Perspectives

A Canadian Journal of Political Economy and Social Democracy

No. 6 – Summer 2026

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Broadbent Institute
Station B, PO Box 1273
Ottawa ON K1P 5R3
+1-613-688-2071 | info@perspectivesjournal.ca

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CONTRIBUTORS

Brendan Haley is an Adjunct Research Professor at Carleton University's School of Public Policy and Administration, Broadbent Research Fellow, and member of the *Perspectives Journal* editorial committee.

Anna Stanley is an Adjunct Professor at the University of Guelph in the Department of Geography, Environment and Geomatics, and Broadbent Research Fellow.

Madison Lee is a PhD Candidate at Wilfrid Laurier University's Balsillie School of International Affairs.

Rachel Loewen Walker is an Adjunct Faculty Member with the Department of Political Studies at the University of Saskatchewan and Director of Alchemy Group Consulting.

David Coaker is a community organizer and a member of Horizon Ottawa's Board of Directors.

James Adair is an Ottawa-based socialist organizer and writer.

Bhsakar Sunkara was the 2026 Ellen Meiksins Wood Prize recipient and lecturer, delivered at Toronto Metropolitan University on April 22nd. He is the founding editor of *Jacobin*, president of *The Nation*, and publisher of *Catalyst: A Journal of Theory and Strategy.*

Guided by the Broadbent Principles for Canadian Social Democracy, *Perspectives Journal* refines analysis and progressive inquiry of political economy, public policy, history, and social movements, to bring them into public debates and political fora.

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Editorial — Summer 2026

Clement Nocos

In his newly released book *Hyperpolitics: Extreme Politicization without Political Consequences* (Verso, 2026), historian Anton Jäger briefly analyzes today's sense that while "everything is political," change seems so challenging to the point of nihilism; a sentiment that today, as before, fuels far-right ideologies. A chapter entitled 'Putnam from the Left' regards the liberal US political scientist Robert Putnam and his argument that the decline in so-called "social capital" (I would summarize as society's system of trust, norms of reciprocity, and networks that pad social relations between strangers) has been responsible for the decline in collective action, and democracy as a collective act. While Putnam pins things down to the "individualization" caused by technology (from the television to the Internet) for the decline in "voluntary associations" (such as bowling and other sports clubs) that lend to collective action, there is a large material element missing from his argument that does not account for capitalism's imperative to suppress wages and labour power.

Today, the right-wing is winning elections around the world, super charged by frustration, while inequality reaches unprecedented proportions, inflation eats into the wages of the working class, and Tech Giants further erode social relations by expediting distrust on a mass and fast scale. At the time of writing, two contested elections in Peru and Colombia see the left losing to far-right candidates by 1% of voters. The electoral choice in several democracies across Europe have become a decision between the centre-right and the far-right. While there are islands of progress in the United States, the US Trump Administration continues to entrench right-wing shifts in institutions across the federal government, from ICE, to the Federal Reserve, to the Department of War. Canada is not immune to this trend. In one year, the Carney government has implemented a policy agenda of tax cuts, privatization, accelerated military spending, and increased public capital investment in resource extraction, moving the big tent right-ward to capture the economic agenda of the 2003 alliance between Tory conservatism and right-wing populism. Today, right-wing public policy in Canada does not need Conservative Party representation to prevail.

This is the result of a decades-long effort of building, I would call, 'Putnam from the Right' that has established the trust, norms, and networks for electoral success to legitimize their rule among the electorate. The right have extended that infrastructure into the ideological centre. A remark popularly attributed to right-wing British Prime Minister Margaret Thatcher describes this undertaking through latter 20th century: "We forced our opponents to change their minds." Canadian historian Quinn Slobodian's 2025 *Hayek's Bastards* (Princeton University Press) and historian A.J.A Woods' *The Cultural Marxism Conspiracy* (Verso, 2026) detail the great lengths that the right-wing, in reaction to the post-war welfare state and the 1968 watershed, developed international networks of thinkers, organizers, and media to reinforce their ideologies. Allied with industrial interests, religious traditionalists, and intellectual elites, these systems have matured since the mid-20th century while left-wing institutions failed, were defeated, or have been reborn in the 21st century as exciting, but nascent and inexperienced, social movements without institutional foundations. As highlighted by David Adler at the 2026 Progress Summit, the right-wing is not short on financial capital to organize and legitimize rule through a different kind of hyperpolitics, weaponizing dissatisfaction into outward anger directed away from capital itself. The left's hyperpolitics today, however, have succumbed to an inward *weltschmerz*, driven by economic individualization, despite a desire for collective action.

The Canadian left needs confidence, a feeling of trust and certainty in self and in others, to restart from scratch and learn to use this hyperpolitical moment. The **2026 Ellen Meiksins Wood Lecture** was delivered by *Jacobin Magazine* founder **Bhaskar Sunkara** on April 22nd at Toronto Metropolitan University on what socialism for the 21st century should look like. This year's public lecture was sponsored by the **Rosa Luxemburg Stiftung - New York Office** – a partnership honouring Meiksins Wood and her socialist intellectual legacy.

A 2020 *Jacobin* interview with Zohran Mamdani entitled 'Roti and Roses for All' connects his worldview to his initial run for New York State Assembly. Despite being 28 years old at the time, starting from scratch, his initial campaign confidently uses history to assert a universal message:

> That's why our slogan is "Roti and Roses," building off the labor chant of the early twentieth century in Massachusetts where they said they were fighting for "Bread and Roses" — for that which is necessary to survive, and that which is necessary to thrive. We call it roti and not bread to make clear that while this is a universal cause, we're also making sure to highlight the struggles of specific communities that have been left out in the cold for decades.

In his Lecture, Sunkara offers a continuation to that universalist conclusion and historicization:

> Those who participated in almost any wing, even the most reformist, of the workers' movement, from the first international through the 1980s, thought that they were at the vanguard of history itself. In an age that has taught us to mistrust every grand narrative, to settle for lesser evils, to treat the existing order as the furthest horizon our imagination is permitted to even think of, we can look to these workers for confidence. We can look to them for the confidence that we have to recover: a confidence in a socialism that no longer speaks merely in terms of election campaigns and small protests, but in the language of centuries and continents.

The 6th edition of Perspectives Journal includes Sunkara's lecture, entitled 'Market Socialism Against Capitalism' that demonstrates a new vision for building economic democracy.

In an assessment of the current state of economic democracy in Canada, Broadbent Research Fellow **Brendan Haley** asks, "Why Does Canada Develop Megaprojects Instead of Innovation Systems?" Looking back at the Staple Thesis of Canada's economic development as revised by political economist Mel Watkins, Haley looks for a way out of the historical trend of "nation-building" megaproject path dependency, and towards a sustainable economy where economic democracy has a role to play.

Following this thread, Broadbent Research Fellow **Anna Stanley** analyzes the capital investments behind the Ring of Fire land grab in Ontario. Akin to speculative bubbles in housing and technology markets, the financialized "gold rush" for lands in

Northern Ontario seeks to ignore Indigenous rights, with the complicity of provincial and federal governments, in the name of "nation-building" for economic growth.

Madison Lee, PhD candidate at the Balsillie School of International Affairs, also looks at Canada's neoliberal model and the dream of AI-led economic growth that rests largely on speculation. Lee analyzes the industry interests behind Canada's hastily assembled 2025 AI Strategy Taskforce and questions the priorities and objectives behind the Carney government's attempt to regulate the technology.

Building off *Perspectives Journal special issue no. 5* and the confidence needed to rebuild Canada's electoral left, **Rachel Loewen Walker** revisits the 2025 federal election and the strategic focus on "ground game." Loewen Walker finds that even a well-oiled organizing machinery could not succeed without a confident narrative of progressive change that led conversations on doorsteps across the country.

Looking back, **David Coaker** discusses the continued impact of the short-lived "Waffle" movement within the New Democratic Party that provided answers to the crises of the 1960's and 70's. The intellectual movement led by Watkins, of the aforementioned Staple Thesis, and James Laxer was nearly successful in organizing a confident left-wing movement, but was foiled by collective anxiety over the ambition of this program. Today, the irony of an Avi Lewis-led NDP and the Waffle-like values of his 2026 leadership campaign is certainly not lost on many, but the next generation does have an opportunity to realize its confidence.

Lastly, **James Adair** brings forward the 1930's League for Social Reconstruction; an important intellectual institution of the Canadian left that gave the Canadian Co-operative Federation the confidence to establish itself amid the Great Depression. Adair calls to rebuild this left-wing ecosystem of institutions that shape public discourse and help build a socialist movement. Conveniently, there are historical templates with which to follow.

This print edition of the *Perspectives Journal* could not have been made possible without the generous contribution of the **Rosa Luxemburg Stiftung - New York Office**. RLS is an internationally operating, progressive nonprofit organization dedicated to civic education and critical social analysis. Building on Ed Broadbent's legacy of internationalism through his own leadership of the 'Socialist International' and 'International Centre for Human Rights and Democratic Development' (Rights & Democracy), the Broadbent Institute is grateful for RLS-NYC's partnership on delivering Canadian thought leadership through *Perspectives Journal*.

This issue of *Perspectives Journal* calls on readers to understand the stakes as the Broadbent Institute and *PressProgress* continue their fight at the centre of Canada's biggest, longest, and most expensive media trials in Canadian history. The lawsuit brought forward against us and other trusted news organizations like *CBC News* and the *Toronto Star*, by a former candidate for Jason Kenney's United Conservative Party in Alberta, risks setting chilling and long-lasting precedents for press freedoms and democracy in Canada.

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Founded in Berlin in 1990, RLS is one of the six major political foundations in the Federal Republic of Germany, primarily tasked with conducting political education both domestically and internationally.

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Why Does Canada Develop Megaprojects Instead of Innovation Systems?

Brendan Haley

Prime Minister Mark Carney's "nation-building" agenda has thus far largely focused on resource megaprojects. This is not a new thing. The policy agenda risks repeating a very old Canadian development pitfall that created the dependence on the larger empires of the world that leaves us vulnerable today. Rather than repeating the pattern of seeking salvation in megaprojects, the current moment calls for a public sector-led agenda to develop diverse, multi-sector economies that can adopt to changing economic circumstances.

The Staple Trap

Canada's political economy is characterized by a longstanding struggle to develop systems of complementary technology and industries against the pull of resource extraction lock-in, referred to as the "staple trap."[1] The trap is set by resource extraction developments that require large, fixed cost infrastructures and the installation of other "rigidities" such as monopolies and political interests with influence over regional economies and political decision making. The dependent situation of regional economies on globally traded resources leaves them particularly vulnerable to shifts in international commodity prices or the political decisions made by empires in the world. External events create periods of crisis, and these crises appear particularly unexpected and severe.

The trap is tightened because of the way political leaders react during these crisis periods. The private sector seeks state protection, and the state and entrepreneurs respond by increasing resource exploitation. This means seeking new staple exports near at hand, with the state often playing the role of developing new "nation-building" infrastructure with the narrow purpose of exporting these staples. This reaction further strengthens the conditions for the staple trap – more large, fixed-cost infrastructure that must be paid off, the creation of monopoly interests, and dependencies on global empires to buy raw material exports. [2]

There Is Nothing New About Megaprojects

A focus on resource megaprojects is repeating a very old pattern. In 1957, economic historian W.T. Easterbrook said there was a "high premium on bigness in entrepreneurship"[3] in Canada, describing how both governments and capitalists sought protection in megaprojects rather than a more evolutionary development pattern that uses innovative technologies to develop diverse economies.

Throughout Canada's history, government decisions in reaction to external economic and military threats have often led to reinforcing dependency on resources. Canada has become a rich country and a middle power, but one with consistent underlying vulnerability and lack of sovereignty. A short review of Canadian economic history demonstrates that there is nothing new about the Carney government's boosting of megaprojects.

The first empire-based economy in Canada developed to serve European imperial markets and political interests, was the 16th century Atlantic cod fisheries. It was highly extractive and produced few developmental spin-offs, as fish harvesters only went ashore in the so-called "New World" to salt and dry their catches before returning to European countries across the Atlantic Ocean.[4] The pattern was decentralized and flexible, and thus it did not install the rigidities associated with the staple trap.

The fur trade, beginning in the later 16th century that expanded as European fashion industries intensified in the 17th century, was also characterized by high extraction and limited settlement. Yet, the staple trap was being set because of the high fixed costs related to military agreements with First Nations and inter-colonial warfare. These burdens increased as trade expanded inland and westward from Atlantic coastal settlements to help pay these costs. Managing trade and violent economic competition over a vast geography led to the forced merger of the North West Company and the Hudson Bay Company in the early 1800s, introducing the trend of managing large-scale resource exploitation via large, centralized organizations answerable to private shareholders.[5]

By the 19th century, British North America oriented towards wheat and lumber exports to the British Empire. When Britain abolished trade preferences in a pivot towards free trade in the mid-1840s, there was a general feeling of "abandonment and disorientation."[6] Domestic lumber interests showed little support for Canadian independence, calling for annexation to the United States. This 19th century sentiment sounds familiar to Canadians today, but policymakers are still unprepared for this predictable situation. Once again, Canada's most resource-dependent province expresses reluctant support for "elbows up" stance in the face of the US Trump Administration's trade war and threats of annexation.

Avoiding the US Civil War by the 1860s reinforced Canada's resolve to remain separate from the southern empire. US internal politics also protected Canada from annexation as southern US states at the time did not want non-slave Canadian colonies joining the Union, yet both corporate Canadian corporate interests and Confederate interests supported free trade.

Canada's 1867 Confederation was spurred by the continued threat of US attack after the Union victory. At the time, Canada also faced the loss of trade reciprocity with the US, as well as major debt burdens from building railroad and canal infrastructure taken up to reinforce its economy against the US. After Prime Minister Alexander Mackenize's failed attempt to re-negotiate free trade with the US, Prime Minister John A. Macdonald was re-elected in 1878 to introduce the National Policy of tariff measures meant to promote manufacturing and expansion into Western Canada.[7]

The railway construction through Canada's first provinces, and its westward expansion, is often heralded as Canada's first "nation-building" project. It surely supported Canadian territorial independence, yet there are lessons to learn because it was also characterized by a truncated form of developmental megaproject strategy, rather than a strategy to build a domestic innovation system. Policymakers, instead, focused on building infrastructure and managing associated debts, accommodating several private sector bailouts along the way.[8] Furthermore, Canada's banking system focused on short-term financing of railways, utilities, price arbitrage opportunities in resource rents, transportation, and tariff prices, rather than supplying long-term, patient capital for industrial development.[9] Thus, Canada's 19th century industrialization was led by foreign investors, and manufacturing was dominated by foreign companies that established branch plants.

During this period of industrialization, Germany and the US became leaders in the new technologies of steam, railways, precision engineering, and management of large corporate systems with policies such as industrial research programs and modern education systems in engineering and management.[10] Canada's National Policy did not build up the same institutions for technological and corporate leadership.

Still, the National Policy led Canada's economic strategy until the Second World War, which introduced a mission too important to be left to the market. Canada's federal government led industrial development through public enterprise and economic planning.[11] This period represents a brief break from the staple trap pattern, where the Canadian state reacted to a crisis by directing the economy towards military-industrial development, rather than resource-based development.

Renewal of the staple export model was challenged in the post-war period because exports to Europe did not immediately revive to traditional levels. Instead of learning from the wartime planning experience, Canada opted for a new staple export strategy. Canadian policymakers negotiated preferential access to the US market, cementing a deeper dependency. A 1945 White Paper outlined a strategy for building a welfare state based on continued exports of staple products to the US and additional markets. In the 1950s, the federal government led to the development of the TransCanada pipeline and the St. Lawrence Seaway. Both infrastructure projects spurred nation-building sentiments, yet, they were not coupled with a more ambitious industrial development agenda beyond the export of staples. Canada still had no government agency to lead industrial policy. A federal Department of Industry was eventually created in the 1960s, yet the primary strategy was one of export-led development.[12]

The Canadian economy remained vulnerable to external decisions. This vulnerability was highlighted in the 1971 "Nixon Shock," which included a 10% tariff on all imports. US President Richard Nixon had also encouraged foreign branch plants to return home.[13] The Pierre Trudeau government of the time announced a strategy to diversify Canada's trade.

The 1970s saw provincial and federal governments create new Crown corporations to promote Canadian control of industries, such as aerospace and potash. A comprehensive discussion of industrial policy took place within the federal bureaucracy and advisory bodies, producing a vision of "technological sovereignty."[14] However, attempts to formulate and implement industrial policy were vetoed by the Department of Finance, and the federal government failed to produce a coherent policy direction.[15]

The federal government was ill-prepared for new crises that emerged in the early 1980s, when high interest rates slowed economic activity and oil prices fell from their previous spikes. The Pierre Trudeau government responded with a "megaproject" strategy, listing major capital projects that are eerily familiar to the Carney government's strategy today. In 1983, public policy scholar Bruce Doern argued that the policy was largely performative because the government had to be seen to do something, yet had no coherent industrial policy in place.[16]

Progressive economist Duncan Cameron also argued that the strategy failed because it relied on attracting private capital rather than using public investment to spur industrial development through linkages with complementary sectors.[17] The failure of this approach led to a retreat towards free trade with the United States, which was recommended by the Macdonald Commission in 1984.

When Canada negotiated free trade with the US, it created a new form of dependency in the emerging digital economy. The agreements had little to do with tariffs; they ensured that Canada supported US protectionism and dominance in intellectual property.[18]

The rise of digital technologies in the 1990s produced Canadian technology leadership through companies like Nortel and Blackberry, yet their emergence also engrained new dependencies. Federal policy focused on R&D and tax credits over more direct support for Canadian entrepreneurs in new economic sectors. For decades, there has been a pattern of Canadian technology start-ups that are immediately acquired by US firms before they are able to grow within Canada.[19] Foreign technology companies located in Canada also benefit from highly skilled researchers, yet intellectual property is owned by foreigners – developing a trend of R&D extraction.[20] These weaknesses in Canada's innovation system were masked by high oil prices in the 2000s, as primary resource products made up a growing share of exports while technology fell behind.[21] Prime Minister Mark Carney was not the first to declare Canada an "energy superpower" – Prime Minister Stephen Harper made the same declarations a decade earlier, and followed a policy of resource extraction over domestic innovation system building.[22]

The term "industrial policy" became popular during the decade of Prime Minister Justin Trudeau's government, yet it failed to produce the institutions that could implement such a policy. For example, the Justin Trudeau government's "supercluster" initiative focused on appeasing regional interests, rather than strategically shaping the geographically concentrated nature of innovation. The 2017 Strategic Innovation Fund passively invited applications, instead of developing the capacity within the public sector to lead a vision for industrial productivity and decarbonization. What the Justin Trudeau government called industrial policy, was often a defensive reaction to events in the United States. When the Biden administration released its *Inflation Reduction Act* in 2022, Canada reacted by implementing a similar tax credit policy, rather than realizing a coherent strategy for industrial development based on an analysis of Canada's context.[23]

Megaprojects Versus Systems of Innovation

In the present day, Prime Minister Carney's call for "nation-building" megaprojects is yet another reaction of the federal government to US policy – this time to US President Donald Trump Administration's threats and tariffs. From a historical perspective, this is not a new thing. Most concerning, however, is that this strategy has never produced a sovereign Canadian economy, but has installed new and dangerous rigidities that invoke new dependencies for resource products, continuing to leave Canada vulnerable to foreign decisions and global economic instabilities.

The primary concern is not itself with megaprojects or infrastructure. The pitfall Canada may find itself in again is from a failure to implement a strategy to build up multiple sectors and new technologies for public benefit; where infrastructure is one component, but not the primary focus. The current "nation-building" strategy is closely tied to resource dependency. The primary policy is a major projects office that seeks to help the private sector navigate environmental and other public protections or, more cynically, to remove them. Reacting to economic threats by speeding up megaproject approvals suggests policymakers think it is possible to short-circuit an evolutionary development process where technology and organizational innovations are guided through stages of experimentation and growth across multiple sectors.

The way to escape the staple trap pattern is to develop systems of innovation – diverse economies where multiple sectors interact to develop, use, and expand technology. These systems of innovation can be directed to develop Canadian technology used to solve Canadian problems. They can be built from local community assets, knowledge, and novel inter-sectoral combinations and, therefore, do not have to be based on natural resource exploitation. Government plays a role in actively monitoring and building up these systems over time; thus, it is a consistent development policy rather than a short-term reaction to a crisis.

A system of innovation agenda would not stop natural resource development or refuse to build infrastructure, but the agenda's primary focus would to analyze the opportunity to develop related sectors instead of expanding the export of raw material or semi-processed resources. There are also historical examples in Canada of developing systems of innovation that have led to long-term, sustainable outcomes. The development of large hydroelectric projects in Québec, for instance, spurred innovation in long-distance transmission, and was coupled with the creation of a public utility, a research institute, and the social goal of technological sovereignty. Québec used hydroelectricity to build a relatively more diverse inter-sectoral system compared to the rest of Canada, which included the growth of aluminum and chemical sectors, procurement policies that facilitated the engineering sector, and a research infrastructure responsible for the early development of the lithium iron phosphate battery.[24]

Looking beyond resources and infrastructure, there are new development pathways. Verafin is a Newfoundland company that used artificial intelligence to guide underground mining vehicles , which then applied the same technology to bank security fraud detection.[25] An agenda that prioritizes systems of innovation would seek out more of these applications for new technologies with resource sectors, and develop the adjacent economic development pathways. This has the potential to home grow Canadian companies and give them the ability to remain in Canada.

Systems of innovation could be guided by public purpose missions. It is possible to create economic opportunities from numerous publicly coordinated projects, not just natural resource exploitation projects. To truly protect Canadians from the uncertain world order, "nation-building" should focus on securing basic human needs such as housing, food, and access to digital infrastructure. Nation-building should consider building affordable and health homes capable of withstanding power outages, food sovereignty, and digital sovereignty for Canada. These initiatives need public sector organizations to establish missions, create partnerships, and support promising Canadian solutions.

The irony is that many of these innovation system-building strategies could start to deliver results sooner than megaprojects. What Canada lacks is the institutional infrastructure, and related policy focus. The staple trap pattern means that Canada fails to develop these institutions in good times facilitated by steady resource exports, and then retreats to expanding resource exploitation during crises. Institutions to build a different and diverse economy need to be supported over the long-term to protect the economy when the next crisis occurs.

Other nations have developed leading industrial policy and research institutions like Japan's former Ministry of International Trade and Industry (MITI), Germany's Fraunhofer Institute, Sweden's Vinnova, or the US Defense Advanced Research Projects Agency (DARPA) that guide innovation and economic system building efforts. Canada has not developed or adequately supported similar institutions, though there have been attempts and important exceptions, such as the Industrial Research Assistance Program first implemented in the 1960s.

From Reactive "Nation-Building to Consistent Economic Development

An agenda to truly strengthen Canada's economy would seek to build systems of innovation instead of megaprojects. The focus on megaprojects in a "nation-building" agenda is Canada's traditional reactive response, stemming from the inadequacies of previous policy agendas and the perception that there is nowhere else to maneuver other than doubling down on resource dependency. If history is to serve as a guide, this reactive response is unlikely to produce an independent and resilient Canadian economy. An alternative agenda would recognize that the state must play a consistent and long-term role in economic development. It is a task too important to be left to the private sector. Nation-building would focus on meeting the core needs of Canadians to weather future economic and political storms and actively use public purpose missions to develop a diverse set of Canadian technologies, businesses, and worker skills.

Notes

1. Mel Watkins, "A Staple Theory of Economic Growth," *Canadian Journal of Economics and Political Science* 29 (1963): 141–58.
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19. David Wolfe, *A Digital Strategy for Canada: The Current Challenge, Research Study*, Institute for Research on Public Policy, 2019. Available online: irpp.org/research-studies/a-digital-strategy-for-canada

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25. The company provides a familiar story of foreign acquisition. It was sold to Nasdaq. Yet, it plays an important role in seeding the St. John’s digital technology ecosystem.

A version of the article was originally published online on June 23, 2026 by the Centre for Industrial Policy, an initiative of the Transition Accelerator.

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False Promises and Economic Reconciliation

Anna Stanley

Introduction

For Indigenous communities living in Ontario's Northern Boreal Peatlands, the stakes associated with developing the so-called "Ring of Fire" could not be higher. According to long time observer and legal scholar, Dayna Scott, "the small, remote Anishinaabe and Anishini communities across the peatlands of Treaty No. 9 have been both dreading and inviting transformative changes to their lands, lifeways, and livelihoods." (Scott, 2025:41) These communities, Scott, and other experts, warn face staggering, colonially-motivated physical infrastructure deficits, and near constant states of social emergency for which mining and extractive development are conveniently positioned as the only solution (Scott & Cowen, 2020; Scott, 2025).

Northern Ontario's Ring of Fire—which the provincial government envisions as a critical mineral rich extractive frontier, long overdue for development—is home to Cree, Anishini, and Anishinaabe peoples of Treaty No. 9, including the eight Mattawa Nations and five O'Mushkegowuk Nations most proximate to and downstream of the proposed development. These nations assert shared jurisdiction as well as Indigenous and treaty rights across the area. Notwithstanding qualified support from two First Nations, mining, mineral exploration, and infrastructure development, including an essential 350km mining road through the peatlands, continue to face significant opposition from Indigenous communities. This includes opposition to the pace and scale of development, which has vastly outpaced the capacity of the nations to meaningfully evaluate and respond, and to the provincial government's attempts to unilaterally determine the future of Treaty No 9 territory.

Mineral exploration and proposed infrastructure development have been met with repeated court challenges, judicial reviews and regulatory appeals brought by local First Nations. Plans to develop the territory into a 'special economic zone' currently face constitutional legal challenges from Treaty 9 nations, as do Federal and provincial legislation, Bill C-5 *One Canadian Economy Act* and Bill 5 *Protect Ontario by Unleashing our Economy Act* respectively, aimed at fast tracking mining and infrastructure projects in the region. Communities have also issued cease and desist orders to exploration companies, established land defense encampments at key points along the proposed infrastructure corridor, and established land defense alliances together with other treaty nations to protect against unwanted development in the Ring of Fire.

Responding, perhaps, to this resurgence and renewed assertion of Indigenous rights and jurisdiction, the Ford government has reframed development of the Ring of Fire as "economic reconciliation" – an opportunistic mishmash of a concept that combines the promise of economic prosperity and extractive development with colonial reparations. The idea of economic reconciliation historicises colonially produced inequalities as problems of economic exclusion in which Indigenous peoples were prevented from sharing in the benefits of extractive development (Peres & Stanley, 2025:2; Sommerville, 2021). It frames financial and economic forms of participation in extractive development, such as equity stakes, as modes of colonial redress and positions the extractive development of Treaty 9 territory as a pathway towards decolonization (Peres & Stanley, 2025:2).In practical terms, the province imagines economic reconciliation through a set of processes that purport to extend economic benefits associated with mining to Indigenous people and communities. These purported benefits include government resources revenue sharing (GRRS), in which a portion of the mining tax collected by the province is shared with Indigenous communities; benefit agreements negotiated privately with industry that commit to a range of compensation measures including jobs and revenue sharing in exchange for access; and, Indigenous equity and ownership stakes in mining and related infrastructure projects, supported by low-interest borrowing schemes. More perniciously, economic reconciliation also includes "prosperity agreements" through which provincial resources for desperately needed life sustaining infrastructure are made available to communities willing to participate in extractive development (Government of Ontario, 2026); otherwise called "infrastructural violence" by some legal experts (Scott & Cowen, 2020).

Whether or not economic reconciliation, as imagined by the provincial government, represents a genuine attempt to respect Indigenous jurisdiction or meaningfully share resource wealth with Indigenous communities, Ontario's vision for the Ring of Fire risks deepening colonial inequalities. Development of the Ring of Fire since the 2000s has and continues to depend on the use of fiscal and regulatory mechanisms designed to undermine Indigenous jurisdiction and circumvent Indigenous rights. Indeed, efforts to "de-risk" exploration and infrastructure development have revolved almost exclusively around the problem of Indigenous jurisdiction. Exploration of the Ring of Fire continues to be financed by tax relief, and recent federal and provincial legislation aimed at streamlining and fast-tracking regulatory approvals demonstrate how governments have sought to undermine Indigenous rights. Extractive development in the Ring of Fire is also poised to continue the largely uncompensated and mostly one-way flow of wealth out of Indigenous territory and away from Indigenous peoples and communities, demonstrated by corporate practices and investment relationships surrounding the Ring of Fire.[1]

Incentivizing Mining Against Indigenous Jurisdiction

As I have argued elsewhere, assertions of Indigenous jurisdiction, of which there is no shortage in the Ring of Fire region, amplify the highly speculative nature of mineral exploration, deterring even the most "risk tolerant" of investors (Stanley, 2024). Without financial and regulatory interventions that strip away Indigenous rights and jurisdiction, investment in the Ring of Fire would be non-existent. Mineral exploration, for instance, has depended on the considerable fiscal intervention of the "flow-through share" – a tax-based mechanism for raising money for exploration that has capitalized nearly all exploration of the Ring of Fire. In the simplest terms, flow-through shares transfer tax relief associated with exploration expenses from firms to investors so as to offset their exposure to "high risk" equity. In so doing, Flow through financings substitute tax relief for growth, thus protecting investor wealth from exposure to exploration equity and injecting liquidity in the form of individual private wealth into exploration. Fully funded, thanks to the government's forfeiture of tax revenues, companies are emboldened to explore and develop prospects despite high levels of Indigenous opposition, and often without consent.

Table 1 – Juno Corp Flow-through Financings by Date Raised to Explore Indigenous Land, Treaty 9 Territory ($CAD)

Date	Description of Security	Value $	Income tax avoided $	Capital gains paid $	Tax avoided-paid $	METC $	Total tax abandoned $	Investor profit $
10-12-2025	Flow-through shares	300,001.50	160,590.80	73,787.04	86,803.77	90,000.45	176,804.22	143,470.72
10-12-2025	Premium flow-through shares	14,000,000.00	7,494,200.00	2,767,000.00	4,727,200.00	4,200,000.00	8,927,200.00	4,927,200.00
05-07-2024	Flow-through shares	879,999.00	471,063.46	202,913.10	268,150.36	263,999.70	532,150.06	385,483.56
21-07-2024	Flow-through shares	20,001.00	10,706.54	4,611.90	6,094.64	6,000.30	12,094.94	8,761.44
21-07-2024	Premium flow-through shares	14,800,000.00	7,922,440.00	2,767,000.00	5,155,440.00	4,440,000.00	9,595,440.00	4,795,440.00
18-04-2024	Flow-through shares	50,000.00	26,765.00	11,068.00	15,697.00	15,000.00	30,697.00	20,697.00
25-03-2024	Flow-through shares	100,000.00	53,530.00	22,136.00	31,394.00	30,000.00	61,394.00	41,394.00
06-03-2024	Flow-through shares	25,000.00	13,382.50	5,534.00	7,848.50	7,500.00	15,348.50	10,348.50
29-05-2023	Flow-through shares	3,683,500.00	1,971,777.55	733,255.00	1,238,522.55	1,105,050.00	2,343,572.55	1,310,072.55
12-12-2021	Flow-through shares	651,748.50	348,880.97	164,308.69	184,572.28	97,762.28	282,334.55	224,401.35
05-10-2021	Flow-through shares	1,160,000.00	620,948.00	256,777.60	364,170.40	174,000.00	538,170.40	306,170.40
19-11-2020	Flow-through shares	1,131,229.40	605,547.10	268,295.29	337,251.80	169,684.41	506,936.21	345,332.01
19-11-2020	Premium flow-through shares	2,124,589.40	1,137,292.89	452,210.75	685,082.13	318,688.46	1,003,770.59	513,480.65
30-10-2020	Flow-through shares	911,000.30	487,658.46	216,063.24	271,595.22	136,650.05	408,245.26	278,102.36
		39,837,069.10	**21,324,783.27**	**7,944,960.62**	**13,379,822.65**	**11,054,335.64**	**24,434,158.29**	**13,310,354.55**

Source: reports of exempt distribution filed to the Canadian Securities Administrators (SEDAR+)

Notes

- Calculations by the author. All values are in $CAD.
- "Premium flow-through shares" denotes a flow-through transaction with a pre-arranged back-end buyer; these transactions sell at a considerable premium.
- The METC (Mineral Exploration Tax Credit) is calculated at 30% beginning 2022, and 15% prior to 2022; consistent with federal policy changes. Calculations do not include income tax, if any, paid following on the amount of the METC claimed by the investor (it is not possible to estimate the amount that would be eligible for taxation). Due to insufficient information, calculations do not include any provincial flow-through share tax credits.
- All tax estimates assume an Ontario buyer taxed at the highest tax rate (consistent with department of finance estimates) and are calculated using the combined federal-provincial tax rate for Ontario (53.53% income tax and 27.67% capital gains tax)
- Estimates of investor profit assume the investor uses the entire value of the METC deduction to reduce federal taxes owing, and that the investor sells the shares soon after for the discounted common share price at the time of purchase (consistent with department of finance estimates)

The relationship between tax relief and access to Indigenous land in the Ring of Fire is best illustrated by example. Mineral exploration conducted by Juno Corp., an Ontario-based mineral exploration company, has been opposed by several First Nations, including Attawapiskat First Nation who took the company to court in 2021 for exploring without consulting. Table 1 summarizes the company's flow-through transactions. Notwithstanding Indigenous opposition and negative publicity stemming from litigation, Juno has raised nearly $40 million from investors since 2020 by means of FTSs to advance exploration of its Ring of Fire properties. In 2025, for instance, Juno disclosed raising $14 million dollars worth of "premium" FTSs – an arrangement where a back-end buyer, such as a company insider, has agreed in advance to purchase the shares from the initial flow-through investors. Investors who initially purchased the shares avoided nearly $7.5 million in income tax on the value of the purchase price. The same investors paid capital gains taxes of $2.77 million on the resale price of the shares when they sold to the back-end buyer at a discounted and pre-arranged price, thus avoiding an estimated $4.7 million in taxes overall. Investors were also able to use the federal Mineral Exploration Tax Credit (METC) to deduct up to 30% of the initial share purchase price, equivalent to an estimated $4.2 million dollars, from any federal taxes owing. The METC is a non-refundable tax credit that contributes to the total taxes abandoned to incentivize investment in exploration. The METC was increased from 15% to 30% in the 2022 tax year for investments in critical mineral exploration. All told, once the loss on the price of shares was accounted for, investors collectively made up to $5 million dollars in after-tax profit from this single transaction; the federal government abandoned nearly $9 million in taxes; Juno raised $14 million in discounted capital.

Table 2 summarizes the impact FT financing has had on exploration of the Ring of Fire. Except for royalty agreements that financed approximately 30% of Noront's exploration budget, exploration of Indigenous land in the Ring of Fire was capitalized almost exclusively by means of FTSs (Stanley, 2024). Exploration companies operating in the Ring of Fire have raised nearly $200 million worth of exploration capital using flow-through shares, with much of it raised in the last half decade's critical mineral rush. These investments have netted up to an estimated $60 million in after-tax profits, while governments have forfeited nearly $100 million in tax revenues to guarantee them. Indigenous communities, most of whom did not consent to this exploration, did not share in these profits.

As I have noted elsewhere, FT financing is a fiscal policy "of land alienation and enrichment" that bolsters a regulatory system that is strategically ignorant of Indigenous jurisdiction and over-

Table 2 – Tax Relief and Access to Indigenous Land in the Ring of Fire ($CAD)

Corporation	Value $	Tax abandoned $	Investor profit $	Company premium $	Donor cost $	Charity receives $
Juno Corp. (2020-2026) includes premium flow-through shares	39,837,069.10	24,434,158.29	13,310,354.55	11,123,803.74	-	-
* Noront Resources (2005-2019)	135,523,061.00	62,931,038.43	42,320,550.29	28,564,520.49	-	-
PTX (2023-2026) includes charity flow-through shares	9,274,936.80	** 6,484,222.01	2,294,524.71	1,536,603.13	29,475.00	1,500.00
Ongold (2024-2026)	5,751,021.30	2,895,686.76	1,307,076.82	1,588,609.94	-	-
New Age Metals (2025-2026)	1,699,999.42	766,987.75	505,449.27	261,538.48	-	-
Metal Quest (2025-2026)	630,779.94	365,682.97	267,665.15	35,043.33	-	-
	192,716,867.56	**97,877,776.21**	**60,005,620.78**	**43,110,119.10**	**29,475.00**	**1,500.00**

Source: reports of exempt distribution, quarterly and annual reports filed with the Canadian Securities Administrator (Sedar+).

Notes
- Calculations by the author. All values are in $CAD.
- * Currently Wyloo. Includes flow-through shares issued by Noront Resources Limited as well as Spider and KWG who explored properties later acquired by Noront. Wyloo has not raised flow-though shares since purchasing Noront.
- ** Includes Charitable Donation Tax Credit associated with 2 charity flow-through financings. Also assumes that for insider financing worth 260k of flow-through shares that insider does not divest and therefore does not pay capital gains.
- For assumptions see Table 1 notes.
- METC calculations associated with investor profit and tax abandoned for Noront assume that investors also claimed the Ontario Specific Flow Through Share Tax Credit (not included in the table). As a result the METC value may be slightly underestimated relative to the other companies.

seen by governments unwilling to uphold and protect Treaty rights (Stanley 2024). Projects that would otherwise be deemed too risky due to heightened Indigenous opposition, are capitalized, and exploration that lacks Indigenous consent or faces outright resistance proceeds nonetheless. Investors typically sell the shares as soon as possible, usually at a loss, and in some cases to a pre-arranged back-end buyer. Profit is derived almost exclusively from the tax-relief transferred to the investor. Ring of Fire exploration companies have also begun to access philanthropic capital using “charity" flow-through shares – a riff off the original mechanism, wherein an investor (donor) buys the shares and donates them to a charity which then sells them to a prearranged buyer at a discount. The tax-relief, including the Charitable Donation Tax Credit, dramatically lowers the cost of the investment, the charity receives cash and the exploration company raises even more capital.

Respect for Indigenous Rights is Discretionary

Flow through finance notwithstanding, gaps remain in which investment remains particularly sensitive to Indigenous resistance. This is particularly the case for mining projects as they transition from exploration to mining, and for infrastructure development (Merwat, 2026). Nowhere is this more evident than in the Ring of Fire, where the development of the only proposed mine has been stalled since 2011, and construction of a 350km mining access road has been delayed for nearly as long (Stanley, 2021). Recent regulatory interventions, most notably the federal Bill C-5 *One Canadian Economy Act* and provincial Bill 5 *Protect Ontario by Unleashing Our Economy Act*, aim to push these project approvals forward by curtailing assertions of Indigenous jurisdiction.Both pieces of legislation allow governments to exempt resource projects deemed of critical economic importance from independent regulatory oversights (including environmental and social impact assessments), pre-approve projects without consent or consultation, and instead, concentrate regulatory oversight to cabinet.

Many see these as a giant de-risking exercise with Indigenous jurisdiction clearly in the crosshairs. The *One Canadian Economy Act* downloads federal authority to the provinces, especially when it comes to Indigenous rights; a move which critics point out, "allow(s) the federal government to defer to provincial processes that do not share an equivalent mandate to safeguard Indigenous and Treaty rights or uphold nation-to-nation relationships" (Kenebeck First Nation in King, 2026). The *Protect Ontario Act* rolls back provincial environmental assessments and protections and allows governments to exempt projects from provincial laws and regulations (Denaro, 2025: 1). It pre-exempts Wyloo's Eagle's Nest Mine Project, the first and only proposed mine in the Ring of Fire, from environmental assessment. In addition to slashing regulatory oversight of the Ring of Fire, exempting the mine has eliminated processes that "trigger" the duty to consult Indigenous peoples, and excludes them from decisions affecting the future of Treaty 9 territory. Treaty 9 Nations appealed to the federal Minister of the Environment, Climate Change and Nature to designate the Eagle's Nest Mine Project for review under current federal environmental assessment legislation—in February 2026 the Minister denied their request.

Ontario's legislation, according to Yellowhead Institute Director Hayden King, "further obscures the process and requirements for consultation," and outsources consultation to industry (2025). The provincial government has also fast-tracked all regulatory permitting and approval processes, including for mineral exploration, under the "One Project, One Process" framework, that strips away opportunities for Indigenous communities to be involved in determining the future of the Ring of Fire. In addition to undermining Indigenous rights and sidelining consultation, this regulatory reconfiguration also weakens the bargaining power of those who support development. Communities in the Ring of Fire who are currently engaging with mining and exploration companies have had the rug pulled out from under them and now have less power to extract concessions from companies and hold them to account.

The False Promise of Prosperity

Despite the prosperity promised to Treaty 9 Nations, development of the Ring of Fire is likely to continue the flow of resources away from Indigenous people and communities. Though they will disproportionately bear the social and ecological consequences of development, it is unlikely that wealth will trickle down to sustain their communities, or that projects will provide meaningful economic security. Ontario levies a 5% to 10 % tax on net profits for mining companies currently in operation above an annual $500,000 exemption, and after an initial development exemption of $5 million to $10 million, depending on whether the mine is designated a "remote" operation. First Nations, who have negotiated resource revenue sharing agreements with the Ontario government, share in 40% of the provincial tax revenue collected from mining in their territories. Revenues collected from newly developed mines, including any mines developed in the Ring of Fire, will be shared at 45%. The province also levies an 11.5% tax on the corporate income of mining companies, but this revenue is not shared with First Nations. Nor are any revenues from the 15% federal corporate income tax allocated to First Nations.

However, GRRS agreements share only a tiny fraction of mining wealth with First Nations. Ontario currently maintains revenue sharing agreements with 41 First Nations. Since these agreements were established in 2018, the Government of Ontario has disbursed approximately $100 million worth of resource revenues to First Nations (Ontario Ministry of Mines, 2025). For perspective, Table 3 provides financial information for the 2024 fiscal year for Ontario's highest tax paying mining companies (defined as having paid CA $25 million or more in taxes and fees to the Ontario government during the five years between 2020 and 2025). In 2024, the most recent fiscal year for which there is complete data, these companies recorded annual sales revenues associated with their Ontario mining operations of US $5.38 billion. The CA $100 million (roughly US $ 73.2 million) shared under GRRS agreements over eight years, with 41 First Nations, represents slightly more than 1% of this annual revenue.

So little mining wealth is shared with First Nations in Ontario because the provincial government collects only meagre tax revenues from mining companies who can use loopholes and avoidance strategies to minimize contributions. This is unlikely to change with Ring of Fire development. In addition to writing off almost all operating, production, maintenance and transportation costs, including labour and administrative overhead, against taxable mining profit, Ontario offers a generous suite of deductions and allowances for mining companies, including substantial processing and asset depreciations. Mining companies also have no shortage of (mostly legal) methods of minimizing taxes by sheltering profits in tax havens. Mining companies operating in Canada have been known to engage in "transfer pricing" to sell products at an artificially low price to an offshore subsidiary; to pay corporate subsidiaries inflated fees for technical or management services; or to use "offshore marketing hubs" to record profits in low or no-tax jurisdictions (Desnault

Table 3 – Financial Information for Ontario's Highest Tax* Paying Companies, Attributable to Ontario Operations, FY 2024 (Reported as $USD)

Company	Sales revenues $	Tax paid to Ontario $	Payments to First Nations			Dividends attributable to Ontario production	
			All $	Royalties & bonuses $	# FN entities	All investors $	Canadian investors $
AGNICO EAGLE	2,253,541,000.00	44,921,904.00	32,282,142.00	9,426,882.00	6	156,953,146.58	46,897,678.67
GLENCORE	1,168,144,525.00	4,580,000.00	-	-	-	4,553,964.98	21,051.93
NEWMONT	1,189,000,000.00	21,962,701.00	12,751,839.00	12,240,174.00	13	63,111,367.34	1,996,396.72
BARRICK GOLD	343,200,000.00	-	7,380,000.00	-	2	15,045,609.66	3,449,661.97
VALE	1,116,970,600.00	2,554,733.35	1,359,893.02.00	-	3	32,685,980.53	500,213.92
COMPASS **	907,800,000.00	5,315,856.00	-	-	-	-	-
WESDOME	310,657,000.00	10,770,605.53	-	-	-	-	-
IMPALA	340,380,000.00	-	1,178,294.53	-	4	2,184,892.92	5,546.93
	5,376,152,125	**90,105,799.89**	**54,952,168.55**	**21,667,056.00**		**274,534,962.00**	**52,870,550.14**

Source: Corporate ESTMA reports filed with Natural Resources Canada under the Extractive Sector Measures Transparency Act; quarterly and annual financial statements filed with the Canadian Securities Administrators (SEDAR+); Refinitiv Eikon

Notes

- * Defined as having paid $25 million CAD or more in taxes and fees to the Ontario government between 2020 and 2025. ESTMA data shows that over the period only 8 mining companies made payments to the Ontario government of $25 million or more.
- Figures reported in CAD were converted to USD using the Bank of Canada average rate of exchange for 2024: 0.7302
- Figures reported in Brazilian Real were converted to USD using the conversion rate: 1 Brl= 0.2USD (XE)
- Figures reported in South African Rand were converted to USD using conversion rate: 1 Rn=0.061USD (XE)
- Taxes paid to Ontario includes both mining and corporate income taxes.
- Where companies do not record or disaggregate sales revenues for Ontario operations, sales revenues are estimated based on stated, segmented annual production for Ontario mines, multiplied by the annual average stated ore price.
- ** Compass provides no segmented information about its Ontario operation. Calculation is based on sales revenue for its salt segment which is predominantly but not entirely based on Ontario Production and therefore overestimates sales revenue.

2016; Wilt 2018, 2019; Beauchesne 2020; Suarez 2021).[2] Mining companies highlighted in Table 3 each own multiple corporate subsidiaries located in low or no-tax jurisdictions. Wyloo, though not currently facing allegations of tax minimization or avoidance, has at least one offshore subsidiary registered in the British Virgin Islands.[3]

Provincial-level data collected under the 2014 *Extractive Sector Transparency Measures Act* (ESTMA) shows that, between 2020 and 2025, Ontario collected a total CAD $527 million in taxes (including corporate and mining taxes), fees, penalties and other payments from mining companies. Mandatory corporate reporting under the ESTMA paints an even starker picture of how little mining profits are taxed. Table 3 compares 2024 sales revenues attributable to the Ontario mining operations of the eight companies with taxes paid to the Ontario government in the same fiscal year. Since ESTMA reporting does not disaggregate mining taxes from corporate taxes, it is not possible to determine what portion of these payments would be subject to 40% revenue sharing with First Nations. Despite recording substantial sales revenues, with some companies recording billions in sales revenue in 2024 alone, attributable to mining operations in Ontario, some companies paid little or no taxes. Glencore, an Anglo-Swiss company headquartered on the UK-dependency of Jersey off the coast of Great Britain for its favourable tax jurisdiction, paid just US $4.6 million in taxes on US $1.17 billion dollars of sales revenue generated in Ontario; an effective tax rate of less than 0.5%. In total, the eight companies highlighted in Table 3 paid approximately US $90 million in taxes to Ontario on sales revenues of US $5.38 billion in 2024 – collectively, an effective tax rate of 1.6%.

ESTMA reports also reveal that private agreements between First Nations and mining companies return almost no wealth to communities. Impact and Benefit Agreements (IBAs, also referred to as "partnership agreements") are one of the few ways that communities can extract concessions from mining companies. IBAs are confidential, contain what critics refer to as "gag-orders," and, experts suggest, give companies and their shareholders an outsized role in defining Indigenous rights relative to extractive projects (Pasternak, 2020; Scott, 2020). Companies rarely disclose all financial information in their dealings with First Nations and often have the upper hand in negotiations with communities (Pasternak, 2020).

ESTMA reports, as confirmed by Table 3, also demonstrate that payments to First Nations associated with Ontario mining operations are marginal compared to sales revenues. Fees, which typically reflect payments to support community monitoring, participation in technical reviews, and stewardship programs, rather than wealth shared with First Nations, account for most of these payments. When royalties and bonus payments associated with permitting or production milestones are considered separately, payments to First Nations account for less than 0.5% of sales revenues. Only two of the eight companies paid royalties to First Nations in 2024, totaling US $21.6 million distributed amongst as many as 19 Indigenous "entities" according to ESTMA. Several companies either do not have active agreements with First Nations or did not make payments in 2024.

Wyloo, at the time of writing, is negotiating what it calls "partnership agreements" with Webecqui First Nation and Marten Falls First Nation to provide "long term economic opportunities" (Wyloo, ND). Negotiations have been ongoing for more than three years, and there is no sign that these agreements will contain any form of revenue sharing arrangement. Andrew Forrest, Australian billionaire owner of Wyloo and its parent company Tattarang, has made unfavourable comments about revenue sharing with Indigenous peoples, describing revenue sharing agreements with Indigenous communities in Australia as "welfare" payments and linking revenue sharing to drug and alcohol dependency (Thompson 2023; Thompson & Kerr 2021). Journalists have documented the lengths taken by Forrest's publicly traded mining company Fortescue (a subsidiary of Tattarang) to limit paying financial compensation to Indigenous peoples for mining operations in Australia (Cleary, 2021a; Cleary, 2014). According to Cleary, Fortescue's financial success in Australia has depended in large part on low-cost access to Indigenous land (2021b).

It remains to be seen whether Wyloo will replicate these practices in the Ring of Fire. Immediately upon acquisition of Canadian exploration company Noront Resources Limited and its assets in the Ring of Fire, Wyloo took the company private and eliminated an equity ownership stake held by Marten Falls First Nation obtained as a condition for exploration with Noront. Wyloo states its intentions to "empower" Indigenous communities in the Ring of Fire, committing to provide Indigenous training and employment programs, to award $100 million worth of contract opportunities to Indigenous businesses and to "foster opportunities" for Indigenous businesses to participate in the economic development of the mine and region (Wyloo, 2024). The company has also publicly committed to help in providing Indigenous ventures with access to capital and have launched an "Indigenous Enterprises Business Development Opportunities Workshop" to help Indigenous businesses, "meaningfully participate in the economic benefits stemming from the Eagle's Nest Project" (Wyloo, 2024).

Direct access to resource wealth does not appear to be on offer for Indigenous communities. Any sort of redistribution relative to Wyloo's operations, it would appear, will be restricted to wage labour and entrepreneurial participation in the mining economy. While jobs, training, and entrepreneurial opportunities would undeniably be welcomed by Ring of Fire communities, experience from mining operations in other jurisdictions unfortunately suggests these benefits are likely to be limited and ephemeral.

Real Jobs?

Notwithstanding employment projections made by the Government of Ontario, who anticipate the creation 70,000 jobs [4] which presumably include the build-out of associated EV supply chains, it is not actually clear how many jobs will result from mining the Ring of Fire. Nationally, Indigenous people make up 5% of the mining workforce, and in Northern Ontario they make up nearly 15% of mining sector workers (Baruah & Mujanovicl, 2023:1). What little data exists demonstrates that, although many Indigenous workers are employed in mining relative to other economic sectors, they overwhelmingly work in low-wage, temporary, and low-skill or unskilled positions (Baruah & Mujanovicl, 2023:1). Furthermore, unemployment, income loss, and disinvestment associated with the boom-and-bust nature of the mining economy are especially acute for remote, Indigenous communities (Collard, et. al., 2024; Keeling & Sandlos, 2022; Rodon, et. al., 2022; Dallaire-Fortier, 2024; Inutiq, et. al., 2024). In Nunavut, for instance, resource extraction (including mining, oil and gas) employs relatively few Indigenous people compared to non-Indigenous people, and "economic multipliers," or the additional economic activity and income as a function of the amount of investment, associated with the sector, are lower than investment in all other economic sectors across the territory (Oschinski, 2024).

According to Statistics Canada data, nationally, for every $1 million invested in mining, oil, and gas industries generates 1.8 jobs (Lee & Card, 2012:39). More recent data demonstrates that for every $1 million invested in mining and exploration in Nunavut, only 2.9 jobs are created, and labour income is increased by only $300,000 (Oschinski, 2024). In contrast, for every $1 million invested in arts, sports, and heritage-heritage related institutions in the territory, 25 jobs are generated with a $1 million increase of total labour income (Oschinski 2024). Another study in Northern Ontario further corroborates these low estimates for the economic multiplier on mining investment. According to the Northern Policy Institute, $1 million invested in mining in the Kenora district, where the Ring of Fire is situated, generates $311,000 of additional labour income, and every direct mining job induces an additional 0.61 positions (Moazzami, 2019:18, 20).

It is hard to see these low economic multipliers align with the provincial government's employment projections for the Ring of Fire. While employment multipliers are low, those associated with job losses are not. Longitudinal analysis of mining employment trends in Canada suggests that for every job lost in a mining dependent economy – for instance, when mines are exhausted or become unprofitable – close to 10 more jobs are lost (Dallaire-Fortier, 2024:7). Building prosperity on the boom-and-bust cycles of commodities is unsustainable for an already precarious economy in Northern Ontario. Experience from Nunavut also demonstrates the tendency of jobs, services, and contracts associated with mining to flow out of the territory. Mining and exploration strongly favour non-Inuit workers, Inuit employment in mining and exploration is overwhelmingly unskilled and temporary, and most related service contracts go to southern, non-Inuit organizations (Bernauer, 2019b). Finally, industry and government forecasts tend to ignore that temporary mine closures, due to changing market conditions and commodity price fluctuations, periodically induce widespread layoffs and suspend benefit payments to communities (Collard, et. al., 2024). Reality demonstrates that governments often overestimate job creation in the mining sector. A 2024 analysis of the economic performance of 27 British Columbia mining projects, for instance, found that for every 100 jobs promised by industry, 12 materialized (Collard, et. al., 2024).

Paying for Access to Mining Wealth with Debt

The Government of Ontario states that it will "ensure First Nations are full partners in the economic development of the Ring of Fire" (2026). To do so, it has increased loan guarantee programs encouraging Indigenous "partners" to debt finance ownership and equity stakes in mining and infrastructure projects. Ontario's Indigenous Opportunities Financing Program, for instance, aims to help Indigenous partners purchase equity in "eligible energy and resource development projects" by providing loan guarantees to lower the cost of borrowing. Indigenous partners, presumably communities or business ventures, can borrow from the private sector at below market interest rates to secure a financial stake in proposed mining and infrastructure projects. Similar initiatives exist at the federal level, including through the $10 billion Indigenous Loan Guarantee Program, and the Canada Infrastructure Bank's (CIB) Indigenous Community and Indigenous Equity Initiatives, supporting equity stakes in mining-related infrastructure projects.

It is hard to see this as anything other than an attempt to "de-risk" development by offloading liabilities onto Indigenous communities and indebting them to the resource economy. To be clear, First Nations are being asked to debt finance access to mining wealth extracted from their own land. Federal and provincial loan guarantee programs protect creditors, not First Nations who will be on the hook to repay the loan if projects prove unprofitable or fail; and the consequences for defaulting if they are unable to repay are unclear. Loans will be contingent on terms set by private financial institutions, including terms for repayment. CIB loans to Indigenous entities, for instance, are recovered via a "cash sweep" arrangement that automatically redirects project revenues, and the loans are secured against other sources of community income (Canada Infrastructure Bank, 2021; 2023). To invest, Indigenous partners are required to commit 10% to 20% of their own capital, depending on the CIB initiative, which can be borrowed from the private sector at commercial rates, or be sourced from existing community funds. Until the loans are repaid, revenue generated by mining projects or related ventures and infrastructure like roads, airstrips, or worker services would flow first to creditors to service debt. The ability to pay off debt, generate a return, and avoid insolvency, will in turn be dependent on the speed and success of the mining economy to which Indigenous partners would be increasingly beholden.

Ring of Fire Development is Not for Indigenous Prosperity

Who will benefit from opening the Ring of Fire to mining? Exploration is primarily undertaken by cash strapped juniors who generate income by selling or optioning exploration properties to other investors. These private exchanges of value typically generate no wealth for First Nations, unless they are made to own equity in the company. In the meantime, mineral exploration employs very few people and generates very little wealth, except for investors in flow-through shares who profit from the organized abandonment of tax revenues that subsidize exploration. Most Ring of Fire exploration is conducted without agreements with First Nations. Of those mineral exploration companies that do maintain agreements, such as Juno, Ongold, and Metalex, only one agreement includes an equity stake with a First Nation, donated by the company, currently worth $150,000. No existing agreements include cash payments to communities.

Profits from mining operations that are projected to begin in the next ten to fifteen years, are also unlikely to accrue to First Nations. Mining companies consistently distribute more resource wealth to shareholders in annual dividends than to First Nations. In 2024, Canadian mining company Agnico Eagle operating elsewhere in Ontario distributed 17 times more wealth to shareholders in 2024 than to First Nations (Table 3). Royalty rights-holding companies and their shareholders also have a considerable claim on the profits that may flow from the Ring of Fire.Franco-Nevada, one of the world's largest royalty companies, owns the rights to between 0.5% and 2% of net smelter return royalties on revenue generated from mineral extraction on each of Wyloo's Ring of Fire assets, including a 2% net smelter royalty on the Eagle's Nest Mine. Unlike taxes, royalties are paid "net of smelter" and thus likely represent a larger share of revenue than the 0% to 2% rate at which companies pay tax, and the 0% to 0.5% rate at which they share mining wealth with Indigenous communities. Franco-Nevada also paid out $230 million in dividends to shareholders in 2024, $62 million of which accrued to Canadian investors including public sector pension funds, banks, and insurance companies.

Despite its framing as an exercise in so-called "economic reconciliation," development of the Ring of Fire offers only another form of colonialism. Corporate access to the Ring of Fire requires government fiscal and regulatory interventions designed to undermine Indigenous jurisdiction and restrict the ability of Treaty 9 Nations to shape the future of their territory.

Notwithstanding the possibility of a few jobs or entrepreneurial opportunities in the mining economy, evidence overwhelmingly suggests an extractive future for Treaty 9 territory will continue the flow of wealth out of Indigenous land, and away from Indigenous people and communities.

Notes

1. Were there space, this list of reasons would include the horrifying way extraction in the ring of fire has been primed by decades of what Scott (2025:41) refers to as the "passive, but chronic, denial of basic community infrastructures to support life on reserve, such as safe drinking water and adequate housing."

2. Barrick Gold for instance has faced allegations over the stark disparity between taxes paid in Canada and overseas. Cameco used transfer pricing arrangements to avoid 2 billion dollars in taxes.

3. As of December 2025, verified on Eikon.

4. See Government of Ontario (2026). It is unclear how the Ontario government arrives at this figure.

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Do Neoliberals Dream of AI Growth?

Madison Lee

Prime Minister Mark Carney's election in 2025 reflected a period of heightened uncertainty in Canadian politics. Only a few months before the federal election, at the time of the Inauguration of the second Trump Administration in the US, polls indicated a strong desire for change from Canadian voters. Amid escalating pressures from the cost-of-living and the looming economic stagnation due to the start of a US Trade War, Canadians sought stability under uncertainty. Carney's clearly neoliberal orientation is a departure from the nominally progressive aesthetic of the preceding decade under Prime Minister Justin Trudeau, but voters understood a Carney-led government as a hold on the status quo in the face of ongoing political and economic challenges with the US. This shift from surface-level progressive policy under the Trudeau-era, to policies that fully embraces a renewed and unapologetic emphasis on fiscal discipline, economic competitiveness, and private-sector engagement signals a return to open neoliberalism not seen in Canada since the 2008 Global Financial Crisis.

Alongside this return of national neoliberalism, demonstrated by the Carney government's emphasis on privatization and free market approaches, a new "techno-solutionism" also plays a significant role in Canada's economic policy. Specifically, Carney's economic aspirations depend on the commercialization of artificial intelligence (AI) to stimulate growth through this emerging sector. The federal government's 2025 Budget described Canada's economy as stagnant, with noticeably weak productivity (Department of Finance, 2025, p. 50). In response, budget measures position investment in technological innovation as the solution to overcoming stagnation.

By reviewing Prime Minister Carney's high profile international declarations, and the official recommendations made by the 2025 *AI Strategy Taskforce*, this analysis argues that the federal government's strategy of leveraging AI to drive economic growth fundamentally rests on the neoliberal ideology of trickle-down economics. Beyond promoting AI commercialization, the government proposes developing private-sector AI infrastructure and increasing investment in private corporations to accelerate widespread adoption. While committing to significant public spending cuts, these measures risk creating market concentration of private corporate giants in new sectors and entrenching corporate power in existing ones. Based on this approach, the government's AI strategy for economic growth is unbalanced and skewed towards the powerful and wealthy; unlikely to deliver broad economic benefits to the working class. Despite claims of defending Canada's "digital sovereignty," this approach also relies on entrenching the market power of corporate US Big Tech giants, and Canada's tech and telecom oligopolies, to develop and maintain critical digital infrastructure.

This analysis situates Carney's neoliberal approach to public policy, examining his international economic agenda with particular attention to his January 2026 World Economic Forum speech, as well as his remarks before the Australian Parliament in the weeks following. Focus on these international declarations reveals the close relationship between Canada's global economic positioning and the government's domestic policy framework and priorities. Declarations of the end of the so-called liberal "rules-based international order," and his government's path forward, rely on the continuation of free-market capitalism and the inequities it induces. This international positioning is reflected domestically in policy declarations that build towards 'sovereign' AI infrastructure to ensure that enormous foreign investments yield national economic growth.

Furthermore, an examination of Carney's international declarations, and the discourse surrounding them, offers critical insight into how his neoliberal approach may be implemented in domestic public policy. Specifically, the commercialization of AI development in Canada and the recommendations of the federal government's 2025 *AI Strategy Taskforce* developed by Innovation, Science and Economic Development Canada (ISED) demonstrates these aspirations for AI-driven economic growth. After its announcement, the Taskforce undertook a 30-day "sprint" of national consultations to inform Canada's AI strategy. An evaluation of the recommendations developed by the Task Force further demonstrates a return to Carney's neoliberal roots and what to expect in Canada's domestic policy approach. The 2026 *Canadian Sovereign AI Compute Strategy*, developed in the context of the Taskforce's recommendations, further prioritizes commercialization, rather than public good. As demonstrated by new policy declarations on the world and domestic stages, working-class Canadians are unlikely to see the benefits of economic growth from this neoliberal approach, given several decades of experience under neoliberal economic policy.

Variable Geometry Abroad, Classic Neoliberalism at Home

Continuing the Neoliberal International Order

The domestic AI-driven growth agenda is reflected in Canada's reinforcement of neoliberalism on the global scale, despite claims of transformation of the international order. Prime Minister Mark Carney faced increased scrutiny from the Official Opposition for the substantial time spent travelling abroad for the purpose of cultivating geopolitical relationships among so-called "middle powers" (Ngai, 2026). As of March 21, 2026, Carney spent 84 days abroad, compared to 64 days during his abbreviated first year in office, and just 34 days during Stephen Harper's first year (Wherry, 2026). While overseas, he delivered a speech at the World Economic Forum in Davos, Switzerland in January 2026, drawing global attention by announcing the end of the post-war liberal "rules-based international order" (RBIO) and, more specifically, the threat this poses to international neoliberal institutions such as the World Trade Organization (World Economic Forum, 2026). His remarks highlighted the apparent role that middle powers play in the RBIO, the access to markets it afforded them, the financial benefits reaped under and protected by US global hegemony, and the shared pursuit of values-based foreign policies. He also acknowledged the flaws of the RBIO: "We knew that the story of the [RBIO] was partially false, that the strongest would exempt themselves when convenient, that trade rules were enforced asymmetrically. And we know that international law applied with varying rigour depending on the identity of the accused or the victim" (World Economic Forum, 2026). He refrained, however, from delving into the root causes of present global crises.

Carney framed middle powers such as Canada as victims, despite the country's complicity in the concentrated prosperity of the values-based order, unable to check the US superpower when it threatens the RBIO and its imbalanced flows towards middle power elites. Yet, the liberal ideology behind the RBIO assumes only one universally accepted model for political and economic matters, without consideration for regional diversity, local needs, aspirations, and development potential (Nahtigal, 2023, p. 392). To continue the RBIO in the face of the US superpower's exit and non-compliance from the system, Carney stated: "To help solve global problems, we're pursuing variable geometry, in other words, different coalitions for different issues based on common values and interests."

This characterization overlooks the extent to which the RBIO has exhibited structural imbalances since its post-Second World War inception as the so-called "Bretton Woods" system. Well-known examples of these structural imbalances include the imposition of debt restructuring programs on developing nations by international institutions like the World Bank and WTO; organizations in which many middle powers have long participated and continue to hold membership. It can be argued that Carney's framing also absolves corporations of responsibility for severe global inequalities between the Global North and the Global South by overlooking both their profit-driven imperative and their function as economic policy extensions of the countries they are based in. From a postcolonial perspective, the current global economic system has imposed continued colonial exploitation and power dynamics that exclude and abuse nations of the Global South (Benabdallah, 2024, p. 163). This system has entrenched the Global South's economic dependence on the Global North, making its economies reliant on conditions imposed by the North.

A significant outcome of the RBIO, as these imbalances were reinforced by the neoliberal turn since the 1980s, has been the increase in privatization and the globalization of work. This has meant the offshoring of labour from the North to the South, particularly in manufacturing and services (Hatzichronoglou, 2007, p. 7). The effects of this imbalance include unregulated working conditions and environmental consequences in the Global South, and increasing job precarity, contributing to the rise of populism, in the Global North. Declarations of a "Variable Geometry" in Canada's foreign policy, a term typically reserved for aviation and engineering where wings or other forms change shape to induce or reduce drag, is in no sense an indication of global, or Canadian, economic revolution. In his speech to Australia's Parliament in March 2026, Carney stated: "To be clear, Canada's support for the United Nations, the Bretton Woods institutions, the multilateral systems, is, like Australia's, unwavering" (Carney, 2026). Variable Geometry does not challenge the severe inequalities of the RBIO, but it is a signal to other countries to hold the line and refrain from structural transformation in reaction to the economic aggression from the United States. It is a call to adapt to maintain the status quo, focusing on free-market relationships between like-minded middle powers, in place of the US, while private corporations spearhead this initiative. It does not call for a new relationship between the middle powers and poorer nations.

Shapeshifting neoliberalism that reduces dependence on the US is evident in the renewed effort to grow Canada's ties with Australia, positioning private corporations as the central driver of that relationship. Further on in his speech at the Australian Parliament, Prime Minister Mark Carney (2026) highlighted the need for Canada and other middle powers to build sovereign capabilities at home and further identified five key pillars of "like-minded" values: critical minerals, defence, artificial intelligence, trade, and capital. Although not explicitly stated, the free market continues to be the driving force behind progress in each pillar. Also, notably absent from these remarks are any measures to defend workers, provide social welfare, or renew relations with poorer countries.

Placing more faith in the leadership of private corporations of the Global North should also be met with great caution. As the Carney government promotes AI as a key pillar of middle power empowerment, it should be remembered that prioritizing profit in the science and tech sector as the primary engine for economic growth overlooks the profound global inequalities this has produced. During the COVID-19 Pandemic, as one of the largest and recent economic crises that lent to greater inequities, private businesses in sectors such as Big Tech (Hossain, et. al., 2023), pharmaceuticals (Lexchin, 2024), and major grocery chains (Stanford, 2023) reported record profits in Canada and around the world. The deregulatory framework of neoliberalism applied globally reflects the framework being applied in Canada for AI-driven growth for the purpose of maximized shareholder returns. Investment in innovation for the public good remains an afterthought through this approach.

Neoliberalism at Home

Before becoming Prime Minister of Canada, Mark Carney's private sector career, and public service in Canada and the UK, demonstrate where "variable geometry" comes from, and where it may be headed. In positions held at Brookfield Asset Management, Finance Canada, Goldman Sachs, and the Bank of Canada Carney oversaw massive privatizations of crown corporations and public infrastructure, alongside bank bailouts and corporate handouts (CUPE, 2025). Though market interventions may appear antithetical to neoliberalism, bailouts and monetary policy instituted by Carney and other neoliberals around the world since the 2008 Great Financial Crisis were implemented to sustain the system despite its failures. Mack Penner (2025) situates Carney's political ideology as the "common-sensification" of the Calgary School. This ideological group draws intellectual inspiration from neoliberal and neoconservative thinkers such as Friedrich Hayek, Eric Voegelin, and Leo Strauss, who shared the belief that the state should be limited in its role and should avoid heightened rulemaking and enforcement to foster a strong market (Penner, 2025).

Prime Minister Brian Mulroney's decade of governance between 1984 and 1993 marked a turn to neoliberal economic policy and decreased the role of the state. Most notably, Mulroney opened Canada to free trade with the United States and oversaw the 'Nielsen Taskforce on Program Review' to investigate federal government spending, which included the Public Service 2000 exercise that brought in 'New Public Management' reforms from the private sector into government (Clark, 2002). PS2000 ultimately downsized the public service for short term balanced budgets and led to the freezing of wages and reduction of managerial positions (Haque, 2001, p. 72). After the fall of the federal Progressive Conservatives in 1993, these reforms were then accepted by the Liberal Party government of Prime Minister Jean Chrétien which also conducted major reductions in public spending and services, and further cuts in intergovernmental transfers for provincial public services such as post-secondary education, healthcare, and other social welfare programs. These reductions, with neoliberalism embedded in both governing federal political parties, paved the way for the introduction of "alternative delivery systems" that essentially outsourced the functions of government to the private sector (Clark, 2002, p. 783). While neoliberal policy in Canada required intervention to remain as a paradigm since the 2008 Crisis, even with its strongest advocate in Conservative Prime Minister Stephen Harper in power, these policies have returned as its decades long-run on life support has run out. Returning to the economic policies of Chretien and Mulroney, within his first year in office Carney had already instituted plans to cut over 30,000 public services jobs over several years (Cimellaro, 2026).

Amid these public service job cuts, the federal government hopes to use AI to fill in the gaps. Employment and Social Development Canada (ESDC), Global Affairs Canada (GAC), Innovation, Science and Economic Development (ISED), and Health Canada are among the federal departments most at risk for job cuts with the intention of using AI as a complement or replacement for human services (Cimellaro & Andrews, 2026). It is perhaps ironic that the 'Future Skills' program within ESDC, which supports workers affected by labour market shifts, has seen a budget reduction itself of $15 million in 2026, from the 2025 departmental plan (ibid). Additionally, working Canadians entering the skilled trades, who may be less affected by AI in the workplace, are also being hit by funding cuts to education while facing stagnant wages and rising prices. Although short-term funding measures have been proposed, the Carney government is simultaneously planning long-term reductions to Canada's Apprenticeship Strategy. While Budget 2025 pledged $925.6 million over five years to support large-scale AI infrastructure, concerns about job security in Canada deepen. The federal government's dreams of AI-led growth begin in the public sector but extend further into Canada's private sector.

The Federal Government's Bet on Techno-Solutionism: Neoliberal Roots

A critical component of the Carney government's AI-leg economic growth agenda is the advancement of Canada's AI capacity, and the development of "digital sovereignty," to maintain Canada's control over the country's digital infrastructure and the data produced by Canadians using digital tools and services. In keeping to its Variable Geometry approach, this strategic orientation is a reaction to concerns of US political and economic influence in the global technology sector. There are well-founded arguments for Canada to build technological infrastructure that is less reliant on US Big Tech firms. For example, the United States can use its CLOUD Act (Clarifying Lawful Overseas Use of Data), a law passed during the first Trump Administration in 2018, which allows US authorities access to data held by US-based companies, including digital communications such as e-mail, cloud storage, and non-content data (Tiessen, 2026). Microsoft, whose products are based in the US but used around the world, has also confirmed that US law can override foreign privacy protections, even for data stored on servers outside the United States (Ahmad, 2025). There is a clear need for Canada to pursue digital sovereignty, protecting Canadians against foreign actors, and the nation's technological infrastructure against these vulnerabilities.

To build Canadian digital sovereignty, the federal government must consider a framework that develops long-term infrastructure and economic sustainability, instead of short-term commercial gains. The various tech financial bubbles of recent decades, such as the dot-com bubble and blockchain bubbles, demonstrate why digital sovereignty must not rely on rapid commercialization without guardrails or direction other than profit maximization. Unfortunately, this is not the course that the federal government is taking. Canada's AI-led growth strategy does not propose any substantial or effective AI regulation. While the federal government is making significant bets for economic growth from the AI industry, there is no meaningful policy in place to protect against the social and economic harms of AI. Canada's attempt at the Artificial Intelligence and Data Act (AIDA), first introduced in 2022, died on the legislative table during the Justin Trudeau government's prorogation of Parliament in early 2025. It still fell short of meaningful AI regulation. As Brandusescu and Sieber (2025) argue, AIDA was tied explicitly to economic development and designed to favour the AI industry, while giving insufficient attention to public consultation and workers' rights. Despite the failure to pass a legislative framework, these approaches still appear in the Carney government's ongoing efforts to advance AI and a commercially driven digital sovereignty, providing only surface-level attempts to introduce AI safety regulations.

There is a fundamental contradiction in the approach to AI regulation in Canada which prioritizes commercialization and private corporations, instead of safety frameworks and worker protections. In Australia, while Prime Minister Carney (2026) calls for Variable Geometry to, "work with others who share our values to build sovereign AI capabilities so we are not caught between the hyper-scalers and hegemons," his approach favours the hyper-scalers and hegemons who seek the privatization of Canada's public goods to maximize their market shares and profits. By promoting the commercialization of AI, the federal government's approach works to the benefit of existing corporate Canadian oligarchy or could help to create new ones.

Commercialization as a Main Pillar of Canadian AI Development

The first pillar of the *Pan-Canadian Artificial Intelligence Strategy*, introduced by the federal government in 2017 and expanded in 2022, focuses on commercializing AI research for business applications (ISED, 2025b). Building on this commercialization framework, the federal government struck the 2025 AI Strategy Taskforce with commercialization again a priority, alongside adoption across industry and governments, and attracting investment, among other priorities such as research, safety, education, and infrastructure, rushed through this 30-day consultation on the government's direction and approach to the sector. Composed of experts from industry, academia, and civil society, the Task Force was mandated to produce actionable insights and policy recommendations to guide the government (ISED, 2025a). Taken together, these priorities signal a strong federal commitment to advancing AI adoption and integration across the country. There are also notable omissions; most prominently, there was an absence of expertise on the Taskforce regarding environmental sustainability. While Canadians and citizens around the world express concern over the environmental impact of AI data centres, the federal government's Taskforce does not leave room for this debate. Instead, the framing of AI governance within these themes reflects a broader policy orientation that emphasizes market expansion and private-sector leadership, raising concerns over the balance between public interest and commercial imperatives.

At the centre of the federal government's AI agenda is the drive to commercialize AI technologies at scale to support national capabilities and to position Canada competitively within the global digital economy. Although the Taskforce's consultation reports, delivered in early 2026, are non-binding recommendations, they have the potential to significantly shape government decision-making (ISED, 2026a). From the participants surveyed, the summary of inputs concluded that:

> Participants also emphasized that AI adoption should move beyond pilots to real-world applications in health care, agriculture and public services, guided by ethical standards and regulatory clarity to prevent risks such as privacy breaches and job displacement. Further, they indicated that commercialization efforts must protect Canadian intellectual property and data sovereignty through modernized tax incentives, streamlined funding and regulatory frameworks. (ISED, 2026b)

Prioritizing the commercialization of AI in areas such as education and skills development, for example, would significantly alter how AI is perceived in society, shaping the pace of its adoption, as well as its intended purpose and implementation. Sarah Ryan (2026), a CUPE Researcher assigned to the Education and Skills theme of the Taskforce, notes a critical gap in existing research on AI's impact in the workplace: Statistics Canada currently tracks AI use only in the private sector, and does not track its use in public sectors such as healthcare, education, and public administration. The Commercialization reports for the Taskforce build on and deepen this orientation, explicitly favouring the deployment of private AI technologies in public domains such as healthcare, thereby increasing the threat of private corporations exerting influence over critical public infrastructure.

AI Strategy Taskforce: Commercialization Reports

Three reports were submitted to the AI Strategy Taskforce for the ‘Commercialization of AI’ theme by Louis Têtu, Executive Chairman, Coveo; Michael Serbinis, Founder and CEO, League and Board Chair of the Perimeter Institute; and Adam Keating, Founder and CEO, CoLab. A critical examination of these submissions identifies two prominent themes across this section of the Taskforce’s recommendations. First, there is an emphasis on developing and replicating Silicon Valley-type Big Tech corporations within Canada by using public investments on private enterprise to fund research. Second, they recommend that the technologies produced by private AI companies be integrated into public sectors such as healthcare and internal government systems. Overall, the submissions to the commercialization theme find that AI is only valuable if profitable.

The Silicon Valley-fication of Canadian AI Development

Rather than carving out a national identity for Canadian AI development and digital sovereignty, language in the Taskforce’s reports call for the replication of US Big Tech corporations. The commercialization submission by Keating (2025) suggested:

> There are many parts of Canada with cold weather, resources and capable people that would make ideal locations for major data centers. These data centers cannot be built the way mega projects happen in Canada today — they need to be operational in 6 to 9 months following design completion and hit the bar set by Elon Musk’s teams.

Keating calls for, "harnessing the ambition of Silicon Valley and infusing our Canadian values into everything we do, make entrepreneurship the number one priority for Canada's AI success, and incentivize universities to commercialize student entrepreneurship hubs and make commercialization outcomes mandatory for receiving funding" (Keating, 2025). In his report, Serbinis (2025) suggests that national AI research objectives should be pivoted toward commercialization, acknowledging that while fundamental research is key, funding should be tied to commercialization metrics, including patents filed, industry-partnered projects, and spinouts created. Additionally, Têtu (2025) suggests that Canada must aim to have a fully coordinated AI ecosystem in which talent, research, innovation, adoption, and IP all fuel the domestic economy, driving growth, transformation, and full industrialization across both the public and private sectors. While these commercialization recommendations for the AI strategy are only some of many approaches to the sector provided by academics, researchers, and industry, the focus on commercialization above other issues such as science and regulation demonstrates the government's growth-centred priority for the technology.

Alongside proposals to make research funding contingent on the commercialization of outcomes, commercialization submissions to the Taskforce also advocated for increased public investment in private corporations through Canada's public financing agencies. Keating argues that the Business Development Bank of Canada (BDC) and Export Development Canada (EDC) should allocate public funds to top-performing private fund managers, enabling them to compete more effectively with US venture capital and scale Canadian companies. Similarly, Serbinis calls for EDC support for the global expansion of Canadian AI firms. Taken together, these proposals align with the priorities of US Big Tech firms, embedding a market-driven logic into the sector. By focusing on innovation for commercialization and profit-generating technologies, this orientation risks missing on opportunities for scientific innovation and application of new technologies, and lowers the bar for governance and public oversight, which has been the outcome of Silicon Valley's development and dominance by a handful of Big Tech firms.

Replicating Big Tech adjacent corporations in Canada is not the direction to take for building digital sovereignty or long-term economic sustainability. Rikap and Lundvall (2020) highlight how Big Tech companies cultivate corporate-academic partnerships, in which corporate innovation systems merge with corporate production systems to dominate technological development. Brain drain of research from academia to industry is an essential component of this process. Big Tech corporations can entrench their market power because they have aligned their governance structures with the innovation process to maintain control. Alongside mergers, acquisitions, talent recruitment, and research funding, Big Tech takes ownership of innovation and knowledge, accelerating industrial concentration and promoting a Schumpeterian model of capital accumulation for innovation driven by creative destruction (Damásio, Sandro & Silva, 2023, p. 5). Consequently, promoting the replication of Silicon Valley monopolies by Canadian tech corporations can risk turning public knowledge, developed by public universities, into private capital that risks hollowing out academic independence to serve industry demands.

Research geared towards commercialization, in any science and technology field, but including the developing AI sector, can distort findings, lead to premature implementation of results, encourage hype, and decreases trust in university research (Caulfield & Ogbogu, 2015). It prioritizes technologies designed to maximize financial returns, and thereby reinforces the concentration of wealth. Silicon Valley's billionaire class, and the political and social problems their inequality has produced, is a demonstrated outcome of commercialization-first policy. While wealth concentration may signal economic growth, this growth does not lead to equitable economic outcomes for most Canadians.

Public Extraction for Private AI Ownership

The Taskforce's commercialization reports also converge on the belief that governments should quickly and deliberately embed AI into core public infrastructure and services. The commercialization submissions emphasized prioritizing sectors where Canada holds a competitive edge, namely life sciences, healthcare, energy, and financial services. The submission by Serbinis also proposes large-scale initiatives akin to the UK Biobank, a long-term big data study of hundreds of thousands of UK citizens, in a National Health Data Cloud to unlock data-driven innovation. However, this model makes publicly funded data collection accessible, with data produced by its program participants without compensation, for the use and ownership by private companies. This raises critical concerns about the commodification of collectively produced, publicly extracted resources. Funded through taxation and generated through the labour of healthcare workers and researchers, while derived from the bodies and experiences of program participants. The downstream applications, such as medical technologies, pharmaceuticals, and AI tools, would be sold back to the public despite the public's previous investment. The result is a familiar dynamic where value produced socially is captured privately, enabling capital accumulation while concentrating wealth upward.

While under this proposed framework companies can gatekeep technologies built from publicly funded data, they can also use it in ways that work against the public interest. Lydia.ai is a company that develops personalized health risk scores for use by corporations and was granted access to data from the UK Biobank (Das, 2023). This raised significant concerns that such data could be used for risk profiling in insurance, shaping pricing or eligibility, in ways that harm the public and increase economic disparities.

Furthermore, commercialization proposals make their way further into the public sector. Keating's submission called for improving the speed and efficiency of government financing programs such as the Industrial Research Assistance Program (IRAP) by automating screening and approvals. Têtu's submission argued to "drive government transformation with AI" and integrate AI tools across government operations. The accelerated deployment of AI in government programs and public services raise concerns about biases in shaping important decisions and declining service quality. In late March 2026, a postdoctoral research fellow and guest lecturer at McMaster University applying for permanent residency, who would otherwise be fast tracked by a human reviewer, was rejected by an AI-review at IRCC "hallucinated" a job description that the applicant did not submit and did not match the Canadian work claimed, prompting an automated rejection (Keung, 2026). The premature implementation of AI technologies in critical public infrastructure, at the speed and scale called for by commercialization advocates that align with the government's stated agenda, risks errors, reduces accountability, and diminishes trust in public systems. Alongside anticipated public service cuts to human jobs under the Carney government, the rapid integration of private AI systems into government roles and infrastructure risks undermining public goods.

AI Growth Dreams Do Not Match Working-Class Reality

Canadians are feeling the weight of this affordability crisis, yet the policy direction advanced by Mark Carney offers little indication that price inflationary pressures will be meaningfully alleviated by this focus on AI-led economic growth. Alongside cuts to public service jobs and employees, investment bets on AI growth signal a rebirth of neoliberal logic that prioritizes market expansion, private capital, and techno-solutionism over meaningful delivery of public services and sustainable innovation. The implementation of the government's Pan-Canadian AI Strategy is about the technology's commercialization, rather than advancing research or serving the public good. Its primary use case among commercialization advocates in line with the government's agenda is AI implementation across the public service and private sectors, where adoption is often uneven and top-down, where employees are pressured to incorporate AI into daily work. Canadian tech commentator Cory Doctorow (18 January 2026) cautions that this imbalance reflects broader patterns in the tech industry, where profit-driven deployment reshapes labour conditions.

With over 500,000 tech workers laid off globally in the past three years, Canada must give special attention to workforce and social protections in current AI governance initiatives that it currently neglects. The government's selling narratives on AI are concerning in its framing of adoption as essential to Canada's economic success through entrepreneurship. Such rhetoric is counterproductive to addressing Canada's economic problems head-on. Amidst global price shocks, affordability and the cost-of-living were top concerns for Canadians, but there are little initiatives to directly address them from the federal government.

A neoliberal approach to AI prioritizes corporate efficiency and market growth over the structural crises facing the working class, including surging rents, food inflation, and job precariousness. Though austerity has bottomed out in a time of polycrisis that demands massive intervention, the made interventions continue a failed logic of trickle-down economics, assuming these tech-driven profits will eventually benefit those at the bottom.

Canada cannot bet on AI for economic reform. The impact of novel technologies are shaped by social and economic conditions, and AI designed around profit-driven commercialization will prioritize corporations over workers. Canada has an opportunity to build digital infrastructure that serves the public interest rather than private monopolies. Without this shift, cost-of-living pressures will persist while corporate concentration deepens and profits remain concentrated among the rich and powerful.

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The Ground Game Is Not Enough, The NDP Needs Courage

Rachel Loewen Walker

Introduction

There's a mythology baked into the New Democratic Party across Canada, that if we knock on enough doors, make enough phone calls, talk to enough people face-to-face, that maybe this time we will win. It is a story that was repeated on stage at the federal party's 2026 Winnipeg Convention where nearly every speaker and leadership candidate pledged their allegiance to "showing up" and "knocking on more doors," when posed with the question of how to rebuild the federal NDP. During the 2025 federal election, I campaigned as an NDP candidate for Saskatoon West, and longtime local organizers recounted stories of the "poll captain" model that assigned one volunteer to each poll, responsible for overseeing the contact of around one thousand voters. Expressing the core of this mythology, poll captains show up on doorsteps several times around and during the election period, developing one-on-one relationships with every voter so that they can tailor their get-out-the-vote (GOTV) activities on election day around who needs a ride, who voted early, and who will need a reminder (or two).

The NDP's ubiquitous "ground game," a campaign strategy as much as it is an NDP lifestyle, fuels the moral centre of the party's election activities. It foregrounds the grassroots spirit of the party alongside the valued connection that comes from talking to someone on their doorstep, especially when paired with the increasing rarity of genuine face-to-face exchange in the online, digitally-driven 21st century. But there is a disconnect between the dominating force of the strategy and consecutive electoral losses; while canvassing can confirm voter sentiments, it cannot generate the momentum that moves people to act. Today, as voters encounter dozens of messages daily, and attention is scarce currency, the NDP needs more than poll captains and canvassers. It needs a coherent and courageous message that moves people to action long before anyone reaches a door.

The Mythology of the NDP Ground Game

> "If there's one thing the NDP knows it's resilience, it may not win elections, but it's something to hold on to when the spotlight fades." — Kylie Stanton, Global News

I remember feeling sucker-punched as I heard this news report the day after the election (Stanton, 29 April 2025). I thought about unsuccessful candidates across the country, all of us holding on to our resilience like a badge of honour, while witnessing the NDP's greatest loss in the lifetime of the party.

Months earlier, I participated in monthly virtual meetings for federal NDP candidates in preparation for the next election. Blake Desjarlais, then MP for Edmonton-Griesbach, joined one of the sessions and opened his remarks with a variation on the familiar line: "The NDP might have less money in the bank, less political capital and fewer ads crowding the airwaves, but we have the best ground game around!" The virtual participants cheered, sending reaction hearts and thumbs up as Desjarlais continued with a story about a conversation he had with Liberal Party MP who could not remember the last time he knocked on a door. Desjarlais' story landed exactly as intended, and candidates felt inspired to take to the streets with the famed NDP "resilience," committed to working harder than candidates of any other party. During the 2025 election, Desjarlais and his team ran one of the strongest ground games around, topping all of the internal charts that tracked campaign contacts and strengthening Desjarlais' profile as a respected community-leader among voters in Edmonton Griesbach. But like so many other campaigns across the country, Desjarlais lost by thousands of votes on election night, a valiant local campaign unsupported by a clear offer from the national party.

Political scientists have measured the gaps between ground game strategies and election outcomes. While in municipal elections or byelections, GOTV tactics can lift turnout anywhere from 4 to 10 percentage points (Green & Gerber, 2019), researchers Christopher Mann and Katherine Haenschen found that in high-stakes races and major national elections, the same tactics can lose 33% to 76% of their effectiveness, producing minimal gains despite similar effort (Mann & Haenschen, 2024). Another study, which examined 49 field experiments, found that while canvassing works for GOTV, it has virtually no persuasive power in general elections (Kalla & Broockman, 2018). In low-turnout elections, or among new or disengaged voters, canvassing can be much more effective, but in high-stakes and highly polarized contexts (which is increasingly the political norm), canvassing can help to identify voters, but it rarely wins new ones (Kalla & Broockman, 2018; Mann & Haenschen, 2024).

The 2025 federal election placed the NDP in exactly this scenario. Voters were receiving dozens of messages daily across multiple channels and a single conversation on a doorstep cannot compete with the cumulative weight of information voters consume: digital advertising, influencer videos, algorithmic news feeds, and partisan media, and AI-generated content. A decade ago, Canadian voters were informed by more local journalism, less time on social media platforms, and less international interference. In today's information economy, "every single aspect of human life across the broadest categories of human organization is being reoriented around the pursuit of attention," (Hayes, 2025) and yet, much of the NDP's campaign research, tactics, and strategy is still built on the technological and information landscape of the 2010s. Whether we like the information economy or not, the party has not kept pace.

The NDP is not alone in its evangelism of the ground game. The longtime conservative strategist, Jenni Byrne, is described as someone who "lives and breathes the ground game" (Lewsen, 31 March 2025). But Byrne takes a different approach, preferring to use sentiments on doorsteps as a bell-weather for message crafting and policy direction in conservative campaigns. Aside from vote intentions, conservative tactics ask voters being canvassed how they feel about public safety, the economy, or "what keeps them up at night." This focus on taking the temperature of the party base enables conservative campaigns to reflect those grievances back in a way that makes their primary supporters feel heard. This model builds an information feedback loop wherein the door informs the data, the data shapes the message, and the message is amplified across every channel. Unsurprisingly, Pierre Poilievre's messaging machine was very effective leading up to the 2025 election.

While all three federal parties spent similar amounts during the 2025 election period on digital and video advertising, in the year leading up to the election, the Conservative Party of Canada spent more than $16.5 million on advertising, compared to $2.3 million spent by the Liberal Party of Canada, and only $298,000 spent by the NDP.[1] Canadians across the country were familiar with Conservative messaging points that called for cutting taxes and reflected feelings of insecurity. By the time a canvasser reached a door, the CPC message was already delivered several times over through digital and media channels, a strategy so effective, it likely induced the newly established Carney government to remove the federal "carbon tax" immediately before calling an election, despite the undertaking of the previous Trudeau government to establish carbon pricing as a landmark climate policy.

Like the Conservative Party, the Liberal Party of Canada can afford to balance the ground game with a strong "air game" of media and digital advertisements. The LPC invested in integrated databases, tested messaging, research, and digital infrastructure that also ensures that the data, strategy, and communications fed into one another. The LPC message of "Elbows Up" had propagated through dozens of other channels, using the attention of the LPC leadership race and the moment of inagura-

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[1] All results sourced from official audited statements from each party via Elections Canada. Note that I have only included expenses listed directly under "Advertising" for each party. Accessed from: elections.ca/content.aspx?section=fin&dir=oth/pol/asset/2024&document=index&lang=e

tion of the second US Trump Administration, before the ground campaign emerged. The distinguishing feature is not that these strategies have moved beyond the value of face-to-face contact, but rather that the ground game is treated as part of a larger strategy that includes clear offers and consistent messaging. While the interconnected approach of air game and ground game is generally understood by NDP strategists, digital advertising, social media, and technology costs are consistently the first campaign budgets to face cuts. Without a sufficient air game (and more importantly, it's delivery of a campaign offer), it is difficult to see how a continued overreliance on the ground game will lead to electoral success.

The Siren Call of the Air Game and the Power of a Message

In Canada, every social movement, commercial brand, political ideology, public policy, electoral candidate, or product, competes for the attention of citizens, consumers, and voters in the 21st century. Hayes argues that attention is different from information: while information is infinite, able to be in multiple places at once, attention is scarce, and its value lies in that scarcity (2025). To grab attention is to "command fortunes, win elections, and topple regimes," a reality that all political parties understand, but which can come into conflict with the ethos of many New Democrats. In the age of attention, it's not enough reach people; we have to be able to move them.

Zohran Mamdani, the Mayor of New York City, and his team understood this perfectly during the campaign for the Democratic Primary and the 2025 Mayoral Election. While the field operation organized by the NYC Democratic Socialists of America was meticulous, relying on a new style of big organizing that focused on person-to-person engagement, it was the Mamdani campaign's air game that made him into a movement. Mamdani began his mayoral campaign as a lesser-known member of the New York State Assembly. Some of his earliest campaign social media videos in late 2024 included asking strangers on the street why they had voted for Donald Trump in the US Presidential election. As the campaign for the Democratic nomination continued, his social media presence expanded to relentless waves of video content documenting rallies, providing position statements, and trolling his opponents. The creative videos were visually engaging and often humorous as they covered policy issues, New York history, and invited everyday citizens to join their canvassing efforts.

Among the most compelling of the Mamdani campaign videos in the lead up to the November 2025 election included a short series entitled 'Until It's Done.' In them, Mamdani sat at a rounded desk, set in different corners of the city, telling the stories of New Yorkers who were instrumental in its progressive history. These included Sylvia Rivera, a trans activist who had been central to the 1969 Stonewall Riots, and Fania Mindell who helped found America's first U.S. birth control clinic in the very early 20th century, among others. On the night of the election, Mamdani released the fifth installment, filmed only in black and white, telling the story of Vito Marcantonio, an "unapologetic socialist" who championed Puerto Rican independence, immigrant rights, and the labour conditions of domestic workers. By consistently addressing issues that are at the centre of political debates (trans rights, reproductive rights, racism, immigration), Mamdani rooted himself in New York's long history of courageous leaders, showing voters that social progress is a long game worth fighting for, especially in the face of present-day backlash against underrepresented groups.

By election day, the NYC-DSA mobilized over 100,000 volunteers, knocking on 3 million doors as part of the Mamdani's field campaign (Uetricht, 22 December 2025). Thanks to a clearly communicated platform, every one of those doors opened to voters who already understood who Mamdani was and what he was fighting for. The New York Mayoral Race resonated across North America, with a strong following in Canada as progressives across parties felt like they were part of the campaign's groundswell. Mamdani's offer for "A New Era for New York City," where they could "Afford to Live. Afford to Dream," (Zohranfornyc.com) became a compass for New Democratic Party members at provincial and federal levels who have increasingly felt left out of political platforms and movements (Keenan, 2025).

Canada has had flashes of this kind of progressive momentum. Jagmeet Singh was one of the first Canadian politicians to leverage TikTok as a political space, using it effectively in the lead-up to the 2019 and 2021 federal elections. Alberta NDP MLA Janis Irwin, as Official Opposition Critic for Housing, has also leveraged social media as an outspoken advocate for 2SLGBTQ+ rights, developing a large and active following. Irwin is a fierce proponent of the NDP ground game, but it is her combination of courageous and clear messaging that builds her momentum.

This is not to say that parties should forego their ground game for air game, nor that the ability to expend a "coherent message" is merely equated with advertising dollars. Research demonstrates that most political ads, whether on TV or social media, have minimal measurable effect on turnout (Unan et al., 2024) and the CPC under Pierre Poilievre's leadership did not win the 2025 federal election despite outspending all other parties on advertising. The real power of an air game lies in its ability to shape the emotional terrain of a campaign, well before voters reach the ballot box. As Mamdani's mayoral campaign for New York City demonstrated clearly, a courageous and hopeful message, delivered clearly and effectively, can move the entire conversation. That is when the pairing of the message and the ground game can become a groundswell.

From Ground Game to Groundswell

A campaign groundswell gives voters a reason to do more than just vote; the excitement activates them to tell their neighbours about a candidate, to show up to volunteer, to post messages online persuading their own communities to join in. Political momentum such as this comes from having something to offer before we even show up at the door. Criticism of the NDP's muted messaging and absence-of vision during the 2025 election could also be found in the disastrous 2015 election when then-Leader of the Opposition Tom Mulcair led the party from frontrunner to electoral collapse. The party's 2015 post-election review concluded that the campaign had been "out of sync with Canadians" and had failed to present a strong national narrative (New Democratic Party of Canada, 2016). Cautious repositioning in pursuit of an elusive 'middle' had left voters with no clear sense of what an NDP government would actually stand for (McGrane, 2019), and this is a reflex that has also since been reflected in provincial NDP wings who try to campaign or govern from the centre, only to lose to centrist and right-wing parties.

A decade later, the diagnosis is the same. The NDP's *Review and Renewal* report (2025) drew on feedback from over sixty interviews and 30 group discussions with current and former MPs, candidates, staffers, and party members, as well as 3,500 survey responses and 500 written submissions. While the strategic plan for the 2025 federal election had been to run a "digital-first" campaign, staff confirmed that was, "never clearly defined or effectively implemented." As it rolled out, the slogan of "fighting for you" was recycled from earlier campaigns, while a few leader-driven election videos made relatively neutral points about party promises. The report further notes that messaging arrived far too late, that the NDP "did not effectively counter" the dominant campaign frame, and that the party "failed to articulate its own theory of change."

There is a certain irony in the report's findings that an, "overwhelming majority of candidates, local campaign managers and volunteers would like to see the Party invest more in the ground game and less in certain aspects of the central campaign such as paid television advertising" (NDP, 2025). The tenacious NDP instinct is precisely what the report's broader findings call into question: canvassing without a message is not enough to build a movement.

NDP campaigns are beginning to understand this. The 2023 Manitoba campaign, with the MB NDP led by party leader Wab Kinew, featured a relentlessly buoyant Kinew in the debates leading up to the election. His message discipline was strong, stating confidently "we're going to fix our province's healthcare system." As Premier, he has continued taking big swings at political issues and is regularly lauded for saying what others are afraid to say and for taking positions that cut across partisan lines. Kinew's follow-up to Avi Lewis's win in the federal NDP leadership race took a declarative and positive stance that contrasted starkly with NDP opposition leaders Naheed Nenshi in Alberta and Carla Beck in Saskatchewan, when he stated, "we don't have to agree on everything in order to do the big things together" (Scott 2026). Kinew's widespread popularity is a testament to the refreshing impact of clear positions and bold policies within an often risk-averse progressive landscape.

Avi Lewis' 2026 NDP federal leadership campaign also offers a relevant model. The campaign relied on big organizing and a digital-forward strategy that named the membership as a movement, rather than a series of votes. Building on successes from the Mamdani playbook, including using similar tech platforms for deep organizing (Sifry, 2025), Lewis' campaign used online content and in-person events to generate volunteers, inviting those volunteers to build their own networks, and then met voters, volunteers, and bystanders with the tools that they needed to carry a clear message forward and build momentum. Furthermore, throughout the campaign Lewis clearly named the specific things he would fight for, such as a public option for groceries, a wealth tax on the ultra-rich, and a Green New Deal.

In the months since the election of Lewis as leader of the federal NDP, he and his team have continued this momentum through changes in party leadership at multiple levels. Savhanna Wilson, former executive director of the Toronto Alliance to End Homelessness and campaign manager for Lewis's leadership campaign, has been appointed as chief of staff ("NDP Leader Avi Lewis Announces Details of Senior Team") and Matthew Green, former MP for Hamilton Centre has been appointed as interim national director in place of outgoing longtime national director Lucy Watson ("NDP Announces Appointment of Matthew Green as Interim National Director"). Other proposed changes include updating the party's tech and organizational infrastructure to better serve outreach and engagement (Avi Lewis Campaign, 2026), making it clear that Lewis is looking to mobilize grassroots supporters alongside a bold communications and messaging platform.

The Courage to Lead

This is not a call for an end to the NDP's ground game, a winning campaign requires air and ground and everything in between. This is a call for courage and clarity. In 2025 NDP votes hemorrhaged to the Liberal Party, not because these voters experienced a drastic shift in loyalty, nor even because they will now forever vote for the Liberal Party. Alongside tense geopolitical pressures, the LPC pulled NDP voters because they had a plan and they were able to communicate it.[2] Meanwhile the NDP collapsed in on itself with a lack of coherent strategy that not only disappointed its own base but excluded would-be supporters by failing to respond to the issues that mattered to them in ways that inspire and engage them. This failure extends to a much larger, and more important conversation about would-be supporters who are young, queer, trans, Indigenous, black, or brown, people who are unhoused, living in poverty, or unable to vote in the first place. These are the communities whose political interests align most closely with NDP values, but who research consistently shows are underserved by the electoral system (Ie, et. al., 2023; Everitt, et. al., 2025) and unmotivated by leaders who lack the courage to name the systemic and structural barriers that they face.

It doesn't help to tell them about NDP leaders of the past or to knock on their ever-changing doors, because new voters are not drawn into the NDP by nostalgia, learning about Tommy Douglas and the CCF, or through a pamphlet handed to them on a doorstep. They are drawn in because they long to be part of som-

[2] Angus Reid's report from May of 2025 showed that of those who voted for the NDP in 2021, 19% switched their vote to the Liberals in 2025: globalnews.ca/news/11159180/canada-election-ndp-voters-go-conservative

ething they can believe in, something hopeful in the face of the heaviness and confusion that surrounds them, something that reflects their struggles and offers a path forward. Future NDP supporters are looking for an invitation to stand up for community-based housing, for Indigenous sovereignty, for free local transportation, or for their grandchildren to grow up in a country with fresh air and water. These are the invitations that move people and as the NDP sets out to rebuild, it will need to start clarifying what it offers. It will need to start trusting voters with bold ideas and concrete commitments that both reflect the barriers they face and which chart a path forward, to a world where those barriers are gone. The NDP cannot be satisfied with its own resilience in the face of defeat; it must be fearless in its pursuit of a future worth believing in.

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Requiem for the Waffle?

David Coaker

Lingering fears of United States domination over Canada's economic and political institutions, concerns about rapid technological advancement and the surges in alienation and unemployment it entails, youth-led protests against US atrocities supported by Canadian funds and arms, and a resurgent Canadian left are familiar crises and movements to different generations. In the late 1960s, Canadian political economists Mel Watkins and James Laxer organized left-wing members of the New Democratic Party to publish a document entitled *Manifesto for an Independent Socialist Canada*, responding to the era's pressing questions and to push the NDP to become a vehicle for the policies they believed were necessary to avoid US domination over Canada. To move the country beyond the post-war welfare capitalist state, they introduced a program that focused on workplace democracy and public ownership of the "commanding heights" of the Canadian economy.[1] The Manifesto and the so called "Waffle" movement behind it were not widely well-received. Many NDP members were hesitant to accept these radical proposals from their perspective. Labour leaders feared reprisal, with many of their members working for the US "branch plants" that the Waffle's manifesto critiqued. Other political parties were ready to dismiss the NDP as too extreme for Canadians, were a Waffle Manifesto to be adopted.

Despite status quo opposition, the Waffle's pressure put forward an economically nationalist agenda, leading to substantial policy change for the NDP throughout the decade. The Waffle's purge from the party was followed by a hollowing out of the NDP's intellectual base and the grassroots support for economic nationalism in Canada. In today's era of further US decline amid the structural crises of modern capitalism and technological alienation, the Waffle's ideological project proposes a coherent and relevant response to the crises faced by 21st century Canadians. The New Democratic Party of Canada has a unique opportunity, under new leadership, to change course and chart a path forward that draws on the best of the Waffle's tradition to confront current challenges.

The Canadian New Left Moment

In the 1960s and 70s, inspired by Third-Worldist movements and the US Civil Rights Movement, socialist youth movements composed of relatively well-off, white students, known as "the New Left," emerged across the West. Radicalized by US imperialism globally, democratic repression within the Soviet Bloc countries, as well as alienation from the post-war consensus of the Fordist economic model of capitalism, the New Left emerged out of movements and organizations developing new and liberatory experiments in governance. From the streets of Paris to the National Mall in Washington DC, New Left movements defined leftist political thought during this period.

Laxer grew up in the generation amid these movements, becoming engaged in activism through the Cold War peace movement against US military intervention around the world. He grew frustrated by the adoration that Canada's New Left held for their US counterparts and was wary of the lack of organizational structure among the Canadian movement. While these movements grew during the 1960s, Laxer believed that the only way forward for the Canadian left was to organize and create a Canadian vision for the structure of society that addressed the unique issues of economic and social sovereignty of Canada and Quebec.

In 1968, Watkins had finished leading the federal government's *Task Force on Foreign Ownership and the Structure of Canadian Investment*. Selected to chair the Task Force for his apparent moderate & continentalist leanings, his research through this assignment changed his views in favour of economic nationalism.[2] The Task Force's official recommendations called for restrictions on foreign (particularly US) ownership of national businesses and natural resources, as well as the curation and expansion of Canadian capital. NDP Leader Tommy Douglas endorsed the document in the 1968 federal election, yet Watkins himself underwent a radical political transformation.[3] Watkins came to argue that Canadian capitalists were naturally subservient to US capitalists, taking profits by selling Canadian natural resources to US interests and supporting US investments in Canada. The only path to economic independence would be through state ownership of the economy, in direct partnership with workers and unions. In the wake of the global 1968 turbulence, Professor Gerald Caplan invited Laxer, Watkins, Ed Broadbent, and other key NDP members to synthesize the fledgling social & nationalist movements into a coherent vision for the future of the struggling party.

In 1969, this core group drafted the *Manifesto for an Independent and Socialist Canada*, opening with a stark warning that, "the major threat to Canadian survival today is American control of the Canadian economy."[4] The Manifesto proclaimed that Canada had replaced subservience to the British Empire with the American Empire through its complicity in the war on Vietnam through arms sales, a deferential corporate capitalist class, the country's reduction to a resource base and consumer market. Based in part on Broadbent's earlier work on workplace democracy,[5] they emphasized the necessity for Canada to seize the commanding heights of its industries and empower workers to democratically control the day-to-day operations of their labour. Claiming this would reduce the inherent alienation of workers from their means of production and ease the increasing alienation people faced with quickening technological advancements: "sheer size combined with modern technology further exaggerates man's sense of insignificance and impotence. A socialist transformation of society will return to man his sense of humanity, to replace his sense of being a commodity." [6]

The Waffle believed that the NDP must advocate for a world beyond the post-war welfare state as it was nearing exhaustion, and its contradictions culminated in outbursts out on the streets of Selma and Saigon. Capitalism of the time continued its reliance on the unpaid labour of women, the oppression of ethnic minorities, the hollowing out of rural & small-town living in favour of hubs of concentrated capital, and a tendency towards corporate monopoly. Taking cues from second-wave feminist and women's liberation movements in the US, the Waffle also advocated for women's empowerment within the NDP. They believed in prefigurative politics in that, to democratize society, the NDP must first democratize itself. They demanded a shift from the top-down structure of unions, political parties, and organizations of the 20th century, to empower members and ensure that their executive bodies were more representative, at the time, advocating for at least 25% of spots on the executive of the party to be held by women.[7]

They also argued that only a Canadian socialist agenda would resolve the fears and anxieties of the age; including the nascent question of Quebec as a nation after a decade of the province's

Quiet Revolution. The Waffle believed that Canada held two nations (*deux nations*) and supported Quebec's right to self-determination. A core issue behind national unity was that English Canada had forged dangerously intimate ties with a dominating US culture and therefore risked weakening Anglo Canadian and Quebec culture. To resolve these contradictions, the Waffle demanded that Canada reassert itself as a distinct society, separate from the US, and support Québécois culture to defend this distinction.

The Waffle Manifesto ignited debate almost immediately. Although controversial with party leadership and affiliated unions, it caught the attention of the media and the Canadian social movements emerging out of the 1960s. With the aim of influencing change at the NDP's 1969 Convention in Winnipeg, Waffle members began organizing long-time members and new membership sign-ups. Waffle groups formed across Canada, signing on NDP electoral district associations and party apparatus such as the Ontario New Democratic Youth onto the Waffle Manifesto. The movement quickly built organizational capacity capable of impacting the institutional mechanisms of the party convention. MPs and the party executive, who were initially friendly to the Manifesto, saw the growing movement and began to baulk against it. Broadbent would distance himself from his contribution to the Manifesto, fearing that the document had become too rhetorically extreme and academic to appeal to working-class voters.[8] Ontario MPP Stephen Lewis, who "came fairly close to signing" the Manifesto due to his sympathies with the program it outlined did not respond to his invitation to the initial Waffle meeting after deliberation with his father, MP David Lewis.[9]

David Lewis cautioned against the radical sentiments of the Manifesto. As a child during the Russian Revolution, a family tradition within the Jewish Labour Bund, and through his experiences as a refugee when his family fled to Montreal in 1921 due to his father Morris' distrust of Bolshevik rule, the elder Lewis developed an aversion to the rhetoric of the Waffle.[10] His distaste for the radical left was also driven by his 1943 run as a CCF candidate for the Cartier district by-election in Montreal, where he faced a vicious campaign that was won by Fred Rose and the communist Labour-Progressive Party. Despite his aversion, when other party executives suggested cancelling the vote on the Manifesto at the 1969 convention, David Lewis insisted that the party must debate the document.[11] His response was to produce a more moderate Manifesto put forward by philosopher Charles Taylor, entitled *For a United and Independent Canada*, nicknamed the "Marshmallow Manifesto" for its softer tone.

The stage had been set for the 1969 NDP Convention. A clear generational and class divide emerged from the debate, with student activists and academics pushing for the Waffle Manifesto, and older trade union members, experienced party members, and the NDP caucus arguing against its adoption. NDP Leader Tommy Douglas leaned more towards acceptance of the Manifesto's principles than his caucus members did, emphasizing the need for independence, public ownership, and economic planning.[12] Although the Manifesto failed by a vote of 499 in favour to 268 against of delegated convention members, the Waffle group felt confident in their convention gains, staking out NDP policy positions closer to their agenda, as well as seats among the party executive. They also garnered a wave of media attention for their issues and quickly became a force for the Canadian New Left, pushing the adoption of issues like nationalization and public ownership that the NDP had neglected since the post-war Red Scare that had spilled into Canada from the US.

While the 1969 Convention could be seen as a cordial debate between two sides, the 1971 NDP Leadership Convention involved severe tensions on the question of the Waffle. Tommy Douglas' resignation after a decade of leadership opened the future direction of the party. After the 1969 Convention, and with the earned attention since, the Waffle continued organizing and growing across Canada. MPs Ed Broadbent and Frank Howard entered the leadership race, alongside York University Professor John-Paul Harney. Although originally abstaining, David Lewis eventually joined the 1971 Leadership Race, and so did the Waffle's James Laxer.[13] Laxer and Lewis clashed over Quebec's right to self-determination and the Manifesto's fundamental issue of nationalization. Lewis, who had recently drawn praise for his principled stance against the invoking of the War Measures Act by Pierre Trudeau during the 1970 October Crisis, claimed that Quebec already had the right to self-determination and that the messaging on the issue by the Waffle was equivalent to boosting separatists. These claims were legitimized in that the Waffle attempted to form connections with the new separatist, social democratic Parti Québécois.[14] Lewis also attacked the blanket use of nationalization as a quick-fix policy prescription on the issue of sovereignty.

The anti-Waffle party establishment and labour union faction learned from the 1969 Convention and organized itself into "NDP NOW" in 1971 to vote down Waffle-affiliated motions and candidates. By the time delegates met in Ottawa, tensions had reached a critical point. Feminist Wafflers recalled misogynistic epithets hurled at them during a defeated motion for gender parity on the party executive.[15] Waffle-supported motions were voted down, with none of the conciliatory shifts in support from the previous convention. When it came to the leadership election, Laxer shocked NDP delegates by placing second in the first round of the race, with no majority among the four convention contenders. Laxer faced Lewis alone by the final fourth ballot, receiving only 37% of delegate votes, while 63% coalesced around Lewis. Although Lewis was proclaimed the victor, the Waffle was energized; Watkins even identified it as one of the greatest days of his life, seeing victory amid the defeat.[16] To Watkins and the Waffle, Lewis was an institutional giant who was expected to dominate the race, but was instead defiantly contested to a fourth-round finish. The victors felt defeated in the contested reality they faced, while the losers felt jubilant coming this far against the odds.

The Waffle had set its next target on organizing with labour, to bring them onside despite their stubborn opposition during previous conventions, by forming the "Waffle Labour Caucus." Tensions continued to grow as the Waffle organized its members to support strikes and distributed pamphlets to workers calling them to reject their transnational, US-dominated unions, in favour of "independent" Canadian unions, to decouple US institutional influence from the Canadian movement.

Meanwhile, cracks began to form in the Waffle's coalition. During the 1971 Ontario election, Ontario NDP leader Stephen Lewistimate clashed with Waffle candidates who had won multiple nomination contests across the province to represent the ONDP.[17] Falling short of expectations in failing to replace the ailing Ontario Liberal government, which was superseded by the Bill Davis Progressive Conservatives, the younger Lewis was quick to blame the infighting as one source of the defeat. The internal conflict began to spill into the public, with blame levied back and forth for the disappointing result. Stephen Lewis described the Waffle as an "encumbrance around my neck." [18] Labour union leadership increasingly began pushing Lewis to deal with the Waffle's expanding presence within the Ontario party as the Waffle formed connections with Steelworkers and

UAW locals, as well as a reform caucus within the CLC that urged them to radicalize their demands and splinter from their US counterparts.[19]

On the Prairies, Waffle organizations had become frustrated with the lack of progress by the Ed Schreyer government elected in Manitoba in 1969, and the Allan Blakeney government elected in Saskatchewan in 1971, and began advocating for a hard split from the provincial wings of the NDP. In the meantime, Trotskyists had seized the Waffle organization in New Brunswick in 1971 and used it as a vehicle to take over a fledgling New Brunswick NDP, prompting the federal party to intervene. Watkins and Laxer, seeing conflict spill into the open over defeat in Ontario, were further discouraged by reports from other parts of the country. Laxer stated his commitment to remaining within the NDP while Watkins condemned the New Brunswick Waffle as "totally unacceptable... laying beyond the pale of social democracy."[20]

At a Provincial Council meeting in 1972, Stephen Lewis declared that the Waffle was acting as a "party within a party"[21] and classified this position as untenable. While David Lewis urged Stephen and the Ontario NDP executive not to purge the Waffle from the party,[22] arguing that it would cause lasting internal damage, David Lewis, along with Alberta NDP Leader Grant Notley, instead sought compromise that allowed the Waffle to soften its edges while remaining within the NDP. Stephen Lewis maintained his stance on purging the Waffle from the ONDP, stating that he was under pressure from labour leadership that could lead to end of their support, and funding, of the Ontario party if the Waffle was not removed.[23] At the following provincial council meeting in Orillia, pleas from both sides were voiced, compromises were offered, but when time came for the final vote, the council voted 217 to 81 to force Waffle members to renounce their membership of the Waffle or face expulsion from the New Democratic Party. Laxer and Watkins accepted this vote and resigned from the party, effectively ending the Waffle within the NDP.

Aftermath

After their purge from the Ontario NDP, the Waffle's influence remained. Pushing the issue of US economic domination to the forefront weighed on the policymaking of Pierre Trudeau's governments. Beginning with the implementation of cultural controls, through minority and majority parliaments, the NDP pressured the Liberal government to implement Canadian content quotas. During this time, the Trudeau government implemented the Foreign Investment Review Act in 1973, which regulated takeovers and buyouts of Canadian businesses by US and other foreign capital interests. Waffle-style nationalization came to the fore with the establishment of Petro-Canada as a Crown Corporation and the National Energy Program, showing an alternative way to address the 1973 Energy Crisis.[24]

With the election of Brian Mulroney in 1984, many of these policies were quickly reversed as the neoliberal agenda of free trade with America, and privatization took root.[25] A lack of political will and institutional support for these policies caused them to flounder, and the ending of the Waffle's influence left a vacuum for defending national economic policies. Opposition to the NEP and Petro-Canada was organized, with large financial interests supporting campaigns opposing the policies. As neoliberal globalization took hold, Canadian economic nationalism was hollowed out, and the Waffle's warnings became reality. Free trade agreements with the United States, economic and military dependence on the US, and the privatization of industries and infrastructure accelerated and normalized without concerted opposition. Today, Canada's economy reels as the Trump Administration implements its own national economic policy while Canadian wellbeing is evermore tied to the whims of US capital. The trade regime that accelerated Canada-US integration that undermined economic and democratic sovereignty for Canadians has meant unending waves of economic crisis since the 2000s.

A decade after stepping down as leader of the federal NDP, David Lewis remarked, "when the Waffle left the party, so too did most of the brains with them."[26] To the party leadership, it was clear that the purge of the Waffle left an intellectual and political vacuum in the party that had not been filled. Ripping out a force for democratic debate within the NDP encircled a further professionalization of the institution that carried on for decades, without the intellectual rigour or organizing appeal to build a mass movement. Even among opponents of the Waffle at the time, there are anecdotes reflecting on how lively and energetic the conventions they contested were. This democratic energy gave life to the party, even though the Waffle's motions mostly failed to pass, pushing those on opposite ends of these struggles to craft their own policies, arguments, and strategies, making every section of the party stronger for it.

The Waffle's advocacy still reverberates to this day. Waffle feminists fought for gender parity, stating that women, "need special representation on party bodies to both speak to women's issues and to criticize male chauvinism within the party, just as labour needs special representation..." [27] These demands were won, paving the way for party activists in ethno-racial, Indigenous, and disabled communities to also demand substantial representation. The Waffle's position on Quebec's right to self determination that had caused such controversy became party policy, echoed in the 2005 *Sherbrooke Declaration* which was in part responsible for the Quebec breakthrough of the 2011 federal election.

Tommy Douglas stated that, "the time to worry is when a convention turns into a mutual admiration society." [28] One can see this realized in the modern NDP, perhaps resulting from an apparent lack of tolerance for internal dissent since the Waffle. This mutual admiration society saw its worst defeat ever during the 2025 federal election, where the NDP could not even hold on enough seats to maintain party status in Parliament.

In an ironic twist of history, Avi Lewis won a resounding vote for leader of the NDP at the 2026 Winnipeg Convention on a strategy and message like that laid out by the Waffle in that same city 57 years ago. Running on a platform that prioritized the democratization of the NDP, cutting military and economic ties with the United States, crafting Crown Corporations in major industries, reigning in wealth and technological advancements, and promoting worker ownership, the Waffle's requiem in 1972 may have proven to be premature. The leadership campaign viewed the party as the parliamentary voice for broader social movements, vowing to repair ties after past disappointments, and set up extra-party regional organizations to sign up members and engage with the public on central campaign issues.

There are, however, differences. Where James Laxer and the Waffle saw victory in second place after four rounds of ballots at the 1971 Convention, Avi Lewis won his race on the first ballot with 57% of the vote. The new Lewis leadership, won by a coalition of youth, experienced party members, climate activists, and rank-and-file labour members, has proven to be much stronger than the students and academics borne from the 1968 watershed. As similar as the crises then may appear to today, however, they are arguably worse today. Inflation has lasted much longer and extreme inequality has seen the emergence of the world's first trillionaire. US military conflict in the Middle East culminates in genocide and an unprecedented global energy crisis that has accelerated decarbonization efforts. Instead of concerns of Canadian cultural displacement by US TV programs, Canada faces pervasive US Tech Giants and explicit threats of being taken over as the "51st state." The material conditions that led to the Long Sixties have, in many respects, worsened, and as such, the appetite for a truly left-wing mass political party has only since deepened.

However, the ease with which Avi Lewis has been able to take hold of the party compared to the Waffle could also be attributed its weakness. Previous Lewis leadership maintained the institutional backing from labour unions, which organized members to attend and participate in building the party at conventions, EDA meetings, and more. While there is still an official presence for labour within the party, there are regular proclamations that the working class has abandoned the NDP today. However, the 2026 Lewis campaign also focused on newer hubs of workplace organizing, such as the gig and care economies. Furthermore, the campaign may have been helped by a hollowing out of the NDP's "establishment" because of their 2025 loss.[29] The party lost funding for staff, researchers, and other resources that could not be leveraged for more institutionally-friendly leadership candidates. Avi Lewis has now made it farther than the Waffle ever had, though the conditions for the party are at perhaps the lowest they have ever been. The dormant Waffle may have been re-awakened, but its dreams for a sovereign, socialist Canada face new 21st century challenges.

Notes

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League for Social Reconstruction: Intellectual Foundations of the Canadian Left

James Adair

The League for Social Reconstruction was the product of a British idea and a hike in the United States. In 1931, amid the Great Depression and atop the 1000-metre-tall Mt. Greylock, the highest point in Massachusetts, Frank Scott and Frank Underhill discussed a plan that would help to bring socialist ideas to Canada. Underhill, a committee democratic socialist, essayist, and historian, "stressed the need for a sort of Fabian society in Canada" [1] to his colleague Scott. Underhill believed that with the increased organization of labour and farmer movements, a new left-wing political party in Canada would soon emerge. And like the Fabian Society, a British extra-parliamentary organization meant to cultivate and disseminate socialist ideas, and the rise of the UK Labour Party in Parliament in the early 20th century, Underhill saw an opportunity. There should be, he believed, a mass organization of intellectuals in Canada that could provide a new Canadian socialist party with the coherent intellectual and ideological legitimacy, and the policy platform to advocate for. Scott and Underhill would conclude their hike with a new mission to build this new organization; the League for Social Reconstruction would be developed as socialist think tank and act as a force for Canadian public policy.

Building the League for Social Reconstruction

Formally founded in 1932,[2] the LSR would quickly assert its leading ideological and intellectual role in shaping the new democratic socialist electoral left organizing in Canada. The Manifesto of the League for Social Reconstruction calling a social order for the common good rather than private profit. At the invitation of the newly formed Co-operative Commonwealth Federation's national council, the LSR was tasked with crafting an official manifesto for the nascent party.[3] Based on the existing LSR manifesto, Underhill and other contributors over the summer of 1933 drafted what would become the *Regina Manifesto* which was approved by CCF MPs, including CCF leader and LSR member J.S. Woodsworth. Upon its adoption at the inaugural 1933 founding convention of the CCF, Woodsworth stated, "[I] can only hope that the convention will adopt this carefully thought-out statement rather than attempting to throw in a lot of half-baked suggestions." [4]

The Regina Manifesto draft did include some significant changes from the earlier LSR Manifesto draft. The Regina Manifesto spoke to agriculture, which took up a significant chunk of the newly drafted manifesto, in addition to a section on civil liberties.[5] Most influentially, and absent from earlier drafts, was the concluding statement of the Regina Manifesto that, "No CCF government will rest content until it has eradicated capitalism and put into operation the full program of socialized planning which will lead to the establishment in Canada of a Co-operative Commonwealth." [6] Added to the Manifesto at the founding 1932 Convention, this statement lent an air of radicalism that, at least on close reading, is not entirely present in the finished manifesto.

In writing the Regina Manifesto, the LSR had made an early impact on the CCF and a lasting impact on the rhetoric and semiotics of the Canadian left. This would be far from their only contribution. Published in 1935, *Social Planning for Canada* was an influential edited volume put together by a committee of LSR members to provide an analysis of the capitalist system in Canada, and to define the end goal toward which political action should be directed. It was the first comprehensive democratic socialist book published in Canada, with contributions by dozens of authors, credited and uncredited. *Social Planning for Canada* was an early success, selling out of its first run immediately upon publication, and continuing in popularity among activists, students and CCF organizers until the Second World War. It functioned as a foundational text for Canadian socialist thought, but also as a tool of movement-building.

By the late 1930s, the LSR had firmly established its dual role as both a think tank for the CCF and a broader hub of socialist intellectual life in Canada. Through its publications, personal networks, and institutional connections, the League helped to define the language, assumptions, and strategic horizons of English-Canadian democratic socialism during its formative period. Closely intertwined with the history and influence of the League for Social Reconstruction was its relationship with *Canadian Forum*, one of the most influential intellectual journals in 20th century Canada. Founded in 1920 in the aftermath of the First World War, *Canadian Forum* initially emerged as a progressive, nationalist, and reform-oriented publication, concerned with questions of culture, politics, and Canada's place within the British Empire. While not originally a socialist journal, it provided an institutional and discursive space that would later prove crucial for the development of democratic socialist thought in Canada.

By the early 1930s, as the crisis of the Great Depression deepened and the LSR began to cohere as an intellectual network, Canadian Forum increasingly became an outlet for League members and fellow travellers. Key figures of the LSR were directly involved in the journal, shaping its tone and priorities. Through essays, commentary, and debate, the journal functioned as an outlet for articulating and refining the ideas that would underpin both the LSR's programmatic work and the broader ideological direction of the CCF. In 1935, the LSR purchased the *Canadian Forum*, using the proceeds from a fundraising drive and the profits from the sales of *Social Planning for Canada*, establishing the *Forum* as the home for left-wing thinking and writing in Canada.[7]

The *Canadian Forum* allowed for a more experimental and discursive engagement with socialist ideas. Contributors debated the merits of planning, the role of the state, civil liberties, and the cultural dimensions of social reconstruction. This made the journal particularly important as a site of intellectual development, where ideas could be tested, contested, and popularized before translation into political platforms. The relationship between the LSR and *Canadian Forum* also illustrates the League's broader strategy: rather than merely writing policy for the party to use, or to generate better policy solutions, it sought to shape the terms of debate within Canadian public life through mass media. Through the magazine, LSR-affiliated thinkers were able to intervene in ongoing discussions about economics, governance, and national identity, gradually normalizing ideas that were considered outside of the status quo.

By the onset of the Second World War, and into the postwar period, the League for Social Reconstruction began to decline as a distinct organizational force. This decline was not abrupt, nor was it purely the result of internal weakness. Rather, it reflected the partial success of the LSR's own project. Many of the ideas it had worked to legitimize–state planning, social welfare provision, and a more interventionist federal government became a part of mainstream political discourse, particularly through wartime economic management and the expanding policy ambitions of the CCF. At the same time, the institutional landscape in which the LSR had operated began to change. The CCF itself matured into a more structured political party, with its own internal policy-making mechanisms and a growing cadre of politically experienced organizers and legislators, many of whom were drawn from the LSR's ranks.[8] As a result, the perceived need for an external intellectual body to supply programmatic direction diminished. Its role as an idea engine was, in part, internalized by the very movement it had helped create.

The League's organizational cohesion also weakened. Key members increasingly pursued careers within academia, government, or other institutions, spreading the concentrated intellectual energy that had characterized the LSR in its early years. While individuals such as LSR co-founders F.R. Scott and Eugene Forsey remained influential in Canadian public life into the mid-20th century, their contributions to discourse were less often channeled through the League. By the late 1940s, the LSR had effectively ceased to function as a central coordinating body of socialist thought in Canada as efforts went into growing the CCF, yet, its disappearance should not obscure its enduring legacy. Its core ideas, such as economic democracy, public ownership in key sectors, and the moral legitimacy of state intervention to secure social welfare, had by this point integrated into the ideological foundation of the CCF and, later, the New Democratic Party. Moreover, its influence persisted through the institutions and intellectual traditions it helped to shape, including journals, academic networks, and policy debates that would continue to inform Canadian social democracy in the decades that followed.

A Critical View of the LSR

The impact of the LSR on the Canadian left cannot be overstated, as such of the semiotic and ideological world in which today's Canadian left, especially the electoral variety, operates was in part moulded by the LSR nearly a century ago. It is important to remember, however, that these were not the halcyon days of the Canadian left. The LSR, compositionally, had some key shortcomings as its membership was almost entirely composed of white, Anglo-Saxon, protestant men.[10] While they did include some exceptional women, they were a minority. Furthermore, the membership was almost entirely English-speaking, even in their Quebec chapters.[11] One of the most frustrating "failures" of the LSR was that it never truly penetrated and engaged with proletarian Canadians. Its membership remained, for most of its time, composed of students, academics, journalists, policy experts, and those in white-collar professions. There was a self-awareness of this problem among LSR members, and a consistency of working-class members did exist. One young working-class member expressed this frustration in a letter to Eugene Forsey, who explained that the LSR and its members were stretched too thin.[12] "Obviously, no reasonable person could expect first-class propaganda from this sort of [workload]," Forsey replied after outlining his daily schedule.[13]

Despite these shortcomings as a mass organization, perhaps their greatest contribution to the Canadian left was their development of intellectual capacity and political talent. LSR members included influential elected representatives, philosophers, writers, academics, and other public figures who would go on, long after the LSR dissolved, to contribute to democratic socialist growth in Canada. Their existence as a mass organization, open to anyone committed to its goals and able to pay a meager membership, meant that hundreds across Canada joined at a key point in Canadian history. The growth of this network enabled lively correspondence between members who could theorize, debate, and articulate socialist policy and philosophy among themselves. LSR members learned from each other, held lectures and conferences on the topics of the day, and organized together. They went to become members and founders of some long-lasting organizations, like the Canadian Political Science Association, shaping the discourse of Canadian politics for the, "indeterminate number of Canadians who were in no sense socialists." [14]

Paul Saurette and Shane Gunster, observing the think tank ecosystem in Canada today, argued that in comparison to right-wing think tanks who focused on promoting ideas to the public, as well as training activists and leadership, the left focused much more on policy research, often for policy's sake.[15] The LSR, though often credited for their policy work, was more akin to today's right-wing think tanks, working to influence public opinion. It largely disseminated ideas through accessible texts; accessible both intellectually and financially, with most of their ideas published in pamphlets distributed and sold by local chapters. LSR intellectuals wrote op-eds, letters to the editors, and other articles in the newspapers of the day that could be read by the working class, while also creating their own outlets like the *Canadian Forum* which appealed to their own intellectual class.

Re-building Canada's Democratic Socialist Intellectual Ecosystem

After the folding of the League into the CCF's apparatus, David Lewis wrote that there was a, "great need for the kind of thinking which the LSR used to do," he continued, "I believe that one of the reasons why the LSR died [...] is that we attempted to make it a mass organization as well as a research institute."[16] While this may have been true, any attempt to revive Canada's left-wing intellectual ecosystem should look not at the work of the LSR, but at the structure. There exist dozens of think tanks doing the work of creating left-wing policy which have some influence on the policy agenda of the NDP and other political projects, such as the Canadian Centre for Policy Alternatives, Maytree, Citizens for Public Justice, and the Broadbent Institute itself. However, no organization today attempts to do the mass work of the LSR. There is no member organization where left-wing academics, and non-academics, network, coordinate, and conduct research while also organizing, theorizing, and debating the problems of the Canadian left today. Policy research is conducted in pseudo-isolation, and while consultation, surveys, and research do connect with working people, left-wing policy in Canada is often made for and about working people, rather than with and by them.

It is important to note that the LSR never truly succeeded in these goals either; as noted previously, its membership was primarily composed of academics from the upper-class white, Anglo, and protestant milieu of the time, but there was an earnest interest in public policy developed by working-class thinkers. Saurette and Gunster provide a prescription for the left think tank ecosystem in Canada: "Research is an important task of progressive think tanks... However, progressive think tanks often seem to believe that the only way to get attention is to do a new study."[17] Instead, they argue:

> [The left] needs to get better at amplifying existing progressive voices and cultivating new ones. They need to fund the best speakers to do what they do best: speak to the media as much as they can. They need to leverage their skills and work hard to get them into strategic places where

> their voices can influence policymakers. They need to create effective training and mentoring opportunities for young activists who show promise and interest in becoming spokespeople for a broad progressive cause.[18]

There is a pressing need for the kind of left-wing intellectual organization in Canada that the LSR once was, that interfaces in a critical pedagogy with the working class, and does all it can to shape narratives and public opinion through engagement with traditional and new media. Today's Canadian left-wing publications such *The Breach*, *Rabble*, *Perspectives Journal*, or another periodical, with serious funding and vision, could fill the role that *Canadian Forum* did for the early 20th century left, or *Jacobin* does for today's American democratic socialist left. We must create an organization that forms, teaches, and promotes the next generation of thought leaders. Bright minds should be drawn not only into this organization, but moulded and shaped by it, and then be allowed to flourish.

Conclusion

Historian Doug Owram suggests that the LSR is, "best seen as formalized aspects of a larger intellectual network in Canada." [19] This formalization, combined with its unusually open, mass organization character, allowed that network to extend beyond academics to organizers, CCF officials, and politically engaged citizens more broadly. In this sense, the League's significance lies not only in what it wrote, but in what it built: an institutional bridge between intellectual production and political action at a formative moment in Canadian history. Despite its relatively brief existence, the LSR exerted an outsized influence on the development of Canadian democratic socialism, helping to shape both its ideological foundations and its public language. Through its role in drafting the *Regina Manifesto*, publishing *Social Planning for Canada*, and sustaining venues such as the *Canadian Forum*, the League contributed to the articulation of a distinctly Canadian socialist tradition.

Its legacy points toward a model of socialist political work that moves beyond policy production alone; by shaping public debate, engaging cultural and intellectual life, and cultivating a durable base of thinkers, writers, and organizers. However, its institutional form, the kind of intellectual ecosystem it sustained, remains unfinished. According to Jen Hassum, “The secret to [the LSR’s] success was not a small group of university professors trusted with the levers of power, but rather a much wider nexus where academics and labour intellectuals worked together.” [20]

She continues:

> “...the magic of the milieu in which elementary school-educated workers shared intellectual space with scholars on a common project of democratic socialism is long gone. The labour movement changed under the post-war compromise, while the social-political environment of the academy shifted toward anti-communism and neoliberalism. Today, the spaces for democratic-socialist academics or researchers to engage in debate and public policy formation are few and far between, while blue-collar thinkers are completely removed from the intelligentsia and are even less present in meaningful electoral roles. Both academics and workers have been displaced by a new professional class of partisan operatives who run the cookie machine but who have little to no experience in being part of a social movement.” [20]

As socialists engage in building and rebuilding the institutions that will make a socialist victory in Canada possible, building the kind of mass intellectual institution like the LSR is necessary to provide a cohesive intellectual and ideological basis for organizing, and to shape discourses and develop the leadership needed to win. The founders of the CCF created the LSR because of that necessity. It is a legacy that the modern Canadian left needs to remember.

Notes

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4. *Ibid*, pp. 43
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8. *Ibid*, pp. 172.
9. *Ibid*, pp. 208.
10. *Ibid*, pp. 30.
11. *Ibid*, pp. 58.
12. *Ibid*, pp. 135.
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Market Socialism Against Capitalism

Bhaskar Sunkara [1]

Accepting this award, I recall an early culture war in the United States at the beginning of my career — maybe ten years ago — around youth sports participation trophies.

I don't know if that made it to Canada, but it was a very big issue in the US, where the right was concerned that young children were getting trophies just for participating in sports. I did a radio interview, where I admitted that I don't think I received any prizes or awards other than participation awards. But I thought that, in fact, I deserved those participation awards because it signified what sports is really about: fair play, competition, and being, at least in my case, gracious in defeat over and over and over again.

So I would like to, once again, thank the Broadbent Institute. Thank you also to the Rosa Luxemburg Stiftung for this honor. You probably still don't want me on your Little League baseball team, but at least now I have something that's not a participation trophy.

[1] The 2026 Ellen Meiksins Wood Lecture was delivered by *Jacobin Magazine* founder Bhaskar Sunkara at Toronto Metropolitan University on April 22. Sunkara was awarded the 2026 Ellen Meiksins Wood Prize in recognition of his role in laying the intellectual foundations for this generation's socialist movements. This lecture has been transcribed and edited from its original delivery for clarity and brevity in this print version. Watch and listen to the full lecture at perspectivesjournal.ca.

I first read Ellen Meiksins Wood's *The Origins of Capitalism* while procrastinating for my actual coursework in my very first month of college.

I read the first edition of the book. The longer view edition, which came out a few years later from Verso Books, was a bridge too far for a lazy undergraduate. But the first edition's 138 pages were enough to do what the very best Marxist scholarship does.

It was accessible. It was written in clear prose for ordinary people, not buried in jargon for just academics. It was intuitively graspable, but it had depth. It had a material mechanism at its core.

It wasn't just a moral complaint about capitalism's rawness, but an account of how the system actually emerged: the particular relations of market dependence; the particular historical break in the English countryside that made those relations possible; the particular pressures that spread them from there across the world. And it gave you a scope and a history that stretched across centuries and continents while remaining politically alive in the present.

Most of all, it insisted on capitalism as a system. Not one system, I should say—but the system. Not one social arrangement among many. Not the economy, not modernity, but the underlying key to understanding the world we live in. It's what Ellen would later call in Democracy Against Capitalism a system of social relations and political power. A system that arose contingently and therefore a system that is not permanent.

This was one of Ellen's gifts to us. She refused to let us naturalize capitalism even backward into history. If it had a beginning, therefore it could have an end. And she asked the question that this lecture is really about. In *Democracy Against Capitalism*, she wanted to know how democracy might be pushed past the limits that capitalism imposed on it; how it could be pushed from just the political realm where we've won some real democracy, to economic ones as well. And this is a question that we still face.

I had the chance to personally engage with Ellen's work, later on as an editor in 2014 when she wrote for *Jacobin*. And I had the chance to exchange a few ideas with her then. And in these small interactions and from studying her work, I know enough to say that I suspect that Ellen would disagree with some of what I'm about to say tonight.

Because what follows is a case for socialism. A case for socialism after capitalism that incorporates markets, in a pretty important and substantial way. And as I was writing this lecture and as I was co-writing a forthcoming book, *The Blueprint*, with my co-writers Mike Beggs and Ben Burgis, elaborates on these ideas, I thought often about how I would defend these arguments to Ellen and to another great critic of market socialism, our comrade, Leo Panitch.

So I would defend it this way. As Ellen pointed out in *The Origins of Capitalism*, markets existed before capitalism. What capitalism introduced was market dependence: a system in which basic survival was contingent on engagement with the market, where all of human activity was subservient to the market.

Socialism, if it means anything, must abolish that condition. No one's ability to eat, access care, to educate their children or secure housing should hinge on their position within the market. That's the heart of the socialist promise and we shouldn't let it go. But incentives for participating in markets, for participating in the economy's complex network of production, could help generate the surplus that makes the elimination of market dependence possible in the first place.

Our goal as egalitarians is not to abolish, after all, production or exchange across a complex division of labour, but to abolish the system of market dependence and exploitation that currently governs them. That, at any rate, is how I would defend my argument to people who are sadly no longer with us.

But I should get on to actually making the argument.

Contrary to the image of the left in the United States, and the left in Canada, of us as a bunch of hapless or noble losers, the history of the modern left has been one of astounding success, if uneven and sometimes tragic. Success, at least, at taking state power. There was nothing like it in history, since the early Islamic conquests of the 7th and 8th centuries. From their common origins among small bands of workers and artisans, and later the parties of the Second International, within 100 years, communism won a third of the world. And social democracy, in one form or the other, took over a fifth of it. Hal Draper, a critic of the contending socialisms of his time from the left, could remark in 1966 that for the first time in the history of the world, very likely a majority of its people label themselves socialist in one sense or another. I don't think it was true then, but it certainly is not true now.

Even before they won power, the workers movement of that era won a culture. Miners in Wales asked to be buried with their copies of *The Communist Manifesto* the way an earlier generation had asked to be buried with the Bible. It was a secular culture with working people at its center. In homes across Europe, portraits of working-class leaders were hung where the icons of saints once had. And in union halls, the feasts of the church were merged in with a new calendar.

Eric Hobsbawm recounted a 1891 International Workers Day announcement In the Po Valley. It read, “The priests have their festivals. The 1st of May is the festival of workers of the entire world.”

Workers soon had more than symbols of identity and pride. Socialism *within* capitalism (social democracy) and socialism *outside* of capitalism (Soviet communism and its analogs) seemed to offer living examples of a different world. But they collapsed almost as suddenly as they emerged. And what they never achieved anywhere, and what was never achieved anywhere, was a socialism *after* capitalism. Even today, as the anglophone left, through figures like Mayor Zohran Mamdani, through the growth of new organizations on the left, it’s hard to tell how much progress we’re making, even just reviving a form of socialism within capitalism.

Socialists more than ever need what we can call “world historic confidence.” Confidence that made miners in Wales and farmers in Vietnam think of themselves not as history’s victims, but as its great protagonists. Both historic models of 20th century socialism, Soviet style central planning and social democracy, however, were not just besieged from the outside and defeated. They failed.

Everyone has a joke about the Soviet economy. Or at least that just shows you the type of people I hang out with. So let me rephrase that. *Some people* have jokes about the Soviet economy. The one I like is about the nail factory that, when incentivized by planners to produce according to numerical output, first produced a lot of tiny nails, then when incentivized according to output by weight, produced useless giant nails.

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In the real world, beyond their obvious political failings, two interconnected problems undermined Soviet style economic systems. The first was calculation. Administrative planning of an entire economy was not just a difficult technical challenge to overcome. It was impossible. *Gosplan* oversaw nearly 400 individual bureaucracies. And these bureaucracies combined oversaw 43,000 factories, 26,000 construction enterprises, 47,000 farming units, 260,000 service establishments, and over 1 million retail trade shops.

The factories alone produced around 12 million distinct products. And each of those products required the right inputs for the right suppliers at the right locations on the right timelines, all tangled together in supply chains that stretched across eleven time zones.

Planners were dealing with tens of billions of variables at a minimum. And that rises into the trillions once you extend these variables across time. And even to plan that all rationally, you need to know in advance what every firm could produce, what every household wanted, and how every input connected to every output.

No one could know that. No one. So what you got was rule of thumb guesswork for the most brilliant planners in the world. Last year's numbers, plus a little more propped up by a vast secret economy of barter, hoarding, and backchannel deals that managers ran on the side — not out of corruption, but just to keep production limping forward.

That brings us to the second problem of incentives. Every manager understood perfectly well that the resources they got next year dependent on the numbers they turn in this year. They lowballed their projected output compared to real capacity and then over-reported the resulting output. They hoarded labour and they hoarded materials because the penalty for missing an output target was far greater than the penalty for inefficiency.

I had a similar experience when I was a secretary all of thirteen years ago at Brooklyn College, where I fulfilled our requirement on paper by spending less money. And then our budget was cut the next year. I learned a valuable lesson.

Similarly, the workers working for these managers figured out quickly that overfilling a quota only meant a higher quota next quarter. Weak firms were never allowed to fail because letting them fail meant unemployment and broken supply chains. So inefficiency was never consistently punished. The whole hierarchy, from the Politburo down to the guy pretending to work on the factory floor, had an incentive to lie about what it was doing.

These weren't bugs you could fix with a better algorithm or a faster computer. They were coded into the structure of administrative planning itself. Now, if socialism outside of capitalism failed because it tried to abolish markets, socialism within capitalism, social democracy, failed for the opposite reason. It tried to tame capitalism without transcending it.

For a while it did work quite well. Post-war Sweden was probably the most livable society in the world at the time. It had full employment. It had centralized unions that negotiated on equal footing with employers. It had, eventually, a universal welfare state supported by a growing economy. Workers there had dignity, security and real power on the shop floor and at the ballot box. And as they got more secure, they practiced more and more solidarity, not just with each other, but with those across the world, especially in the third world. Swedish Prime Minister Olof

Palme his final public speech, days before his death, before his assassination, was delivered alongside African National Congress President Oliver Tambo.

In it, he said that a system like apartheid cannot be reformed; it can only be abolished. Palme, by some accounts, might have been killed for that speech and for his advocacy for the people of South Africa.

But there was a contradiction at the core of Palme's project that derailed it far before his death. Social democracy empowered workers politically while leaving the ownership of production and investment in the hands of capitalists. It produced a standoff between a mighty workers movement and these traditional sources of business power. As long as the economy was growing, the standoff held. There was enough surplus to give labour raises, provide capital with profits, and fund the welfare state on top of it.

But the moment that growth slowed in the 1970s, the whole arrangement started to buckle. The left wing of social democracy saw the problem clearly and tried to solve it. The Meidner Plan of 1976 proposed gradually transferring ownership of large firms to worker-controlled funds — a real path from social democracy to democratic socialism, funded by the profits the workers were generating themselves through years of wage restraint. It was a brilliant solution in both a technocratic sense to Sweden's economic difficulties, but also its political impasse.

It was also something that couldn't have been won without a mass mobilization of workers from below that Swedish Social Democratic leadership could not abide by. Even with the lukewarm support of the SAP, the Swedish Social Democratic

Party, Swedish capital treated the Meidner Plan as an existential threat. The scheme was gutted.

But the real lesson from this history is very different from the one that today's social democrats draw from it. They say that social democracy is as far as you can go, and in and of itself it was a radically egalitarian achievement. So settle for it. Be realistic and keep making slow and steady progress on the path to building a better world. But capital is a constantly moving target, it isn't a static one. And it doesn't accept the draw or allow you to slowly besiege it.

At some point, a war of position must become a war of maneuver. But it was indeed years of steady organizing and patient reform that opened the door to structural transformation to begin with. Meidner and generations of social democratic workers understood that. Our task now is to finish what they started.

As a result of not just capitalist propaganda, but the real failures of both forms of 20th century socialism, a skepticism has grown about socialism's future. Wouldn't taking democratic control over a complex economy eventually boomerang into crisis, collapse into inefficiency, or harden into authoritarianism?

To shake the grip of capitalist realism I think we need to answer these questions seriously and we need to recover an alternative. Karl Marx spent enough of his life clashing with eccentric and fanciful utopian socialists that he warned against writing recipes for the cook shops of the future. Actually, I have no idea if these people were eccentric or fanciful. This is my orthodox Marxist bias coming out. They might have been very tough-minded.

But today it's no longer enough to argue that the alternative to capitalism, or an alternative to capitalism, is politically feasible.

We must argue and convince people that it's technically possible as well. This doesn't require pretending that there's a single settled model of socialism just waiting to be implemented. It does require confronting a set of unavoidable questions that any credible alternative must answer.

Could a socialist economy use prices, profits and competition to coordinate complex production without reproducing domination or significant inequality? What incentives encourage efficiency and innovation in an economy of democratically governed firms? How can productivity growth be sustained so that living standards continue to rise, shortages are avoided, and technological change continues, without the sort of mass insecurity that workers experience today? And what role must the state play in stabilizing the macro economy, guiding investment, and enforcing democratic priorities without suffocating initiative?

In a vision of socialism that could be plausibly realized in our lifetimes, large areas of social life would be outside the logic of commodification: healthcare, education, transportation, energy, telecommunications. These aren't consumer goods, but social infrastructures on which participation in modern life depends. Organizing them through profit seeking intermediaries that ration by price rather than need introduces predictable distortions. The result is a system that undermines both equality and efficiency. Decades of comparative experience suggests that public provisions in these sectors can deliver better outcomes at a lower cost, precisely because it aligns provision with social need rather than purchasing power.

Beyond these domains lie the broader economy of goods and services, where coordination problems are more varied, and where markets remain important. In the market sector of an economy composed of democratically governed firms, price signals would still convey information about supply and demand, helping to coordinate production and consumption.

But the surplus generated by economic activity would be controlled by those who produce it. And investment would be allocated through public financial institutions rather than by capitalists. In this way, markets can function as tools of coordination without reproducing the power relations of capitalism. In this socialist framework, productive enterprises in the commodity-producing sector are controlled by workers rather than external shareholders or private capitalists. Governance rights attach to participation rather than to a financial stake. Membership in a firm, then, resembles membership in a political community. It confers voice, imposes obligations, but can't be traded like a commodity.

This shift in governance requires a corresponding shift in how investment is organized. Any feasible socialism must avoid soft budget constraints, and allow inefficient firms to fail while more productive ones expand. And from an egalitarian standpoint, this should be common sense. Why should we waste the most valuable thing in the world, human labour, in inefficiency?

But workers in democratic firms should not be expected to supply capital themselves, or to tie their personal savings to the fortune of a single workplace. Leaving investment decisions at the level of individual firms would generate systematic distortions that would destroy a socialist system. Disparities in capital intensity, for example, would encourage workers to cluster in capital-rich sectors, while labour intensive production and the public sector are left unstaffed. Imagine everyone wanting to work on oil rigs, or some other very capital-intensive sector where your dividends would be massive, instead of working at a childcare clinic.

Organizing ownership and investment as a social function, rather than a firm-level one, is therefore essential. Public banks serve this role by holding productive assets in common, allocating capital on behalf of society as a whole. In this way, firms operate with real autonomy, while remaining stewards rather than owners of social wealth. And the state can use a vast array of macroeconomic tools to influence the direction of development.

One additional mechanism is essential for such an economy to remain both efficient and egalitarian over time: the creation of minimum wages, differentiated by occupation, to shape development itself. Rather than allowing labour markets to sort worker managers purely through localized bargaining power or sectoral rents, benchmark wages establish a floor that reflect collective priorities about dignity, skill, and social contribution.

So firms and sectors that rely on low pay and labour discipline would be pressured to innovate, to reorganize or contract. While those that raise productivity through new techniques, through additional training, through technological improvement, would be rewarded through increased dividends. In this way, the economy is directed along a high road of development that rewards innovation and investment rather than just sweating out labour. And actually, at its peak, Swedish social democracy had a very similar mechanism, in which the very high demands from labour that were produced through centralized bargaining weeded out inefficient firms. And then wage constraint allowed the most efficient firms to expand and absorb some of that laid-off labour.

It's necessary then for these minimum wages to act in such a way that increases productivity. But of course, in a socialist economy, the goal of increasing productivity isn't a goal for its own sake. The goal is the expansion of leisure, of security, and ultimately, of time outside production.

A socialism that merely redistributes income, without changing how time is organized, would fall short of its promise. But a socialism that combines redistribution with social ownership, democratically-guided investment and wage structures that reward efficiency, can translate a dynamic economy into shorter hours, longer lives, and greater freedom over how those lives are lived. I don't know the stats in Canada, but in the United States, the gap between the rich and the poor and their life expectancies is growing at a massive rate, despite various other factors like overdose deaths leveling off since 2022. It's deeply rooted and systematic.

But none of this vision of a socialism after capitalism promises an end to political conflict or even to some types of inequality. Differences in skill, in effort, and in social valuation would, I imagine, persist. And some degree of income differentiation would remain. What would be eliminated is the translation of those differences into persistent inequalities of power. I've been trying to deliberately undersell this vision of socialism, in part to make it seem more realistic. And we're in such a beautiful room that I think it inspires a certain sobriety in me.

But the implications of such a socialism, the implication of such a society, are enormous. In many parts of the world it would be the first society since the Neolithic Revolution not divided into a class of producers and a class of exploiters or surplus appropriators, since it socializes production and erodes the existing divisional labour.

This, I would argue to my socialist friends critical of market socialism, is a lofty enough task for one generation. Perhaps we could leave some additional tasks for others in the future. But of course this is just one sketch of just one model of organization for a post-capitalist society. Or as Marx might less-generously call it, one untested recipe for a future cookshop. But I strongly believe this exercise is worth pursuing. In its reluctance to engage with questions of economic design, the left has ceded ground to those who insist there is no alternative to capitalism.

Providing such an account of post-capitalist economics does not, of course, foreclose experimentation or debate. On the contrary, it opens up those discussions. A realistic picture of what a socialist future could look like and how we might get there also allows movements to situate immediate demands within a longer term project.

In a sense, the technical challenges to socialism are inseparable from its political ones. A left that can't describe how a democratic economy might operate will struggle to sustain a confidence when faced with inevitable resistance. We need a third choice beyond just administrating the capitalist state or just protesting its failings.

So let me return to where I started, my sub-'Mendoza Line' seventh-grade batting average.

No, I will return to Ellen and her work.

Ellen refused to naturalize capitalism. She refused to let us say, as the defenders of every ruling class before the bourgeoisie had said, that this is just the way things are, how they've always been, and how they will always be.

Of course, naming a socialist future is a lot easier than making one. Moving towards socialism requires reviving the connection of the left to a working class agent. It requires organizing that class. It requires winning power and workplaces and governance. And it requires pursuing a program that could be a bridge to help us bring about a truly democratic economy. If we can't win what remains of the left — to the belief that, as C. L. R. James said, "every cook can govern," and to the belief that a system built on hierarchy and exploitation can be replaced by one built on democracy and shared prosperity — then we have little hope of winning over workers to that vision either.

Those who participated in almost any wing, even the most reformist, of the workers' movement, from the first international through the 1980s, thought that they were at the vanguard of history itself. In an age that has taught us to mistrust every grand narrative, to settle for lesser evils, to treat the existing order as the furthest horizon our imagination is permitted to even think of, we can look to these workers for confidence. We can look to them for the confidence that we have to recover: a confidence in a socialism that no longer speaks merely in terms of election campaigns and small protests, but in the language of centuries and continents.

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