

PREFACE

THIS BOOK IS THE OUTCOME OF TWO years of thinking and talking about the implications of the current era of restructuring and the emergence of the neoliberal state for Canadian women, the women's movement, and new social movements more generally. I wish to thank my good friend and colleague Isabella Bakker for initially encouraging me to explore this question and for faithfully reading my many attempts to grapple with it. And many attempts there have been! During my tenure as the Robarts Chair in Canadian Studies at York University in 1994-95, I wrote several conference papers touching on various aspects of this topic. It was also the focus of the Robarts Annual Lecture. I am grateful to both the Robarts Centre and to the Social Sciences and Humanities Research Council for their support of this project. I would also like to thank Errol Sharpe of Fernwood Publishing for patiently waiting for this final product and Anne Webb for her skilled editing.

The current restructuring process is far from complete and its impacts on social programs and social movements are still unfolding. Writing about it, then, is very much like taking aim at a moving target. A number of people have helped me sharpen my focus, although, I am sure, it is not yet sharp enough. Among them are members of the SSHRC strategic Women and Restructuring network—Isabella Bakker (principal), Majorie Cohen, Pat Connelly, Carla Lipsig-Mumme, Meg Luxton, and Martha MacDonald; the past and present Directors of the Robarts Centre for Canadian Studies—Kenneth McRoberts and Daniel Drache; Caroline Andrew; Jane Arscott; Davina Bhandar; Elaine Cairns; Barbara Cameron; Shelagh Day; Judy Fudge; Chris Gabriel; Stephen Gill; Laurie Gillies; Lise Gotell; Shireen Hassim; Catherine Kellog; Steve Patten; Judy Rebick; Annis May Timpson; Leah Vosko; and Reg Whitaker. Thanks is due as well to my dear friend and “covergirl” Susan O'Rourke. Most of all I owe a big debt to Lise, Brodie, and Liam for putting up with my absences and preoccupations.

CHAPTER ONE

The Politics of Uncertainty

ONLY A YEAR AFTER IT HAD TROUNCED the Mulroney Conservatives at the polls, the federal Liberal government announced a series of initiatives which dashed all hopes that it had understood the 1993 vote as a mandate for change. After enduring the severest recession since the 1930s, a twenty-year decline in real incomes, and a decade of Tory cuts to the postwar social welfare system, Minister of Finance Paul Martin told Canadians that they had it “too easy for too long.” Launching a discussion paper to guide consultations prior to the 1995 budget, he told us quite simply that we were “in hock up to our eyeballs” and that his commitment to reduce the deficit was “absolute and unequivocal” (*The Toronto Star* 18 October 1994, A1).

At the same time, federal Minister of Human Resources Development Lloyd Axworthy was unveiling his long-awaited discussion paper on redesigning the social welfare system. The minister said the motivation behind the proposed reform of Canada’s \$39 billion social safety net was to end the “dependency” on some form of social assistance exhibited by 20 percent of the workforce, and to get people back to work (*The Toronto Star* 18 October 1994, A17). A week later a lonely group of anti-poverty activists mounted a demonstration protesting the neoliberal course that the Chretien government was charting for Canada’s future. However, their chant—“Jean Chretien shame on you. Your little red book turned Tory blue” —failed to arouse much public attention.

These days Canadians are being bombarded at every turn with the message that things have to change, that we are uncompetitive in an increasingly competitive global economy, and that we can no longer afford the security and services that were once guaranteed to all Canadians by the postwar welfare state. The past decade has ushered in a period of complex

change which is far more encompassing and transformative than perhaps many of us have yet to fully appreciate. Canada, as our politicians seem fond of reminding us, is currently mired in a painful period of “restructuring”—a period of change as fundamental to our political development as the creation of the Keynesian welfare state or, indeed, of Confederation itself. And, contrary to the rhetoric of Bay Street analysts, this restructuring has not been limited to the markets or to the so-called “imperatives” of the new global economy. Instead, we are embedded in a process of renegotiating basic political conventions and cultural forms, among them our shared “common sense” understandings of the appropriate boundaries between the international and the national, the state and the economy, the public and the domestic spheres, and the very definition of what it means to be a citizen.

This book examines how the politics of restructuring has eroded many of the common sense understandings of politics that Canadians have shared for the past fifty years, and how these changes have challenged the survival of the Canadian women’s movement. I argue that the disappearance of the Keynesian welfare state and the radical redrawing of the boundaries between the public sphere, the market, and the home are eroding the very political identities and public spaces that empowered postwar Canadian feminism and distinguished it from its turn-of-the-century counterpart.

For the past twenty-five years, Canada has witnessed the unprecedented growth in size and influence of what is commonly termed the “second wave” of the Canadian women’s movement. Since its meagre presence in the late 1960s as a small but influential group of urban, white, middle-class women, the women’s movement has become an important coalition of Aboriginal women, women of colour, labour feminists, lesbians, professional women, women with disabilities, poor women, and other activists. It is also one of the clearest voices for social, political and economic justice in Canadian politics (Khosla 1993, 1). The current era of restructuring, however, presents a challenge to the women’s movement because it is altering in fundamental ways the state, gender relations, and the objectives of political struggle. Despite some victories, the “goal of equality for women is, in real terms, facing the most concrete and profound backlash of the post World War II period” (*ibid.*).

It is now widely acknowledged that the women’s movement has been radically challenged by the ascendancy of neoliberalism as the new wisdom of governing. Increasingly, feminists are becoming disillusioned with how little they have achieved in the past twenty years and how quickly these gains have been eroded (Chapman 1993, 195). Recently, Judy Rebick, past president of the National Action Committee on the Status of Women (NAC), described the major challenges that the current era poses for the Canadian women’s movement. First, she argues that the current preoccupation in

Canadian politics with the deficit has had the effect of completely marginalizing women's issues because "most concerns of women either require government expenditure or intervention and both are really out of fashion right now." Second, she observes that it is very difficult to insert considerations of gender equality into current political debates about economic restructuring because "when you talk about women's issues immediately it is more narrowly defined" to mean abortion, pay equity and other specific concerns. Third, Rebeck argues that many women's organizations may not survive cuts in government funding. And, finally, she predicts that the backlash that the women's movement confronted in the late 1980s is likely to intensify in the 1990s and beyond. As a result, Rebeck suggests "we're going to be back to a situation much like the '60s where the only way to get attention is through grassroots organizing" (1994, 57-61).

What are we to make of these rather pessimistic predictions about the future of the women's movement in Canada? In the chapters which follow I argue that popular feminist theorizing about the interrelationships among women as political actors, the politics of the women's movement, and historical state forms has not grasped the full range of implications of the current era of restructuring. I explore restructuring as the emergence of a new cultural and political form. The politics of restructuring revolve around a multi-faceted contraction and re-regulation of the public and the political realms, as they were constituted by the postwar welfare state, and the simultaneous expansion of the private whether defined as markets or the domestic sphere. This shifting political terrain, in turn, invites the women's movement to engage in new strategic thinking about the very meaning of the public and about the political goals of a potential "third wave" of Canadian feminism.

This chapter provides an overview of the process of restructuring and the emergence of a neoliberal governing philosophy in Canada which celebrates the ideas of market-driven development and free enterprise. In Chapter 2 I examine feminist theories of the state and make the case for viewing the state as an historical and cultural form. In Chapter 3 I review how different state forms have shaped the first and second waves of Canadian feminism. Chapter 4 outlines the key threads of the emerging new political order and state form while Chapter 5 describes how these factors are marginalizing the women's movement in Canadian politics. The concluding chapter also outlines some possible dimensions of a new feminist politics of restructuring.

THE 1993 WATERSHED

We need a new architecture—for government,
for the economy. (Paul Martin, Canada 1994a)

The 1993 federal election reflected the sentiment that was becoming increasingly prevalent since the implementation of the Canada-US Free Trade Agreement (CUFTA) in 1989. Canadian voters dealt a deathblow to the federal Conservative party for betraying their “sacred trusts,” dismantling their cultural icons, eroding the welfare state, and forcing their family members into the growing ranks of the unemployed—all in the name of “efficiency” and “competitiveness.” But, the force behind this collective rage was not a drive to restore the postwar welfare state that the Conservatives had dismantled with such determination and assuredness since their election in 1984. Although public opinion polls show that most Canadians continue to support their social programs, the only party promising anything like a return to the “good old” Keynesian days, the federal New Democratic Party (NDP), was dismissed during the campaign as the “New Preservation Party,” and abandoned at the polls by all but its most loyal supporters.

Perhaps not since the 1935 election, which also was held during a prolonged period of economic turmoil and political uncertainty, had voters been offered such distinct choices between the federal parties, their respective understandings of Canada’s economic and political crises, and their visions for the future. For most of the postwar period, Canada’s three major parties shared similar assumptions about the appropriate relationship between the state, the economy, and the home. These shared assumptions, sometimes called the “Keynesian” or “postwar” consensus, rested on three fundamental planks:

- the development of a comprehensive social welfare system,
- the use of macroeconomic levers (taxation and money supply) to control inflation or stimulate growth and to protect the national economy from international disturbances,
- adherence to a more liberalized international trading regime (Brodie 1990, 149).

The three major parties were committed to these principles, arguing only about how much welfare or how much government intervention in the economy was appropriate. Other federal parties which did not completely buy into the postwar consensus, such as the Creditistes of the 1960s, which relied on Social Credit doctrine, were marginalized in political debates and managed to persuade only temporary converts in the electorate (Brodie and

Jenson 1988). The postwar consensus changed our common sense notions of the government-market relation and, indeed, what it meant to be a Canadian. Contrary to current political discourse, it was widely believed that there was no such thing as a self-regulating market. Political control of the economy was “almost a moral imperative” (McBride and Shields 1993, 10). Canadian citizenship came to mean more than having formal rights such as the right to vote or join a union. Instead, the menu of citizen rights came to include social welfare claims which everyone could make simply because they were Canadians (*ibid.*, 15).

On these issues almost everyone agreed. In fact, so embracing was this consensus in the postwar party system that it was often hard for voters to discern any tangible or lasting differences between the two major federal parties. Political commentators often referred to the federal Liberal and Conservative Parties as “Tweedledum and Tweedledee” or “The Boys From Bay Street.” Meanwhile, the “different” party, the social democratic New Democratic Party, was dismissed as little more than “Liberals in a hurry!”

In the mid-1970s, this consensus began to break down. Since that time, the prolonged economic crisis and the rise of neoliberal governing practices have dramatically changed the political landscape in which policy-makers assess both the causes of and “cures” for Canada’s ongoing social problems. By 1993, it became clear that the neoliberalism of the Mulroney years was neither a partisan matter nor an historical aberration. Canadian voters gave a resounding majority to the federal Liberal Party which promised little more than to be a more compassionate manager of the economic transition than its more overtly neoliberal predecessors. And, it is now flanked in the House of Commons by new players—the Bloc Quebecois which is dedicated to the dissolution of Canada, and the Reform Party which would completely dismantle the welfare state. The federal party system has been transformed, now housing new challengers with profoundly different prescriptions for Canadian development, nationhood, and citizenship. The postwar pattern of politics, in other words, has been pushed aside, revealing in stark relief the uncertain and contested political space we are now occupying (Brodie and Jenson 1995).

The 1993 federal election marked a profound change in the text of federal politics as well as in its many subtexts, including the issue of gender equality and the influence of the women’s movement. The press heralded the election as a breakthrough for women in Canadian politics because two of the major party leaders were women. News coverage brimmed with stories speculating about different male and female leadership styles. We learned, for example, that NDP leader Audrey MacLaughlin washes her own dishes and that Progressive Conservative leader, Kim Campbell, has square-dancing prowess. At the same time, however, the federal parties were

virtually silent about so-called women's issues. In fact, the two major parties obviously felt that gender was so irrelevant that they could refuse to debate women's issues—something they had done in the two previous federal campaigns—without paying significant electoral penalties.

Yet, all of this passed with little commentary. Few seemed to notice that the mere presence of female bodies in the federal election was being used by the major parties and the press as a proxy for talking about women's issues—especially about how the demise of the welfare state and the restructuring of the Canadian economy were adversely affecting the everyday lives of Canadian women. In the process, feminist organizations concerned with the substance of women's lives were written out of the election script. It is precisely the goal of this book to demonstrate how the new governing order is systematically writing women and the women's movement out of the Canadian political debate.

THE DECLINE OF THE POSTWAR ORDER

Canada, like all western democracies, is currently experiencing a profound shift in state form and governing practices. It is now widely acknowledged that the foundations of the Keynesian welfare state (KWS) have not survived the combined forces of prolonged recession, jobless growth, the so-called globalization of production, and neoliberal governing practices. The broad consensus that grounded the KWS and structured the pattern of federal politics for almost a half century has gradually, but certainly, given way to a very different set of assumptions about the role of government and the rights of citizens. These new assumptions and understandings both structure new forms of domination and, at the same time, reshape more familiar ones rooted in gender, race, and class.

Canada is not the only country to be submerged in a politics of disruption, uncertainty, and change. In Britain, for example, the left has termed this period of change as the "New Times." Since the early 1980s, most western liberal democracies have been forced to re-examine many of their governing assumptions and practices, moving from what some political economists have called a Fordist past to an unknown Post-Fordist future. According to the regulation theorists, the economies and politics of western democracies were organized around what is termed a Fordist "mode of regulation." By this they mean that for much of the post-World War II period there was a widespread consensus that national governments should take an active role in managing the economy through Keynesian demand management techniques; the labour process was organized around the assembly line; and redistribution was accomplished through social welfare spending and collective bargaining (Lipietz 1987).

Unlike the previous doctrine of the *laissez-faire* state which governed

the western world until the Great Depression of the 1930s, the postwar years brought new shared understandings about state intervention in the economy, an elaboration of bureaucratic institutions and governing instruments, and an expansion of the very meaning of citizenship itself. The Keynesian state asserted the primacy of the state over the “invisible hand” of the market and engendered widespread public expectations that governments were responsible for meeting the basic needs of their citizens. Fordism, then, was a whole package of relations, institutions, and arrangements which linked a logic of economic development during a particular historical period (the regime of accumulation, i.e., mass consumption) with an equally particular and complementary set of norms, habits, laws, regulations, and representations of reality (the mode of regulation, i.e., among many other things, the welfare state) (Harvey 1989, 121-23).

Although the regulation theorists are decidedly silent about gender, Fordism also rested on a very particular model of the workplace, the home, and the gender order. It presumed a stable working and middle class, a nuclear family supported by a male breadwinner, a family wage, a dependent wife and children, and women’s unpaid domestic labour. Moreover, this particular organization of cultural forms and gender relations was supported and reinforced by the Keynesian welfare state (McDowell 1991, 400-02).

We missed the signals that times were changing.
(Paul Martin, *The Toronto Star* 18 October 1994,
A1)

The passing of Fordism and the welfare state represents much more than a series of state responses to the changing international economy or to the so-called “debt crisis.” It signals a new way of thinking about governing practices—an historic alteration in state form which enacts simultaneous changes in cultural assumptions, political identities, and the very terrain of political struggle. Restructuring is a key word which refers to a prolonged and conflict-ridden political process during which old assumptions and shared understandings are challenged and are eventually either rejected or transformed while social forces struggle to achieve a new consensus—a new vision of the future to fill the vacuum created by the erosion of the old. The concept of restructuring represents the simultaneous “combination of falling apart and building up again” of an entire political-cultural order. As Soja explains, the term conveys “the notion of a ‘brake,’ if not a break, in secular trends, and a shift toward a significantly different order and configuration of social, economic and political life (1989, 159).

THE NEW LIBERAL ORTHODOXY

Glimpses of the politics of post-Fordism first appeared with the election of Margaret Thatcher's Conservatives in Britain in 1979 and Ronald Reagan's Republicans in the United States in 1980. These two neoliberal leaders were largely successful in changing "the balance between state and society," and creating new coalitions of voters and interests and new common sense understandings of politics (Gamble 1988, 2). Since then, this new governing orthodoxy—the neoliberal consensus—has been crafted. It now tops the political agendas of most western democracies. It holds that changing international realities put roughly the same demands on all governments. They must

- maximize exports
- reduce social spending
- curtail state economic regulation
- enable market forces to restructure national economies as parts of transnational or regional trading blocs (Friedman 1991, 35).

Grounded by these principles, Canadian governments are increasingly rejecting their former postwar roles of promoting domestic welfare and protecting the national economy from unstable international forces. They also have largely abandoned as futile the postwar goals of full employment and an inclusive social safety net. As Liberal Finance Minister Paul Martin summarized in his first budget speech in 1994, "for years, governments have been promising more than they can deliver, and delivering more than they can afford. That has to end. We are ending it" (Canada 1994a, 2).

Seduced by the transparent logic of neoliberalism and nudged by the threats of powerful transnational corporations and international lending agencies, Canadian governments are now effectively acting as the midwives of globalization, transforming state apparatuses, development strategies, and regulations to respond to the "perceived exigencies" of globalization (Cox 1991, 337). We have replaced assumptions and governing practices premised on the notion that there has to be a collective responsibility for individuals. Instead, we are told that government and citizens have to be reformed to achieve the illusive and abstract states of "flexibility" and "competitiveness."

There are clearly things wrong with our system. It is not operating as it should be operating. . . . Part of what is happening is that the textbook is wrong. Or the textbook doesn't fit the country we've become. (Joe Clarke quoted in Valpy 1993, 181)

Neoliberalism was put at the top of the Canadian political agenda by the Macdonald Commission (The Royal Commission on the Economic Union and Development Prospects for Canada) which released its long-awaited report in 1985. It successfully advanced the position that free trade with the United States and a neoliberal economic agenda were the *only* viable economic development strategies left to Canada. With respect to free trade, in particular, Canadians were told to close their eyes and take “a leap of faith” because the globalization train had already left the station. If Canadians did not “jump aboard,” they would most surely be left behind and have to forfeit their living standards. Consequently, the report advised all Canadian governments, federal and provincial, to

- adopt a market-driven development strategy,
- facilitate adjustment by reducing regulations on industry,
- create new opportunities for private sector growth (Brodie 1990, 218-23).

The Macdonald Commission had been appointed in 1982 by the Trudeau administration which, at the time, seemed incapable of reversing Canada’s worst economic downturn since the 1930s. Postwar macroeconomic policies seemed unable to cope with stagflation—a simultaneous increase in both inflation and joblessness. The Liberals fell to electoral defeat in 1984. But, the newly elected Conservative government, under the leadership of Brian Mulroney, was quick to embrace the Commission’s prescriptions for economic renewal. In fact, the outgoing Liberal government could not have given a better gift to this business elite which was already convinced of the sagacity of neoliberalism. It quickly launched into free trade talks with the United States, although only two years before all but one of the Conservative leadership candidates (John Crosby), including Brian Mulroney, had roundly rejected the idea as a threat to Canadian jobs and sovereignty. The Conservative Party also began, tentatively at first, to carve away at the welfare state.

An uncompromising neoliberal worldview came to dominate the Mulroney government’s front benches after its re-election in 1988 and the implementation of the Canada-US Free Trade Agreement in 1989. Throughout the late 1980s, the Mulroney government had used mounting federal deficits as a rationale for cutting back on the welfare state. By the early 1990s, however, the Conservatives’ attack was directly linked to making Canada more “competitive.” According to their analysis, competitiveness could be realized primarily by forfeiting the economic terrain to the private sector. In its 1992 Budget Speech, for example, the Conservative government announced that its primary legislative priority was to promote greater “reliance on the private sector and market forces” (Abele 1992, 1). Ranked immediately below this were the related goals of deficit reduction, inflation control, free

trade, and developing a new consensus about the role of government. For the federal Conservatives, a restructured economy required a restructured government that would provide only those public services that were affordable and did not interfere with Canadian competitiveness in the new global order (McQuaig 1992). Indeed, so committed was the ruling party to this new worldview that it attempted to constitutionalize it in the early stages of the ill-fated Charlottetown Accord negotiations.

MORE OF THE SAME

The days of government simply nibbling at the edges are over. The practice of endless process with product are gone. Our task is to end the drift.
(Paul Martin, Budget Speech, February 1994, 7)

Historians may very well judge the Mulroney regime as one of the most radical and overtly doctrinaire in Canadian history. The Progressive Conservatives ultimately met on a collision course with the Canadian voters in 1993 when the latter gave a landslide victory to the federal Liberal Party. Since the election, however, the new government has charted the same neoliberal course and has used similar governing instruments, primarily the budget, to erode Canada's social safety net. The Liberal government, for example, ratified the North American Free Trade Agreement (NAFTA) in January 1994 even though it had failed to negotiate the side agreements which it had promised, during the election campaign, were "bottom line" requirements which had to be met for Canada to enter the agreement. And, it is now actively encouraging other countries such as Chile to come aboard if they can meet the minimum standards. The Liberals have also prioritized deficit reduction over employment and infrastructure development, and have continued to attack the social welfare programs and system of federal-provincial cost-sharing that was built up piecemeal in the postwar years.

Minister of Finance Paul Martin Jr. wore workboots instead of Bay Street brogues when he delivered his first budget on 22 February 1994. This change in customary footwear was meant to convey the message to voters that the Liberal Party was about jobs and change. It did not signal that the new federal government was preparing to repair Canada's fraying social safety net. Instead, Martin told Parliament that things were going to change. He was preparing to set in motion "the most comprehensive reform of government policy in decades" (Budget Speech, February 1994, 2). In the process, the federal government has continued to totally redesign the social welfare system—an initiative which began within the federal bureaucracy during the Mulroney years. The postwar Keynesian welfare state, in other words, is no more.