be avoided. Second, and directly related to this question of politicization, was the question of just how much of its program the NDP would seek to implement, in what areas, and at what speed. If the NDP could not create socialism in one province, albeit a very rich province, would it at least give capitalism and the multinational corporations a real run for their money?

The climate in the fall of 1972 was most propitious for bold departures. The right was still stunned from its recent defeat, the economic situation in the province was fairly rosy, and at the federal level, at least after the October 1972 election, the NDP had come to occupy the balance-of-

⁶ My information on occupations is taken from *Statement of Votes Aug. 30, 1972*, Victoria, 1973, by matching names of cabinet ministers with occupations they listed as candidates in the 1972 election.

power position. One possible strategy open to the B.C. government was the one Danton had sketched in the far different circumstances of 1792-3: "l'audace, l'audace, toujours l'audace" (translated loosely, "attack them until they bleed"). That, however, would have required a more fiery crew than the group of social democrats who suddenly found themselves in office in Victoria.

Temperamentally as well as ideologically, Dave Barrett, who personified the new regime, was very much the populist, more given to platform oratory and flamboyant style than to tough socialist thinking. Without impugning either his character or motives (and at the platform level he is a most impressive political animal), the fact remains that he was never prepared to think economically first and see big business as a power that must ultimately be *destroyed*. On the contrary, within weeks of coming to office he had back-pedalled from earlier pledges to nationalize B.C. Telephone and Westcoast Transmission, preferring in the short run to take the less controversial path of pushing social legislation to the hilt. Mincome, guaranteeing old people a minimum of \$200 a month, was the first major piece of legislation, and the main spending priorities of the government over the three years were to lie in the social, rather than economic, fields.

TABLE 4
ESTIMATES OF EXPENDITURES OF B.C. GOVERNMENTS
AND OF CERTAIN SELECTED DEPARTMENTS (\$s)

| | 1973-4 | 1974-5 | 1975-6 |
|-------------------|---------------|---------------|---------------|
| Education | 486,651,658 | 610,000,000 | 754,200,000 |
| Health | 433,584,296 | 573,000,000 | 712,000,000 |
| Human Resources | 229,070,705 | 384,000,000 | 516,000,000 |
| Total Expenditure | 1,718,909,091 | 2,515,078,000 | 3,222,673,687 |

SOURCE: B.C., *Budget Speech*, 1973, p. 11; *Budget Speech*, 1975, p. 11.

I do not mean to suggest that the NDP should have diverted large amounts from these areas to finance, for example, takeovers of large corporations. Such funds should have been raised or generated quite separately, e.g. through a stiff capital gains tax. Rather, what these figures indicate is that the NDP preferred the line of least resistance, seeking to make capitalism more livable through social expenditures, rather than

attacking capitalism head on. Social expenditures, however commendable, e.g. for old-age pension supplements or day-care centres or education, do not in themselves change the material relations of production or people's political consciousness. But, then, social democracy is not Marxism.

Social democracy, however, is also not corporate capitalism written large, and it is here that friction with big business became inevitable. What the NDP stood for, fundamentally, was a mixed economy, with greater participation by government in certain sectors, and tighter regulation and taxation, particularly in the resource field. Bob Williams, NDP Minister of Lands, Forests and Water Resources and chief economic thinker in the cabinet, pioneered the expansion of public ownership in the forestry industry with the purchase of the Crown Zellerbach mill in Ocean Falls in 1973 and the more spectacular takeover that same year of Columbia Cellulose, which as Canadian Cellulose began to show impressive profits over the next two years. He was also the mastermind behind the Environment and Land Use Committee, a secretariat attached to cabinet, and responsible for laying down tough pollution and other guidelines to corporations while, in skeletal form, initiating land use planning for whole regions of B.C., e.g. the northwest. Bob Williams, the town planner, was interested in doing the same for the whole province, a philosophy clearly reflected in the Environment and Land Use Committee's first report:

Northwest development has been touted as a great ripoff or a grand development plan depending on the viewpoint of the commentator. In any event it was pictured as some kind of massive investment plan involving precise targets and objectives, hydro dams, mines, industries, etc. The reality is both simpler and more complex. The Secretariat began work in the Priority One area — Smithers to Burns Lake — in 1974 because here was the area where initial development was about to take place. The planning for the area began from the bottom up — focussed on the community and building from there. The needs, aspirations and opportunities of each of the major communities were identified. . . . This resulted in a series of community focussed development plans, each tailored to and unique to the nature and requirements of the community.⁷

Barrett, for his part, even before coming to power, had made clear his intention to significantly increase royalties on copper and other resources leaving the province.

These are non-renewable resources and they are fairly well-catalogued

⁷ B.C., Environment and Land Use Committee, *Resource and Environmental Planning in British Columbia* (Victoria, 1975), p. 5.

throughout the world. Non-renewable means they are getting scarcer and scarcer.

If we can't handle the resources we have any better than we are doing now, I'd rather leave them in the ground until a more sensible generation comes along. We cannot justify giving away our resources. Japan, the United States and Europe all are going to need our resources.

We have to export but our resources are needed by others and we haven't bargained hard enough. We have subsidized outside mining interests to build the Roberts Bank super-port to export coal.⁸

True to its word, the NDP upped royalties on minerals, coal and timber sales. And in the initial period, with world demand for copper and other minerals high, production had soared, topping the \$1 billion mark, for the first time in B.C., in 1973.⁹ By 1974, however, the year the NDP's Mineral Royalties Act, Bill 31, was passed, international capitalism was in crisis, and B.C.'s export sales began to plummet. The chorus of opposition to Bill 31 from mining companies, large and small, was spectacular, with "socialism" touted as the villain of the piece. And though the main feature of Bill 31 was a tax on windfall profits, hardly likely to apply in periods of relative stagnation, the NDP somewhat backtracked on its policies by 1975. Indeed, shortly before being voted out of office, the new Minister of Mines, Gary Lauk, had announced a two cent a pound subsidy for an \$80 million copper mine and smelter complex proposed by Teck Corp. near Kamloops.¹⁰ Such are the constraints of the "mixed economy" and of B.C.'s position within a larger capitalist economy.

Another area of economic intervention, this time with nationalist undercurrents, was the establishment of the B.C. Petroleum Corporation

as a Crown Corporation to administer the natural gas resources of B.C. from the wellhead to the wholesale level. By this example of "30 second socialism" the Westcoast Transmission Company's role changed from owner and wholesaler of the gas to that of transporter. B.C. Petroleum Corp. had a profit of \$94 million as a result of its export sales to the U.S. in 1974. Under the NDP government, export prices have risen from 33 cents per thousand cubic feet in 1972 to \$1.60 in November 1975, with further increases planned.¹¹

⁸ Interview with Barrett, then Leader of the Opposition, *The Vancouver Sun*, 30 October 1971, p. 27.

⁹ B.C., Minister of Mines and Petroleum Resources, *Annual Report for 1973* (Victoria, 1974), shows the total value of B.C. mineral production in 1973 as \$1,113,580,034, an increase of \$477,362,258 over the previous year. P. A 6.

¹⁰ Cf. *The Vancouver Sun*, 22 October 1975, Business Section.

¹¹ *Three Years of the B.C. NDP Government: 25 Highlights*, prepared by the NDP Caucus Office (Victoria, July 1975), p. 1.

Whether a non-social democratic government would have acted quite as dramatically is uncertain, though federal pricing policies on oil exports to the U.S. since 1973 suggest that such intervention is not necessarily socialist so much as statist.

Where party doctrine was more important was in the decision to set up the Insurance Corporation of British Columbia as the sole supplier of auto insurance. This action, paralleling that of NDP governments in Saskatchewan and Manitoba, provoked considerable opposition from private insurance dealers, and may have galvanized much of small business against the NDP. Initial start-up problems, coupled with a lengthy strike in the summer of 1975, made ICBC an easy target for right-wing hostility, despite the very substantial reduction in premium costs it had brought about. Far from fighting an aggressive campaign against its critics in the press and elsewhere, the NDP adopted defensive tactics, almost embarrassed by the corporation it had created. In politics, as in chess, offence is often the best defence.

Finally, in the economic field, the establishment of the B.C. Land Commission in 1973 to preserve the province's agricultural land from rezoning for other uses was a prudential measure first and foremost. With barely 2 per cent of its land suitable for agriculture, B.C. could clearly not continue down the path of farmland conversion, especially in the Lower Mainland. But coming from an NDP government, the measure aroused a storm of protest from every two-bit land speculator in the province. Locke's sacred right to property was invoked, and the battle-lines were drawn for what was to culminate in the December 1975 election. *Whatever the left may think of social democracy, for the know-nothing right in this country it might as well be Bolshevism incarnate.*

This brings us to the second main element in NDP policy: labour. After the rather horrendous experience of the trade union movement with the W. A. C. Bennett regime, much change in a progressive direction was expected from the NDP. To be sure, Barrett had often underlined the fact that the NDP was not a labour party but a people's party. (Those with historical memories will recall that the West German SPD underwent much the same conversion at its Bad Godesberg conference of 1959, replacing the term "class party" with "people's party.") Nor did he show much understanding for ideas of workers' control and industrial democracy as possible wedges against the hegemony of corporate capitalism.¹²

¹² To give Barrett his due, he did not talk about workers buying shares in companies in the October 1971 *Sun* interview cited above. But share ownership is not workers'

Still, in the short run, the NDP did deliver on some of its essential promises to the trade union movement. Much like the Lesage government of the early 1960s, the NDP granted provincial civil servants the right to free collective bargaining. Its Labour Code, adopted in 1973, included a number of clauses that cut new ground for Canada. For example:

- 2) The use of professional strike breakers is prohibited.
- 7) The burden of proof lies on the employer that he did not discharge, suspend, lay-off or discipline an employee for union activities.
- 8) The corporate veil may be pierced to determine the real employer.
- 22) Picketing is defined and the places where such picketing may occur are clearly set out and include the place of business of another employer who is an "ally" of the employer being struck or locked out.
- 23) Persuasion other than picketing is permitted for organizational purposes.¹³

At the same time, a new Human Rights Code was introduced and vigorously administered through the Department of Labour, barring all manner of job discrimination.

These reforms, however, were by no means unacceptable to big business. The Labour Code, in particular, represented a rationalization of industrial relations quite appropriate to advanced capitalism, and it is highly significant that the chief negotiator for the B.C. forest industry, Don Lanskaill, should have stated immediately after the NDP's defeat that the Code should not be changed in any major way.¹⁴ The reforms of social democracy are often to the advantage, not detriment, of capitalism.

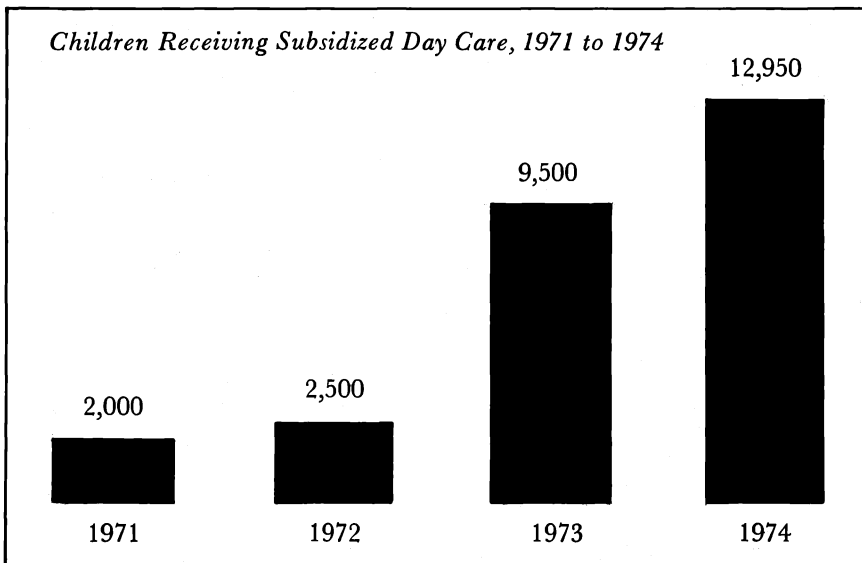
The other side of the coin is the fist which social democracy can more easily bring down against labour than can a capitalist party. A first indication of this was back-to-work legislation in the summer of 1974 forcing firefighters to resume providing "an essential service." While at least defensible in practice, the same cannot be said of the far more ominous Bill 146 introduced by Labour Minister Bill King at a special session of the legislature in October 1975 to provide for 90 days "cooling off" of strikes in the forest, supermarket, gas and provincial railway sectors. "Labour

control. Nor did the naming of two trade unionists to the board of Can-Cel, after the province attained majority control, amount to a can of beans.

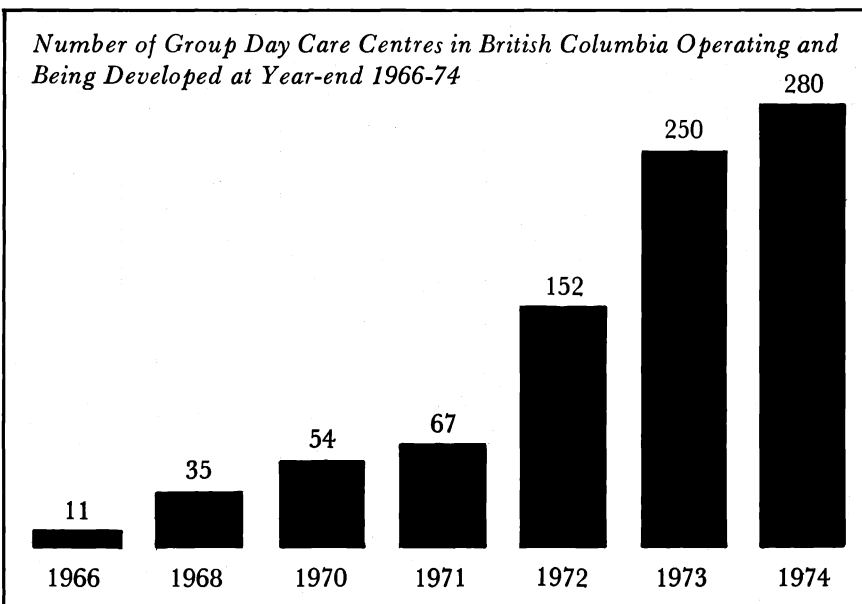
¹³ B.C., Department of Labour, *Annual Report 1973* (Victoria, 1974), pp. BB 15-16.

¹⁴ *The Vancouver Sun*, 17 December 1975, p. 35.

FIGURE 1
CHANGING PATTERNS



SOURCE: British Columbia, *Annual Report of the Department of Human Resources, 1974*, Victoria, 1975, p. R 33.



SOURCE: *Ibid.*, p. R 34.

leaders shocked by Victoria's order," headlined *The Vancouver Sun*.¹⁵ "It takes a certain amount of courage for a man to change his mind about an article of faith," editorialized that same paper,¹⁶ finding a sudden sympathy for a man and government it had always systematically attacked. In the crunch, Barrett had revealed the shallowness of his socialist convictions.

This turnabout on labour leads to the third major area of NDP practice, social policy, whose ideological character we must address. Reference has already been made to greatly increased spending in these areas between 1972-5. In part this was a carry-through on NDP promises to remove the Social Credit ceilings on teachers' salaries or school and hospital construction, and in part a response to new social needs in late capitalism, such as day care.

In a similar category was such legislation as the Landlord and Tenant Act of 1974, upgrading "existing legislation to protect both landlords and tenants in a changing social and economic climate" and providing for a Rentalsman "to mediate, arbitrate and rule in landlord-tenant disputes brought before it."¹⁷ Rent control was one important feature of this legislation, and the new Social Credit government elected in December 1975 has promised not to alter this for the time being. Equally noteworthy is the fact that the Rentalsman appointed by the NDP, Barrie Clark, was a former Liberal MLA, another testament to the ideological neutrality of the legislation in question.

Consumer legislation was another new area of activity, with the creation of a full-fledged Department of Consumer Services in November 1973. Touted as the most progressive legislation of its kind in North America by various consumer groups, this department provided information to the public and intervened directly to prosecute shady practices such as pyramid selling.¹⁸ The philosophy of the department might be described as one of trying to keep capitalism honest, without fundamentally changing it.

In the housing field as well a new department was established, with, however, a limited budget — \$75 million in 1974-5. One of its main activities was the purchase of Dunhill Development Corporation "to

¹⁵ *Ibid.*, 7 October 1975.

¹⁶ *Ibid.*, Editorial, p. 4.

¹⁷ B.C., Department of the Attorney-General, *First Annual Report 1974* (Victoria, 1975), p. T 125.

¹⁸ B.C., Department of Consumer Services, *Annual Report 1974* (Victoria, 1975), p. 15.

provide the department with an immediate source of experienced management, construction and development talent.”¹⁹ Another, social democratic in inspiration, was to funnel a certain amount of money in the direction of housing co-operatives “as a most satisfactory and fulfilling way of providing good and adequate housing at a reasonable price.”²⁰ Non-profit senior citizen housing was also emphasized. In terms of the overall housing shortage in the province, especially in the urban areas, provincial housing policy was underfunded. At the same time the provincial government was somewhat a prisoner of the housing policies pursued by Central Mortgage and Housing, far more favourable to private construction firms. Here federalism was clearly an operating constraint.

Turning to more classic areas such as education or health, one perceives a more fundamental bankruptcy in social democratic theory. The Department of Education was the scene of repeated purges on the research and development side, indicating the minister was none too clear about her own priorities. The Universities Act was rewritten along moderately participatory lines — two students, two faculty members, a representative of non-academic staff, as well as government appointees on boards of governors — while a Universities Council, much along the lines of the one in England, was established to disburse funds. School funds were given increased autonomy, and public school kindergarten facilities, formerly at local option, were taken over and expanded by the provincial government. But ideologically, education continued to be at the service of capitalism, and the Department of Education could even brag about its success in securing such monuments to reactionary thought as Kenneth Clark’s “Civilization” series for the classrooms.²¹

In Health, the Foulkes Report of December 1973 called for greater degrees of consumer participation, regionalization and decentralization in the operation of health services, and some small steps were taken in this direction.²² The dominant ethos of medical care, however, remained professionalism, with the NDP even more firmly wedded to this than other parties. (Cf. the story criticisms of proposed federal cutbacks on health expenditure by all three provincial NDP health ministers at the NDP Leadership Convention in July 1975.) Ivan Illich would find few converts

¹⁹ B.C., Department of Housing, *First Annual Report*, 1974 (Victoria, 1975), p. 9.

²⁰ *Ibid.*, p. 15.

²¹ B.C., *Report of the Minister of Education, 1973-4* (Victoria, 1974), p. D 33.

²² B.C., Department of Health, Health Branch, *Annual Report 1974* (Victoria, 1975), p. 9.

among the war-horses of social democracy. Their faith in the virtues of technology, including medical technology, went too deep.

One area of potentially crucial innovation, the Community Resources Boards, was completely bungled. These boards, which were to be introduced in fifty-one communities of B.C., were to represent a new level of authority more directly rooted in the population than city councils or governments. As such, they were a possible first step in the direction of direct democracy, or at least a greater measure of participatory democracy than is normal under capitalism. Alas, the reform proved abortive. It was limited from the beginning to the administration of community social services,²³ though health services might later have been tacked on. Substantive political or economic questions were to be avoided, while representatives, elected to their positions from districts or wards, were to make what limited decisions Victoria had decided to allow them. Participation rates in elections to these Community Resources Boards, particularly in Vancouver, were well below 10 per cent, and attendance at public Resources Board meetings was largely confined to social worker professionals. One need but think of the Parisian *sections* of 1793-4 or the *soviets* or *Räte* of revolutionary Russia or Germany to realize the vacuity of this measure.

In assessing the overall significance of the policies we have described, we need a certain perspective. Karl Kautsky, grand-daddy of German social democracy, gave us a starting point when he wrote: "It is not the striving after social reforms but the explicit confining of one's self to them which distinguishes the social reformer from the social revolutionist."²⁴ On this account, social democracy in British Columbia has had few pretensions in recent years. As Bob Williams told the B.C. NDP convention of 1971: "The party should not regard nationalization as the simple solution to problems in managing resources in B.C. . . . Nationalization could lead to substitution of a private bureaucracy by a public bureaucracy."²⁵ As Marc Eliesen, Planning Advisor to Cabinet during 1974-5, told the author last August, regulation can do the job as well as public ownership — witness the B.C. Petroleum Corporation and Westcoast Transmission.²⁶

Yet more than reformism is involved. When Dave Barrett bragged to

²³ B.C., Department of Human Resources, *Annual Report 1974* (Victoria, 1975), p. R 9.

²⁴ Karl Kautsky, *The Social Revolution* (Chicago, 1902), p. 9.

²⁵ Cited in *The Financial Post, Report on British Columbia*, 29 March 1975, p. 36, "The man who baffles businessmen."

²⁶ In an interview with the author, Parliament Buildings, Victoria, 14 August, 1975.

The Financial Post that "I can pick up the telephone and talk to Timmis [President of MacMillan Bloedel, B.C.'s forestry giant] or talk to anyone in the business community. My predecessor never did that. I want people to give me advice, I want people to help us,"²⁷ he was living in a house of illusions. When in response to a question in the same interview regarding the poor state of the B.C. economy in 1975 he could reply "I am no more concerned than when the economy is booming or flattening out or anything else," the failure of vision becomes more profound.

Social democracy becomes trapped in a Pollyanna of its own making. No longer seeking the socialist millenium, dependent on the collaboration and good will of the very capitalists it seeks to restrain, it finds its path forward ever more circumscribed. The right exults, seeking to drive social democracy in power to moderate (read capitalist) courses of action. The social base of the party electorally, lacking strong ideological cohesion and direction, wavers. In a worsening economic situation, the stage is set for electoral victory by social democracy's enemies.

The tendencies I have just described were all present in B.C. over the three years of NDP rule. The heady optimism of September-October 1972 gave way to growing rifts between government and party, as convention resolutions, such as a Women's Ministry or fairly bold nationalization, were not kept. By September 1974, at the NDP's Kamloops convention, the rift between left and right, rank-and-file socialists and party establishment was there for all to see.²⁸ In the 1975 election, morale among NDP workers was low, a far cry from the situation in 1972.

On the other side, Social Credit had had three years to regroup, the business community had treated Barrett's olive branch to them with the contempt it deserved, and the bulk of the traditional petty bourgeoisie — car dealers, hustlers, renegades from the Liberals and Conservatives — were out there stumping the hustings to save the province from socialism. In a province and country where firm ideological commitments are at a premium, the result was inevitable. Social Credit won nearly 50 per cent of the popular vote and a clear majority in the new legislature.

I am not suggesting the NDP would have been re-elected had it pursued more explicitly socialist policies. It might even have suffered a more convincing defeat. But at least it would have been defeated for the right

²⁷ "Is Socialist Barrett really a conservative?", *The Financial Post*, 29 March 1975, p. 36.

²⁸ Cf. my article on the Kamloops convention which should have been titled "B.C. — The Frozen Revolution" in *The Canadian Forum*, October 1974.

reasons. Even with its 40 per cent of the popular vote largely intact, power is now far away.

"Labour Governments, like other Governments, end in disappointment and reaction with their millennial promises unfulfilled," wrote George Bernard Shaw of the 1929-31 Labour government.²⁹ The same rings true of the NDP in B.C. Without my denying some of the positive reforms which were carried out, while even recognizing that some of them are here to stay, the fact remains that the Barrett government leaves behind it a trail of disappointment. Social democracy is not the easy road to socialism, whatever Bernstein and company may have thought. There clearly will be no easy roads, but socialists must look for and find something more worthy of support.

²⁹ George Bernard Shaw, "Transition," in *Fabian Essays* (London, 6th edition, 1962), p. 263.