Until the election of 5 May 2015, which saw Alberta’s left-progressive New Democratic Party elected to office with a majority, Alberta was widely—and not inaccurately—viewed as a conservative province, based on the province’s formal political history. This chapter proceeds along two lines of examination to place brackets around this conventional wisdom. The first line traces the history of left progressivism in Alberta. An admittedly vague term, left progressivism, for the purpose of this chapter, is defined as a set of values consistent with social, political, and economic equality; the inseparability of the individual and society; and the necessary subservience of market institutions to the common good. The second line of inquiry highlights the role of specific historical events and socio-economic and political factors in shaping Alberta’s political terrain. Specifically, this chapter traces the gradual transition of Alberta from a hub of democratic radicalism, to a quasi-democracy, to a corporatist state, to—as of the recent election—a province and society that has perhaps rediscovered its left-progressive and democratic roots. Ultimately, while stressing the particular problems of democratic governance in a resource-based economy, this chapter also shows that politics matter.

Political Power and Democracy in Resource-Based Economies

Conventional theories of political power, at least in North America and especially in the United States, have long adopted pluralist notions of a largely neutral state—an empty vessel filled with the competing interests of more or less equal social actors. While pluralist theorists recognize the greater influence of business, they argue that no one actor holds sufficient power to overwhelm all the others, thus creating a system of checks and balances (Neuman 2005, 86–89).
Pluralist theory has many critics (Orum and Dale 2009, 121–25). It is especially inadequate in describing the situation of single-resource economies. Consider for the moment company towns, where single industries often dominate the lives of citizens economically, politically, and culturally and where class relations are often felt as much as observed. The same is true, although at a larger scale and more opaquely, for states and provinces in which a single resource holds sway. A large body of scholarship going back to Harold Innis’s work of the 1920s and 1930s argues that dependence upon a single industry such as fishing, mining, forestry, or agriculture has impacts that go beyond the economy to include social and political relations.1

Oil appears to be just another staple resource. Except that it isn’t. There is something quite distinct about oil: it is, quite simply, the energy source that has made the modern industrial (and post-industrial) age possible. People can substitute salmon for cod, or rice for wheat. They can substitute, in terms of building materials, wood for brick or straw for wood. But, as yet, there is no obvious or effective substitute for petroleum as the energy source for civil and military transport, for industrial production, or for the day-to-day uses of private homes and public buildings.

This ubiquitous demand for oil means that its suppliers have enormous market and political power, as evidenced when OPEC decides to raise or lower prices. But the power of oil goes beyond that of monopoly control of the market. It is also political. Andrew Nikiforuk (2010, 172), a long-time critic of energy and environmental policy in Alberta, argues that the price of oil is negatively correlated with the quality of freedom. He cites Michael Ross (2001), who notes three ways in which oil impacts democracy: oil royalties, because they are used to lower taxes, sever the connection between citizenship and political accountability (i.e., no taxes = no representation); oil wealth creates a system of patronage; and oil wealth provides the state with a means of organized repression when patronage fails.

Many critics use observations such as these to argue that Alberta is a petrostate, as discussed in the first chapter of this book. Whether or not such a description is accurate, certain questions need to be asked: What has been the state of democracy in Alberta? What role has petroleum played within it? And which roads have been taken—or abandoned—in getting the province to where it is today? In this chapter, I seek answers to these questions, beginning with a brief historical review.
At first glance, Alberta's inception as a province in 1905 seemed favourable for left-wing politics. Created under Canada's National Policy as a colony of central Canadian industrialists, Alberta contained a ready-made class of agrarians with legitimate grievances against big business (e.g., grain companies and the CPR) and eastern bankers. Alberta's economy also featured a number of extraction industries, especially mining, where the diverging interests of labour and capital were too often evidenced, as in June 1914, for example, when the town of Hillcrest suffered the largest mining disaster in Canadian history, killing 189 workers. Finally, Alberta—like much of the prairies—featured a difficult and precarious climate that encouraged collective solutions.

Indeed, left progressive forces were successful during Alberta's early decades. Amidst declining grain prices at the end of the First World War, the United Farmers of Alberta (UFA) formed government, one of a series of so-called farmers' parties elected throughout Canada at the time. Alberta's labour movement, though small, also made itself known in the growing cities of Edmonton and Calgary and in resource-based towns throughout the province. The late 1920s also witnessed a major victory for women's equality when five Alberta women won the battle to have women recognized as “persons” under the law.

The material conditions for left-wing success accelerated during the Great Depression of the 1930s. Against a backdrop of growing human misery, strikes and marches ensued, often turning violent. As the middle ground disappeared and unregulated capitalism was discredited, some people turned to right-wing solutions to the crisis, but many more turned to the left. In the mid-1930s, the coal-mining town of Blairmore elected a Communist town council. During the same period, Alberta also witnessed the founding of two populist parties, the Co-operative Commonwealth Federation (CCF), begun in Calgary in 1932, and the Social Credit Party, founded in 1935 and soon thereafter, forming government.

In their infancy, the CCF and Social Credit shared common left-wing credentials. Though the former was more avowedly socialist, the latter—supported by small independent farmers, townspeople, and workers—also regularly championed some very progressive and anti-corporatist views, including toying with the idea of nationalizing key industries (Barr 1974, 83–119; Finkel 1989, 88). Quickly, however, the Social Credit, and the province, veered politically to the right. What happened?
Alberta is unique in Canada for having been governed by a series of political dynasties: the Liberals (1905–21), the United Farmers of Alberta (1921–35), the Social Credit (1935–71), the Progressive Conservatives (1971–2015), and today, the New Democrats. The province has never had a minority government; indeed, through most of Alberta’s history, the ruling party has faced minimal opposition in the legislature. There are several possible reasons for what C. B. Macpherson (1953) described as Alberta’s “quasi-party system,” but the impact of populism provides a starting point.

It is impossible to overstate populism’s importance to Alberta’s political culture. But what exactly is populism? I use the term populism to refer to an urgent and personal appeal by a leader to a mass audience, “the people,” an imagined group defined by its historic, geographic, and/or cultural roots and threatened by a crisis emanating from another loosely defined group, a “power bloc” made up of elites and other elements viewed as physically or culturally external to “the people” (Harrison 2000, 108). But populism can occur anywhere on the left–right continuum. In fact, during the early stages of Alberta’s political development, two left-wing political activists, Henry Wise Wood and William Irvine, espoused populist ideals. Missouri-born Wise Wood was a keen observer of American populism. After relocating to Canada in 1905, he joined a farmers’ organization. In 1914, he became the UFA’s director and, soon after, its vice-president and then president. At the time, the UFA was under growing pressure to formally enter the political arena. Much of this pressure came from the Non-Partisan League (NPL), whose founders included Irvine, a Scottish-born Christian Socialist who had moved to Canada in 1907. In the provincial election of 1917, the NPL elected two candidates on a platform that joined socialist policies of intervention in the economy with a belief in nonparty politics, a success that proved to many UFA supporters the efficacy of electoral politics (Monto 1989, 13; see also Mardiros 1979).

Though both men were populists inspired by the beliefs and values of the Social Gospel movement, Wise Wood and Irvine viewed politics differently. Wise Wood believed that society necessarily involved a conflict between different economic interests and that all should be represented within government, a notion he referred to as “group government.” But he wanted the UFA to remain primarily a pressure group—and not a party—made up of farmers, while Irvine favoured a broader political movement, embracing farmers and workers.
alike. Additionally, Wise Wood firmly rejected the NPL constitution, which was radically socialist, endorsing “government ownership and control of all natural resources and fundamental industries,” including “banks, flour mills, packing houses, and Crown lands” (Monto 1989, 14).

In the end, the UFA did opt for a formal political role, resulting in its winning the Alberta election of 1921. Wise Wood was successful in restricting UFA membership to farmers and in sidelining the NPL’s more radical, socialist agenda, but his emphasis on group government, combined with the NPL’s antiparty stance, also had a more long-term impact: it led to a political culture within Alberta that largely eschews competitive party politics. Political conflict, rather than occurring between parties, takes place between factions operating within the governing party tent. It is a system that enforces conformity: anyone who refuses to get inside the tent is ostracized. Such persons are outsiders. Ironically, the tradition of non-party politics emerged, in large part, out of left progressive ideas.

Two other characteristics emerged out of Alberta’s early years that influenced the province’s political culture in the long term. The first is a tradition of strong, sometimes charismatic, leadership. It is significant that the only times since 1935 when the dominance of Alberta’s governing party has been threatened is when their leadership appeared weak, indecisive, out of touch with the people, or corrupt.

The second characteristic is a tendency to seek technocratic solutions for what are essentially political and social problems. By the early twentieth century, North America was awash in efforts to apply scientific principles to improve society, one prime example of which is the theory of social credit. Social credit theory (also referred to as the A + B theorem) suggested that economic problems were amenable to technocratic solutions applied by technocratic experts (Bell 1993, 37–60). The Social Credit’s leader in Alberta, the Reverend William Aberhart, did not understand the theory any better than his followers did, but, as he famously told them, they did not have to understand social credit theory any more than they had to understand how electricity worked (Barr 1974, 84). They simply had to flip the switch—that is, vote for Social Credit—in order for their economic problems to be solved. In an admittedly contradictory fashion, the belief that there was “one right answer” that could be supplied by experts was at once deferential to elites and anti-intellectual in regard to those disciplines that did not offer ostensibly scientific solutions (i.e., the social sciences and humanities).
These early influences continue to be constant and perennial elements of Alberta’s political culture: appeals to populism; the insistence that there are no fundamental social differences, or bases for conflict, between people (see Flanagan 1995, 34, on “monism”); and the belief that any problems are amenable to technocratic solutions. None of these elements necessarily originated in right-wing politics. Indeed, many elements in Alberta’s early political culture—opposition to party discipline and to control by financial interests, for example—had left-wing support. Yet, in time, these same elements coalesced around a one-party corporatist state wedded to a single dominant industrial sector based in petroleum (Harrison 1995). How did this come about?

Oil and the Social Credit’s Rentier Government

Why did Alberta elect a right-wing Social Credit government while Saskatchewan, only a few years later, turned to the socialist Co-operative Commonwealth Federation? This question, which has vexed observers for decades, has several not incompatible answers. Howard Leeson (1992, 11–12) argues the CCF’s close association with the UFA “tainted” the CCF party brand in Alberta (see also Finkel 2012). He further contends that the CCF was damaged by infighting between those who wanted power and those who demanded ideological purity—a conflict not uncommon to left-wing movements everywhere, even today.

One popular explanation holds that different early settlement patterns divided the two provinces politically: that southern Alberta was primarily settled by arrivals from the United States, exemplars of Frederick Jackson Turner’s “frontier thesis,” who carried in their saddlebags a mix of egalitarian, democratic, and individualist values, while, by contrast, Saskatchewan and northern and central Alberta were settled by European immigrants who brought with them class-based orientations to politics (Wiseman 2007).

Another explanation, grounded in political economy, traces the provinces’ distinctive politics to differences in their primary economic activities (Brym 1978). Farming, the basis of Saskatchewan’s early economy, is an activity commensurate with cooperative action, but ranching, Alberta’s economic base, is an enterprise that accentuates competitiveness and individualism.

Finally, the element of religion is worth considering: specifically, that the distinctive political orientations of the two provinces express different articulations of religious belief. The influence of the Social Gospel movement
on Wise Wood and Irvine has already been noted. The CCF’s leadership in Saskatchewan and Manitoba, Tommy Douglas and J. S. Woodsworth, also came out of this tradition, which emphasized the role of creating a heaven on earth. By contrast, the Social Credit’s leadership—William Aberhart and his disciple, Ernest Manning—belonged to an evangelical tradition that had originated in the United States and that emphasized personal salvation through struggle and spiritual rewards in the hereafter.

Still, which populist form—left or right—would come to dominate was not immediately determined. When Aberhart died in 1943, Alberta’s economic circumstances were not much different from those of neighbouring Saskatchewan, a province that only one year later elected Douglas’s CCF. By this time, the Social Credit’s policy agenda was in tatters, the federal cabinet and the Supreme Court having long since disallowed much of what the party had set out to do politically (Conway 1994, 122). The CCF, however, seemed on the rise, as shown in electoral outcomes of the period.

In 1942, Elmer Roper, running for the CCF, won a provincial by-election in Edmonton. Roper—who somewhat later became Edmonton’s mayor—subsequently led the party into the 1944 election, and the CCF gained nearly a quarter of the vote but only two seats; the first-past-the-post electoral system combined with rural overrepresentation worked to the disadvantage of a left progressive alternative.

Two other factors also played an important role in blunting left progressivism in Alberta. The first was the Cold War, beginning after 1945. Ernest Manning did not coin the term “Godless Communism,” but he certainly promoted fears of it to great effect through his weekly religious broadcasts. For Manning, Marxism, communism, socialism, and even liberalism shared the common sin of leading individuals away from their spiritual rebirth. The second factor was the discovery of oil at Leduc, just south of Edmonton, in 1947. Since 1930, the provincial governments of Alberta and Saskatchewan had owned the mineral rights under the topsoil. But, as luck would have it, under Alberta’s turf lay an abundance of conventional petroleum deposits, while Saskatchewan was home to only a trickle of oil along the shared border. What might Alberta and Canada look like today had the CCF been in power in Alberta when oil was discovered? Might Alberta have developed its own oil as a national resource? It is intriguing to speculate.

Instead, Alberta—headed by a conservative, business-oriented Social Credit government—opted to allow foreign (mainly American) oil companies to locate...
and extract the oil in return for three types of revenue: deposits on exploration, bids on drilling rights, and production royalties (Barr 1974, 139–43). In effect, Manning’s government took a rentier approach to the development of the province’s oil resources, renting the resources to external clients and using the new revenues to entrench its own political power.

By the mid-1960s, Alberta had become—as Robin Mathews (1966) described in an early article in Canadian Dimension—a largely one-party, totalitarian state, buttressed by a corporatist relationship between government and business, aided and abetted by a compliant media. Dissent was systematically squelched; worse, its suppression was internalized. Edmonton was the lone significant site for left-progressive resistance, its standard bearer being the CCF-NDP and its union affiliates—who, during this period, gave the party a tougher, more political edge—along with a few academics from the University of Alberta and liberal-minded church leaders.6 Edmonton was a lone beachhead, however. Power remained with an entrenched, politically and ideologically conservative and rural elite. Predictably, when the Social Credit was defeated, it came not from left progressive forces but from a new segment of the capitalist class itself, located in Alberta’s other major city, Calgary.

*Lougheed’s Bourgeois Revolution*

By 1968, oil had changed Alberta in noticeable ways. Though it was still a have-not province, its economic circumstances were improving. Moreover, it was becoming increasingly urbanized. The signs of change were particularly evident in Calgary where—despite the strong presence of American capital, expertise, and ideology—a new indigenous class of entrepreneurs arose. Its leader was Peter Lougheed, a former Edmonton Eskimo and a lawyer with deep family ties to the province and personal ties to Alberta’s corporate community. In 1971, as leader of the Progressive Conservatives, Lougheed defeated the Socreds, ending one era of single-party dominance and beginning another.

In politics, as in life generally, being in the right place at the right time is important. Alberta’s economy had long been dependent on conventional oil production, but by the late 1960s, technological developments had made extracting oil from the province’s northern oil sands feasible. In 1967, the Great Canadian Oil Sands project started up, and the small locale of Fort McMurray/Waterways began its boom. This was followed by the construction of the Syncrude plant
north of Fort McMurray in 1973—the same year the OPEC crisis drove the price of oil to new heights, signalling profound changes in the world economy.

The Lougheed PC’s coming to power coincided with the rise of activist provincial governments across Canada who engaged directly in developing their own resources. Often, these resources were located in the northern reaches: hydro in Québec, Manitoba, and British Columbia, uranium in Saskatchewan—and oil in Alberta. To many, Lougheed represented a new breed of politician: young, urbane, and, at least in terms of provincial rights, a nationalist. Indeed, to some on the Left, Lougheed appeared to be an economic nationalist who would use the powers of the state to develop Alberta’s oil riches for all citizens and—as he promised—to diversify the province’s economy away from resource dependency.

As economist Ed Shaffer (1979) argued, however, the Lougheed government’s rise to power signalled not a genuine revolution but the rise of a new class, an indigenous “industrial bourgeoisie” that merely wanted its cut of the petroleum spoils and used the state for these ends. While the Lougheed government set royalty rates high compared to subsequent Alberta governments (Campanella 2012), it did not challenge the right of private capital—foreign or otherwise—to develop the province’s oil. The closest it came to doing so was with the creation in the early 1970s of the Alberta Energy Company, which, while organized by the Alberta government, was operated by nongovernment personnel on a for-profit basis.

By contrast, in 1973, Saskatchewan’s NDP government, headed by Allan Blakeney, created a Crown corporation, Sask Oil. Though later privatized by a Conservative government, Sask Oil during its time provided a positive contrast to the approach taken by Alberta’s PCs, as related by John Warnock (2012): “By 1981 Sask Oil had assets of $191-million, gross revenues of $60-million, and paid $26-million in royalties to the government. The Blakeney government also raised the oil royalties significantly. The share of the economic rent (excess profits) going to the general population rose from 13 per cent in 1972 to reach a high of 65 per cent in 1982.” A left progressive government in Alberta might have followed a similar path, using the profits from petroleum to spur broader social and economic development—indeed, to further democratic participation more generally. But the Lougheed government did not do this.

When Lougheed stepped down as premier in 1985, Alberta’s economy was well on its way to being economically dependent on oil. The consequences of putting all of the province’s economic eggs in one basket were not long in
coming, as Ed Shaffer had warned presciently in 1979: “It is certain that this industrialization will have all the evils associated with capitalist development—boom and bust, over-expansion in some sectors, under-expansion in others, urban blight and the degradation of the environment. The benefits will accrue to the new ruling class while the relative position of the workers, farmers and small businessmen will continue to decline” (45).

Alberta’s rapid and intense growth throughout the 1970s depended on a continued rise in the price of oil. But, as with all staple products, its price was set on the world market, over which Alberta had no control. In early 1979, the Shah of Iran was deposed, setting the stage for another surge in world oil prices. At first, this seemed a boon to Alberta, but as quickly as the price of oil had risen, it also fell. The result was starkly negative for Alberta. The planned expansion of the oil sands stopped abruptly and conventional oil drilling was scaled back. With few other significant industries to fall back upon, Alberta’s economy and its people faced hard times. Laid-off workers either left the province or sought unemployment insurance, many of them walking away from mortgaged homes whose value had dropped dramatically. Food bank use proliferated and social services costs increased, even as government revenues dropped sharply.

Predictably, the collapse of oil prices in the early 1980s set in motion a series of conflicts between Alberta’s capitalist state and specific groups within Alberta as well as the federal government. Over the next few years, Alberta experienced labour unrest in both the public and private sectors, highlighted by the bitter and violent Gainers meat-packing plant strike in Edmonton in 1986. As efforts at diversification and development pushed further into Alberta’s north, conflict with the province’s traditional Aboriginal communities also intensified, and environmental concerns moved to the forefront of political debate.

Throughout 1983 and 1984, Alberta’s economy languished, leading to Lougheed’s resignation and replacement as premier by Don Getty in early 1985. It seemed an auspicious moment for Alberta’s democratic Left to make a breakthrough, but fate intervened. On 19 October 1984, a plane carrying NDP leader Grant Notley crashed in northern Alberta, killing him and five others. Though he was the NDP’s lone legislative member, Notley was highly respected by all parties and many Albertans. As the title to Howard Leeson’s 1992 book suggests, Notley was “the social conscience of Alberta.”

What might have happened had Notley not met his untimely death? We will never know. But two years later, under its new leader, Ray Martin, the NDP captured sixteen seats and 29 percent of the vote, while the Liberals took four seats.
and 12 percent of the vote. The collapse of the Progressive Conservative Party’s program of state capitalism continued in 1989, when the NDP captured sixteen seats and 26 percent of the vote and the upstart Liberals took eight seats and nearly 29 percent of the vote.

Alberta’s economy continued to slide. Efforts to stimulate the economy through subsidies to the private sector proved ineffective. Government investments went poorly, with some enterprises in which the government had a stake going bankrupt. A whiff of scandal ensued. Politically, the provincial government also faced pressure from Preston Manning’s nascent federal Reform Party, which had major support in Alberta, to lower taxes, cut government spending, and bring in balanced budgets. Ironically, the NDP suffered political damage from the Conservative government’s practice of state capitalism, which many Albertans wrongly associated with socialism.

Facing declining poll numbers, Premier Don Getty announced in the fall of 1992 that he was resigning. Thus ended, for a time, Alberta’s experiment in government-led economic development. In tandem with the Canada-US Free Trade Agreement of 1989, the result was the abandonment by Alberta’s bourgeoisie of hopes for autochthonous development; instead, the province threw its fate in with its larger, corporate North American counterparts and the neoliberal agenda of laissez-faire capitalism. Low in the polls, the Progressive Conservative Party cast its net in search of new ideas and, more importantly, a new leader. In Ralph Klein—a former television reporter, Calgary mayor, and all around “man of the people”—the party found a champion around which to repackgage its image.

The Klein Era and the Rebuilding of the Progressive Left

The spring election of 1993 was a standoff between the Klein-led PCs and the Alberta Liberals, led by Edmonton’s former mayor, Laurence Decore. In fact, there was little difference between the two parties. Both coalesced around a single definition of the problem: a debt crisis for which there was a set of particular solutions—deregulation, privatization, lower taxes, and cuts to government programs. The New Democratic Party was shut out of seats, and the voices of the progressive Left was nearly drowned out entirely.

Over the next few years, Alberta reverted to its authoritarian impulses. Verbal attacks on those referred to as “special interests”—such as union members, environmentalists, academics, and feminists (Harrison, Johnston, and
Krahn 2005)—combined with drastic cuts in spending to public services and a messianic zeal for privatization and deregulation became the order of the day. In the broader picture, the Klein years saw the final stage of Alberta’s transition to being a right-wing corporatist state in which the interests of the state align with those of private corporations (Harrison 1995).

At the same time, however, the actions of the Klein government—and, more broadly, the neoliberal project everywhere—created the conditions for the emergence of its own opposition. As before, much of the opposition arose in Edmonton, the government centre and the site where many of the spending cuts had their greatest effect. The opposition involved not only those in the public sector, however, but also private sector unions under the umbrella of the Alberta Federation of Labour (AFL); a few courageous journalists; many professional organizations, such as the Alberta Teacher’s Association (ATA), the United Nurses of Alberta (UNA), and the Alberta College of Social Workers (ACSW); and some members of the academic community. Public protests—marches in the streets and pickets at the legislative building—became common events.

Alberta’s political culture was influenced at the time by externally based left-progressive organizations, such as the Canadian Centre for Policy Alternatives and the Council of Canadians, founded in 1980 and 1985, respectively, and both headquartered in Ottawa. In Alberta, the decade prior to Klein’s arrival saw the founding, in 1985, of the Pembina Institute, an organization that conducts research on energy and environmental issues and remains a vital source of information. The advent of Klein had the effect of reinvigorating existing left-progressive organizations in Alberta, such as Friends of Medicare, founded in 1979, which became a central player in battling efforts to introduce private health care into the province, thereby creating a two-tier system. The actions of the Klein government also gave birth to new movements and organizations.

Among these, the case of Parkland Institute is particularly instructive. Out of a coalescing of opposition forces, The Trojan Horse: Alberta and the Future of Canada was published in 1995 and launched at a conference held at the University of Alberta. Co-edited by Gordon Laxer and me, the book merged academic and non-academic authors, political theorists and social activists, in a critical examination of what was going on in Alberta at the time and how those happenings were relevant to larger changes within Canada and the world. The book and conference led to Parkland’s founding in 1996. The institute soon published a seminal text in the history of critical thought in Alberta—Kevin Taft’s
(1997) *Shredding the Public Interest*. The book detailed unflinchingly the Klein government’s deceptive depiction of Alberta as facing a fiscal crisis based on social spending. It sold over twenty thousand copies, making it a publishing success. In addition, the Progressive Conservatives’ hostile response to the book ensured its political success and quickly put Taft and Parkland on the political map. Today, the institute remains a centre of critical left-progressive thought within Alberta.

In time, as opposition to the government’s neoliberal agenda grew, other organizations also entered the contest of ideas, one of them being Public Interest Alberta, a nonprofit, nonpartisan, province-wide organization dedicated to education and advocacy that was founded in 2004. Yet despite these eruptions at the level of civil society, the Progressive Conservative Party and its neoliberal policies maintain their stranglehold on Alberta politics. Why is this the case?

*The Contradictions of Oil Wealth*

To briefly recapitulate, when Peter Lougheed and the PCs came to power in 1971, they had one manifest purpose—to grow and diversify Alberta’s economy—and one more latent aim—to act in the role of patron for Alberta’s nascent bourgeoisie who, at the time, wanted to garner more of the spoils of the developing oil and gas economy. In the end, the ruling PCs failed on both counts. The recession of the early 1980s, combined with the rise of neoliberal globalization, squeezed out Alberta’s indigenous capitalist class, which was quickly replaced at the top of the food chain by large international petroleum companies and their directors. At the same time, Alberta’s economy became increasingly dependent, both directly and indirectly, upon the petroleum industry.

At the political level, the Progressive Conservatives assured their political support by keeping taxes low, relying instead on royalties to fund the kind of programs (health, education, and social services) that established their legitimacy with the electorate. But the governing party itself, through a lax system of political contributions, also became increasingly captive to the petroleum industry and its demand that royalty rates be kept low. As a consequence, because the government was unwilling to raise either general taxes or resource royalties, its policy options became limited, even as Alberta’s economic expansion required increased spending—even, moreover, as the uncertainties of oil markets made reliance upon royalties alone untenable.
The government after 1993 dealt with these contradictions (and the recurrent fiscal crises) in two ways: first, by ramping up development of the Athabasca oil sands so that, although royalty rates remained low, production levels—and hence the government’s total take—increased, and second, by keeping a tight rein on government expenditures. But these two tactics did not resolve the contradictions; they merely altered their form. Increased production meant additional costs in the forms of heightened inflation, higher infrastructure costs, and escalating environmental damage. The accelerating economy also required additional social expenditures (e.g., health care, education, social services) to service a growing population, although spending was kept low relative to the growing size of the economy (Taft 1997, 2012). Finally, increased production also intensified the impact of unstable oil revenues on the funding of government programs.

Amidst a growing crisis of legitimacy, Ralph Klein left office in 2006 and was replaced as premier by a rural MLA, Ed Stelmach. Stelmach’s victory was unexpected since he defeated the perceived front-runner Jim Dinning, a Calgary-based former Alberta Finance minister and a favourite of the oil companies. During his leadership run, Stelmach had announced his support for higher royalty rates, and, true to his word, the following spring, he created the Royalty Review Panel to examine Alberta’s oil royalties. The panel’s subsequent report, released in September 2007, recommended a rate increase. This recommendation was attacked immediately—by the industry as being too aggressive and by others as being too timid. In the end, the Conservative government chose to adopt an increase smaller than that recommended by the panel and phased in over a longer period of time.9

Unfortunately for Stelmach and his supporters, the Great Recession had begun. Although Alberta seemed at first immune to the growing crisis, a resultant drop in global oil consumption soon led to a drop in Alberta’s revenues. After years of surpluses, Stelmach’s Tories announced in the spring of 2009 that the province would run a record deficit for the year. The deficit opened up divisions between the PC party’s fiscal hawks and its Red Tory faction. At the same time, the raise in royalty rates, albeit modest, caused the petroleum industry to seek out a new political partner, quickly finding one in an embryonic political party, the Wildrose Alliance Party of Alberta.

Wildrose was formed in January 2008 from the merger of two small conservative parties, the Wildrose Party of Alberta (founded in 2007) and the
Alberta Alliance Party (founded in 2003). Both of these parties had strong connections to the earlier right-wing populist Social Credit and Reform parties.

The Wildrose iteration gained political traction in the spring of 2009 from the growing deficit, divisions within the governing party, and pressures from the oil industry. The party received a further boost, in September 2009, when Danielle Smith was elected as its leader. Smith is a media-savvy populist with a libertarian streak, a graduate of the Calgary School of conservative thought and a former Fraser Institute intern. Measured against Stelmach’s less than charismatic personality, Smith definitely came out ahead. Over the next year, the Wildrose Alliance Party’s membership and donations soared, much of the latter coming directly from the oil and gas industry. Faced with declining poll numbers and growing dissent within his party, Stelmach announced in January 2011 that he would step down as premier, staying only until a new leader was in place.

In October 2011, Alison Redford, a former human rights lawyer widely viewed as a Red Tory, became Alberta’s premier. In April 2012, Redford led the PCs to electoral victory, taking sixty-one of the eighty-seven seats and defeating the nearest competitor, the Wildrose Alliance, which took seventeen seats and became Alberta’s official opposition.

But victory did not address Alberta’s continuing budget problems brought about in part by changes in the global politics of petroleum. First, environmental concerns tied to climate change can no longer be politically ignored. Second, new discoveries of oil and gas in the United States mean a possible decrease in demand from Alberta’s major buyer at the same time as a glut of available oil worldwide has decreased the price of oil. And while demand from newly developing economies, notably China, could offset this loss, Alberta’s previous efforts to deal with its economic contradictions have created a third difficulty: a misalignment among the supply of bitumen, the province’s capacity to turn this raw product into usable oil, and the means of getting either bitumen or refined oil to market. This mismatch has intensified the politics in recent years surrounding pipelines designed primarily to ship raw bitumen to refineries in the American south or to China, politics in which the Alberta government has found a strident supporter in the current Conservative-led government in Ottawa. An obvious solution to the lack of pipeline capacity was to decrease production overall, while increasing royalty rates, and to build refinery capacity in Alberta. But this would have required that the PC government face up to the contradictions embedded in the province’s political economy and stand up to the power of the petroleum industry. These actions, in turn,
would have confronted Alberta’s democratic deficit, to which the dominance of petroleum has contributed. The PCs, having become a captive of the petroleum industry, lacked the relative autonomy by which to save itself. The political space for a left-progressive revival slowly took shape.

Alberta’s 2015 Election: This Changes Everything

Until the recent 2015 election, Alberta seemed a paradigmatic case of an ostensibly liberal, authoritarian, and corporatist state: liberal in its adoption of laissez-faire economics, minimalist democracy (i.e., restricted to voting), and respect for human and political rights; authoritarian in its practice of controlling information, buying off supporters, and threatening opponents; and corporatist in its almost seamless merging of state and party, social institutions, and the interests of the oil industry (see Stefanick, chapter 14, this volume).

The problem went even deeper, however. It was not just the Alberta state that lacked relative autonomy from the petroleum industry; the same was true of many Albertans who had grown dependent, psychologically as well as economically, upon the petroleum industry for their well-being and sense of identity. Many oil workers in Alberta earn enough money to be safely placed within the top 1 percent of income earners, making them unlikely recruits for a proletarian revolution; hence, also, many Albertans, tied either directly or indirectly to the industry, tend to go to the barricades to defend the oil companies when there is any sign of criticism from outside the province or, indeed, from internal naysayers.

This kind of enforced conformity and defensiveness does not elicit political enthusiasm. Albertans, when asked about politics, routinely expressed high degrees of alienation, cynicism, and apathy (Johnston, Krahn, and Harrison 2006, 165–82), with the result that electoral turnout steadily declined after Klein’s victory in 1993 (just over 40% in 2008 before rebounding in 2012 to just over 50%). While voting has declined across many Western democracies, it is particularly pronounced in Alberta and is a pattern specifically found in petro-states (Nikiforuk 2010). Thus, the most deleterious impact of Alberta’s oil wealth has not only been on its economy but also, until May 2015, on the health of its democracy.

In the spring of 2014, Premier Redford resigned. Her personal poll numbers were low, partly due to a series of scandals. More broadly, however, an austerity budget brought out the previous spring had alienated the progressive base that
helped her get elected in 2012. Once again, an unwillingness and inability to free itself from its corporate masters put the governing party in jeopardy, with added pressure coming from the Wildrose Party on the right.

In an effort to save itself, the PC party’s brain trust recruited Jim Prentice to run for the leadership. Prentice is a former Alberta MP and federal cabinet minister, and former senior vice-president with the Canadian Imperial Bank of Commerce, from which (after winning the leadership) he stepped down in September 2014. From the outside, the PC party seemed unbeatable, possessors of enormous financial resources, the levers of state, and tradition. But, after forty-three years in power, its social base was small and aging, and the party was out of touch with the changes occurring in Alberta society.

The party faced accumulating hostility from both the Left and Right, hostility that soon intensified. The floor-crossing of (ultimately) eleven members of the Wildrose Party (including its leader, Danielle Smith) to the PCs in the fall of 2014 in order to “unite the Right” at a time of falling oil prices seemed to some, at the time, a master stroke. In fact, it hardened the dislike of Wildrose supporters for the PCs, while also further alienating progressives. The discontent grew stronger when the Prentice government brought in a budget in spring 2015 that raised taxes for nearly everyone—except, notably, the corporations—at the same time as Prentice publicly rejected any thought of reviewing Alberta’s royalty structure.

Heedless of all warning signs, Prentice called an election, believing there was no legitimate political alternative to which Albertans might turn. But alternatives did exist, particularly that of the New Democratic Party. In the fall of 2014, the party had elected a new leader, Rachel Notley, the daughter of Grant Notley. Rachel Notley is a lawyer who was first elected to the legislature in 2008. As the election went on, Albertans came to see in her a genuine leader whose voice echoed earlier populist traditions, a leader whose vision suggests a way forward beyond the uncertainties and contradictions of the petro-economy to a restored practice of genuine democracy.

When the votes were counted on 5 May 2015, the NDs had won over fifty seats with 41 percent of the vote; the Wildrose party had re-established itself under a new leader, Brian Jean, taking 21 seats; and the PCs had fallen to eleven seats. Although Prentice was re-elected in the Calgary Foothills district, he resigned immediately as PC leader and also gave up his seat in the legislature. After almost forty-four years, PC rule was ended.
Today, as this book goes to press, Alberta has embarked on a fundamental political change, the outcome of which cannot be predicted. But for the first time in a long while, there is hope. Politics, as the 2015 Alberta election proved, makes a difference—even in a petro-dominated, resource-based economy.

Notes


2 The United Farmers of Ontario were elected in 1919, and the United Farmers of Manitoba in 1922. In the federal election of 1921, the National Progressives, support primarily by farmers, gained sixty-five seats, the second most in the House of Commons.

3 The term political culture has many meanings and is somewhat contentious. My use of the term refers not only to political norms but also to those material forces, especially as possessed by the state (through voice, control of information, laws, policies and programs, and the public purse), that shape values and beliefs. In short, I argue that norms are not free-floating but are materially produced under circumstances of power and contestation (Harrison 2011).

4 It is worth noting that Preston Manning, in his early training, applied a systems approach to analyzing social and political problems. Indeed, Manning’s style of leadership has been widely described as technocratic (e.g., Harrison 2000, 111).

5 Of course, disallowance was also useful to the Social Credit in proving the threat to Alberta posed by external power blocs—in this case, the federal government. Likewise, the National Energy Program of the 1980s would prove to be immensely beneficial in mobilizing Albertans against the federal government, especially the Liberal Party.

6 Of particular note in the union movement at this time was Neil Reimer, an established social activist and trade union organizer who headed the NDP from 1962 to 1968. Reimer’s legacy later continued through his daughter, Janice Reimer, who was Edmonton’s mayor from 1989 to 1995.

7 It is worth noting that conflict with Aboriginal peoples also occurred in other parts of Alberta (the Oldman Dam) and Canada (Oka, Ipperwash, and Gustafson Lake) during roughly this same period. As highlighted in part 2 of this book, conflicts between the capitalist state and labour (Canadian and foreign workers alike), women, and Aboriginal peoples continues apace.

8 The 1993 election points out the problem of necessarily labelling any party or group as “left” or “progressive,” or even “right” or “centre.” Nothing is fixed. The Liberals under Decore moved to the centre-right for political purposes, but after being defeated, they spent the next few years attempting to redefine their place on the political spectrum.

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9 On the decreasing trajectory of Alberta’s royalty rates over time, see David Campanella’s 2012 report for Parkland Institute.

References


