

Harper's grand plan

New prime minister wants to decentralize power internally, focus it externally

By: Thomas Walkom

Stephen Harper wants to refashion the country. It is his big idea, his theme. On the one hand, he wants to radically decentralize power and taxing authority so that the federal government no longer plays a significant role in social areas, like medicare, that Canadians regard as national institutions.

On the other, he wants to focus and strengthen Ottawa's role in areas such as defence so that Canada can more effectively join the United States in what Harper has called the great moral battle against tyranny and terror.

He will not accomplish either quickly, particularly in a House of Commons where his Conservatives hold only a minority of seats.

But his twin ideas — decentralize internally; focus externally — promise to inform everything he does as prime minister.

They will help him get legislation through a divided Commons in which the Bloc Québécois holds the balance of power. They will also help him hold together the inherently unstable coalition that is the Conservative party.

And they may affect any Canada-U.S. negotiations over Alberta's oil-rich tar sands.

In his Monday night victory speech, Harper made only the most elliptical of references to this overarching theme.

"Most importantly," he told cheering supporters, "we will begin the task of rebuilding federalism in the province of Quebec."

Spoken by any other leader, these words would have represented only the usual rhetorical nod to national unity.

But Harper is a very precise man whose words have equally precise meanings. The reference here was to his campaign to rectify what that province's political class — from Premier Jean Charest to Bloc Québécois chieftain Gilles Duceppe — have called the fiscal imbalance.

Put simply, Harper has promised to radically alter the relationship between Ottawa and all of the provinces. He would have the federal government tax less so that the provinces can tax more.

In practical terms, this means that Ottawa could no longer afford a host of social and industrial programs — from funding medicare to supporting aerospace firms.

On paper, there might still be, say, a national medicare scheme. But with fewer funds at its disposal, the national government would be unable to entice provinces to play by national rules.

Nor, in such a world, would Ottawa strike deals with cities to build subways or social housing. Instead, the federal government would direct urban supplicants to the newly tax-rich provinces.

It would be quite a change. And to those who say such actions would strike at the very heart of the Canadian identity, Harper had this to say on Monday:

"Our national identity was not forged by government policy. It does not flow from any one program. ... Our Canada is rooted in our shared history, and in the values which have and will endure."

Harper has also promised to involve provincial governments in international negotiations that affect their areas of jurisdiction.

Again, this promise was made specifically to Quebec, which wants to have a role in United Nations cultural organizations.

But the implications are far more sweeping.

Alberta too has asked for a seat in international negotiations that involve energy, noting that this too comes under provincial jurisdiction.

In effect, this would involve Alberta Premier Ralph Klein playing a direct role in any kind of Canada-U.S. negotiations regarding a continental oil and gas agreement.

The United States is looking at Alberta's tar sands to supply the bulk of its future petroleum needs and wants Canada to ensure that no one else gets it.

In Parliament, decentralization promises to be Harper's ace card. To get the more controversial elements of his platform through the Commons, he will have to forge temporary alliances with either the Liberals or the Bloc. On their own, Jack Layton's New

Democrats don't hold enough seats to be relevant.

In some instances, the Liberals may help him out — particularly where the Conservatives have promised tax cuts to business.

But in most, the Conservatives will have to rely on the Bloc which, while ideologically opposed to Harper, may well vote with him if his proposals are accompanied by a good dose of decentralization.

Politically, Harper's emphasis on decentralization may also help him finesse the inevitable tensions within his own party, particularly those that have pitted western against Quebec Conservatives.

In the late '80s, western Tories — including Harper — were so angered by what they saw as then-prime minister Brian Mulroney's obsession with Quebec that they split off to form their own Reform party.

Quebec Tories, on the other hand, concluded that Mulroney was not obsessed enough, so they set up their own Bloc Québécois.

Such tension was almost inevitable when Ottawa was in the business of handing out goodies. Every aerospace contract that went to Montreal was sure to anger a competitor in the West.

To westerners, Mulroney's idea of special constitutional status for Quebec was an affront. To Quebecers, it was the denial of special status that stung.

But with decentralization, every province — and no province — is special. A federal government that does far less is far less likely to be criticized for favouritism. At the same time, radical decentralization permits, potentially at least, a form of sovereignty-association for all 10 provinces.

Finally, Harper can legitimately say he is merely building on what the Liberals have already done.

It was former prime minister Jean Chrétien's Liberal government that allowed Quebec and New Brunswick to take part in the symbolically important, if largely irrelevant, international body of French-speaking nations known as the Francophonie.

Chrétien also agreed not to start any new social programs in areas of provincial jurisdiction unless a majority of provinces were on side. And he agreed not to penalize provinces that broke the Canada Health Act, the law governing medicare, until after adjudication by an independent third party.

His successor, Paul Martin, followed through in 2004 with a health accord that gave provinces billions for medicare but allowed them to disregard the few federal conditions he had attached to the deal.

But while Martin and Chrétien acted strictly out of expediency, Harper has been consistent.

"Only a conservative vision that takes government back to its proper role, and thereby concedes to Quebec the space for its own civil society, can hold the country together," he and his chief policy guru, political scientist Tom Flanagan, once wrote.

That was in 1996. It does not appear that Harper has much changed.