



ANDREW GAVIN MARSHALL  
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# Meet Canada's Ruling Oligarchy: Parasites-a-Plenty!

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May 11, 2012

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As hundreds of thousands of students in the province of Québec continue to strike into their 13<sup>th</sup> month against tuition increases, as the provincial government continues to employ legal repression and state violence against the youth, as Canadian families are over \$100,000 in debt, as a looming housing crisis begins to rear its ugly head, as youth unemployment increases, student debt explodes, jobs vanish, poverty deepens, and oppression increases, it's time to meet those responsible, those who are doing better than ever, those who are making record profits, sitting comfortably in their estates which are larger than the entire island of Manhattan, who travel by helicopter and private jet, who co-mingle with the Rockefellers, Rothschilds, Spanish royalty, presidents and prime ministers at home and abroad: meet Canada's ruling oligarchy.

As this series, "Class War and the College Crisis," is more focused on the issue of education, I will focus here on the composition of the oligarchy in terms of how they control our educational system. This part in the series will be part article and part research annex.

First, I will introduce the reader to Canada's most powerful family, our version of the Rockefeller's south of the border, or the Rothschilds in Europe, and of course, all these families are close in both business and social circles. Such is the nature of being an elite in a globalized world.

The Desmarais family, located in the province of Québec, are without question the most influential and powerful family in the country, and it's no wonder, considering their power is vested in an investment company known as Power Corporation.

Why is Power Corporation important?

The name says it all: it has Power. Founded in 1925, Power Corporation of Canada is an investment company involved in communications, business, and especially finance.

Power Corporation was founded by A.J. Nesbitt and P.A. Thomson, two partners in the Montreal investment firm, Nesbitt, Thomson and Company, who wanted to consolidate Canada's power sector, and established Power Corporation as a 'holding company,' meaning, it owns other corporations.

In the 1960s, the company began to invest in energy, finance, industry, and real estate.

In 1968, financier Paul Desmarais took over the leadership of Power Corporation, and rapidly expanded the assets held by the company, including by the 1970s: Canada Steamship Lines (transportation); Consolidated Bathurst (pulp and paper); Investors Group, Great-West Life, Montreal Trust (financial services); and Gesca (communications). Power Corporation expanded across Canada, Europe, and into China. Paul Desmarais stepped aside as Chairman and CEO in 1996, though remaining as the controlling shareholder, and had his two sons, Paul Jr. and André, become Chairman and President and Co-CEOs. Power Corporation owns Gesca, a communications company which in turn owns La Presse as well as six other daily newspapers in Quebec.

The Desmarais family, wrote Christa d'Souza for the *London Telegraph*, are "Canada's equivalent of the Rockefellers or Vanderbilts." [1] Indeed, it would appear that the Desmarais are very much akin to the Rockefellers, the most powerful family in the United States, and one of the most powerful families in the world (perhaps only challenged by the older European-based Rothschild banking family).

The Rockefeller family developed the Standard Oil empire, which branched off into several different oil companies, including Exxon and Chevron; founded the Rockefeller Foundation as an engine of social engineering, founded the University of Chicago, became a dominant force in global banking (through Citibank and JP Morgan Chase), highly influential in politics (Vice President Nelson Rockefeller and Senator Jay Rockefeller), and of course, remain a dominant influence in think tanks, such as the Council on Foreign Relations, the Bilderberg Group, and the Trilateral Commission, which ultimately play a major role in shaping policies of industrial nations.

The Desmarais family, while not as powerful in a global sense as the Rockefellers, have nevertheless made themselves a powerful name in the global oligarchy, and most certainly the most powerful family in Canada.

Paul Desmarais Sr. is one of Canada's richest individuals, which is, of course, no surprise, and as Konrad Yakabuski wrote for the *Globe and Mail*, "Desmarais has been personally consulted by prime ministers on every major federal economic and constitutional initiative since the 1970s. Most of the time, they've taken his advice."

Power Corporation has taken large stakes in major European companies such as Bertelsmann, Total and Suez. Peter Munk, a friend of Paul Desmarais and the CEO of Barrick Gold Corporation (a major mining company profiting off of genocide in the Congo), said that, "Paul built that business with an enormous capability for networking that no one in Canadian history has ever matched. And the boys got introduced to his contacts. They were educated well, they married well. And they've behaved."

In the mid-1960s, a protégé of Desmarais was a young Montreal lawyer named Brian Mulroney, who would later become Canada's Prime Minister. Paul Sr. groomed his sons, and especially André, who is now perhaps the most well-known Canadian businessman in China. André also married the daughter of another Canadian Prime Minister, Jean Chrétien.

Desmarais Sr. also got involved in French banking through Paribas, and later, Pargesa, which handled investments in a wide range of European corporations, and shot Desmarais into the accepted ranks of French nobility and the old-moned European elite. Paul Desmarais Jr. is close friends with the recent French President Nicolas Sarkozy, and socializes with Spanish royalty, the Rothschilds, and other European oligarchs.[2]

The Desmarais family have strong connections to Canada's four major political parties: the Liberals, Conservatives, Bloc Québécois, and the NDP.

This has included close ties to Lucien Bouchard, former leader of the Parti Québécois and Premier of Quebec, Jean Chrétien, former Canadian Prime Minister; Brian Mulroney, former Canadian Prime Minister who worked for Power Corporation; Bob Rae, an NDP leader, and Paul Martin, another Liberal Prime Minister who worked for Power Corporation.

When André Pratte, the chief editorialist of the Desmarais-owned paper La Presse, wrote in 1994 that, "Power Corp. controls everything, everyone knows that. Chrétien, [then Quebec premier Daniel] Johnson, it's Power Corp.," Paul Desmarais Sr. intervened directly with the paper to ensure that Pratte was demoted. Claude Masson, the deputy publisher of La Presse at the time, stated that, "When you bite the hand that feeds you, there are consequences." [3] Indeed, the hand bites back.

The Desmarais' also have close connections with James Wolfensohn, the former President of the World Bank, who has extensive ties to the Rockefeller family. Paul Jr. married Héléne Blouin, the "founder and CEO of le Centre d'entreprises et d'innovation de Montréal, an incubator for tech businesses; a director of the Montreal Board of Trade; chairman of HEC Montréal; and a co-founder of the Montreal Economic Institute, a think tank that has become Quebec's leading policy advocate on the non-partisan right." André married France Chrétien, daughter of Jean Chrétien, and he even served as a press secretary to Jean Chrétien while he was Minister of Justice in the Pierre Trudeau government.

In the 1990s, the international advisory board of Power Corporation included former Prime Ministers Brian Mulroney and Pierre Trudeau. Brian Mulroney was sure to create friendly ties between the Desmarais family and soon-to-be Canadian Prime Minister Stephen Harper, who put two Desmarais-connected politicians in his cabinet, Peter Mackay and Maxime Bernier.[4]

Quebec author Robin Philpot wrote a scathing critique of the power of the Desmarais family several years ago, suggesting that, "Over the last several years, [Paul Desmarais Sr.] has spun his web to such an extent that it now enables him to call the shots," especially in promoting his right-wing economic vision, with "a disproportionate influence on politics and the economy in Quebec and Canada."

Of course, it's not only Canadian politicians with whom Desmarais is close, but French and American politicians as well, including Sarkozy, George H.W. Bush, and Bill Clinton. Desmarais owns seven of the ten French-language newspapers in Quebec, and has been close to nearly every Quebec premier, apart from Parti Québécois leaders Jacques Parizeau and Bernard Landry.

Philpot alleged that Desmarais "has a lot of influence on Premier Jean Charest," who is the current premier imposing tuition increases. When Desmarais received the French Légion d'honneur (Legion of Honour) from Nicolas Sarkozy, Jean Charest was in attendance, of which Philpot stated, "He took him along like a poodle." Philpot added, "It's a very unhealthy situation for a government to be indebted to a businessman that has his own interest at heart. They get their hands tied." [5]

Jean-François Lisée, the director of the Center for International Studies and Research at the University of Montreal stated that, "They are in a class all by themselves... There's the Desmaraises, then there's everyone else."

However, as one man close to the family said, in regards to their influence in politics, "We live in a village in Canada, and there are a lot of circumstances which come together which make it appear as if there's some great manipulation... These are the coincidences of life. It might be more notorious than substantial." [6] Indeed, the elite live in "a village," and that's the whole point, which is, I might add, "substantial."

In rural Quebec, the Desmarais family has an estate the size of Manhattan, with a private golf course and pheasant shooting range, as well as a music pavilion where opera is performed.

This is the home of Paul Desmarais Sr. Guests, such as former U.S. Presidents George H.W. Bush and Bill Clinton, come play golf on this vast estate, and are flown in on helicopters belonging either to Power Corporation or Desmarais personally. As one of Canada's richest billionaires, this is a simple matter. Power Corporation, which owns a controlling share in Power Financial Corporation, an insurance giant, has established ties with one of Belgium's richest men, Albert Frere, with whom they have been in business for decades, and together hold significant shares of Total SA (the third largest oil company in Europe), Lafarge SA (the world's largest cement maker), and GDF Suez SA (the world's second largest utility company). [7]

The Desmarais family has even had the internationally renowned Cirque du Soleil perform on their massive 15,000-acre estate. King Juan Carlos of Spain has even been a guest from time to time. André Desmarais is himself a member of the Trilateral Commission, founded by David Rockefeller, and is also on the International Advisory Board of David Rockefeller's former bank, JP Morgan Chase, alongside other notables such as former British Prime Minister Tony Blair.

Both brothers have regularly attended meetings of the Bilderberg Group, of which David Rockefeller is a top official (founded in 1954 as an elite think tank linking Western Europe and North America).

The Desmarais also hold a major international meeting of elites in Montreal every year, the Conference de Montreal, drawing in thousands of top policy-makers, industrialists, bankers, strategists, and international elites from the major nations of the world. A son of Paul Desmarais Jr., Paul Desmarais III, is a banker with Goldman Sachs.

At times, the influence of the family is shyly acknowledged. As French President Sarkozy stated upon awarding Paul Desmarais Sr. with the French Legion of Honour, "If I am the president of France today, it is thanks in part to the advice, the friendship and the loyalty of Paul Desmarais." [8]

So while Quebec students are being asked to pay double their current tuition to reduce public spending, the Desmarais family is hob-nobbing around with a top public-sector individual responsible for investing \$150 billion in Quebecers' public-sector pension and insurance plans, Michael Sabia.

Though apparently a weekend stay at the Desmarais estate by Sabia did not involve business discussions, it was merely "friendly." No doubt. Meanwhile, Power Financial profits rose 37% in March of 2012, earning the company \$533 million, while Power Corporation itself earned \$314 million in the same amount of time, with its profits also increasing by 37%. [9]

## **The Canadian Oligarchy Assaults Democracy**

In the 1970s, just as the United States elite were organizing for their assault on the democratic advances brought about by the activism and popular mobilizations of the 1960s, so too was Canada.

With the Powell Memo and the Trilateral Commission's "Crisis of Democracy" report in the early and mid 1970s, we saw the emergence of a vast array of right-wing pro-business think tanks which sought to – and successfully did – promote neoliberalism and thus, created enormous repercussions for universities and education. Canada was not to be left behind in the elitist assault on democracy.

As William Carroll and Murray Shaw wrote in the journal *Canadian Public Policy*: "Integral to the rise and consolidation of neoliberal hegemony were the emergence of new centres of class-wide business activism and the retooling of established policy institutes along neoliberal lines." A few major think tanks and policy institutes were integral to this approach for Canada.

The Conference Board of Canada was founded in 1954 when the New York Conference Board opened an office in Montreal, later moved to Ottawa, and now one of the largest think tanks in Canada, linking academia, government and corporate elites. The Private Planning Association of Canada (PPAC) was founded in 1958 by members of the Canadian American Committee (CAC), "a group of business and labour leaders from Canada and the US" who were seeking closer and deeper ties between Canada and the United States, specifically in relation to trade. When the PPAC merged with the C.D. Howe Memorial Foundation in 1973, the C.D. Howe Institute was formed.

The C.D. Howe Institute became a major force pushing for free trade agreements such as NAFTA, and by the mid-1990s, was portraying social programs as a major source of Canada's economic problems.[10]

The Business Council on National Issues (BCNI) – now known as the Canadian Council of Chief Executives (CCCE) – was founded to create consensus on policy issues among Canada's top 150 CEOs, making it less of a think tank, and more of a "shadow government." Founded in 1976 in order to bring together the corporate elite of Canada into forming a more long-term strategic position with the government, directly lobbying the state.

The mandate of the Council is "to ensure that Canadian chief executives play an influential role in the international financial, trade, investment, environmental and foreign affairs domains." Since the era of the Trudeau Liberals, politicians have come and gone from power, but the Council, "the voice and organizational embodiment of corporate rule, is a permanent presence."

Another major player is the Fraser Institute (FI), dedicated to mythical "free market" policies and neoliberalism, founded in 1973 with money from fifteen different mining executives, and is essentially a replica of the American Enterprise Institute in the United States. The Fraser Institute is perhaps the most quoted institution in the Canadian media, ensuring that its neoliberal ideology is firmly entrenched in popular 'information' (i.e., propaganda).

One study from 1998 showed that over the course of a year, the left-wing think tank, the Canadian Centre for Policy Alternatives was quoted in business news stories 16 times, while the Fraser Institute was quoted in over 140 stories.[11]

Today, H el ene Desmarais, wife of Paul Desmarais Jr., is on the board of the C.D. Howe Institute, alongside top officials from GE Canada, Manulife Canada, HSBC Canada, Enbridge, Barrick Gold, BMO Financial Group, and a number of other top financial and industrial corporations.

Power Corporation is listed among the C.D. Howe Institute's supporters, alongside other notable entities such as: Astral Media (a major media conglomerate), Bank of America Merrill Lynch, Barrick Gold Corporation, BMO Financial Group, Bombardier, Canadian Bankers Association, Canadian Chamber of Commerce, CIBC, Canadian Pacific Railway, Canadian Oil Sands Limited, Cargill Limited, CN, Deloitte & Touche LLP, Desjardins Group, Deutsche Bank, Enbridge, Encana, Ford Motor Company, HSBC, Google, Imperial Tobacco, JP Morgan, National Bank of Canada, Pfizer, Procter & Gamble, RBC Financial Group, Rio Tinto Alcan, Scotiabank, Shell Canada, SNC Lavalin, Standard Life Financial, Swiss Bankers Association, TD Bank Group, and many others. The C.D. Howe Institute also gets a good deal of financial support from several Canadian universities, including Carleton, HEC Montréal, Laval, McMaster, Queen's, Ryerson, Calgary, Lethbridge, Western Ontario, Université de Sherbrooke, U. of Alberta, UBC, Ottawa, Saskatchewan, U of T, and Wilfred Laurier University.[12]

## Looking at Power

The board of directors of Power Corporation includes: Pierre Beaudoin, President and CEO of Bombardier; Marcel R. Coutu, President and CEO of Canadian Oil Sands Limited and Chairman of Syncrude Canada, director of Great-West Lifeco (owned by Power Corporation), and is a member of the Canadian Council of Chief Executives; Laurent Dassault, Vice President of Groupe Industriel Marcel Dassault (a Paris-based investment and financing company), and a director of a number of European companies, including SITA, Generali France, Kudelski, and the Banque Privée Edmond de Rothschild Europe (a major banking house owned by the Rothschild family); Guy Fortin, Vice Chairman of Sanpalo Investments, former senior partner at Ogilvy Renault, Chairman of the Canadian Tax Foundation; Anthony R. Graham, President of Wittington Investments, formerly with National Bank Financial Inc., Chairman of President's Choice Bank, on the board of Power Financial, Loblaw Companies, George Weston Limited, Brown Thomas Group Ltd, Holt Renfrew & Co., the Canadian Institute for Advanced Research, Council for Business and the Arts in Canada, and is a member of the Canadian Council of Chief Executives; Robert Gratton, former Chairman and CEO of Montreal Trust, director of Power Financial, member of the Harvard Business School Canadian Advisory Board, the Conference Board of Canada, the C.D. Howe Institute, and the Trilateral Commission; Isabelle Marcoux, Vice Chair of the board of Transcontinental Inc., on the boards of George Weston Ltd., Rogers Communications, the Board of Trade of Metropolitan Montreal; Donald Mazankowski, director of Power Financial, former member of the Canadian House of Commons and member of Parliament for 25 years, former Canadian Minister of Transport, Deputy Prime Minister, President of the Queen's Privy Council, and Government House Leader, and is a former member of the board of governors of the University of Alberta.

Other board members include: Raymond L. McFeetors, Vice Chairman of Power Financial and Chairman of Great-West Lifeco, a director of London Life, Canada Life Financial, Canada Life, Crown Life, IGM Financial, Investors Group, Mackenzie Financial, Putnam Investments; Jerry E. A. Nickerson, Chairman of Nickerson & Sons Ltd., director of several Power Corporation companies, honorary director of the Bank of Montreal; James R. Nininger, on the Board of Management of the Canada Revenue Agency (responsible for administering the tax laws of Canada and most of the provinces), on the board of Canadian Pacific Railway, former President and CEO of The Conference Board of Canada (a major research institute/think tank); R. Jeffrey Orr, President and CEO of Power Financial, a board member of several Power group subsidiaries, former Chairman and CEO of BMO Nesbitt Burns and Vice Chairman of the Bank of Montreal's Investment Banking Group, and is a member of the Canadian Council of Chief Executives; Robert Parizeau, Chairman of Aon Parizeau, Inc., director of National Bank Life Insurance Company, former Chairman of Gaz Métro, former director of Van Houtte, and director of the National Bank of Canada for over 20 years, and is a director of the Institute of Corporate Directors; Michel Plessis-Bélair, Vice Chairman of Power Corporation, director of several Power group subsidiaries, and a director of Lallemand Inc., Université de Montréal, Hydro-Québec, and is a member of the International Advisory Board of École des hautes études commerciales (HEC) of Montréal (Business School of

Montreal); John A. Rae, director of a number of Power subsidiaries, a director of Fednav Ltd, BNP Paribas (Canada), McGill University Health Centre Foundation, former Executive Assistant to Jean Chrétien, National Campaign Chairman for Jean Chrétien's 1984 and 1990 leadership campaigns, and Coordinator of the National Campaign of the Liberal Party of Canada for the 1993, 1997, and 2000 elections, and is also Chair Emeritus of the Board of Trustees of Queen's University; Henri-Paul Rousseau, a director of several Power group subsidiaries, board member of the Global Financial Markets Association, former President and CEO of the Caisse de depot et placement du Québec (which manages public pensions for the province of Quebec), former President and CEO of the Laurentian Bank of Canada, former CEO of Boréal Assurances Inc., and former Senior VP of the National Bank of Canada; T. Timothy Ryan, Jr., President and CEO of the Securities Industry and Financial Markets Association (SIFMA), the leading trade association representing global financial market participants, CEO of the Global Financial Markets Association (GFMA), a director of a number of Power subsidiaries, as well as a director of Lloyds Banking Group, Lloyds TSB Bank, HBOS, the Bank of Scotland, and the United States-Japan Foundation, formerly a top official with J.P. Morgan, is a private sector member of the Global Markets Advisory Committee for the U.S. National Intelligence Council (NIC), the Council which oversees all sixteen U.S. intelligence agencies; and Eموke J.E. Szathmary, President Emeritus of the University of Manitoba, former President and Vice Chancellor of the University of Manitoba, Provost and Vice President of McMaster University, and former Dean of the Faculty of Social Science of the University of Western Ontario, is currently a director of a number of Power subsidiaries, and is a director of the International Institute for Sustainable Development, the Pierre Elliott Trudeau Foundation, the Canadian Foundation for Innovation, and the Board of Governors of McMaster University.

And of course, we have the Desmarais family themselves, including Paul Desmarais Sr., Paul Desmarais Jr., who is not only a director of several Power subsidiaries, but is Vice Chairman of the Board and Executive Director of Pargesa, a director of Group Bruxelles Lambert, GDF Suez, Total, Lafarge, and is a member of the European Institute of Business Administration, Chairman of the Board of Governors of the International Economic Forum of the Americas, a trustee and Co-Chair of the International Advisory Council of the Brookings Institute, founder and member of the International Advisory Board of the McGill University Faculty of Management in Montreal, and the founder and member of the International Advisory Committee of HEC (business school) in Montreal.

André Desmarais is not only on several Power subsidiaries, former Special Assistant to the Minister of Justice of Canada, a director of Pargesa in Europe, CITIC Pacific Ltd. in China, is a member of the Chairman's International Advisory Council of the Americas Society (founded by David Rockefeller), and is Honorary Chairman of the Canada China Business Council.

As for Power Financial, while there is a great deal of overlap between the two boards, there are some unique names on the board of Power Financial. Among these are J. Brian Aune, President of Alderinvest Inc., former Chairman of St. James Financial Corporation, is Governor Emeritus of Concordia University; V. Peter Harder, President of the Canada China Business Council, former Canadian Deputy Minister of Foreign Affairs, former Deputy Minister of the Treasury Board, Solicitor General, Citizenship and Immigration, and Industry Canada, and is a director of IGM Financial, TimberWest, Telesat Canada, Energizer Resources, Northland Power, Pinetree Capital Ltd, and is an independent advisor to the Auditor General of Canada.

## **The Oligarchy of Education**

Canada's universities, like all universities, are governed by bankers and corporate executives, foundation officials, and think tank presidents, media moguls and millionaires. Given the current situation in Quebec, where hundreds of thousands of students have been taking to the streets in a strike against tuition increases, with

over 200 protests in Montreal over the past three months alone, I will focus here on the two major English-speaking universities in the province: Concordia and McGill.

This is important to focus on, simply because throughout this crisis, the university administrations have been claiming to be “neutral,” though they have actively set themselves against the students, filing legal injunctions against picketing, hiring private security firms to patrol the schools, and even calling in riot police to disperse striking youth. The schools have claimed to be neutral on the issue of tuition increases, though they have not – in any way – applied pressure or lobbying efforts on the government to reverse its position. In fact, it has been the exact opposite.

When we look at who actually sits on the boards of the school administrations, it becomes clear that these are the very same elite who, in their various other social positions, lobby the government to *increase* the tuition, who sit on the boards of the banks that hand out student loans and charge exorbitant interest rates, who profit off the debt and poverty of the masses.

So let's start with my own school: Concordia University.

The Chancellor of Concordia is L. Jacques Ménard, the President of BMO Financial Group, one of Canada's largest banks, a director of Claridge Inc., and a director of the Institute for Research on Public Policy (a think tank promoting elite interests).

The Chairman of the Board of Governors of Concordia is Peter Kruyt, President and CEO of Victoria Square Ventures, a director of La Presse (the largest French-language newspaper in Quebec), a director of Picchio Pharma Inc., a director of CITIC Pacific Ltd., Chairman of the Canada China Business Council, and a Vice President of Power Corporation, a company he has been working for since 1980 when he was Executive Assistant to the CEO, Paul Desmarais.

Norman Hébert, Jr.: CEO of Group Park Avenue Inc., former board member of Hyrdo-Québec, Chairman of the Board of Société des Alcools du Québec (SAQ, a provincial crown corporation which sells liquor).

Hélène F. Fortin: a director of Larose Fortin CA Inc., member of the Institute of Corporate Directors, former Assistant to the Vice President of Quebecor Inc. (a major media conglomerate), and a former director of CBC and Hydro-Québec.

Brian Edwards: founder of BCE Emergis, one of North America's largest electronic commerce companies, Chairman of the Board of Miranda Technologies and Biotonix 2010 Inc., and is on the boards of Camoplast Inc. and Impath Networks Canada Corporation, and Transat AT.

Jean Pierre Desrosiers: on the boards of KPGM, Aéroports de Montréal and D-BOX Technologies Inc.

Rita Le de Santis: a partner at Davies, Ward, Phillips & Vineberg, former member of The Italian Chamber of Commerce in Canada, Board of Trade of Metropolitan Montréal, Business Development Bank of Canada and Hydro-Québec.

James Cherry: President and CEO of Aéroports de Montréal, former executive with Bombardier, Oerlikon Aerospace Inc., CAE Inc. and ALSTOM Canada Inc.

Baljit Singh Chadha: Director of the Canada-India Business Council, President and founder of Balcop Ltd.

Charles Cavell: former President and CEO of Quebecor World Inc., former Chairman of the Board of Sun Media Corp, a director of Adaltis Inc., Novelis Inc.

Tim Brodhead: former President and CEO of the J.W. McConnell Family Foundation, former Executive Director of the Canadian Council for International Co-operation (CCIC), past chair of Philanthropic Foundations Canada.

Joelle Berdugo Adler: founder of ONEXEONE, and CEO of Diesel Canada.

Jonathan Wener: President and CEO of Canderel (a major real estate investment company), a trustee of the Fraser Institute, member of the board of the Laurentian bank of Canada, Silanis Technologies, and former president of the Urban Development Institute of Canada.

Annie Tobias: former official at Deloitte & Touche

Michael Novak: Executive Vice President of SNC-Lavalin Group, a global engineering and defense contractor.

Marie-José Nadeau: Executive Vice President of Hydro-Québec, Executive Vice President of Corporate Affairs and General Secretary at Cascades Fine Papers Group Inc, and is a director of Metro.

Andrew T. Molson: Chairman of the Board of Molson Coors Brewing Company, is a partner and chairman of RES PUBLICA Consulting Group, a Montreal-based holding and management company, is Chairman of the Board of Trade of Metropolitan Montreal and a director of The Montreal Canadiens, DundeeWealth Inc., Groupe Deschênes Inc. and Montréal International, and is president of the Molson Foundation.

Tony Meti: President of G.D.N.P. Consulting Services, Inc., a former Senior Vice President at National Bank Financial Group, a director of ADF Group, Saputo Inc.

Jacques Lyrette: Executive at Innovative Materials Technologies, former CEO of ADGA Inc., an engineering consulting company.

Arvind K. Joshi: CEO at St. Mary's Hospital Center, member of the advisory board of the John Molson School of Business at Concordia University.

Suzanne Gouin: President and Chief Executive Officer, TV5 Québec Canada, former director of Hydro-Québec.

### **McGill University:**

H. Arnold Steinberg: Chancellor of McGill University, formerly worked for Dominion Securities (now RBC – Royal Bank of Canada – Dominion Securities), has been a member of the boards of Bell Canada, Teleglobe, Provigo, National Bank of Canada.

Heather Munroe-Blum: Principal and Vice Chancellor of McGill, is on the board of the Internationalization Committee, and the Membership Committee of the Association of American Universities, a member of the Science, Technology and Innovation Council (STIC) of Canada, the U.S. National Research Council's Committee on Research Universities, the Canada Foundation for Innovation, the Trilateral Commission, and is co-chair of the Private Sector Advisory Committee of the Ontario-Quebec Trade and Co-operation Agreement, on the boards of the Trudeau Foundation, Canada Pension Plan Investment Board (CPPIB), Conférence de

Montréal, and the Royal Bank of Canada. She has served on the boards of the Conference Board of Canada, Montreal Chamber of Commerce, Four Seasons Hotel, and Hydro One.

Stuart Cobbett: Managing Partner and Chief Operating Officer of Stikeman Elliott LLP, and is a Director of Citibank Canada.

Lili de Grandpré: founder of an organization strategy consulting firm, CenCEO Consulting, formerly with the Mercer Consulting Group and Bank of Montreal.

Michael Boychuk: President and CEO of Bimcor Inc., and is a member of the advisory board of Centennial Ventures, a U.S. private equity firm, former Senior Vice President and Treasurer of BCE Inc. and Bell Canada.

Gerald Butts: President and CEO of WWF-Canada.

Daniel Gagnier: former Chief of Staff to Quebec Premier Jean Charest, former VP at Alcan, former Chairman of the Canadian Manufacturers and Exporters, current chairman of the International Institute for Sustainable Development, and a board member of the Asia-Pacific Foundation.

### **Banking on Power**

In Canada, there are five major banks which dominate the national banking sector (and together wield enormous influence over Canada's monetary system through the Bank of Canada). These banks are the Canadian Imperial Bank of Commerce (CIBC), the Bank of Montreal (BMO), Toronto-Dominion Bank (TD), the Bank of Nova Scotia (Scotiabank), and the Royal Bank of Canada (RBC).

To understand how these banks wield influence over Canada as a whole, it would be useful to examine the boards of directors of the banks, drawing the overlap of leadership between the 'Big Five' and Canada's major corporations, think tanks, foundations, media and educational institutions. For the purpose of this report, I will simply take a look at the board of directors of the biggest bank: Royal Bank of Canada (RBC), and show how it overlaps with the other institutions which dominate our society.

W. Geoffrey Beattie: on the board of directors of General Electric (GE), President of the Woodbridge Company, a privately held investment holding company (the majority shareholder of Thomson Reuters, a major media conglomerate of which he is Deputy Chairman), and he is also a board member of Maple Leaf Foods Inc. and Chairman of CTV Globemedia, a major Canadian media conglomerate.

Richard L. George: President and CEO of Suncor Energy, on the board of the Canadian Pacific Railway, former Chairman and current board member of the Canadian Council of Chief Executives (CCCE), was a member of the North American Competitiveness Council (NACC), which was formed in 2006 to advise North American governments on the process of 'North American integration'.

Paule Gautier: the first woman president of the Canadian Bar Association, on the boards of Metro Inc., TransCanada Corporation, and TransCanada Pipelines, an associate member of the American Bar Association, and is on the board of CARE, a supposed "humanitarian" organization, and she was a former director of the Institut Québécois des Hautes Études Internationales at Laval University.

Timothy J. Hearn: former CEO of Imperial Oil Limited, former chairman of the C.D. Howe Institute (a major pro-business think tank) where he remains as a board member, former member of the Canadian Council of Chief Executives (CCCE), is co-chair of a fundraising campaign for the University of Alberta and is chair of the

fundraising campaign for Tyndale University, and is on the Advisory Board of the Public Policy School at the University of Calgary, a director of Viterra Inc., and is Chair of the board of directors of the Calgary Homeless Foundation.

Alice D. Laberge: former CEO of Fincentric, a current Commissioner of the Financial Institutions Commission, on the board of the Minerva Foundation, and a member of the Financial Executives Institute, and a former director of BC Hydro and Power Authority, and is on the board of directors of the University of British Columbia (UBC).

Jacques Lamarre: former President and CEO of SNC-Lavalin, a major global engineering, construction, and military contractor; is on the board of Suncor Energy, the founding member and former Chair of the Commonwealth Business Council, former Chairman of the board of directors of the Conference Board of Canada, a leader at the World Economic Forum, a former director of Canadian Pacific Railway, a member of the C.D. Howe Institute's British North American Committee.

Brandt C. Louie: Chairman and CEO of H.Y. Louie Co. Limited, a food retail distribution company, Chairman of London Drugs Limited, Vice Chairman of IGA Canada Ltd., former Chancellor of Simon Fraser University (SFU), Governor of the Vancouver Board of Trade, Governor of the British Columbia Business Council, a member of the Canadian Council of Chief Executives (CCCE), and is a member of the Dean's Council of the John F. Kennedy School of Government at Harvard University, and is a current director of the Gairdner Foundation. He is also a board member of the World Economic Forum, Grosvenor (a property company), and the Fraser Institute, a major right-wing pro-business think tank.

Michael H. McCain: President and CEO of Maple Leaf Foods Inc., Chairman of the Canada Bread Company, board member at the American Meat Institute, the Richard Ivey School of Business Advisory Board, a member of the Canadian Council of Chief Executives (CCCE), and a former director of Bombardier Inc.

Heather Munroe-Blum: the Principal and Vice Chancellor of McGill University, board member of the Canadian Pension Plan Investment Board, a member of the Trilateral Commission, has attended meetings of the Bilderberg Group, is co-chair of the Private Sector Advisory Committee of the Ontario-Quebec Trade and Cooperation Agreement, on the board of the Trudeau Foundation, and is on the board of the Conférence de Montréal (the International Economic Forum of the Americas), which is chaired by Paul Desmarais Jr.; and she has also been on the boards of the Conference Board of Canada, Montreal Chamber of Commerce, Four Seasons Hotel, and Hydro One.

Gordon Nixon: President and CEO of the Royal Bank of Canada, a director and past Chairman of the Canadian Council of Chief Executives (CCCE), on the board of directors of the International Monetary Conference, and has been on the boards of Daimler/Chrysler, Catalyst, EnCana Corporation, and Queen's University School of Business; is a director of the Institute of International Finance and has attended Bilderberg Group meetings.

David P. O'Brien: Chairman of the Board of the Royal Bank of Canada, Chairman of EnCana Corporation, a director of Enerplus Corporation, Molson Coors Brewing Company, and TransCanada Corporation; he is also the Chancellor of Concordia University, and is on the board of the C.D. Howe Institute. He was the former Chairman and CEO of Canadian Pacific Limited.

J. Pedro Reinhard: a director of the Colgate-Palmolive Company, a director of Sigma-Aldrich Corporation, a chemical company; former Executive Vice President and Dow Chemical Company, is a former board member of the Coca-Cola Company, and is President of Reinhard & Associates, a financial advisory practice.

Edward Sonshine: was President, CEO and a director of RioCan Real Estate Investment Trust, Chairman and a director of Chesswood Income Fund, and is Vice Chairman and a director of Mount Sinai Hospital.

Kathleen P. Taylor: President of Four Seasons Hotels and Resorts, is a director of The Hospital for Sick Children Foundation, a cabinet member of the United Way of Greater Toronto and a member of the Industry Real Estate Financing Advisory Council of the American Hotel and Motel Association and the International Advisory Council of the Schulich School of Business of York University.

Bridget A. van Kralingen: Senior Vice President of IBM, and was Managing Partner of Deloitte Consulting, and is a member of the board of advisors at Catalyst Inc.

Victor L. Young: a director of Imperial Oil Ltd., former Chairman and CEO of Fishery Products International Limited, and is a current board member of McCain Foods, former Chairman and CEO of Newfoundland and Labrador Hydro, and was a director at BCE Inc. (Bell Canada).

### **Our Parasitic Elite**

Canada's elite, like all elites, are parasitic to the social good and wellbeing of the people. They own the banks and financial institutions, own our central bank which sets the interest rates, gives loans and collect on debt, pushing people deeper into servitude and slavery; poverty as punishment.

They control our media, which shapes our views and 'opinions,' they sit on the boards of our universities, putting future generations into debt before they have a chance at life, and control the 'knowledge economy' for which they have defined the purpose of education.

They influence and control our governments and political leaders, sit on the boards of the think tanks that write policy and promote political agendas, they run the foundations and claim themselves to be benevolent philanthropists, when philanthropy is at best, moral masturbation for the wealthy, a way to feel good about their vast disparity of wealth, and at its more organized levels, is simply a means through which to engage in social engineering and social control: to give a little in order to continue taking so much. The profit off of the foreign wars our country wages and supports, blood plunderers of the Congo, Afghanistan, and Libya.

The Canadian elite rule the country as a proxy for the American Empire, acting as a resource suction-cup for the behemoth below us, providing the United States with most of its oil, water, electricity, and timber. These rapacious parasites claim they hold the answers to the crises they cause and profit from; a super-class which can only be understood as a sprawling, venomous, and vacuous social succubus.

With a massive student movement in Quebec nearing its fourth month of strikes against tuition increases, the media has set against them in a massive propaganda campaign, the legal system has set against them in declaring injunctions against picketing students, the provincial state has dismissed, derided, and engaged in fallacious negotiations designed only to win public sympathy for the government, while the police have been incredibly oppressive against the youth: employing pepper spray, tear gas, smoke bombs, concussion grenades, beatings with batons, mass arrests, shooting students in the face with rubber bullets, and a disturbing trend of driving police cars and trucks into crowds of students.

These are images you expect from a military dictatorship like Egypt, but not from a supposed "democracy" like Canada. In the midst of this social upheaval and state repression, the propaganda campaign against the students has been so successful that the majority of public opinion stands with the government and against the youth.

Through every institution, and with every means made available, the elite have set themselves against the student movement. It is time the students and Canada at large recognize our elite for what they are: parasites!

While this rhetoric is perhaps a little inflammatory, it remains apt. A parasite is much smaller than its host, and it benefits at the expense of the host, changing its behaviour and health. The word “parasite” comes from the Latin word *parasitus* which is itself derived from the Greek word, *parasitos*, meaning, “one who eats at the table of another.”

The elite have been eating at our table for far too long. They have long over-stayed their welcome. It's time to make it known that we have no patience or place for them at our table any longer. This will not be easy, this will not be simple; this will take a long time and a great deal of effort. But if we don't start now, if we don't begin to take and create a society of, by, and for the people (what was once referred to as ‘democracy’), then elite parasitism will continue to sap the strength, health, environment, wealth, and the very hope and lives of future generations. They will continue to spread like a social cancer until the host is dead.

The youth are always told that the future is ours, but that remains up to us to make it so. The past and the present belong to the parasites, so if we do not stand up and struggle now and forever, we have no future to inherit, no world in which to grow and no hope in which to gaze. We have only debt bondage, state violence, table scraps, impoverishment, punishment, and oppression.

The youth in Quebec are trying to just begin to stand up, to say ‘No More!’ and demand for themselves and others a chance at a future. The success of the strike is secondary to the newly-discovered strength of the students. They have been dismissed and derided, insulted and oppressed, from the left and the right, from so-called Progressives and self-congratulating Libertarians. Because the students do not articulate the same philosophy as those of other critics, they are presented as naïve and ‘entitled.’ Those who insult and deride without empathy or understanding only expose their own naivety.

The fundamental and historical importance of the present situation in Québec is not the cost of tuition, it's the mass mobilization of youth: it is an expression of a popular and growing dissatisfaction with the way things *are* and an articulation and drive to create something different, to chart a course for the way things *can be*.

Those who fail to see and recognize that, fail to see the development of progress through history, not immediate, but evolving, not instant, but incremental and persistent. If nothing else, this generation can look back and say, “At least we tried. At least we started.”

What will you look back and say?

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## Notes

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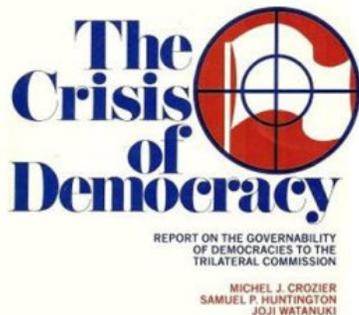
Meet Canadas Ruling Oligarchy Parasites-a-Plenty-Part 1: The "Crisis of Democracy" and the Attack on Education-Class War and the College Crisis: The "Crisis of Democracy" and the Attack on via theintelhubCOM <http://andrewgavinmarshall.com/2012/04/02/class-war-and-the-college-crisis-the-crisis-of-democracy-and-the-attack-on-education/>

# Class War and the College Crisis: The "Crisis of Democracy" and the Attack on Education

**Class War and the College Crisis: The "Crisis of Democracy" and the Attack on Education**

*The following is the first part of a series of articles, "Class War and the College Crisis."*

By: Andrew Gavin Marshall



[Part 2: The Purpose of Education: Social Uplift or Social Control?](#)

[Part 3: Of Prophets, Power, and the Purpose of Intellectuals](#)

[Part 4: Student Strikes, Debt Domination, and Class War in Canada](#)

[Part 5: Canada's Economic Collapse and Social Crisis](#)

## [Part 6: The Québec Student Strike: From 'Maple Spring' to Summer Rebellion?](#)

Today, we are witnessing an emerging massive global revolt, led primarily by the educated and unemployed youth of the world, against the institutionalized and established powers which seek to deprive them of a future worth living. In Chile over the past year, a massive student movement and strike has become a powerful force in the country against the increasingly privatized educational system (serving as a model for the rest of the world) with the support of the vast majority of the population; in Quebec, Canada, a student strike has brought hundreds of thousands of youth into the streets to protest against the doubling of tuition fees; students and others are on strike in Spain against austerity measures; protests led by or with heavy participation of the youth in the U.K., Greece, Portugal, France, and in the United States (such as with the Occupy Movement) are developing and growing, struggling against austerity measures, overt corruption by the capitalist class, and government collusion with bankers and corporations. Students and youth led the uprisings in Tunisia and Egypt last year which led to the overthrow of the dictators which had ruled those nations for decades.

All around the world, increasingly, the youth are taking to the streets, protesting, agitating, and striking against the abuses of power, the failures of government, the excesses of greed, plundering and poverty. The educated youth in particular are playing an active role, a role which will be increasing dramatically over the coming year and years. The educated youth are graduating into a jobless market with immense debt and few opportunities. Now, just as several decades ago, the youth are turning back to activism. What happened in the intervening period to derail the activism that had been so widespread in the 1960s? How did our educational system get to its present state? What do these implications have for the present and future?

### **The “Crisis of Democracy”**

In the period between the 1950s and the 1970s, the Western world, and especially the United States, experienced a massive wave of resistance, rebellion, protest, activism and direct action by entire sectors of the general population which had for decades, if not centuries, been largely oppressed and ignored by the institutional power structure of society. The Civil Rights movement in the United States, the rise of the New Left – radical and activist – in both Europe and North America, as elsewhere, anti-war activism, largely spurred against the Vietnam War, Liberation Theology in Latin America (and the Philippines), the environmental movement, feminist movement, gay rights movements, and all sorts of other activist and mobilized movements of youth and large sectors of society were organizing and actively agitating for change, reform, or even revolution. The more power resisted their demands, the more the movements became radicalized. The slower power acted, the faster people reacted. The effect, essentially, was that these movements sought to, and in many cases did, empower vast populations who had otherwise been oppressed and ignored, and they generally awakened the mass of society to such injustices as racism, war, and repression.

For the general population, these movements were an enlightening, civilizing, and hopeful phase in our modern history. For elites, they were terrifying. Thus, in the early 1970s there was a discussion taking place among the intellectual elite, most especially in the United States, on what became known as the “Crisis of Democracy.” In 1973, the Trilateral Commission was formed by banker and global oligarch David Rockefeller, and intellectual elitist Zbigniew Brzezinski. The Trilateral Commission brings together elites from North America, Western Europe, and Japan (now including several states in East Asia), from the realms of politics, finance, economics, corporations, international organizations, NGOs, academia, military, intelligence, media, and foreign policy circles. It acts as a major international think tank, designed to coordinate and establish consensus among the dominant imperial powers of the world.

In 1975, the Trilateral Commission issued a major report entitled, “The Crisis of Democracy,” in which the authors lamented against the “democratic surge” of the 1960s and the “overload” this imposed upon the

institutions of authority. Samuel Huntington, a political scientist and one of the principal authors of the report, wrote that the 1960s saw a surge in democracy in America, with an upswing in citizen participation, often “in the form of marches, demonstrations, protest movements, and ‘cause’ organizations.” Further, “the 1960s also saw a reassertion of the primacy of equality as a goal in social, economic, and political life.” Of course, for Huntington and the Trilateral Commission, which was founded by Huntington’s friend, Zbigniew Brzezinski, and banker David Rockefeller, the idea of “equality as a goal in social, economic, and political life” is a terrible and frightening prospect. Huntington analyzed how as part of this “democratic surge,” statistics showed that throughout the 1960s and into the early 1970s, there was a dramatic increase in the percentage of people who felt the United States was spending too much on defense (from 18% in 1960 to 52% in 1969, largely due to the Vietnam War).[1]

Huntington wrote that the “essence of the democratic surge of the 1960s was a general challenge to existing systems of authority, public and private,” and further: “People no longer felt the same compulsion to obey those whom they had previously considered superior to themselves in age, rank, status, expertise, character, or talents.” He explained that in the 1960s, “hierarchy, expertise, and wealth” had come “under heavy attack.” The use of language here is important, in framing power and wealth as “under attack” which implied that those who were “attacking” were the aggressors, as opposed to the fact that these populations (such as black Americans) had in fact been under attack from power and wealth for centuries, and were just then beginning to fight back. Thus, the self defense of people against power and wealth is referred to as an “attack.” Huntington stated that the three key issues which were central to the increased political participation in the 1960s were:

social issues, such as use of drugs, civil liberties, and the role of women; racial issues, involving integration, busing, government aid to minority groups, and urban riots; military issues, involving primarily, of course, the war in Vietnam but also the draft, military spending, military aid programs, and the role of the military-industrial complex more generally.[2]

Huntington presented these issues, essentially, as the “crisis of democracy,” in that they increased distrust with the government and authority, that they led to social and ideological polarization, and ultimately, to a “decline in the authority, status, influence, and effectiveness of the presidency.” Huntington concluded that many problems of governance in the United States stem from an “excess of democracy,” and that, “the effective operation of a democratic political system usually requires some measure of apathy and noninvolvement on the part of some individuals and groups.” Huntington explained that society has always had “marginal groups” which do not participate in politics, and while acknowledging that the existence of “marginality on the part of some groups is inherently undemocratic,” it has also “enabled democracy to function effectively.” Huntington identifies “the blacks” as one such group that had become politically active, posing a “danger of overloading the political system with demands.” Of course, this implies directly an elitist version of “democracy” in which the state retains the democratic aesthetic (voting, separation of powers, rule of law) but remains exclusively in the hands of the wealthy power elite. Huntington, in his conclusion, stated that the vulnerability of democracy – the ‘crisis of democracy’ – comes “from the internal dynamics of democracy itself in a highly educated, mobilized, and participant society,” and that what is needed is “a more balanced existence” in which there are “desirable limits to the indefinite extension of political democracy.”[3] In other words, what is needed is *less* democracy and *more* authority.

The Trilateral Commission later explained its views of the “threat” to democracy and thus, the way the system ‘should’ function:

In most of the Trilateral countries [Western Europe, North America, Japan] in the past decade there has been a decline in the confidence and trust which the people have in government... Authority has been challenged not only in government, but in trade unions, business enterprises, schools and universities, professional

associations, churches, and civic groups. In the past, *those institutions which have played the major role in the indoctrination of the young* in their rights and obligations as members of society have been the family, the church, the school, and the army. The effectiveness of all these institutions as a means of socialization has declined severely.(emphasis added)[4]

The “excess of democracy” which this entailed created a supposed “surge of demands” upon the government, just at a time when the government’s authority was being undermined. The Trilateral Commission further sent rampant shivers through the intellectual elite community by discussing the perceived threat of “value-oriented intellectuals” who dare to “assert their disgust with the corruption, materialism, and inefficiency of democracy and with the subservience of democratic government to ‘monopoly capitalism’.” For the members and constituents (elites) of the Trilateral Commission, they did not hold back on the assessment of such a threat, stating that, “this development constitutes a challenge to democratic government which is, potentially at least, as serious as those posed in the past by the aristocratic cliques, fascist movements, and communist parties.”[5] This is a very typical elitist use of rhetoric in which when identifying any perceived threat to elite interests, they are portrayed in near-apocalyptic terms. The implication, therefore, is that intellectuals who challenge authority are presented as much of a threat to democracy as Hitler and fascism were.

The Trilateral Commission report explained – through economic reasoning – how increased democracy is simply unsustainable. The “democratic surge” gave disadvantaged groups new rights and made them politically active (such as blacks), and this resulted in increased demands upon the very system whose legitimacy had been weakened. A terrible scenario for elites! The report explained that as voting decreased throughout the 1960s and into the 1970s, active political participation on campuses increased, minority groups were demanding rights (how dare they!), and not only were they demanding basic human rights, but also “opportunities, positions, rewards, and privileges, which they had not considered themselves entitled to before.” That is, unlike the rich, who have considered themselves entitled to everything, always, and forever. Thus, government spending on social welfare and education increased, explained the report: “By the early 1970s Americans were progressively demanding and receiving more benefits from their government and yet having less confidence in their government than they had a decade before.” Most people would refer to that as the *achievement* of democracy, but for the Trilateral “intellectuals” it was an “excess of democracy,” and indeed, a threat.[6]

Samuel Huntington, naturally, assumed that the decline of confidence in the government was irrational, and had nothing to do with the Vietnam War, police and state repression of protest movements, the Watergate Scandal or other obvious crimes. No, for Huntington, the decline in confidence is tied magically to the “increased expectations” of the population, or, as Jay Peterzell explained in his critique of the report, “the root cause of public disillusionment is consistently traced to unrealistic expectations encouraged by government spending.” Huntington justified this absurd myth on his skewed analysis of the “defense shift” and “welfare shift.” The “defense shift,” which took place in the 1950s, described a period in which 36% of the increase in government spending went to defense (i.e., the military-industrial complex), whereas welfare declined as a proportion of the budget. Then came the “welfare shift” of the 1960s, in which between 1960 and 1971, only a paltry 15% of the increase in spending went to the military-industrial complex, while 84% of the increase went to domestic programs. Thus, for Huntington, the “welfare shift” basically destroyed America and ruined democracy.[7]

In reality, however, Jay Peterzell broke down the numbers to explain the “shifts” in a larger and more rational context. While it was true that the percentages increased and decreased as Huntington displayed them, they were, after all, a percentage of the “increase” in spending, not the overall percentage of spending itself. So, when one looks at the *overall* government spending in 1950, 1960, and 1972, the percentage on “defense” was 44, to 53, to 37. In those same years, spending on welfare amounted to 4%, 3% and 6%. Thus, between 1960 and 1972, the amount of spending on defense decreased from 53-37% of the *total spending* of government. In the same years, spending on welfare increased from 3-6% of the *total* government expenditure. When viewing it

as a percentage of the overall, it can hardly be legitimate to claim that the meager increase to 6% of government expenditures for welfare was anywhere near as “threatening” to democracy as was the 37% spent on the military-industrial complex.[8]

So naturally, as a result of such *terrifying* statistics, the intellectual elite and their financial overlords had to impose more authority and less democracy. It was not simply the Trilateral Commission advocating for such “restraints” upon democracy, but this was a major discussion in elite academic circles in the 1970s. In Britain, this discussion emerged on the “governability thesis” – or the “overload” thesis – of democracy. Samuel Brittan’s “The Economic Contradictions of Democracy” in 1975, explained that, “The temptation to encourage fake expectations among the electorate becomes overwhelming to politicians. The opposition parties are bound to promise to do better and the government party must join in the auction.” Essentially, it was a repetition of the Trilateral thesis that too many promises create too many demands, which then create too much stress for the system, and it would inevitably collapse. Anthony King echoed this in his piece, “Overload: Problems of Governing in the 1970s,” and King explained that governing was becoming “harder” because “at one and the same time, the range of problems that government is expected to deal with has vastly increased and its capacity to deal with problems, even many of the ones it had before, has decreased.” The Italian political scientist Giovanni Sartori asked the question, “Will Democracy Kill Democracy?”

We are pursuing targets which are out of proportion, unduly isolated and pursued blindly, and that are, therefore, in the process of creating... a wholly unmanageable and ominous overload... We are beginning to realize in the prosperous democracies that we are living above our means. But we are equally and more grievously living above and beyond our intelligence, above the understanding of what we are doing.[9]

King explained that, “Political scientists have traditionally been concerned to improve the performance of government.” An obvious mistake, concluded King, who suggested that, “Perhaps over the next few years they should be concerned more with how the number of tasks that government has come to be expected to perform can be reduced.” The “remedy” for all this “overload” of democratic societies was to, first, bring “an end to the politics of ‘promising’,” and second, “attempt to reduce the expectations of voters and consumers” on the political process.[10]

The “threat” of educated youth was especially pronounced. In 1978, the Management Development Institute (a major business school in India) released a report in which it stated:

perhaps the most pernicious trend over the next decade is the growing gap between an increasingly well educated labor force and the number of job openings which can utilize its skills and qualifications... The potential for frustration, alienation and disruption resulting from the disparity between educational attainment and the appropriate job content cannot be overemphasized.[11]

In these commentaries, we are dealing with two diametrically opposed definitions of democracy: popular and elitist. Popular democracy is government of, by, and for the people; elitist democracy is government of, by, and for the rich (but with the outward aesthetic of democracies), channeling popular participation into voting instead of decision-making or active participation. Popular democracy implies the people participating directly in the decisions and functions and maintenance of the ‘nation’ (though not necessarily the State); whereas elitist democracy implies passive participation of the population so much as to allow them to feel as if they play an important role in the direction of society, while the elites control all the important levers and institutions of power which direct and benefit from the actions of the state. These differing definitions are important because when reading reports written and issued by elite interests (such as the Trilateral Commission report), it changes the substance and meaning of the report itself. For example, take the case of Samuel Huntington lamenting at the threat posed to democracy by popular participation: from the logic of popular democracy, this is an absurd

statement that doesn't make sense; from the logic of elitist democracy, the statement is accurate and profoundly important. Elites understand this differentiation, so too must the public.

### **The Powell Memo: Protecting the Plutocracy**

While elites were lamenting over the surge in democracy, particularly in the 1960s, they were not simply complaining about an "excess of democracy" but were actively planning on reducing it. Four years prior to the Trilateral Commission report, in 1971, the infamous and secret 'Powell Memo' was issued, written by a corporate lawyer and tobacco company board member, Lewis F. Powell, Jr. (whom President Nixon nominated to the Supreme Court two months later), which was addressed to the Chairman of the Education Committee of the U.S. Chamber of Commerce, representing American business interests.

Powell stipulated that "the American economic system is under broad attack," and that, "the assault on the enterprise system is broadly based and consistently pursued... gaining momentum and converts." While the 'sources' of the 'attack' were identified as broad, they included the usual crowd of critics, Communists, the New Left, and "other revolutionaries who would destroy the entire system, both political and economic." Adding to this was that these "extremists" were increasingly "more welcomed and encouraged by other elements of society, than ever before in our history." The real "threat," however, was the "voices joining the chorus of criticism [which] come from perfectly respectable elements of society: from the college campus, the pulpit, the media, the intellectual and literary journals, the arts and sciences, and from politicians." While acknowledging that in these very sectors, those who speak out against the 'system' are still a minority, Powell noted, "these are often the most articulate, the most vocal, the most prolific in their writing and speaking." [12]

Powell discussed the "paradox" of how the business leaders appear to be participating – or simply tolerating – the attacks on the "free enterprise system," whether by providing a voice through the media which they own, or through universities, despite the fact that "[t]he boards of trustees of our universities overwhelmingly are composed of men and women who are leaders in the system." Powell lamented the conclusions of reports indicating that colleges were graduating students who "despise the American political and economic system," and thus, who would be inclined to move into power and create change, or outright challenge the system head on. This marked an "intellectual warfare" being waged against the system, according to Powell, who then quoted economist Milton Friedman of the University of Chicago (and the 'father' of neoliberalism), who stated:

It [is] crystal clear that the foundations of our free society are under wide-ranging and powerful attack – not by Communists or any other conspiracy but by misguided individuals parroting one another and unwittingly serving ends they would never intentionally promote. [13]

Powell even specifically identified Ralph Nader as a "threat" to American business. Powell further deplored the changes and "attack" being made through the courts and legal system, which began targeting corporate tax breaks and loop holes, with the media supporting such initiatives since they help "the poor." Powell of course referred to the notion of helping "the poor" at the expense of the rich, and the framing of the debate as such, as "political demagoguery or economic illiteracy," and that the identification of class politics – the rich versus the poor – "is the cheapest and most dangerous kind of politics." The response from the business world to this "broad attack," Powell sadly reported, was "appeasement, ineptitude and ignoring the problem." Powell did, however, explain in sympathy to the 'ineptitude' of the corporate and financial elites that, "it must be recognized that businessmen have not been trained or equipped to conduct guerilla warfare with those who propagandize against the system." [14]

While the "tradition role" of business leaders has been to make profits, "create jobs," to "improve the standard of living," and of course, "generally to be good citizens," they have unfortunately shown "little skill in effective

intellectual and philosophical debate.” Thus, stated Powell, businessmen must first “recognize that the ultimate issue may be survival – survival of what we call the free enterprise system, and all that this means for the strength and prosperity of America and the freedom of our people.” As such, “top [corporate] management must be equally concerned with protecting and preserving the system itself,” instead of just focused on profits. Corporations, Powell acknowledged, were long involved in “public relations” and “governmental affairs” (read: propaganda and public policy), however, the ‘counter-attack’ must be more wide-ranging:

But independent and uncoordinated activity by individual corporations, as important as this is, will not be sufficient. Strength lies in organization, in careful long-range planning and implementation, in consistency of action over an indefinite period of years, in the scale of financing available only through joint effort, and in the political power available only through united action and national organizations.[15]

While the ‘assault’ against the system developed over several decades, Powell elaborated, “there is reason to believe that the campus [university/education] is the single most dynamic source,” as “social science faculties usually include members who are unsympathetic to the enterprise system.” These academics, explained Powell, “need not be in the majority,” as they “are often personally attractive and magnetic; they are stimulating teachers, and their controversy attracts student following; they are prolific writers and lecturers; they author many of the textbooks, and they exert enormous influence – far out of proportion to their numbers – on their colleagues and in the academic world.” Such a situation is, naturally, horrific and deplorable! Imagine that, having magnetic, stimulating and prolific teachers, what horror and despair for the world that would surely bring!

In purporting that political scientists, economists, sociologists and many historians “tend to be liberally oriented,” Powell suggested that “the need for liberal thought is essential to a balanced viewpoint,” but that the ‘balance’ does not exist, with “few [faculty] members being conservatives or [of] moderate persuasion... and being less articulate and aggressive than their crusading colleagues.” Terrified of the prospects of these potentially revolutionary youths entering into positions of power, Powell stated that when they do, “for the most part they quickly discover the fallacies of what they have been taught,” which is, in other words, to say that they quickly become socialized to the structures, hierarchies and institutions of power which demand conformity and subservience to elite interests. However, there were still many who could emerge in “positions of influence where they mold public opinion and often shape governmental action.” Thus, recommended Powell, the Chamber of Commerce should make the “priority task of business” and its related organizations “to address the campus origin of this hostility.” As academic freedom was held as sacrosanct in American society, “It would be fatal to attack this as a principle,” which of course implies that it is to be attacked indirectly. Instead, it would be more effective to use the rhetoric of “academic freedom” itself against the principle of academic freedom, using terms like “openness,” “fairness,” and “balance” as points of critique which would yield “a great opportunity for constructive action.”[16]

Thus, an organization such as the Chamber of Commerce should, recommended Powell, “consider establishing a staff of highly qualified scholars in the social sciences who do believe in the system... [including] several of national reputation whose authorship would be widely respected – even when disagreed with.” The Chamber should also create “a staff of speakers of the highest competency” which “might include the scholars,” and establish a ‘Speaker’s Bureau’ which would “include the ablest and most effective advocates from the top echelons of American business.” This staff of scholars, which Powell emphasized, should be referred to as “independent scholars,” should then engage in a continuing program of evaluating “social science textbooks, especially in economics, political science and sociology.” The objective of this would “be oriented toward restoring the balance essential to genuine academic freedom,” meaning, of course, implanting ideological indoctrination and propaganda from the business world, which Powell described as the “assurance of fair and factual treatment of our system of government and our enterprise system, its accomplishments, its basic

relationship to individual rights and freedoms, and comparisons with the systems of socialism, fascism and communism.” Powell lamented that the “civil rights movement insist[ed] on re-writing many of the textbooks in our universities and schools,” and “labor unions likewise insist[ed] that textbooks be fair to the viewpoints of organized labor.” Thus, Powell contended, in the business world attempting to re-write textbooks and education, this process “should be regarded as an aid to genuine academic freedom and not as an intrusion upon it.”[17]

Further, Powell suggested that the business community promote speakers on campuses and lecture tours “who appeared in support of the American system of government and business.” While explaining that student groups and faculty would not likely be willing to give the podium over to the Chamber of Commerce or business leaders to espouse their ideology, the Chamber must “aggressively insist” on being heard, demanding “equal time,” as this would be an effective strategy because “university administrators and the great majority of student groups and committees would not welcome being put in the position publicly of refusing a forum to diverse views.” The two main ingredients for this program, Powell explained, was first, “to have attractive, articulate and well-informed speakers,” and second, “to exert whatever degree of pressure – publicly and privately – may be necessary to assure opportunities to speak.” The objective, Powell wrote, “always must be to inform and enlighten, and not merely to propagandize.”[18]

The biggest problem on campuses, however, was the need to “balance” faculties, meaning simply that the business world must work to implant spokespeople and apologists for the economic and financial elite into the faculties. The need to “correct” this imbalance, wrote Powell, “is indeed a long-range and difficult project,” which “should be undertaken as a part of an overall program,” including the application of pressure “for faculty balance upon university administrators and boards of trustees.” Powell acknowledged that such an effort is a delicate and potentially dangerous process, requiring “careful thought,” as “improper pressure would be counterproductive.” Focusing on the rhetoric of balance, fairness, and ‘truth’ would create a method “difficult to resist, if properly presented to the board of trustees.” Of course, the whole counter-attack of the business world should not simply be addressed to university education, but, as Powell suggested, also “tailored to the high schools.”[19]

As Powell had addressed the “attack” from – and proposed the “counterattack” on – the educational system by the corporate and financial elite, he then suggested that while this was a more long-term strategy, in the short term it would be necessary to address the public in the short-term. To do so:

The first essential is to establish the staffs of eminent scholars, writers and speakers, who will do the thinking, the analysis, the writing and the speaking. It will also be essential to have staff personnel who are thoroughly familiar with the media, and how most effectively to communicate with the public.[20]

The means of communicating with the public include using television. Powell recommended monitoring television in the same way that they monitor textbooks, with an aim to keep the media under “constant surveillance” for criticism of the enterprise system, which, Powell assumed, was derived from one of two sources: “hostility or economic ignorance.” It is simply assumed that the critiques of business and the ‘system’ are unjustified, derived from a misplaced hatred of society or from ignorance. This point of view is consistently regurgitated throughout the entire memo. To more properly “correct” the media, Powell suggested that surveillance would then prompt complaints to both the media and the Federal Communications Commission, and just as in university speaking tours, “equal time [for business spokespeople] should be demanded,” especially on “forum-type programs” like Meet the Press or the Today Show. Of course, the radio and print press were also to be monitored and “corrected.”[21]

The “faculty of scholars” established by the Chamber of Commerce or other business groups must publish, especially scholarly articles, as such tactics have been effective in the “attack” on the enterprise system. Thus,

these “independent scholars” must publish in popular magazines (such as Life, Reader’s Digest, etc.), intellectual magazines (such as the Atlantic, Harper’s, etc.) and the professional journals. Furthermore, they must publish books, paperbacks and pamphlets promoting “our side” to “educate the public.” Paid advertising must also increasingly be used to “support the system.”[22]

Powell then turned his attention to the political arena, beginning with the base assumption that the idea of big business controlling Western governments is mere “Marxist doctrine” and “leftist propaganda,” which, Powell sadly reports, “has a wide public following among Americans.” He immediately thereafter asserted that, “every business executive knows... few elements of American society today have as little influence in government as the American businessman, the corporation, or even the millions of corporate stockholders.” Powell amazingly claimed that in terms of government influence, the poor unfortunate American businessman and corporate executive is “the forgotten man.”[23]

Forget the poor, black, and disenfranchised segments of society; forget the disabled, the labeled, and the imprisoned; forget those on welfare, food stamps, dependent upon social services or local charity; forget the entire population of the United States, who can only incite government recognition and support after years of struggle, constant protests, police repression, assault, curtailment of basic human rights and dignity; those struggles which seek only the attainment of a genuine status of human being, to be treated equal and fair... no, forget those people! The true “forgotten” and “oppressed” are the executives at Union Carbide, Exxon, General Electric, GM, Ford, DuPont, Dow, Chase Manhattan, Bank of America, and Monsanto. They, truly, are the disenfranchised... At least, according to Lewis Powell.

For Powell, education and public propaganda campaigns are necessary, but the poor disenfranchised American corporate executive must realize that “political power is necessary,” and that such power must be “used aggressively and with determination – without embarrassment and without the reluctance which has been so characteristic of American business.” Further, it is not merely in the legislative and executive branches of government where business leaders must seize power “aggressively,” but also in the judicial branch – the courts – which “may be the most important instrument for social, economic and political change.” Charging that both “liberals” and the “far left” have been “exploiters of the judicial system” – such as the American Civil Liberties Union, labor unions and civil rights organizations – business groups such as the Chamber of Commerce would need to establish “a highly competent staff of lawyers” to exploit the judiciary for their own benefit.[24] Powell went on to play a very important role in this process as he was appointed to the Supreme Court almost immediately after having authored this memo, where he made many important decisions regarding “corporate rights.”

In advocating aggression in pushing their own interests, Powell encouraged the business community “to attack the [Ralph] Naders, the [Herbert] Marcuses and other who openly seek destruction of the system,” as well as “to penalize politically those who oppose it.” The “threat to the enterprise system” must not be merely presented as an economic issue, but should be portrayed as “a threat to individual freedom,” which Powell described as a “great truth” which “must be re-affirmed if this program is to be meaningful.” Thus, the “only alternatives to free enterprise” are to be presented as “varying degrees of bureaucratic regulation of individual freedom – ranging from that under moderate socialism to the iron heel of the leftist or rightist dictatorship.” The aim was to tie the average American’s own individual conception of their personal freedom and rights to that of corporations and business leaders. Thus, contended Powell, “the contraction and denial of economic freedom is followed inevitably by governmental restrictions on other cherished rights.” This is the precise message, Powell explained, “above all others, that must be carried home to the American people.”[25] So, by this logic, if today Monsanto and Dow are regulated, tomorrow, your Mom and Dad will be in a dictatorship.

## **The New Right: Neoliberalism and Education**

The Powell Memo is largely credited with being a type of 'Constitution' or 'founding document' for the emergence of the right-wing think tanks in the 1970s and 1980s, as per its recommendations for establishing "a staff of highly qualified scholars in the social sciences who do believe in the system." In 1973, a mere two years after the memo was written, the Heritage Foundation was founded as an "aggressive and openly ideological expert organization," which became highly influential in the Reagan administration.[26]

The Heritage Foundation's website explains that the think tank's mission "is to formulate and promote conservative public policies based on the principles of free enterprise, limited government, individual freedom, traditional American values, and a strong national defense." Upon its founding in 1973, the Heritage Foundation began to "deliver compelling and persuasive research to Congress providing facts, data, and sound arguments on behalf of conservative principles." In 1977, Ed Feulner became President of the foundation and established "a new senior management staff" and a 'resource bank' in order "to take on the liberal establishment and forge a national network of conservative policy groups and experts," ultimately totaling more than 2,200 "policy experts" and 475 "policy groups" in the U.S. and elsewhere. In 1980, Heritage published a "public policy blueprint" entitled, "Mandate for Leadership," which became "the policy bible of the newly elected Reagan administration on everything from taxes and regulation to crime and national defense." In 1987, Heritage published another policy plan, "Out of the Poverty Trap: A Conservative Strategy for Welfare Reform," which, as their website boastfully claimed, "changed the entitlement mentality in America, moving thousands off the dole [welfare] and toward personal responsibility," or, in other words, deeper poverty.[27]

The model of the Heritage Foundation led to the rapid proliferation of conservative think tanks, from 70 to over 300 in over 30 years, which "often work together to create multi-issue networks on the local, state, and federal level and use mainstream and alternative media to promote conservative agendas." The ultimate objective, like with all think tanks and foundations, is "spreading ideology." [28]

The Cato Institute is another conservative – or "libertarian" – think tank, as it describes itself. Founded in 1974 as the Charles Koch Foundation by Charles Koch (one of America's richest billionaires and major financier of the Tea Party movement), as well as Ed Crane and Murray Rothbard. By 1977, it had changed its name to the Cato Institute, after "Cato's Letters," a series of essays by two British writers in the 18<sup>th</sup> century under the pseudonym of Cato, who was a Roman Senator strongly opposed to democracy, and had fought against the slave uprising led by Spartacus. He was idolized in the Enlightenment period as a progenitor and protector of liberty (for the few), which was reflected in the ideology of the Founding Fathers of the United States, particularly Thomas Jefferson and James Madison, for which the Cato Institute credits as the reasoning for the re-naming. While Enlightenment thought and thinkers are idolized – most especially in the formation of the U.S. Constitution – as advocates of liberty, freedom and individual rights, it was the 'right' of 'private property' and those who owned property (which, at the time, included slave owners) as the ultimate sacrosanct form of "liberty." Again, a distinctly elitist conception of democracy referred to as 'Republicanism.'

These right-wing think tanks helped bring in the era of neo-liberalism, bringing together "scholars" who support the so-called "free market" system (itself, a mythical fallacy), and who deride and oppose all forms of social welfare and social support. The think tanks produced the research and work which supported the dominance of the banks and corporations over society, and the members of the think tanks had their voices heard through the media, in government, and in the universities. They facilitated the ideological shift in power and policy circles toward neoliberalism.

The Powell Memo and the general "crisis of democracy" set out a political, social, and economic circumstance in which neoliberalism emerged to manage the "excess of democracy." Instead of a broader focus on neoliberalism and globalization in general, I will focus on their influences upon education in particular. The era

of neoliberal globalization marked a rapid decline of the liberal welfare states that had emerged in the previous several decades, and as such, directly affected education.

As part of this process, knowledge was transformed into 'capital' – into 'knowledge capitalism' or a 'knowledge economy.' Reports from the World Bank and the Organization for Economic Cooperation and Development (OECD) in the 1990s transformed these ideas into a "policy template." This was to establish "a new coalition between education and industry," in which "education is reconfigured as a massively undervalued form of knowledge capital that will determine the future of work, the organization of knowledge institutions and the shape of society in the years to come." [29]

Knowledge was thus defined as an "economic resource" which would give growth to the economy. As such, in the neoliberal era, where all aspects of economic productivity and growth are privatized (purportedly to increase their efficiency and productive capacity as only the "free market" can do), education – or the "knowledge economy" – itself, was destined to be privatized. [30]

In the revised neoliberal model of education, "economic productivity was seen to come not from government investment in education, but from transforming education into a product that could be bought and sold like anything else – and in a globalised market, Western education can be sold as a valuable commodity in developing countries." Thus, within the university itself, "the meaning of 'productivity' was shifted away from a generalized social and economic good towards a notional dollar value for particular government-designated products and practices." Davies et. al. elaborated:

Where these products are graduating students, or research published, government could be construed as funding academic work as usual. When the 'products' to be funded are research grant dollars, with mechanisms in place to encourage collaboration with industry, this can be seen as straightforward manipulation of academics to become self-funding and to service the interests of business and industry. [31]

The new 'management' of universities entailed decreased state funding while simultaneously increasing "heavy (and costly) demands on accounting for how that funding was used," and thus, "trust in professional values and practices was no longer the basis of the relationship" between universities and government. It was argued that governments were no longer able to afford the costs of university education, and that the "efficiency" of the university system – defined as "doing more with less" – was to require a change in the leadership and management system internal to the university structure to "a form of managerialism modeled on that of the private sector." The "primary aim" of this neoliberal program, suggests Davies:

was not simply to do more with less, since the surveillance and auditing systems are extraordinarily costly and ineffective, but to make universities more governable and to harness their energies in support of programmatic ambitions of neo-liberal government and big business. A shift towards economics as the sole measure of value served to erode the status and work of those academics who located value in social and moral domains. Conversely, the technocratic policy-oriented academics, who would serve the ends of global corporate capital, were encouraged and rewarded. [32]

As the 1960s saw a surge in democracy and popular participation, to a significant degree emanating from the universities, dissident intellectuals and students, the 1970s saw the articulation and actualization of the elite attack upon popular democracy and the educational system itself. From the U.S. Chamber of Commerce and the Trilateral Commission, both of which represent elite financial and corporate interests, the key problem was identified as active and popular participation of the public in the direction of society. This was the "crisis of democracy." The solution for elites was simple: less democracy, more authority. In the educational realm, this meant more elite control over universities, less freedom and activism for intellectuals and students. Universities

and the educational system more broadly was to become increasingly privatized, corporatized, and globalized. The age of activism was at an end, and universities were to be mere assembly plants for economically productive units which support the system, not challenge it. One of the key methods for ensuring this took place was through debt, which acts as a disciplinary mechanism in which students are shackled with the burden of debt bondage, and thus, their education itself must be geared toward a specific career and income expectation. Knowledge is sought for personal and economic benefit more than for the sake of knowledge itself. Graduating with extensive debt then implies a need to immediately enter the job market, if not already having entered the job market part time while studying. Debt thus disciplines the student toward a different purpose in their education: toward a job and financial benefits rather than toward knowledge and understanding. Activism then, is more of an impediment to, rather than a supporter of knowledge and education.

In the next part of this series, I will analyze the purpose and role of education and intellectuals in a historical context, differentiating between the 'social good' and 'social control' purposes of education, as well as between the policy-oriented (elite) and value-oriented (dissident) intellectuals. Through a critical look at the purpose of education and intellectuals, we can understand the present crisis in education and intellectual dissent, and thus, understand positive methods and directions for change.

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## Notes

- [1] Michel J. Crozier, Samuel P. Huntington and Joji Watanuki, *The Crisis of Democracy*, (Report on the Governability of Democracies to the Trilateral Commission, New York University Press, 1975), pages 61-62, 71.
- [2] Ibid, pages 74-77.
- [3] Ibid, pages 93, 113-115.
- [4] Ibid, page 162.
- [5] Jay Peterzell, "The Trilateral Commission and the Carter Administration," *Economic and Political Weekly* (Vol. 12, No. 51, 17 December 1977), page 2102.
- [6] Ibid.
- [7] Ibid.
- [8] Ibid.
- [9] Wayne Parsons, "Politics Without Promises: The Crisis of 'Overload' and Governability," *Parliamentary Affairs* (Vol. 35, No. 4, 1982), pages 421-422.

[10] Ibid.

[11] Val Burris, "The Social and Political Consequences of Overeducation," *American Sociological Review* (Vol. 48, No. 4, August 1983), pages 455-456.

[12] Lewis F. Powell, Jr., "Confidential Memorandum: Attack of American Free Enterprise System," Addressed to the U.S. Chamber of Commerce, 23 August 1971:

[http://www.pbs.org/wnet/supremecourt/personality/sources\\_document13.html](http://www.pbs.org/wnet/supremecourt/personality/sources_document13.html)

[13-25] Ibid.

[26] Julie E. Miller-Cribbs, et. al., "Thinking About Think Tanks: Strategies for Progressive Social Work," *Journal of Policy Practice* (Vol. 9, No. 3-4, 2010), page 293.

[27] The Heritage Foundation, "The Heritage Foundation's 35th Anniversary: A History of Achievements," About: <http://www.heritage.org/about/our-history/35th-anniversary>

[28] Julie E. Miller-Cribbs, et. al., "Thinking About Think Tanks: Strategies for Progressive Social Work," *Journal of Policy Practice* (Vol. 9, No. 3-4, 2010), pages 293-294.

[29] Mark Olssen and Michael A. Peters, "Neoliberalism, Higher Education and the Knowledge Economy: From the Free Market to Knowledge Capitalism," *Journal of Education Policy* (Vol. 20, No. 3, May 2005), page 331.

[30] Ibid, pages 338-339.

[31] Bronwyn Davies, et. al., "The Rise and Fall of the Neo-liberal University," *European Journal of Education* (Vol. 41, No. 2, 2006), pages 311-312.

[32] Ibid, page 312.

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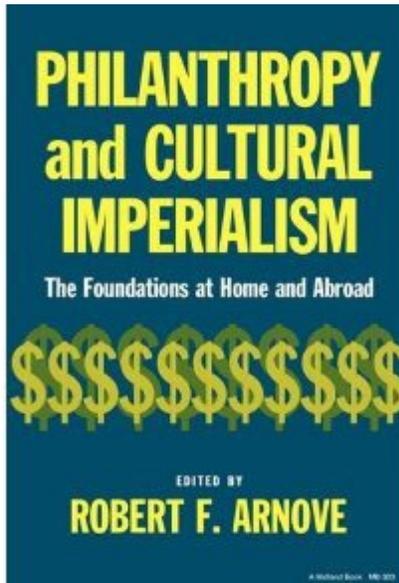
## The Purpose of Education: Social Uplift or Social Control?

**The Purpose of Education: Social Uplift or Social Control?**

By: Andrew Gavin Marshall

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This is part 2 of the series, “Class War and the College Crisis.”

[Part 1: The “Crisis of Democracy” and the Attack on Education](#)

[Part 3: Of Prophets, Power, and the Purpose of Intellectuals](#)

[Part 4: Student Strikes, Debt Domination, and Class War in Canada](#)

[Part 5: Canada’s Economic Collapse and Social Crisis](#)

[Part 6: The Québec Student Strike: From ‘Maple Spring’ to Summer Rebellion?](#)

In Part 1 of this series, I examined the elite assault on education – through the Chamber of Commerce, right-wing think tanks, and the Trilateral Commission – which arose in response to the massive social and political activist movements of the 1960s. The threat of popular democratic participation – that is, active and activist participation of the population in the decision-making process of a community or nation – was too much to bear. The fact that a significant degree of this activism had been mobilizing from the universities was enough reason for elites to declare a “crisis of democracy” and demand more apathy, complacency, and pacification from the population, more authority for themselves, and more control over the society as a whole. The result of this was neoliberalism – globally and locally – in government, the media, and the schools. The “Crisis of Democracy” was that there was too much of it. The solution, therefore, was to deconstruct democracy.

The emergence and spread of education – both mass public and university – is generally considered to be the result of the Enlightenment ideals and the emergence of democracies. The idea was that education was developed and designed for the purpose of enlightening individuals, spreading literacy and fostering intellectual pursuits which would yield for the benefit of the whole of society, a benevolent institution. Indeed, there are these elements to the history of education; but like with most things, there are other, deeper, elements to the story. So it begs the question: what is the purpose of education?

The spread of ‘mass education’ of primary and secondary education from the Prussian system in the 18<sup>th</sup> century was designed to socialize the population into a state-structured ideology (taking the monopoly of education away from the religious and community institutions and into the hands of the emerging nation-state).

The aim, therefore, of mass – or public – education was not a benevolent concept of expanding and sharing knowledge (as is purported in liberal thought), but rather as a means to foster patriotism and support the state system in preserving the social class structures. In 1807, Johann Gottlieb Fichte, one of the founding philosophers of this system, explained that education was the means toward fostering patriotism, as “universal, state-directed, compulsory education would teach all Germans to be good Germans and would prepare them to play whatever role – military, economic, political – fell to them in helping the state reassert Prussian power.”[1] As British philosopher Bertrand Russell explained:

Fichte laid it down that education should aim at destroying free will, so that, after pupils have left school, they shall be incapable, throughout the rest of their lives, of thinking or acting otherwise than as their schoolmasters would have wished.[2]

It was in the promotion of state formation and patriotism that European nations, one after the other, developed mass schooling systems. In the United States, mass schooling was not directed toward the political process of ‘state formation’, but rather the cultural process of ‘nation-building’ in the 19<sup>th</sup> century. In the 19<sup>th</sup> century, the United States remained largely rural and nonindustrial, and thus, “the apparatus of state control was extremely weak in most communities.” As Meyer et. al. argue: in the *American Journal of Sociology*:

The spread of schooling in the rural North and West can best be understood as a social movement implementing a commonly held ideology of nation-building. It combined the outlook and interests of small entrepreneurs in a world market, evangelical Protestantism, and an individualistic conception of the polity.[3]

In early 19<sup>th</sup> century United States, many worried about “a new industrial feudalism supplanting the old order.” For such reformers, the complex circumstances in which they found themselves – of a society in which the old ideas and institutions were disappearing and new ones were emerging – could best be addressed by the common school, “serving all citizens, stamping them American and unifying the nation.”[4] This was, in itself, a desire for ‘social control’ in a socially disruptive circumstance of rapid change in all realms of human activity. As Robert H. Wiebe explained, “the instruments of control were themselves the means of improvement,” and schools were viewed as “assimilating, stabilizing mechanisms.” By the 1830s, school reformers “were urgently seeking a new national cohesion, a source of uniquely American wholeness.” The focus on socializing children was of the utmost concern. As one reformer stated, children “must be taken at the earliest opportunity, if the seeds of good are to be planted before the seeds of evil begin to germinate.” Thus, “the role of the educator was to construct a model environment around the child.”[5]

In the early 20<sup>th</sup> century, most Americans began to view “education as a task specifically of the schools rather than of a general society, a reflection of both the school’s expertise and a modern society’s rational differentiation of functions.” The institutional structure of schools became nationalized and more state-oriented than previously:

Central agencies of education, professionalization and publicity – the major teachers colleges and accrediting agencies, a revitalized National Education Association and a lengthening list of professional journals – set the agenda for discussion and the boundaries of debate throughout the land.[6]

The lower levels of education are directed at producing “general outputs for society,” while the higher levels may actually reflect and affect “socially and politically constituted authority.” In short, the lower levels produce the masses, while the higher levels may produce the managers. The university system is the dominant form of higher education in the world, far outweighing other forms of educational institutions that have existed through history. Universities emerged during the medieval period in Europe, which have been described as

“corporations having close relations with both Church and State but possessing considerable independence in relation to each.”[7]

With the universities of medieval Europe, as sociologists Ramirez and Meyer explained, “a more promising strategy considers the relationship between centralized authority and the rise of universities,” as situations of political decentralization tended to favour the establishment of universities.[8] The university which arose during the Medieval period (1150-1500) was a corporation, a guild of masters and scholars, or professors and students. This was the era in which Western civilization was rapidly developing, and this “new and uniquely Western institution resulted from a combination of powerful societal trends.” These trends, wrote John. C Scott in the *Journal of Higher Education*, included “the revival of mercantilism, growth of cities and the urban middle class, and bureaucratization, along with the 12<sup>th</sup>-century intellectual renaissance.” Thus:

As European society became more complex, the universal Roman church, secular governments, and municipalities required educated priests, administrators, lawyers, physicians, and clerks for business. Fulfilling this social demand were the universities, which were clearly oriented toward teaching and the learned professions.[9]

There were student-controlled universities, predominantly in the south, such as the Bologna University, as well as universities of faculty governance, such as with the University of Paris. By 1500, the faculty-controlled university became dominant. The aims of the Medieval university was the pursuit of knowledge, “divine truth and learning,” focusing on the areas of law, medicine, and theology. Monarchs and others increasingly relied upon such learned men for their advice in matters of state and court systems, foreign affairs and diplomacy. At the undergraduate level, students came from all social classes and generally studied liberal arts. At the graduate level, however, “students pursued the higher disciplines of theology, medicine, and law. Most alumni served the church, state, or municipality in various capacities.” Save Russia, most of Europe had universities by the end of the Middle Ages, with roughly 80 in the region by then. Predominantly chartered by the Roman church, or by monarchs, these pseudo-autonomous institutions “were subject to the authority of popes, monarchs, local bishops, dukes, or municipalities, depending upon the country and century.”[10]

The medieval university had a cosmopolitan nature, seen as a place of “universal knowledge” which was tied to the “universal ideology of Christendom,” and was not tied to any particular nation-state, largely developing prior to the centralization of nation-states. Scholars traveled all across Europe to the great medieval universities, from Bologna to Paris, to Oxford and Toledo, reflecting their cosmopolitan nature. As sociologist Gerard Delanty wrote in the journal, *Social Epistemology*:

At first the scholars were generally monks but later they were increasingly secular and became absorbed into the centralization and absolutist state. With the rise of the territorial nation-state from the seventeenth century onwards, the university became increasingly more and more nationalized and gradually lost its transnational character. With this went a decline in its ecclesiastical function: knowledge became a free-floating discourse to be used for domination or emancipation... As an institution the university owed its tremendous power to the fact that it originated at a time when the moral and political power of the Church was in decline but when the modern state system had not yet emerged.[11]

Thus, “the university found itself in a powerful position and could monopolize the field of knowledge.” As the ‘Age of Reason’ descended upon the West, the universal ideology of Christendom that was so paramount in the medieval period shifted to one of rationalizing logic and experimental science. The Reformation and scientific revolution “greatly facilitated this shift in the function of the university.” The university became *the* institution of knowledge, and as a result, was able to resist both church and state. However, in the transition into the modern period, with the rise of the nation-state, the state quickly sought to ally with the university, which

increasingly came under state patronage. The state, whether the British Restoration government or French Absolute state, viewed the universities “as important institutions in the administration of society.”[12]

As the nation-states developed, particularly in England, Spain, and France, the relative autonomy of the first universities started to be eroded. As one academic wrote, “universities throughout Europe in the course of the fifteenth century tended in the same direction – towards the nationalization of Paris as of all other universities.” The University of Paris, then, became subservient to the crown and, thereafter, universities increasingly became national institutions with the mission of “service to the state.”[13]

The role for universities in training a new governing elite became increasingly important as the schools came under the control of new nation-states, municipalities and principalities: “Kings therefore emphasized the acquisition of advanced, secular knowledge and technical skills by students – future public servants – in order to build up efficient state bureaucracies.” Close advisers to kings, princes, and republics would also be expected to be men with legal training from the universities. This era marks the transition from the medieval university to the early modern university:

the early modern university was far more socially responsive than the medieval university because of humanist professors’ emphasis on ethical values for themselves and their students. Early modern universities continued to expand as a movement while making solid scientific and scholarly contributions. The newly consolidated state began to increase visitations, intervention, regulation (curriculum, subjects taught, and publications allowed), and appointment of chancellors.[14]

This was also the era in which these institutions increasingly moved toward professionalization in the modern sense, armed with a new “sociopolitical mission” as “an ideological arm of the state.” As one writer explained it, “The state protects the action of the University; the University safeguards the thought of the state.” Between 1500 and 1800, the university in Europe experienced an enormous expansion, even into Russia, which was untouched by the medieval university, and Europe had roughly 190 universities existing during this period. This era of early modern civilization, with the growth of the nation-state, and the imperial expansion into the New World, the Spanish even put in place state-controlled colonial universities across Latin America, the first of which was founded in Santo Domingo [today Haiti and the Dominican Republic] in 1538. These universities, overtly serving a colonial agenda, “prepared missionaries and jurists for the settlement of the New World.”[15]

With the Enlightenment came a new form of nation-state, the Liberal Nation-State, which further influenced the changing nature of the university during this era. The Enlightenment era saw the further development of the university “under the auspices of the central and national state providing it with a system of knowledge, which was at the same time a system of power.”[16] The aim was to put these universities “to work for the new liberal State and its economic needs.”[17]

Fichte, who was considered one of the intellectual fathers of the Prussian mass schooling system, was also influential in the move toward a modern university system, and his goals were quite similar. Just as mass schooling was established to serve the state, Fichte felt that “the academics should be the new spiritual leaders of society.” The main difference between this Enlightenment model of the university and the medieval one was marked by the shift from city to nation. As the Enlightenment had different effects in different nations, the relationship that developed between the nation and the university was different in each case. In Germany, the university became the cultural center of the nation, while in France its focus was more on producing an actual core of civil servants. In each case, however, the aim of the university was to serve the nation in some capacity, whether functionally, ideologically, culturally, or all of the above.[18]

With the development of the American university system, we still see the objective of serving the nation as inherent in this Enlightenment idea of the 'modern university.' In America, the new schools were replacing the old, ill-equipped and elitist colonial colleges. The establishment of universities became a core mission of the founders, as ten key founders also founded academic institutions, including George Washington, Thomas Jefferson, Benjamin Franklin, James Madison, George Wythe, Benjamin Rush, William S. Johnson, William R. Davie, Abraham Baldwin, and Manasseh Cutler. Thus, many of the schools had inherent within them a 'nationalizing' mission, a mission to serve the nation, though it may not be explicitly the State.[19]

At the turn of the 20<sup>th</sup> century, there was a great debate on the missions of the new distinctly American universities. There were profound social, political, and economic changes that had occurred in the post-Civil War period, as America experienced its Industrial Revolution, rise of the corporations, and with that, the Robber Baron industrialists, who increasingly took over the political culture of the nation, which was increasingly centralizing, increasingly imperialistic, and with the labour class exponentially distrustful, resentful and resistant to the new dominant capitalistic powers that emerged. This was further checked by an increasingly educated middle class, informed largely by the rapid new developments in communications and technology, who were also becoming wary of the excesses of Big Business, but at the same time, worried about the threat of rebellion from the lower classes. In short, it was a socially explosive situation, in what came to be known as the Progressive Era, as middle class reformers took the stage in advocating and implementing major social reforms to establish a more stable, lasting society. Thus, the new modern American universities were to combine the ideals of research, teaching, and public service, as many believed the schools should "advance basic knowledge and provide the technical expertise required by a modern industrial society." [20] Thus, as Scott wrote:

Faculties in the new applied sciences, emerging social sciences, and even an important minority in the humanities believed strongly in the social utility of their disciplines. Professors in the social sciences were often committed to public service. To this end, schools of political science were established at Columbia, Michigan, and Wisconsin during the 1880s and 1890s. At the same time, within departments of economics and sociology, there were devotees of social utility. Psychology, which was then a part of philosophy, also developed a faction devoted to utility (pragmatism). Social scientists served their society in the capacity of experts, which also involved research. By 1900, the "useful" university was establishing such untraditional fields of study as business administration, physical education, sanitary science, and engineering.[21]

The Robber Baron industrialists of the late 19<sup>th</sup> century – Morgan, Rockefeller, Carnegie, Astor, Vanderbilt, Harriman, etc. – were unquestionably the dominant powers in the country. They controlled the economy, hundreds of corporations, had hundreds of millions or billions in wealth, the banks, bought the politicians, directed foreign policy into an increasingly imperialistic direction, and thus, they saw it as essential to cement their control over society through social institutions, as the masses were hateful of them and needed to be properly controlled. Social control became the major concept of interest for elites and middle class reformers.

In this era of social control, education became increasingly important, not only in terms of mass schooling, which experienced many reforms, but also in terms of the university system. As Andrew Carnegie wrote in 1889, at the top of the list of "charitable deeds" to undertake was "the founding of a university by men enormously rich, such men as must necessarily be few in any country." It was in this context, of robber barons seeking to remake education, that we see the founding of several of America's top universities, many of which were named after their robber baron founders, such as Stanford (after Leland Stanford), Cornell (after Ezra Cornell), and Johns Hopkins, who owned the Baltimore & Ohio Railroad.[22] This new class of industrialists, who emerged out of the Civil War in America, "challenged the position of the old propertied, pre-industrial elite. This struggle crystallized in particular around the reform of the educational system that had legitimated the old elite's domination." [23] The modern university was born out of this struggle between elites, with the old educational system based upon religious and moral values, "and the making of gentlemen," while the "new

education” focused on “the importance of management or administration” as well as “public service, [and] the advancement of knowledge through original investigation.”[24]

John D. Rockefeller founded the University of Chicago in 1891, and the President of the University, “initiated a new disciplinary system, which was enormously influential.” Ultimately, it “led to the formation of the department structure of the American university, which was internationally unique,” and was later exported around the world “with the help of American foundations.”[25] This disciplinary system consisted of separating politics from economics (rejecting the notion of ‘political economy’ and its ‘ideologies’), as ideology was “deemed unscientific and inappropriate in social sciences and political scientists have increasingly seen their function as service to the powerful, rather than providing leadership to populist or socialist movements.”[26]

There was an obvious desire to “foster the teaching of practical knowledge and skills serving the development of commerce and industry, against the prevailing academic traditions.” However, it also allowed for “a way of diagnosing the social upheavals caused by the accelerated shift from a still largely agrarian society to an industrial mass society” of which they were the dominant class. In particular, the labor unrest of the 19<sup>th</sup> century was especially prevalent in the minds of the dominant class. Since “social reform was inevitable,” these industrialists “chose to invest in the definition and scientific treatment of the ‘social questions’ of their time,” and subsequently, they “promoted reformist solutions that did not threaten the capitalistic nature of the social order,” and instead constructed a “private alternative to socialism.”[27] In other words, it marked the construction of a highly corporatist society, merging state and corporate power through institutions, individuals, and ideology.

### **The Social Sciences and Social Control**

The concept of ‘social control’ emerged from the developing field of sociology as a discipline in the late 19<sup>th</sup> and early 20<sup>th</sup> centuries. As sociologist Morris Janowitz wrote in the *American Journal of Sociology*, “in the emergence of sociology as an intellectual discipline, the idea of social control was a central concept for analyzing social organization and the development of industrial society.”[28] Social control is largely viewed as forms of control which reduce coercion, and thus, enhance consent to the system or organizations in question. Even a society with an effective system of social control would require a structure of coercion, but depending on how advanced the social control system is, the less need there would be for coercion. Hence, the societies which are the most advanced in social control would also be less dependent upon internal methods of coercion. Thus, it was within liberal democratic states that both the study and implementation of social control became most effective. In this sense, the question was “whether the processes of social control are able to maintain the social order [hierarchy] while transformation and social change take place.”[29]

Sociology largely emerged from the University of Chicago (founded by John D. Rockefeller), with the world’s first department of sociology founded in 1892. The sociologists who rose within and out of the University of Chicago made up what was known as the ‘Chicago School of Sociology.’ The school developed the most influential sociologists in the nation, including George Herbert Mead and W.I. Thomas, two scholars who had profound influence on the development of the concept of ‘social control,’ and sociologists became “reform-oriented liberals, not radical revolutionaries or conservative cynics.”[30]

The new industrial elite accumulated millions and even hundreds of millions by the end of the 19<sup>th</sup> century: Andrew Carnegie was worth roughly \$300 million after he sold Carnegie Steel to J.P. Morgan in 1901, and by 1913, John D. Rockefeller was estimated to have a personal worth of \$900 million. It was with Rockefeller that we see the development of the scientific notion of philanthropy.[31] Rockefeller had founded the Institute for Medical Research in 1901, the General Education Board (GEB) in 1903, and the Sanitary Commission for the Eradication of Hookworm in 1909. Rockefeller, however, wanted to consolidate his philanthropic enterprise as

he had his industrial oil enterprise, and so in 1909 he decided he wanted to establish one great foundation, which “would be a single central holding company which would finance any and all of the other benevolent organizations, and thus necessarily subject them to its general supervision.”[32] In 1913, the Rockefeller Foundation received a charter of incorporation from the State of New York.

Between 1881 and 1907, Andrew Carnegie had contributed over \$40 million to establishing more than 1,600 libraries in the United States alone, but it was after selling Carnegie Steel to J.P. Morgan in 1901 for \$300 million that Carnegie began to look at philanthropy on a much larger scale. In 1902, he founded the Carnegie Institution of Washington, and in 1904, founded the Carnegie Corporation of Washington, of which the mission was, “to encourage in the broadest and most liberal manner, investigation, research and discovery, and the application of knowledge to the improvement of mankind,” much like the original mission statement of the Rockefeller Foundation created some years later, “to promote the well-being of mankind.”[33] Carnegie founded, in 1911, the Carnegie Corporation, chartered by the New York State legislature.[34]

These philanthropic foundations, and the many others that appeared in and around the same time, and thereafter, were largely imbued with the idea of “science in the service of society” as a goal for the foundation, basing its actions upon a new rationality brought on by the scientific revolution, and by the notions of reform pushed forward in the Progressive Era, based largely upon the concept of scientific social planning “to problems that educators, the new sociologists, social workers, and political scientists found important.” However, as the wealth of the foundations and the positions of their patrons attracted criticisms, a Congressional commission was on industrial relations (founded to settle a matter related to a brutal repression of a mining strike by a Rockefeller-owned mining company) expanded its scope to deal with the general issue of the foundations. The Walsh Commission, as it was known (after its founder, Frank P. Walsh), was formed in 1914, and Walsh explained the inclusion of the foundations in the commission by postulating that:

the creation of the Rockefeller and other foundations was the beginning of an effort to perpetuate the present position of predatory wealth through the corruption of sources of public information... [and] that if not checked by legislation, these foundations will be used as instruments to change to form of government of the U.S. at a future date, and there is even a hint that there is a fear of a monarchy.[35]

In 1916, the Walsh Commission produced its final report, the Manly Report (after the research director, Basil M. Manly), which concluded that the foundations were so “grave a menace” to society, that “it would be desirable to recommend their abolition.” No such actions were taken.[36]

David Nugent, an anthropologist at Emory University, wrote a rather lengthy article for the academic journal, *Identities*, on the role of foundations in shaping the social sciences. Nugent takes a look at the development of the social sciences in relation to the construction of an American Empire. As such, the shaping of the social sciences was designed, at least in part, with an aim to facilitate the emergence and maintenance of a large, globally expanding empire, but an empire unlike previous ones, with no official overseas colonies; rather, it was to be an informal global empire. Globally expansive and locally administered colonies were to be replaced with globally expansive and locally applicable social sciences. In order for the empire to spread its military and commercial might across the world, first, the ideas at the heart of the empire must proliferate globally. Imperialism is not merely a political or economic endeavour; it is, and arguably more importantly, a socio-cultural process.

The colonization of the Americas and Africa by the European powers – with their political apparatus and for the benefit of their commercial and financial appendages – would not have been possible without the powerful social and cultural imperialism of the missionaries, whose ‘gospel’ debased traditional local cultural, spiritual, and religious practices and introduced new conceptions of morality, values, truth, justice, and knowledge. The

social sciences then, presented the world with a form of imperialism focused on the construction of a new form of knowledge by which to understand, define, categorize, and change our world. The new missionaries spreading this new gospel were the dominant American foundations, most notably, the Rockefeller and Carnegie Foundations, later to be joined by a plethora of others, including the Ford Foundation.

Nugent divides the construction of the social sciences in America, and indeed around the world, into three specific time periods; periods which are defined by economic crises and major geopolitical shifts taking place within those parts of the world which the United States seeks to dominate and control. The first period Nugent identified is what he referred to as the "Formation of Overseas Empire," from 1900-1940. This period was preceded with an economic depression in 1893 and ended with World War II, though the most rapid changes in the social sciences occurred between World War I and World War II. The second period Nugent identified, the "Consolidation of Overseas Empire," covered the period of 1943 to 1972, responding to the Depression in the 1930s, the ending of World War II and the subsequent decolonization of the so-called 'Third World,' and came to an end with the end of the Bretton Woods agreement in 1972, signaling a new phase of rapid economic changes. The third major period then, the "Reconstruction of Overseas Empire," took place roughly between 1972 and 2001, which began with the recession of the early 70s, marking profound changes across the Third World, the emergence of neoliberalism, and advanced into the 21<sup>st</sup> century.[37]

Nugent rightly points out that, while the sponsors of the social sciences, namely, the major foundations, produced such knowledge with specific purpose and intent in establishing and re-enforcing hegemony, empire, domination, social engineering, and social control, it would be a mistake to brand *all* social science knowledge as being in the service to such interests. Indeed, Nugent wrote, "each of the three period generated a small body of progressive scholarship alongside a much larger corpus of conventional knowledge." [38]

In the period between World War I and World War II, just as the foundations were themselves emerging, their initial focus in education was in financing the reorganization of major universities in the United States, and almost simultaneously, "they also oversaw sweeping changes in the organization of the social sciences – in the aims, methods, and means of evaluating research, in the background, training, and professional activities of the practitioners, and in the institutional processes that underwrote the production of knowledge." [39] In this period, both Western scholars in North America and Europe, as well as non-Western scholars in Africa, the Americas, and even in China, were concerned with studying the ways in which North Atlantic industrial capitalism and European imperialism had been "shaping regional and local arenas around the globe, in undermining indigenous economic and socio-political forms, in precipitating enormous population movements, and in stimulating novel cultural configurations and new forms of political affiliation." [40]

While the Rockefeller philanthropies (including the General Education Board, the Laura-Spellman Rockefeller Memorial, and the Rockefeller Foundation) as well as the Carnegie Corporation were the most influential in this process, they were joined by the Russell Sage Foundation, the Julius Rosenwald Fund, the Phelps-Stokes Fund, and eventually several prominent think tanks (which they also created), such as the Brookings Institution and the Council on Foreign Relations. It was not merely within the United States that these foundations organized and funded the social sciences, but in fact across much of the English-speaking world as a whole, and indeed, well beyond it. Much of their finances went to helping various organizations reform and accommodate these new forms of knowledge; however, the foundations also created several new institutions to achieve their goals in the social sciences or to focus on the specific goal of altering particular institutions. As Nugent noted:

during a period when nation-states were the main arbiters of cultural messages and capital flows, the social science infrastructure that Rockefeller, Carnegie and the other foundations helped to construct was largely independent of (though in no way in conflict with) national controls. In the long run, this infrastructure

promoted a “flexible accumulation of knowledge” on a global scale, and in the process helped bring into being an international public sphere of social science knowledge.[41]

This task of “social control” was envisioned by the foundations as consisting in “helping the masses ‘adjust’ to the rigors of industrial life and representative democracy.” The problems with social control that erupted in this era were identified by the foundations as being caused by a number of factors, including the deteriorating condition of the cities, a lack of understanding of the immigrant populations and democratic institutions, resulting in the breakdown of social order. Thus, as Nugent wrote, “the result was a sweeping program of social change and control.”[42]

A Rockefeller Foundation report acknowledged that many people in the world had already been subjected to the “enormously damaging effects... of industrial activity,” and saw it as necessary to alter the “radically false views of life and radically false views of nature” by many of these people. To bring these people into the modern age, foundations agreed, they needed to effect “almost a social revolution,” and to offer these people “training in new forms of political and social organization.” John D. Rockefeller, Jr., articulating the purpose of the Rockefeller Foundation, explained that it would offer “the best of Western civilization, not only in... science but in mental development and spiritual culture.” Science, of course, was the basis upon which the foundations were created: to not only advance the sciences within their own fields, but to advance the principle of the “scientific management” of society. Wicliffe Rose, a professor who was involved in managing several different Rockefeller philanthropies, wrote in a memorandum for Rockefeller officials in 1923:

All important fields of activity... from the breeding of bees to the administration of an empire, call for an understanding of the spirit and technique of modern science... Science is the method of knowledge. It is the key to such dominion as man may ever exercise over his physical environment. Appreciation of its spirit and technique, moreover, determines the mental attitude of a people, affects the entire system of education, and carried with it the shaping of a civilization.[43]

In the 1920s, the Rockefeller interventions in the social sciences were almost exclusively undertaken by the Laura Spelman Rockefeller Memorial (LSRM), named after John D. Rockefeller’s wife after her death. The Rockefeller Foundation, following the public exposures of the Walsh Commission, primarily maintained itself to funding medicine and public health. Beardsley Ruml, who became director of the LSRM in 1922, was largely responsible for the Rockefeller move into the social sciences, as the LSRM had been primarily concerned with social welfare prior to Ruml’s directorship. On top of the social sciences, Ruml directed the LSRM into funding public administration, and Ruml felt that, “the route to advancing human welfare was through scientific social research,” and thus, “means had to be devised to bring the social scientist into intimate contact with social phenomena.” The main idea was that the social sciences should elevate to establish an equal relationship with that of the natural sciences by making them more “scientific,” and thus, more efficient and able to handle social problems.[44]

Two general scientific objectives were established for organizing the social sciences, the first of which was, “to increase for the scientist and scholar the possibilities of immediate personal observation of the social problems or social phenomena which were under investigation,” and the second objective was to promote inter-disciplinary research. To undertake this, Ruml set out two specific programs of action:

First, the creation of institutional centers in various parts of the world that would with Rockefeller money embody scientific teaching and research. Collaborative research was to be encouraged through the specific research grants to these institutions. These centers would therefore not only be creative institutions but would also serve as a model for the development of the social sciences generally. Second, Ruml began an extensive

fellowship program which was designed to complement the training provided by the institutional centers and increase the number of able people working in the field.[45]

Ruml also saw the need to strengthen existing institutions, notably, the elite American universities, which would become “institutional centers of social research.” Edmund E. Day, director of the Rockefeller Foundation’s Social Sciences program from 1928-1937, explained in 1930 that the plan was to develop “within each country of any importance some center which would fructify the local situation and influence other institutions within the same sphere of scientific influence, then within the larger regional centers.” Focusing on the United States and Europe, the LSRM stated in 1926 that its main policy was directed at establishing 12 or 15 centers of social science research around the world, one specific center in each major European country, (University of Stockholm, Deutsche Hochschule für in Berlin, and the London School of Economics), and several in the United States. The LSRM was merged into the Rockefeller Foundation in 1929, which adopted the same agenda established by Ruml in seeking to cultivate through such institutions “a scientific approach to social problems.”[46]

Through the fellowship program, established at the LSRM by Ruml in 1923, students in Europe and Australia were often brought to study in the United States, with the favoured subject within the social sciences being economics, considering it was the closest to establishing itself along the lines of the physical sciences. As the Rockefeller Foundation prepared to incorporate the LSRM into its institutional structure, Edmund E. Day took over as director of the Social Sciences from Ruml in 1928, with the new Social Science division becoming a “formal organization,” just as the Foundation’s other major divisions of medicine, natural science, and the humanities. In 1930, Day wrote that, “what we have to do is to establish in the social sciences the scientific tradition and the scientific habit of mind,” and thus, the Foundation should work to strengthen “certain types of interest and certain habits of thought.” Naturally, this would be “thought” which would be in the “interest” of the Foundation, itself. The aim in doing this was to “coordinate the scientific attack upon social problems,” as education professor, Donald Fisher, wrote in *Philanthropy and Cultural Imperialism*. Edmund Day saw the potential for the social sciences to engage in “human engineering,” and stated quite bluntly: “the validation of the findings of social science must be through effective social control.”[47]

In 1932, the Foundation put emphasis on the support for creating a field of “International Relations,” within Political Science, as well as “the planning and control of economic structures and economic process.” In the area of “International Relations,” the Rockefeller Foundation hoped to “promote understanding among nations and to reduce the friction which may lead to warfare,” which, combined with the program of “Economic Control” was hoped to prevent any future “crisis of capitalism.” A 1934 Rockefeller Foundation committee of trustees produced a report on the Social Sciences Division, explaining, “we now have the opportunity to see whether we cannot assist in applying to concrete problems of our social, political and industrial life some of the ideas and data which research all over the world is rapidly developing.”[48]

In 1932-33, as the Board was considering the proposals of reform in education, all the programs were subject to the ultimate approval of the Board of Trustees of the GEB, which at the time included 15 individuals, all of whom were white, male protestants, including John D. Rockefeller, Jr., and his 27 year old son, John D. Rockefeller, III, and most of whom had been educated at Ivy League schools or the University of Chicago, which had been founded by John D. Rockefeller. Nine of the fifteen trustees were also academics, and seven of them had been senior administrators at major educational institutions, including Harvard, Yale, Princeton, Dartmouth, N.Y.U, Stanford, and the University of Chicago. Other members of the trustees included Owen Young, Chairman of the Board of General Electric, as well as banker Arthur Woods, and Raymond Fosdick, a Wall Street lawyer who would later become President of the Rockefeller Foundation. By 1931, the GEB’s survey of education emphasized three major fields of concentration:

1) the study of the learning process and the mental, physical, and moral development of the individual; 2) the problem of “preparing the individual for vocations and leisure”; and 3) the means for relating education to an evolving society, that is education which would “insure the active adaptation of the individual to the changes which may come in his social, physical and aesthetic environments.”[49]

It was Edmund E. Day, the new director of the Social Science Division, who assumed the greatest leadership in coordinating national reform of education, having previously been an economics professor at Dartmouth, Harvard, and was Dean of the School of Business Administration at the University of Michigan, when he subsequently led the social sciences division at the Laura Spelman Rockefeller Memorial until its incorporation into the Rockefeller Foundation between 1928 and 1930, at which time he assumed his role as director of the Social Sciences Division within both the Rockefeller Foundation and the General Education Board. Day was responsible for articulating and selling the ideas of educational reform to the Board of Trustees, which he did in 1932 in a memorandum entitled, “Cultural Adjustment to a Changing World.” In regards to the social upheavals of the early Depression years, Day wrote in 1933 that, “Industrialism and urbanism... are new forces of tremendous power, neither of which has been brought under sensible control. The way out is not yet evident, and a prolonged period of readjustment is presumably unavoidable.” Day acknowledged that “prevailing social ideas and ideals in the United States were seriously out of accord with current social forms and forces,” however, he argued, the answer did not lie in reforming the social world to meet the needs of the individual, but in adjusting the individual to the social world. As Day wrote, “we must look chiefly to the school for the major efforts toward cultural adjustment of the individual, since the school is a social instrumentality with a uniquely flexible adaptability and with a primary responsibility to meet this need.” Thus, the school could “set the individual in satisfactory general relation to the world in which he lived.”[50]

Between 1919 and 1940, the Rockefeller, Carnegie, and other major philanthropies provided roughly \$3.2 million of support for the social sciences in British universities, and a further \$1.7 million for “independent organizations which were closely tied to the universities.” The two major Rockefeller philanthropies at the time, the LSRM and the RF, provided roughly 95% of these expenditures. Thus, it was American philanthropy, and principally the Rockefeller foundations which were directly responsible for the development of British social sciences in this period. Only in the late 1930s did British philanthropy pick up the slack from the Rockefeller foundations.[51]

Rockefeller money was also pivotal in the establishment of the London School of Economics (LSE), which “had become an important world centre of the social sciences,” in large part due to the involvement of Rockefeller philanthropies. The Rockefeller foundations selected the LSE specifically for support because in the early 1920s, it was the most advanced center of social sciences in Britain, and could thus serve as a model for the rest of British institutions. Further, the director of the LSE, Lord William Beveridge (also a member of the British Eugenics Society), “shared with Rockefeller philanthropy the same conception of the way in which the social sciences should develop,” specifically in terms of utilizing the “natural scientific approach” to social problems. Also important to note as to why the LSE was chosen, was its strategic location in London, at the heart of the world’s most powerful and globally expanded empire at the time.[52]

Between 1923 and 1939, the LSRM and the Rockefeller Foundation provided the LSE with over \$2 million, during which time the school expanded rapidly, becoming “the leading centre of research in the Social Sciences” in the British Empire. Building expansions, the establishment of the leading research library in Britain, acquisition of land, equipment, and a dramatic increase in full-time teachers from 26 in 1923 to 76 by 1937, was largely due to Rockefeller support. Rockefeller money in particular ensured the development of anthropology, international relations, and social biology, and student enrollment also dramatically increased with large grants from Rockefeller philanthropies for postgraduate research and teaching. Thus, by the end of the 1930s, the LSE had “become an international centre training many foreign students.” Grants also

contributed to expanding and supporting publications by LSE faculty, with an enormous amount of books and articles emerging as a result of this support, and supported the creation of journals run out of the school as well.[53]

Rockefeller money also flowed into developing the social sciences at Oxford, funding research lecturers for Human Geography, African Sociology, Colonial Administration, Public Administration, and Public Finance, with more money flowing into forming a training program for the social sciences as well as research groups in the area of Economics, Colonial Administration, and Studies of Native Populations, subjects explicitly related to maintaining Britain's imperial status. Rockefeller foundations also expanded a fellowship program into every university in Britain, granting a total of 108 fellowships in the social sciences to British citizens between 1924 and 1940, and "by far the largest number were awarded to economists," with Political Science following behind, and subsequently sociology and history, and only 8 anthropology fellowships.[54]

In 1946, a British government report surveying the state of British universities concluded that the social sciences, which had received no prior support from government sources, presented as many possibilities of generating applicable knowledge as did the natural sciences, and were thus worth of government support in order to advance the social sciences in the "national interest." A committee was subsequently established to handle government subsidies of the social sciences, and in the 1950s, the British social sciences experienced a major "boom," advancing what was begun with Rockefeller money so that it became state sanctioned, and, in effect, a new socially constructed reality of higher education in Britain: "the social sciences had become a recognized part of the university curriculum." [55] As professor of education Donald Fisher wrote:

Indeed Rockefeller philanthropy prepared the way for the post-World War II developments in Britain not only in terms of the increased spending by government but also with respect to what was regarded as important in the social sciences. Rockefeller philanthropy had determined which subjects should be studied, which research questions should be answered, and which methods should be utilized to answer these questions.[56]

This era marked the emergence of what has been referred to as "technocratic liberalism," whereby social problems were addressed (in large part by the state, or at least state sanction) through the technical application of programs of social engineering: "the one best way," the most efficient, effective, and "scientific" approach to understanding and addressing social problems. This was the task taken up by the "rational reformers" of the era, emerging out of the Progressive period, in which the techniques of the social sciences were used to create a system of "social control." These social engineers— social scientists, technocratic reformers, experts, philanthropists, etc. – felt that society could "control its collective destiny in contrast to drifting with the tides... even while working toward the management of the many by the few." [57]

The notion that the social sciences were to be used in the application of and for the purpose of 'social control' is not an abstract theoretical interpretation of the Foundation's policies; it was, in fact, stated policy. In 1933, the President of the Rockefeller Foundation, Max Mason, wrote that the Foundation's policies:

... were directed to the general problem of human behavior, with the aim of control through understanding. *The Social sciences, for example, will concern themselves with the rationalization of social control*; the Medical and Natural sciences propose a closely coordinated study of sciences which underlie *personal understanding and personal control*. Many procedures will be explicitly co-operative between divisions. The Medical and Natural Sciences will, through psychiatry and psychobiology, have a strong interest in the problems of mental disease [emphasis added]. [58]

The influence of the major philanthropic foundations is exerted in a plethora of ways, including, wrote political scientist Joan Roelofs:

creating ideology and the common wisdom; providing positions and status for intellectuals; controlling access to resources for universities, social services, and arts organizations; compensating for market failures; steering protest movements into safe channels; and supporting those institutions by which policies are initiated and implemented... [F]oundations like Carnegie, Rockefeller, and Ford have a corrosive influence on a democratic society; they represent relatively unregulated and unaccountable concentrations of power and wealth which buy talent, promote causes, and, in effect, establish an agenda of what merits society's attention.[59]

Foundations engage in "considerable collaboration" with networks of nonprofits (which they create and fund), corporations, international organizations, and government entities at the local, state, national and international levels. Foundations effectively "blur boundaries" between the public and private sectors, while simultaneously effecting the separation of such areas in the study of social sciences. This boundary erosion between public and private spheres "adds feudal elements to our purported democracy, yet it has not been resisted, protested, or even noted much by political elites or social scientists." [60] As foreign policy strategist Zbigniew Brzezinski indicated, the blurring of boundaries "serves United States world dominance":

As the imitation of American ways gradually pervades the world, it creates a more congenial setting for the exercise of the indirect and seemingly consensual American hegemony. And as in the case of the domestic American system, that hegemony involves a complex structure of interlocking institutions and procedures, designed to generate consensus and obscure asymmetries in power and influence.[61]

In the early twentieth century, the Walsh Commission warned that, "the power of wealth could overwhelm democratic culture and politics," [62] and the Final Report stated, "that foundations would be more likely to pursue their own ideology in society than social objectivity." [63] The Carnegie Corporation and Rockefeller Foundation, from their origins, immediately began cooperating heavily with one another, coordinating activities and planning agendas. That the financial weight of these two institutions – and with the Ford Foundation to enter the scene with an even larger endowment – the coordinated influence over higher education yielded an immense power for the owners of foundations in the construction of ideology and knowledge. In providing the funding, they have the power to direct the efforts of scholars and academics, to create entire disciplines and schools of thought, to fund conferences, academic journals, publications, and think tanks. The fact that the role of philanthropic foundations in the construction and management of the educational system itself is so little known is a sign of the subtle, yet pervasive power structures that exists within academia.

Rather than looking at it from a conspiratorial view, however, look at it historically. Just as the Kings and Queens of Europe supported the development of universities in order to furnish managers and technocrats for their dynastic empires, so too do the modern dynastic powers – in this case, banking families – seek to tie the direction and purpose of higher education close to their own interests, and for the same reasons. It is not conspiratorial precisely because of the nature of the social phenomena itself: there are far too many social actors at play, dynamic and interactive and reactive relationships between different individuals, institutions, and ideas. Resistance and problems always emerge, even for the most dominant of powers and institutions. Thus, the financial-dynastic powers must be pragmatic in their approach, willing to reform, change, reorganize and regroup. Simply because it is not well known is not reason enough to think it a 'conspiracy theory.' The facts are known, just not widely disseminated.

The next part of this series further takes up the question – *what is the purpose of education?* – and adds to it: what is – and what should be – the role of intellectuals in society? In particular, the focus will be on the roles of radical versus technical intellectuals, within educational institutions and the society as a whole: from the ancient prophets, to Walter Lippmann, from Zbigniew Brzezinski to Noam Chomsky, this dichotomy of intellectuals has existed in society for a great deal of human history. What are the implications this could have for today's college crisis and class warfare?

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## Of Prophets, Power, and the Purpose of Intellectuals: Class War and the College Crisis, Part 3

Of Prophets, Power, and the Purpose of Intellectuals: Class War and the College Crisis, Part 3

By: Andrew Gavin Marshall



Walter Lippmann

## [Part 1: The “Crisis of Democracy” and the Attack on Education](#)

## [Part 2: The Purpose of Education: Social Uplift or Social Control?](#)

## [Part 4: Student Strikes, Debt Domination, and Class War in Canada](#)

## [Part 5: Canada's Economic Collapse and Social Crisis](#)

## [Part 6: The Québec Student Strike: From ‘Maple Spring’ to Summer Rebellion?](#)

Intellectual history is written by intellectuals and educational history is written by educators; thus, it would be inevitable that the flaws and failures of each are buried beneath, while the advances and accomplishments are exaggerated or over-estimated. There is, however, a seemingly consistent dichotomy which has evolved and persisted throughout intellectual and educational history: on the one hand, you have the much larger element – both in terms of the general purpose of education and in the general activities and ideas of intellectuals – who support and strengthen institutionalized power structures; on the other hand – much more a break from the ‘traditional’ impetus and activities of education and intellectuals – you have the smaller element, the off-shoots and oddities, which empowers the masses against institutionalized power, and with the intellectuals who speak out, articulate, mobilize, and justify the empowering of the people against that of the dominant structures of society. Therein lies the dichotomy: one form of education is for social control and domination, the other is for social uplift and rejuvenation; one type of intellectual is a programmatic priest for the proselytization of power, the other is an energetic and empowering enemy of entrenched elites.

### **A Eulogy for Education: Situating the Social Sciences as Structures of Social Control**

Whether public or private, the key issue at hand is that of the utility – or purpose – of higher education. Conventional wisdom inflates the classical liberal concept of higher education as a social good, one which may be funded by the state in order to promote the general well-being of society, as inherently cultural institutions designed to raise the intellectual, spiritual, moral, and philosophical standards of society. A more critical history of education tends to downplay the “social good” theory in place of a “social control” theory of education, and specifically, of the social sciences. In this conception, education was designed to produce professional ‘technicians’ who would – using the techniques of science, rationality, and reason – study social problems with a desire to find and recommend specific policies and programs to ameliorate those problems – to promote reforms to the social system – in order to maintain “order.” Order, in this case, is understood as maintaining the social hierarchy. We understand “social order” as the security of the “social hierarchy” precisely because ‘disorder’ is understood as the opposite of this: a threat to the prevailing social hierarchy and institutional structure of society. Order is maintained through manufacturing ideologies, implementing policies, and undertaking programs of social engineering all with a desire to establish ‘social control.’

For this to be undertaken, it was essential for the social sciences to be separated into distinct spheres: Sociology, Political Science, Economics, and Psychology, for example. This superficial separation established each discipline as one for “expertise” and “professionalism,” whereby those who were trained to understand and partake in politics would study political science, achieving degrees in their “specialty” which would make them socially acknowledged “experts” in their fields. Academic journals reinforce these divisions, focusing primarily on a particular and specific discipline, providing a forum for academics and intellectuals to discuss, debate, and

disseminate ideas related to the study and understanding of that discipline and its related topics. The effect, however, is that each discipline remained isolated from other forms of knowledge and, more importantly, that knowledge remained isolated from the general public, whom it was supposed to inform and empower (in theory).

Logic, of course, will tell you that in the real world, politics, economics, sociology and psychology all interact and become intertwined, intersected and interdependent. To add to that, of course, we have other technological, scientific, spiritual, cultural, environmental and historic factors that all merge to create what we broadly call “society.” If our aim is, as it should be, to understand society – to identify its problems and work to resolve them – we therefore would logically need a broader understanding of the social world, which would necessarily require a far more comprehensive, expansive, and multi-disciplinary historical examination of our world and its interacting forms of knowledge. It can be argued, however, that this is too demanding upon the academic and thus, unreasonable and unlikely. Therefore, it is argued, producing “experts” in specific areas would allow for a simultaneous understanding of these various spheres of society, and to effect change in each sector independent of one another. This raises an important question: is an “expert” in Political Science capable of understanding the political world? If they do not take into account economic, social, cultural, scientific, technological and other historical facets of the social world which all interact with the political realm, how can they logically understand the political realm outside of those interactions? In short, the political world does not operate within a vacuum and outside of interactions with other social phenomena, so the claim that they are “professionals” on understanding the social world as a whole, let alone “experts” in the political world, is dubious at best. The fallacy of this concept to produce useful knowledge was eventually acknowledged and educational managers (such as the major foundations) began to support ‘inter-disciplinary’ research to promote at least a more comprehensive understanding than previously existed.

Despite this inherently elitist self-serving conception of social control, the focus – purpose and utility – of education (and specifically the social sciences) on the study and amelioration of social problems inevitably gave rise to ideas, actors, and movements which saw beyond the rigid confines of the educational and knowledge-production system itself, reaching beyond the disciplines and into a more historically-based understanding. These broader understandings typically emerged from historians and philosophers, who must – as stipulated by their very disciplinary focus – acknowledge a multiplicity of factors, spheres, ideas, actors and areas of relevance to any given time and place of human social reality. History, by its very nature, is interdisciplinary: the historian must always acknowledge economic, social, political, and other cultural phenomena in each circumstance being studied.

As an example of these biases and disciplinary obscurities, let’s take a brief look at Political Science. In Political Science, when studying International Relations, you generally study two major theories of international politics: Liberalism, the idea that peace and prosperity between states grows as economic activity increases between them, and that of Realism/Mercantilism, whereby states are viewed as self-interested and the international arena as anarchic, and thus, nation states simply act to serve their own interests (and should). Both theories, of course, serve power. Unless studying the very specific focus of Global Political Economy (and specifically from a critical perspective), Political Science students are not exposed to or confronted with information or ideas which discuss the roles of financial and economic institutions and actors (banks, corporations, etc.) in determining foreign or public policy. Such perspectives are not studied, but simply assumed to be the product of “interested ideology” as opposed to “disinterested knowledge.” Critical theories are rarely acknowledged, let alone studied, and the general use of the word “ideology” is seen as negative, in that, it is not a legitimate focus for discussion or analysis. I personally know of a political science professor who taught a class on ‘Nationalism’ in which a student wrote an essay on ‘class.’ The professor informed the student that she couldn’t discuss “class” because it was “ideology,” and therefore, not disinterested knowledge. Of

course, the fact that he was teaching a course on 'nationalism,' which itself, is an ideology, did not even come into consideration.

The difference in ideology then, is that the word is used to deride and dismiss theories and ideas which challenge, critique, or oppose power, hierarchy, and the status quo. Those ideas, theories, philosophies and perspectives which support power, hierarchy, and the status quo, are not presented as "ideology," but as "disinterested knowledge," as a fact, not in need of proof, but of an assumed nature. They are simply accepted, and are therefore, not ideology. This is also widely reflected in the differences of the academic journals, between those which are establishment and elitist, and those which are critical and allow for more dissent. An example is *Foreign Affairs*, the premier foreign policy journal, run by the Council on Foreign Relations, the most influential think tank in the United States. In this journal, the articles and essays, written by various "experts" and active, former, or prospective policy-makers and those who hold seats of power, contain largely little or no citations whatsoever. All the 'facts' and ideas stated within the articles do not need citations or references because they are ideas which support the status quo, and therefore, they simply reflect the 'perceived' realities of society. Now take a journal like *Third World Quarterly*, which tends to focus on the effects of foreign policy upon the 'Third World' nations of the Global South, often highly critical, allowing for major dissenting scholars to have an outlet for their research and ideas. These journal articles are typically and necessarily flooded with citations, sources and references. This is because ideas and facts which challenge the prevailing perception of social reality – the status quo – are treated far more critically and scrutinized to a significant degree.

Critical scholars put their entire reputation and career on the line in taking on controversial topics, and thus, they must provide extensive evidence and citations for all their assertions. Thus, a scholar who contends that – "the United States is an imperial nation which undermines democracy and the self-determination of people around the world" – must provide extensive, detailed, elaborate and concise references and citations. Even then, the scholar is likely to be either ignored or attacked with rhetoric proclaiming them to be "ideologically biased" or worse. On the other hand, a scholar who contends that the United States is a democratic peace-loving nation which benevolently seeks to spread democracy and freedom around the world requires no supporting evidence, citations, or references, simply because it serves power, supports the status quo, and regurgitates the ideas emerging from the institutions of power themselves (such as the State and media), and therefore, no major institutions will challenge the assertions nor subject them to scrutiny. For example, there are entire books written criticizing Noam Chomsky and subjecting his research and writing to extensive scrutiny, pointing out miniscule mistakes in his citations, presenting them as deliberate methods of manipulation. On the other hand, prominent scholars who refer to America as a "benevolent empire" or as the "protector of democracy" around the world are rarely challenged, let alone scrutinized. If scrutiny occurs, it is from the critical scholars, writing in more critically-inclined journals, and thus, their research tends to be disseminated only to each other and stays confined within that small social group. On the other hand, scholars who support power are invited on television, quoted in newspapers, work with think tanks in formulating policy, take part in international conferences, and are invited into the corridors of power in order to implement policy.

Serving power obviously allows for a scholar to rise through the social hierarchy with relative ease. For those scholars who challenge power and the status quo, while entry into positions of power and influence are generally denied, there is still a necessity for toleration among the powerful. The major foundations (Rockefeller Foundation, Carnegie Corporation, Ford Foundation, etc.) often fund critical scholars and journals, not out of a desire to promote or support their ideas, but in order to keep critical scholars "professionalized," to keep them as institutionalized academics. If there were no forums, journals, conferences or venues for the discussion, dissemination and debate of critical scholars and ideas, they would have to turn to other avenues for the dissemination of ideas and knowledge, which generally leads to the public sphere, of community involvement, activism, or populist politics. With foundations providing funding for critical scholars, journals,

and conferences, the academics remain dependent upon the institutional structure of academia, and their ideas do not reach the wider public, and thus, their critiques are ineffective and do not promote change or understanding within the general population. Thus, such a program of financing provides a “release valve” for intellectual dissent, to keep critical or radical scholars institutionalized and prevent them from becoming mobilized and activist-oriented.

Still, in spite of all the deleterious factors for the pursuit of genuine knowledge with the purpose of empowerment through (instead of power over); the fact that the focus was on ‘social problems’ led inevitably to the generation of activist-oriented intellectuals, for those who could transcend the confines of narrow structures of knowledge. It is not to say that when these intellectuals surfaced, so too did the social movements, but rather that as social movements emerged, progressed, and developed, activist-oriented intellectuals took note, and began providing a philosophical and intellectual basis for the movement to exist and move forward. In short, it was a confluence of different circumstances both within the academic institutions and in the wider society – national and global – which led to the origins of these intellectual leaders, critics, activists, and philosophers. These are the individuals that the Trilateral Commission referred to in its report on the “Crisis of Democracy” as “value-oriented intellectuals.”

### **Dissident Value-Oriented Intellectuals versus Technocratic Policy-Oriented Intellectuals**

In the early 20<sup>th</sup> century, as the concepts and ideas of “public opinion” and “mass democracy” emerged, the dominant political and social theorists of the era took to a debate on redefining democracy. It was an era of social unrest, radical political ideologies and activists, labour unrest and rebellion, extreme poverty, war, and middle-class insecurity (sound familiar?). Central to this discussion on redefining democracy were the books and ideas of Walter Lippmann. With the concept of the “scientific management” of society by social scientists standing firm in the background, society’s problems were viewed as “technical problems” (as in, not structural or institutional) intended to be resolved through rational professionals and experts. Just as with Frederick Taylor’s conception of “scientific management” of the factory, the application of this concept to society would require, in Lippmann’s words, “systematic intelligence and information control,” which would become “the normal accompaniment of action.” With such control, Lippmann asserted, “persuasion... become[s] a self-conscious art and a regular organ of popular government,” and the “manufacture of consent improve[s] enormously in technique, because it is now based on analysis rather than rule of thumb.”[1] Thus, for elites to maintain social control in the tumultuous new age of the 20<sup>th</sup> century, they must “manufacture consent” of the people to support the existing power structures.

In 1922, Lippmann wrote his profoundly influential book, *Public Opinion*, in which he expressed his thoughts on the inability of citizens – or the public – to guide democracy or society for themselves. The “intellectuality of mankind,” Lippmann argued, was exaggerated and false. Instead, he defined the public as “an amalgam of stereotypes, prejudices and inferences, a creature of habits and associations, moved by impulses of fear and greed and imitation, exalted by tags and labels.”[2] Lippmann suggested that for the effective “manufacture of consent,” what was needed were “intelligence bureaus” or “observatories,” employing the social scientific techniques of “disinterested” information to be provided to journalists, governments, and businesses regarding the complex issues of modern society.[3] These essentially came to be known and widely employed as think tanks, the most famous of which is the Council on Foreign Relations, founded in 1921 and to which Lippmann later belonged as a member.

In 1925, Lippmann wrote another immensely important work entitled, *The Phantom Public*, in which he expanded upon his conceptions of the public and democracy. In his concept of democratic society, Lippmann wrote that, “A false ideal of democracy can lead only to disillusionment and to meddlesome tyranny,” and to prevent this from taking place, “the public must be put in its place... so that each of us may live free of the

trampling and the roar of a bewildered herd.”[4] Defining the public as a “bewildered herd,” Lippmann went on to conceive of ‘public opinion’ not as “the voice of God, nor the voice of society, but the voice of the interested spectators of action.” Thus, “the opinions of the spectators must be essentially different from those of the actors.” This new conception of society, managed by actors and not the “bewildered herd” of “spectators” would be constructed so as to subject the managers of society, wrote Lippmann, “to the least possible interference from ignorant and meddling outsiders.”[5] In case there was any confusion, the “bewildered herd” of “spectators” made up of “ignorant and meddling outsiders” is the public, is we, the people.

Lippmann was not an idle intellectual whose ideas are anachronisms of history, he was perhaps the most influential political theorist of his day, advising presidents while still in his 20s, Woodrow Wilson invited him to organize his war-time propaganda ministry, the Committee on Public Information (which was actually Lippmann’s idea to create), and his ideas held enormous resonance and received immense support from elite institutions and individuals. The influence of Lippmann’s ideas can be seen in the political machinery of the party system, the media, academia, think tanks, the construction of the consumer society, the activities of philanthropic foundations and a variety of other avenues and activities.

Several decades later, in the midst of another major social crisis in the 1960s, elite intellectuals again engaged in a discussion on the direction of society, social engineering, social control, and the role of “intellectuals” in society.

McGeorge Bundy, a member of the Council on Foreign Relations (and later the Trilateral Commission), was the U.S. National Security Adviser, responsible for organizing foreign policy under Kennedy and Johnson (largely responsible for the Vietnam War), and in 1966, he went to become President of the Ford Foundation. In 1967, Bundy wrote an article for *Foreign Affairs*, the journal of the Council on Foreign Relations which McGeorge’s brother William Bundy (a former CIA analyst and State Department staffer in the Kennedy and Johnson administrations) would be editor of from 1972-1984, after declining the offer from David Rockefeller to be the Council president. McGeorge wrote in his 1967 article that:

The end of 1966 finds the United States with more hard business before it than at any time since 1962. We are embattled in Viet Nam; we are in the middle of a true social revolution at home; and we have undiminished involvement with continents and countries that still refuse to match our simpler pictures of them.[6]

Bundy lamented the idea that, “American democracy has no enduring taste for imperialism,” because despite all of the “nation’s interests overseas, the boys always want to come home.” Bundy then went on to explain the benefits of questioning particular policies the United States pursues, but not to question the entire premise of America’s foreign policy in general (namely, that of imperialism). Instead, Bundy acknowledged that most of the dissent and argument on the Vietnam War was in terms of “tactics, not fundamentals,” though, he acknowledged, “[t]here are wild men in the wings,” referring to those intellectuals who question the basis and fundamentals of foreign policy itself.[7] Such “wild men in the wings” and “value-oriented intellectuals” present such a monumental threat to established elite interests. As the Trilateral Commission’s report noted in 1975:

At the present time, a significant challenge comes from the intellectuals and related groups who assert their disgust with the corruption, materialism, and inefficiency of democracy and with the subservience of democratic government to “monopoly capitalism.” The development of an “adversary culture” among intellectuals has affected students, scholars, and the media. Intellectuals are, as [Political Economist Joseph] Schumpeter put it, “people who wield the power of the spoken and the written word, and one of the touches that distinguish them from other people who do the same is the absence of direct responsibility for practical affairs.” In some measure, the advanced industrial societies have spawned a stratum of value-oriented intellectuals who

often devote themselves to the derogation of leadership, the challenging of authority, and the unmasking and delegitimation of established institutions, their behavior contrasting with that of the also increasing numbers of technocratic and policy-oriented intellectuals.[8]

The Trilateral Commission report later expanded upon the concept of the role of the intellectual in society. It stated that in the cultural history of Western Europe, “intellectuals are romantic figures who naturally get a position of prominence through a sort of aristocratic exaltation.” However, in periods of “fast changes,” they often come to lead and join “the fight against the old aristocratic tradition.” This, the Trilateral Commission contended, represented an “internal upsetting of the traditional intellectual roles.” This was identified as a “crisis of identity” in which, “[i]t has become a battle between those persons who play the audience, even if it is a protest type, and those who contribute to the process of decision-making.” Claiming that protest-oriented intellectuals are among “the audience” reinforces Lippmann’s assertion some decades earlier that the public are mere “spectators,” not capable of nor desired to engage meaningfully in politics. For the Trilateral Commission, the rise of “value-oriented intellectuals” was the result of the “intellectualization” of the “post-industrial society” in which their particular fields (namely, the humanities) became less useful in “application” and “practical use,” and thus, society “tends to displace traditional value-oriented intellectual disciplines to the benefit of action-oriented ones, that is, those disciplines that can play a direct role in policy-making.”[9] This would of course include the authors of the Trilateral Commission report itself, namely Samuel Huntington, who went on to work on the National Security Council under Zbigniew Brzezinski (co-founder of the Trilateral Commission) in the Jimmy Carter administration.

French philosopher Jean-Paul Sartre had long discussed the role of radical intellectuals in society and social movements. Following the major youth and student protests and movements of 1968, Sartre felt that the first duty of the radical intellectual is to “suppress himself as intellectual” and put his skills “directly at the service of the masses.” In a 1971 interview, Sartre was asked the question, “What should the radical intellectual do?” Sartre responded:

Today it is sheer bad faith, hence counterrevolutionary, for the intellectual to dwell in his own problems, instead of realizing that he is an intellectual because of the masses and through them; therefore, that he owes his knowledge to them and must be with them and in them: he must be dedicated to work for their problems, not his own.[10]

Thus, radical intellectuals should be creating revolutionary newspapers directed toward the masses, creating “a language that explains the necessary political realities in a way that everyone can understand.” Sartre was then asked, “Are you saying... that the responsibility of the intellectual is not intellectual?” He replied:

Yes, it is in action. It is to put his status at the service of the oppressed directly... the intellectual who does not put his body as well as his mind on the line against the system is fundamentally supporting the system and should be judged accordingly.[11]

As such, it is the responsibility of the radical intellectual to not lead, but follow and support the movements and struggles of the masses. For Sartre, the intellectual’s “privileged status is over.” Thus, “only activism will justify the intellectual.”[12] This is, in fact, a direct counter – or parallel – to the concept of the policy-oriented or technocratic intellectual, who directly partakes in the decision-making process. Just as the “technocratic intellectual” who partakes in the decisions of the institutions of power is “policy-oriented,” the radical intellectual directly partakes in the process of resistance (though not necessarily the decision-making process), and is also “action-oriented.”

In 1967, famed linguist Noam Chomsky wrote an essay in which he voiced his political opposition to the Vietnam War, entitled, "The Responsibility of Intellectuals." In the article, which provoked widespread discussion and debate, Chomsky wrote:

With respect to the responsibility of intellectuals, there are still other, equally disturbing questions. Intellectuals are in a position to expose the lies of governments, to analyze actions according to their causes and motives and often hidden intentions. In the Western world, at least, they have the power that comes from political liberty, from access to information and freedom of expression. For a privileged minority, Western democracy provides the leisure, the facilities, and the training to seek the truth lying hidden behind the veil of distortion and misrepresentation, ideology and class interest, through which the events of current history are presented to us.[13]

As Chomsky explained, "If it is the responsibility of the intellectual to insist upon the truth, it is also his duty to see events in their historical perspective." [14] This is, of course, in counter to the "technical experts" of social science, seeking to remedy "technical problems" of society in a "responsible" manner. In this sense, "responsibility" has a dual use: it is used by elites to denote those intellectuals who are "responsible" to the elite, and it is also used by dissenters to denote a "responsibility" to the truth and the people. Thus, the use of the word – whether one describes dissenters as "responsible" or "irresponsible" – tends to express more about those who use the term rather than those for whom they are applying the term.

This is, it must be acknowledged, not a new phenomenon. It is found throughout human history, though often called different things in different times and places. It can be found among the ancient philosophers and, indeed, the prophets of the Biblical era. As Noam Chomsky has elsewhere explained, "The history of intellectuals is written by intellectuals, so not surprisingly, they are portrayed as defenders of right and justice, upholding the highest values and confronting power and evil with admirable courage and integrity. The record reveals a rather different picture." Chomsky further wrote:

A large part of the Bible is devoted to people who condemned the crimes of state and immoral practices. They are called "prophets," a dubious translation of an obscure word. In contemporary terms, they were "dissident intellectuals." There is no need to review how they were treated: miserably, the norm for dissidents.

There were also intellectuals who were greatly respected in the era of the prophets: the flatterers at the court. The Gospels warn of "false prophets, who come to you in sheep's clothing, but inwardly are ravening wolves. By their fruits ye shall know them." [15]

In his book, *Sage, Priest, and Prophet: Religious and Intellectual Leadership in Ancient Israel*, Joseph Blenkinsopp explained the use of the term 'prophet' in both historical and contemporary context. In the contemporary context, it is generally associated with "prediction, emotional preaching, [and] social protest," though the Hebrew term for it (nabi), has been so widely and differently used to describe various individuals, including its usage to describe many who functioned in "sanctuaries and royal courts," in which case, they would be individuals who serve power. On the other hand, for those that challenged the power structures, Blenkinsopp argued that they were essentially "dissident intellectuals." [16]

Again, this drew a distinction in ancient times with the word 'prophet' to that we hold today with the word 'intellectual': denoting both those who serve and challenge power. Blenkinsopp explained that the prophets who were "dissident intellectuals" in the Biblical era "collaborated at some level of conscious intent in the emergence of a coherent vision of a moral universe over against current assumptions cherished and propagated by the contemporary state apparatus, including its priestly and prophetic representatives." In other words, they challenged the institutions of power which existed during that era. These dissident intellectuals – much like

those of the modern era – “often play a socially destabilizing role in taking an independent, critical, or innovative line over against commonly accepted assumptions of a dominant ideology.” In fact, stipulated Blenkinsopp, “radical change rarely, if ever, comes about without the cooperation or intervention of an intellectual elite.”[17]

Blenkinsopp described an era in which these prophets emerged in protest “at the accumulation of wealth and the luxurious lifestyle enjoyed by the few at the expense of the many.” The prophet – or dissident intellectual – Amos had lashed “out at those who store of the (fruits of) violence and robbery,” and who “live at ease in houses, the walls and furniture of which are inlaid with ivory.” Amos and another dissident intellectual, Isaiah, had “nothing but scorn for the idle rich and depict.” Blenkinsopp wrote:

The concentration of power and resources in the hands of the few, in this instance the political and hierocratic establishment and its clientele, is always liable to generate protest, especially if it is accompanied by the impoverishment of the many. A few decades after Amos, Hesiod claimed divine inspiration in denouncing unjust rulers.[18]

Thus, whether Hesiod, Hosea, Micah, or Isaiah, “all four belonged to the very small minority of the population that was literate and educated, and it was from that socially privileged position that their protest was launched.” These dissidents, however, were of a very small minority. For literally hundreds of years, the ‘prophets’ (intellectuals) of the era were “almost exclusively supportive” of power, “and there is no breath of challenge to the political or social status quo.” It was “in Israel and, to a lesser extent, Greece [where] a tradition of dissent and social protest develop[ed].” How were these dissident intellectual ‘prophets’ of the era treated? The established powers attempted to silence Amos and Micah, Hosea was ridiculed as “a fool,” and Isaiah was driven into “retirement” after an attempt to intervene in foreign policy matters.[19] So, while we claim them as prophets today, in their time they were treated as pariahs.

So whether in Biblical Israel, nearly 800 years before the arrival of Christ, or in the 1975 Trilateral Commission report, “dissident intellectuals” are to be feared and reviled by established powers, and it is clear that these powers will always attempt and actively take measures to minimize, ostracize, repress or eliminate such forms of dissent.

Thus, we have come to see the corporatization of our universities and the marginalization of dissident intellectuals in the neoliberal era. As Bronwyn Davies et. al. wrote in the *European Journal of Education*, few radical intellectuals of the 1960s and 70s “imagined how dangerous their work with students might seem to be to those in government or to the global leaders of big business and industry.” This was, of course, addressed by the Trilateral Commission, which above all represents the interests of the financial, corporate, political, and intellectual elite. This elite felt that “they must establish a new order to make the world more predictable, and they saw those radical intellectuals – both academics and journalists – as contributing to the dangerous disorder.”[20]

The Trilateral Commission was founded by two individuals: one a representative of high finance (David Rockefeller, Chairman and CEO of Chase Manhattan Bank), and the other a representative of the intellectual elite (Zbigniew Brzezinski, professor of political science, member of the Council on Foreign Relations, foreign policy official). Brzezinski wrote a book in 1970, *Between Two Ages: America's Role in the Technetronic Era*, in which he laid out the problems of the technological and electronic era (hence, “tehcnetronic”) and elaborated on strategies to resolve them: politically, economically, and socially, including the formation of a “community of developed nations” to jointly work together in managing the world for their own benefit. Rockefeller, who was also a top official at the Council on Foreign Relations and also attended meetings of the Bilderberg group with Brzezinski (another exclusively elitist international think tank linking Western Europe and North

America), took note of the book and its arguments, and recruited Brzezinski to help put together this “community,” and in 1973, the Trilateral Commission was formed. Brzezinski, in terms of intellectual influence, is perhaps as close to a Walter Lippmann for the globalized era as one could get. For decades, he has been a major foreign policy official with significant influence, sitting on the boards of major elite think tanks that produce policy plans which are implemented in the government, acting in an advisory capacity to almost every president since Jimmy Carter, and in terms of his still close relationship with the ruling financial oligarchy (namely, the Rockefellers).

In his book, Brzezinski discussed the need for “programmatically engineering” to manage and change American culture, of which he emphasized the roles played by education and the mass media over the alternative avenues of churches and traditional customs.[21] The manufacturing of culture, posited Brzezinski, was an American ‘obligation’:

Change in educational procedures and philosophy should also be accompanied by parallel changes in the broader national processes by which values are generated and disseminated. Given America’s role as a world disseminator of new values and techniques, this is both a national and a global obligation. Yet no other country has permitted its mass culture, taste, daily amusement, and, most important, the indirect education of its children to be almost exclusively the domain of private business and advertising, or permitted both standards of taste and the intellectual content of culture to be defined largely by a small group of entrepreneurs located in one metropolitan center.[22]

Brzezinski also discussed one of the more relevant and indeed, concerning facets of the Technological Revolution. Of course, writing of this as a ‘concern’ is in terms of Brzezinski writing from the perspective of an elite academic and strategic thinker, and thus, representing the elite class and *their* overall concerns. Namely, Brzezinski wrote on the prospects of a revolution against this process and the power structures involved, explaining that these groups are likely to emerge in both the developing world and industrialized world in opposition to the process of ‘modernization,’ which Brzezinski refers to as the advancement of the ‘Technetronic Revolution.’ In the Global South (the “Third World”), the revolutionary class is likely to emerge from the educated classes who are deprived of social opportunities fitting with their intellectual expectations. In the industrialized West, however, this “revolutionary intelligentsia” is most likely to emerge from the “middle-class intellectual equivalents” of the revolutionary class in the developing world. Thus, it would emerge among the educated middle-classes of the West, who are deprived of opportunities attuned to their education, thus creating a ‘crisis of expectations.’ Brzezinski wrote that the Technetronic Revolution had created a “social anachronism,” in which these groups may hold onto anti-industrial values and could possibly, even in the more modern countries, effectively block the modernization of their societies, “insisting that it be postponed until after an ideological revolution has taken place.” Brzezinski explained:

In this sense the technetronic revolution could partially become a self-limiting phenomenon: disseminated by mass communications, it creates its own antithesis through the impact of mass communications on some sectors of the intelligentsia.[23]

Brzezinski’s answer to these profound and potentially revolutionary circumstances was to employ more social engineering, more social control, more integration and coordination among global powers; essentially, to strengthen power structures at the expense of all others. Brzezinski wrote that there was a “mounting national recognition that the future can and must be planned; that unless there is a modicum of deliberate choice, change will result in chaos.”[24] He elaborated:

Technological developments make it certain that modern society will require more and more planning. Deliberate management of the American future will become widespread, with the planner eventually displacing

the lawyer as the key social legislator and manipulator... How to combine social planning with personal freedom is already emerging as the key dilemma of technetronic America, replacing the industrial age's preoccupation with balancing social needs against requirements of free enterprise.[25]

In the same line of arguing in favour of more coordination, planning, and "technical" expertise, Brzezinski also posited an image of where this could eventually lead:

Another threat, less overt but no less basic, confronts liberal democracy. More directly linked to the impact of technology, it involves the gradual appearance of a more controlled and directed society. Such a society would be dominated by an elite whose claim to political power would rest on allegedly superior scientific know-how. Unhindered by the restraints of traditional liberal values, this elite would not hesitate to achieve its political ends by using the latest modern techniques for influencing public behavior and keeping society under close surveillance and control... Persisting social crisis, the emergence of a charismatic personality, and the exploitation of mass media to obtain public confidence would be the steppingstones in the piecemeal transformation of the United States into a highly controlled society.[26]

Thus, we come to understand the ideologies, intent, and actions of two divergent social actors: the technocratic and policy-oriented intellectual and the dissident action-oriented intellectual. One supports power, one supports people. Our educational system is still to a significant degree composed of and designed to produce (like industrial factories for intellectual products) those intellectuals who support power, who engage in social engineering with the purpose of social control. Dissident intellectuals, while they exist, remain confined. They engage in research and write in academic journals which reach only other dissident intellectuals. This is the case not only in the West, but across a great deal of the world. There are, of course, exceptions, but they are few and far between. The knowledge and ideas of dissident intellectuals must be designed not for the purpose of internal discussion and debate among other dissidents within the institutions of academia, but to reach the masses, to empower the people, and to *join* – actively and actually – with the people as they mobilize for change. In order to do this, new forums, conferences, media, and other sources and organizations should attract the "value-oriented intellectuals" away from Ivory towers of intellectual isolation and into the people-oriented pathways of political action. The language must be made less academic and more accessible, the activities must be more directly engaged with people than distant and distracted.

The rigors of academic life make this a great challenge, not only for students but for professors as well. Professors are expected to publish consistently in journals and other publications, and so when they are not teaching or instructing, they are researching and writing, independently and isolated. There is very little time or opportunity for direct engagement, or for writing for other publications and avenues which could allow their research to reach a wider audience. This keeps intellectuals disciplined and distracted, and ultimately, gives little relevance to their research in terms of actually affecting any meaningful changes in society. However, here we come to understanding the inherent dichotomy of a crisis, in this case, the "Crisis of Education." As the crisis of education leads to increased costs, increased debts, decreased enrollment, decreased opportunities, increased social unrest, increased student resistance, and ultimately, a decrease in the amount of teachers and professors (this is already taking place), there also opens an avenue through which much of the disciplinary mechanisms which held dissident intellectuals back will be eroded. With nothing left to lose (in terms of job security, financial stability, social prestige and opportunity), dissident intellectuals will be far more inclined toward participation in activism and social movements. Avenues for their participation should be opened up and extended as this crisis continues and deepens.

A simply example of such an opportunity to attract dissident intellectuals would be a type of international conference, media, and educational institute. It could begin with a conference, drawing dissidents from around the world – from Egypt, Tunisia, Greece, Turkey, Israel, Spain, the U.K., Canada, Australia, United States,

Iceland, Ireland, Chile, Taiwan, etc. – to hold a discussion and debate on the origins, evolution, development and potential for the growing social and activist movements, whether in the Arab Spring, Occupy Wall Street, anti-austerity protests, student strikes, and others. The conference could be televised for free online, so people all over the world could view and engage. A major aim and result of the conference could be to establish an educational institution, which brings together such intellectuals from around the world with more consistency, which organizes a network of globally connected but locally-oriented decentralized schools, designed specifically for a broad, multi-disciplinary and globally-relevant education for social change. They could hold classes in which students and teachers engage as equals, bringing in local activists, alternative media, even filming the actual classes and discussions to post online, even provide a live feed. The aim would be to provide education for the purpose of empowering people to activism and social change. They could establish their own media outlets, providing research and discussion of activities by students and professors, and become engaged in actively planning and helping organize social movements, protests, and other activities.

The point would be to provide a forum where education has an empowering social purpose, where it integrates itself with other elements of society and does not remain isolated and insulated. For example, if one such discussion were to take place in a local decentralized school on the topic of food sustainability, agriculture, GMOs, and the politics of food, the result could be a decision to establish a network of organic farmers who would be willing to produce cheap food for poor areas, establish a space where there could be a cheap organic food market, or cheap (or free) meals made with the food, but dispensing it to poor people in poor areas of major cities, who would otherwise not have the means of good food for decent prices. It's a very simple program, but the effects can be profound. Not only could it begin to integrate farmers and agriculturalists with such an emerging movement, but it could integrate the poor more closely with such a movement. The poor are, after all, the largest constituency in the world, and the one in the most need of help and empowerment. For the poor, the ideological and power struggles between the middle and upper classes are largely irrelevant, because neither benefit nor empower them. If there is to be a true and genuine revolutionary change in global society, acting without the ideas and support of the poor is a sure way to guarantee failure for genuine change. To get the support of the poor, the poor must be supported; they must be given a stake in the future, empowered to act and participate in change, and the starting point for this is to address the immediate necessities of poor people everywhere: food, clothing, shelter.

The difference between how 'social control'-oriented institutions (such as foundations and NGOs) address poverty and how revolutionary and radical organizations would address poverty, is the intent and methods in dealing with these immediate concerns. NGOs and foundations seek to establish methods of providing food, clothing, shelter and general necessities so much as to address the symptoms of poverty, not the causes, and thus, to ultimately sustain the system that creates poverty by alleviating the worst conditions just enough to prevent rebellion or resistance. Revolutionary or radical organizations would seek to address the immediate concerns of the poor in order so that they may be empowered and able to begin finding ways to support themselves, to learn from them, and to provide access to forms of knowledge which have been denied to them. Thus, any programs of directly helping the poor would have to be accompanied with opportunities for education, knowledge, and outlets for action. The point is not to simply feed a poor individual, but to disseminate knowledge about why they are poor, how society creates and sustains the poor, the sources and solutions to poverty. Thus, it does not simply alleviate the symptoms, but empowers the individuals. Further, any radical movement must in turn be educated *by* the poor, for through their very existence, they are better able to understand the nature of the system that exists, because they have always been subjected to its most ugly and oppressive apparatus. While it may be easy for middle class intellectuals and students to promote a revolutionary cause based upon an ideology of how the state can and should function, poor people are able to give a better idea of how the state *does* function, *has* functioned, and thus, raise critical questions about the ideas, objectives, and actions of middle class and other radicals. The point would not be to be modern missionaries, providing food with "the Bible," but to help – not out of pity but out of empathy and necessity – to

empower, and, ultimately, to learn *from* and work *with* the poor. If any radical or revolutionary movement emerges which does not include a significant number of leaders from the poor population, and without significant support from the poor population, it is inherently anti-democratic and unworthy of pursuit.

This is, of course, just one example. The objective then, would be to find a way to bring dissident intellectuals out of the rigid confines of academia, and into the real world: to embolden, empower, and engage with the people, to participate in activism and social mobilization, and to work with a wide variety of other social groups and sectors in order to collectively participate in the construction of a new and far better world. It is time that *this* must be the acknowledged purpose of intellectuals, not the exception.

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## Notes

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Meet Canadas Ruling Oligarchy Parasites-a-Plenty-Part 4: Student Strikes, Debt Domination, and Class War in Canada via theintelhubCOM <http://andrewgavinmarshall.com/2012/04/17/student-strikes-debt-domination-and-class-war-in-canada-class-war-and-the-college-crisis-part-4/>

## **Student Strikes, Debt Domination, and Class War in Canada: Class War and the College Crisis, Part 4**

**Student Strikes, Debt Domination, and Class War in Canada: Class War and the College Crisis, Part 4**

By: Andrew Gavin Marshall



[Part 1: The “Crisis of Democracy” and the Attack on Education](#)

[Part 2: The Purpose of Education: Social Uplift or Social Control?](#)

[Part 3: Of Prophets, Power, and the Purpose of Intellectuals](#)

[Part 5: Canada’s Economic Collapse and Social Crisis](#)

[Part 6: The Québec Student Strike: From ‘Maple Spring’ to Summer Rebellion?](#)

There is a process under way in Canada, led by the corporate and financial elite, and directed against the general population, the poor, and the young, intending to provide for the rich and powerful, to punish the poor and steal from the rest, to plunge into poverty, to repress, control, and dominate: this process is called ‘Class War’ and it’s waged by the super-rich against the supposedly superfluous rest. It’s objective is simple: to preserve, protect, and expand the control and domination of the wealthy over the majority.

In Quebec, where the class warfare has taken on a specific assault on the students and youth, there are finally growing signs and actions that the youth are starting to fight back. The provincial government of Quebec – the French-speaking province of Canada – has decided to double the costs of tuition over the next few years. These moves have prompted hundreds of thousands of students across Quebec to go on strike in protest of the increased fees. Since Quebec currently has the lowest tuition costs in Canada for residents, a great deal of the media and commentary on the issue is related to lambasting Quebecers for their concept of “entitlements” and for “complaining” that they have to pay what others pay. The debate is focused around the ‘need’ for the

government of Quebec to reduce its debt – balance its budget – framing increased tuition costs as a necessity to be accepted, and when resisted, to dismiss the protesters as unrealistic and petty.

So is it true that Quebec has the lowest tuition fees in Canada? Yes. However, Quebec residents also pay the highest income taxes in all of Canada.[1] One of the major claims by the Quebec government as to why tuition must be increased is the claim that Quebec's universities are among the most "under-funded" in Canada, and therefore they need to increase their funding so as to increase their "competitiveness." However, according to the Quebec government itself, total government spending on education (in 2008-2009) amounted to 1.94% of GDP, compared to 1.76% for Ontario, and 1.65% for Canada as a whole. At the same time, total university spending per student in Quebec was at \$29,242, compared to \$26,383 in Ontario, and \$28,846 for Canada as a whole.[2] Thus, Québec's universities are funded to a greater degree than the rest of Canada, so that argument does not hold weight.

Quebec's universities are funded more than other Canadian universities, while Quebec residents pay more in taxes than the rest of Canada, so why the increase in tuition? As tuition fees for universities increase, government spending on education decreases. As the Canadian Federation of Students notes:

In the past fifteen years, tuition fees in Canada have grown to become the single largest expense for most university and college students. The dramatic tuition fee increases during this period were the direct result of cuts to public funding for post-secondary education by the federal government and, to a somewhat lesser extent, provincial governments. Public funding currently accounts for an average of approximately 57% of university and college operating funding, down from 84% just two decades ago. During the same period tuition fees have grown from 14% of operating funding to over 34%.[3]

This marks a move "away from a publicly funded model and towards a privatised user fee system," which has caused "post-secondary education to become unaffordable for many low- and middle-income Canadians." In the mid-1960s, nearly all of Canada's university funding was provided by the federal and provincial governments, and tuition fees were either incredibly minimal or non-existent. This process began to change in the early 1980s, with the rise of neoliberalism in the global political economy, which saw moves toward cutting social spending by governments. As government funding decreased, tuition costs rose, and as a result, between the early 1980s and the early 1990s, tuition fees in Canada nearly doubled. In 1995, the Liberal federal government of Canada cut \$7 billion in spending for the provinces, leading to "the largest tuition fee increases in Canadian history." Quebec had, however, resisted the push toward making students pay more, which was taking place in all the other Canadian provinces. In the early 1990s, average undergraduate tuition fees in Canada were \$1,464; today the average has more than tripled to \$5,138.[4]

So why is this process taking place? Why must government spending on education (and other social programs) be reduced, while personal costs for all of these services be increased? The answer is not in "efficiency" or "balancing budgets," but rather, in class warfare.

In April of 2007, TD Bank (one of Canada's 'big five' banks which dominate the economy) released a "plan for prosperity" for the province of Quebec, which recommended, among other things, raising the cost of tuition: "by raising tuition fees but focusing on increased financial assistance for those in need, post secondary education (PSE) institutions will be better-positioned to prosper and provide world-class education and research." [5] In one Canadian province, Nova Scotia, the government hired a former chief economist from the Bank of Montreal, Tim O'Neill, to assess higher education finances, and unsurprisingly, advocated higher tuition fees. [6] Banks, of course, have a major interest in promoting increased tuition costs, because they provide student loans and profit off of the interest on student debt, like some malevolent ever-growing succubus

draining the life force and potential of future generations which are doomed to debt slavery. So naturally, our governments take the advice of the banks, because they know whom their real masters are.

It should be noted, as well, that this is not merely a problem in Quebec or Canada. Tens of thousands of students in the United Kingdom are planning a walk out in protest of increasing tuition fees, which “are pricing students out of education.”[7] The Occupy Movement in the United States is moving into universities, as campuses in California experienced demonstrations and protests against “state budget cuts to education and the resulting hikes in tuition.”[8] In Spain, more than 30,000 students took to the streets of Barcelona protesting the ‘austerity cuts’ to education, and were then of course met with state repression.[9] Perhaps most impressive is a mass student movement that has developed in Chile over the past year.

## **The College Crisis**

What is the ‘college crisis’? It’s quite simple: our society is producing more educated, professionalized youths than ever before, who are then graduating into a jobless market, and what’s more, they are graduating with extensive debt. The professional education students receive, in combination with the heavy overbearing debt load and the immense dissatisfaction with the lack of opportunities for them, creates a large, mobile, educated, activated, and very pissed off group of people. This is what is referred to as a ‘poverty of expectations,’ whereby the inculcated expectations of a group or sector of society cannot be met by the society in which they live. In any society, in any period of history, this is a recipe for social unrest, resistance, rebellion, and, potentially, Revolution.

Naturally, the elites of any society fear such a scenario, so they always come up with various methods of managing these increasingly problematic conditions. The solutions, invariably, are always aimed at finding methods and means for undermining the ability and effectiveness of the target group to mobilize and organize for their cause; in this case, students. Cutting education budgets and increasing tuition fees is a very effective means to create more ‘desirable’ conditions for elites. How so? Any form of ‘austerity’ is essentially an act of class war, waged by the upper class against the rest. Austerity means that budgets will be cut and costs will be increased, whether through taxation, direct prices for services and necessities, or more often, both. The stated purpose of ‘austerity measures’ is to reduce debt (spending) and increase profitability (or revenue), with the purported aim of eliminating the debt over time. This is, however, not the true purpose of austerity, and appropriately so, it is never the result. The result is actually to increase debt, and impose a regimen of what amounts to ‘social genocide’: increasing the burden, costs, taxes, and hardships upon the wider population. For the poor, it means despair; for the middle class, it means poverty; and for the rich, it means prosperity and power.

The current crisis stems from developments that took place in the 1960s which saw an increase in activism and engagement among the general population, and especially the youth. Universities were breeding grounds for activism and movements which sought to create social uplift. The elite response to this scenario, in the United States specifically but also across the Western world as a whole, was to declare a [“Crisis of Democracy”](#) in which too many people were making too many demands upon the system, in which all forms of authority were under attack, and the legitimacy of those authorities were called into question. Elites of both the left and right saw this acceleration of democratic participation and activism as an assault upon their conception of what “democracy” should be – namely, a state that serves their interests alone. From the right, the U.S. Chamber of Commerce – and from the liberal internationalists, the Trilateral Commission – launched a major national and global attack upon the surge of democratic activism in what the Trilateral Commission referred to as an “excess of democracy.” The result of this attack: neoliberalism and debt. The two documents that were most influential in this attack on democracy were the “Powell Memo” of 1971 sent to the U.S. Chamber of Commerce which outlined a detailed program for how big business could reorganize society for its own interests, and the

Trilateral Commission's 1975 report, "The Crisis of Democracy," which outlined an elite ideology which saw the problem of society being in an "excess of democracy" and that what is required is to correct the balance in favour of elites and increase apathy and passivity among the population. The Chamber of Commerce represents all the major business interests in the United States, while the Trilateral Commission (founded in 1973 by banker David Rockefeller), represents roughly 350 elites in the areas of academia, finance, business, government, foreign policy, media and foundations from North America, Western Europe, and Japan.

The result of this was to decrease government funding for education, increase tuition and other costs, increase debt for students and the general population as a whole (through credit cards, mortgages, loans, etc.), and to merge higher education and big business: the corporatization and privatization of universities.

As part of this process, knowledge was transformed into 'capital' – into 'knowledge capitalism' or a 'knowledge economy.' Reports from the World Bank and the Organization for Economic Cooperation and Development (OECD) in the 1990s transformed these ideas into a "policy template." This was to establish "a new coalition between education and industry," in which "education is reconfigured as a massively undervalued form of knowledge capital that will determine the future of work, the organization of knowledge institutions and the shape of society in the years to come." [10]

Knowledge was thus defined as an "economic resource" which would give growth to the economy. As such, in the neoliberal era, where all aspects of economic productivity and growth are privatized (purportedly to increase their efficiency and productive capacity as only the "free market" can do), education – or the "knowledge economy" – itself, was destined to be privatized. [11]

### **Solving the 'College Crisis'**

In February of 2011, it was reported that the average debt for a Canadian family had reached over \$100,000, spending 150% of their earnings. Thus, for every \$1,000 in after-tax income, the average Canadian family then owes \$1,500. The debt figures include mortgages, student loans, credit card debts, and lines of credit. In 1990, the average Canadian family was able to put roughly \$8,000 into savings, in 2012, that number was at \$2,500. So while the public is constantly told that the 'recession' is over, this is simply not true for the general population, though it may appear to be true in the quarterly reports of Canada's multinational corporations and banks. A 2011 report indicated that, "17,400 households were behind in their mortgage payments by three or more months in 2010, up by 50 per cent since the recession began. Credit card delinquencies and bankruptcy rates also remain higher than before the recession." [12]

By February of 2012, this rate of income-to-debt had not only failed to improve, but even got slightly worse, hitting a new record. [13] The state for Canadian families is indeed getting worse. More than half of the jobs created since the "end" of the "recession" went to those aged 55 and older, leaving the youth struggling to find jobs, while older workers have to either stay working longer, return from retirement because they can't survive off of their pensions, and thus, young people are living at home longer and staying in school longer. The slight increases in hourly earnings has not kept up with inflation, and thus amounts to a loss of earnings, and income inequality continues to grow between the super-rich and everyone else. [14]

Mark Carney, Governor of the Bank of Canada (Canada's central bank), is also Chairman of the Financial Stability Board, run out of the Bank for International Settlements (BIS) in Basel, Switzerland – the central bank to the world's central banks – and which operates under the auspices of the G20. Carney had previously served as Deputy Governor of the Bank of Canada, the Canadian Department of Finance, and spent thirteen years with Goldman Sachs prior to that.

The Bank of Canada, like all central banks, serves the dominant elite interests of the nation, but also of the international financial elite more broadly. The board of directors of the Bank of Canada includes William Black, former CEO of Maritime Life, who sits on the boards of Dalhousie University, the Shaw Group, Standard Life of Canada, and Nova Scotia Business, Inc.; Philip Deck, CEO of Extuple, Inc. (a technology finance corporation), former managing partner with merchant banking company HSD Partners, and is on the board of a major Canadian think tank, the C.D. Howe Institute; Bonnie DuPont, former Vice President at Enbridge Inc., former director of the Canadian Wheat Board, a current director of agribusiness firm Viterra Inc, UTS, on the board of governors of the University of Calgary, member of the Institute of Corporate Directors, and is past president of the Calgary Petroleum Club; Jock Finlayson, Vice President of the Business Council of British Columbia, former Vice President of the Canadian Council of Chief Executives (an interest group made up of Canada's top 150 CEOs), and a member of the Canada West Foundation; Daniel Johnson, a director of Bombardier, IGM Financial, Mackenzie Financial Corporation, Investors Group, and former Minister of Industry and Commerce in the Province of Quebec; David Laidley, Chairman Emeritus of Deloitte & Touche LLP, on the boards of Nautilus Indemnity Limited, ProSep Inc., EMCOR Group, Aviva Canada Inc., the Cole Foundation, and on several boards at McGill University. The rest of the directors of the Bank of Canada are almost exclusively businessmen or former government officials (two women in total), and all of them are white; so, naturally, they truly represent the struggling Canadian family.

In March of 2012, the Bank of Canada warned that household debt “remains the biggest domestic risk” to Canada's economy. While part of the Bank's role is to set interest rates, it has kept interest rates very low (at 1%) in order to encourage lending (and indeed, families have become more indebted as a result). Yet, the Bank says, interest rates will have to rise eventually. Economists at Canada's major banks (CIBC, RBC, BMO, TD, and ScotiaBank) naturally support such an inevitability, as one BMO economist stated, “while rates are unlikely to increase in the near term, the next move is more likely to be up rather than down, and could well emerge sooner than we currently anticipate.” The chief economist at CIBC stated that, “markets will pick up on the slightly improved change in tone on the economy, and might move forward the implied date for the first rate hike.” This translates into: the economy is doing well for the big banks, therefore they will demand higher interest rates on debts, and plunge the Canadian population into poverty; the “invisible hand of the free market” in action.[15] Increased interest rates mean increased payments on debts, which means increased suffering for the indebted, who make up the general population.

As the Bank of Canada warns that interest rates will increase, perhaps as soon as this year, the Canadian people – heavily indebted – will suffer immensely and will likely fail to meet their interest payments. Since such a large majority of the debt and interest is in mortgages, this would potentially cause a major housing crisis, which is already at bubble proportions (especially in Vancouver, now the most expensive city to live in within North America), and will drag the middle class and the rest of the Canadian economy down with it. Even TD Bank has said the housing market is over-valued (i.e., artificially inflated), and warned of a coming “correction” (i.e., economic crisis).[16]

As the gap widens between the rich and everyone else in nearly every OECD (Organisation for Economic Cooperation and Development) country, Canada is no exception. The top 10% of Canadian earners make ten times as much as the bottom 10%. The top 1% in Canada saw their share of total income increase from 8.1% in 1980 to 13.3% in 2007, while the top 0.1% saw their share increase from 2% to 5.3%. Tax policies in Canada strengthen the wealth gap. In 1981, the tax rate for the top margin of earners was 43%, and in 2010, it was 29%. As the Secretary General of the OECD stated in December of 2011, “The social contract is starting to unravel in many countries... This study dispels the assumptions that the benefits of economic growth will automatically trickle down to the disadvantaged and that greater inequality fosters greater social mobility.” Thus, “inequality will continue to rise.”[17]

In a 2008 OECD study, Canada was singled out as one of the countries with the worst rates of widening inequality, stating that, "In the last 10 years, the rich have been getting richer, leaving both middle and poorer income classes behind." The top 3.8% of Canadian households controlled 66.6% of all financial wealth by 2009, with rates set to increase. As the Conservative government in Canada continues to implement corporate tax cuts, this disparity will increase, with the Harper government providing \$60 billion in corporate tax breaks, while maintaining a \$30 billion budget deficit (public debt). Despite all the tax cuts for corporations, the money that is not spent on taxes tends to go to shareholders and very little goes toward investments or job creation, meaning that the benefits do not "trickle down," but rather, as to be expected, trickle up. For Prime Minister Harper's tax policies and programs, "The higher the income, the bigger the tax break." The senior economist at the International Trade Union Confederation stated that, "The growing gap between the rich and the rest of us has many causes, including higher remuneration for top earners, much higher profits as a share of the economy, less bargaining power for workers, and less progressive taxes... Conservative tax policies will clearly aggravate the problem." [18]

The Conference Board of Canada released a study in the fall of 2011 which stated that, "income inequality has been rising more rapidly in Canada than in the U.S. since the mid-1990s," and on a global scale, "Canada has had the fourth-largest increase in income inequality among its peers." The President of the Conference Board explained, "Even though the U.S. currently has the largest rich-poor income gap among these countries, the gap in Canada has been rising at a faster rate." [19]

Among the OECD countries, the one with the highest rates of inequality was none other than the Petri-dish experiment of neoliberalism, Chile, followed by Israel, Italy, Portugal, the U.K., and the United States. While the top 10% of Canadian earners had an average income of \$103,500, the bottom 10% had an average annual income of \$10,260. [20]

While Canada is often hailed as the most promising nation to come out of the economic-financial crisis of 2008, since its banks were largely left out of the housing derivative market (and thus, were protected), the facts on the ground represent a different reality. As the *Economist* reported in 2010, of the 31 OECD nations, Canada ranked as the 22<sup>nd</sup> worst country in terms of child poverty, with one in ten Canadians (roughly 3 million) being poor, 610,000 of them being children. In November of 2010, it was reported that roughly 900,000 Canadians were dependent upon food handouts, a 9% increase from the previous year, with roughly 300,000 homeless people. The majority of the poor are single mothers, immigrants, aboriginal and disabled Canadians. Through the 1980s and 1990s (with the implementation of neoliberal policies), welfare payments to these groups were slashed, with British Columbia as the most enthusiastic supporter of exacerbating child poverty, which stood at 10.4% by 2010. [21]

The cost of poverty is quite extensive:

\* By 2011, poverty was said to cost the government between \$72-86 billion per year;

\* In the city of Hamilton, Ontario, there is a 21 year-difference in life expectancy between those who live in high and low-income neighborhoods;

\* In March of 2010, nearly 900,000 Canadians had to go to food banks for food, 38% of them being children, an increase of 28% since March of 2008, the "highest level of food bank use ever";

\* In 2010, there were between 150-300,000 "visible" homeless in Canada, with another 900,000 "hidden" homeless, and 1.5 million families in "core housing need" and 3.1 million families in unaffordable housing;

\* In 2010, 59% of Canadians (over 20 million Canadians) lived from paycheck to paycheck, “saying they would be in financial difficulty if their paycheque was delayed by a week”;

\* In 2009, the average annual income of Canada’s best paid CEOs was \$6.6 million, “155 times higher than the average worker’s income (\$42,988);

\* A third of all income growth in Canada over the past two decades has gone to the richest one percent of Canadians.”[22]

### **Canada’s Youth: A “Bankrupted Generation”**

By January of 2009, Canadian students had a debt to the federal government of over \$13 billion, with student loan debt increasing by \$1.2 million every day. The Canadian Federation of Students said the obvious answer to this growing crisis was to make education “affordable.” Studies show the effects of student debt, reducing “the ability of new graduates to start families, work in public service careers, invest in other assets, volunteer, or even just take a lower paying job in their own field to get a foot in the door.” On top of the \$13 billion owed to the Federal Government, Canadian students owed an additional \$5 billion to provincial governments, and the figures do not include debt owed to banks, credit card companies or parents.[23] In short, Canada’s student youth are a “lost generation.”

In September of 2010, the Canadian Council on Learning published a report which indicated that, “students who graduate from college and university with high debt loads are putting off buying a house, having children or investing for the future.” The average debt load of a Canadian university graduate in 2009 was \$26,680, and the average debt for college graduates was \$13,600. These figures, it should be noted, do not take into account mortgages, credit card debt, lines of credit, or car loans.[24] This represented a doubling in the amount of student debt from 1990, and in 2005, the number of Canadian students needing loans to pay for their education had increased to 57%.[25]

In October of 2011, it was reported that Canadian student debt (to the Federal Government) will surpass \$15 billion by 2013, which is the current ceiling set by the government in student loans. Thus, if it reaches the ceiling, the government will no longer (in theory) be able to provide student loans. The solution, according to the Canadian Federation of Students, does not mean eliminating the debt ceiling, which will only make the problem worse, but rather, in reducing the costs of education itself. As the national chairperson of the CFS stated, “The reality is that the job market is grim and students are facing their first interviews with a mortgage-sized debt.” Thus, once they begin work, they do not contribute to the economic growth of the country, but rather merely have to focus on paying interest and repaying debts. The cost of university education in Canada is estimated to be at \$60,000, and some studies suggest that this will rise to \$140,000 for those born in 2011. The average yearly undergraduate tuition fees were a 4.3% increase from the previous year, reaching \$5,366.[26]

In 2011, almost two million Canadians had a student debt totaling \$20 billion, and as the chairman of the Canadian Federation of Students stated, “We have an entire generation of people who now more than ever have to complete some form of post-secondary education just to get a job interview, with more than 70% of all new jobs requiring some degree or diploma. We are on the verge of bankrupting a generation before they even enter the workplace.” As job losses continue, and especially as the youth job market continues to decline, the number of full-time students tends to increase, and the availability of part-time work for students continues to decline. A post-secondary education no longer increases a “return on investment” through a lifetime, as it was once assumed. The overall student debt is not the most pressing immediate problem, but rather the “crippling interest rate attached to these government loans” which plunge youth into a deep crisis. So while interest rates are very low (in other lending, as set by the Bank of Canada at 1%), the government is charging 8% interest on student

loans. Margaret Johnson, president of Solutions Credit Counselling Service Inc. in Vancouver stated that, “When the loan goes into default, the interest starts to compound. And then you have an absolute nightmare. The average debt I’m seeing is anywhere between \$30,000 and \$60,000. The payments are so high on some of these loans that the young person cannot live and make a payment. Instead of lowering the interest rate — or eliminating it, which I think is the best solution — the government extended the repayment term to 14 years. The fact that so many loans are in arrears proves this isn’t the answer.”[27]

Some things are worth repeating: the average debt for every Canadian household is over \$100,000 and the average debt for a university graduate in Canada is over \$26,000; nearly one million Canadians depend upon food banks for their food, poverty and inequality are increasing, homelessness is increasing; the rich are getting richer and everyone else is getting poor or poorer, and there is a horrible job market with few jobs available, let alone available to youth. So the “solution” – we are told – to the supposed “problem” of “competitiveness” in our universities... is to increase the burden, the cost, and the debt of students, families, and the general population; to increase tuition and student debt, to increase interest rates on all debts, and to plunge the population into abject poverty. It seems then, that Canadians, and the Western world in general (as these policies are being pushed throughout the G8 nations on the whole) are about to get a hard lesson in what our countries of the industrialized and supposedly “democratic” north have been doing to the rest of the world (Africa, Asia, Latin America) for decades and, indeed, centuries. What has been done abroad is now coming home to roost.

The conditions, restrictions, programs and policies that our nations have imposed upon Africa, Asia, and Latin America for the past four decades have plunged those countries into poverty, allowed for the unhindered control and extraction of their resources for our corporations, put their nations into the debt of our banks, exploited their populations for cheap labour, and propped up ruthless dictators to repress the people if they ever get wise and want to change their society. While our nations of course continue in their raping and pillaging of the world, now they have also turned their attention – and absolute disregard for humanity – to their domestic populations. The same banks, international institutions, nations, organizations and even individuals who promoted the policies which led to the impoverishment and punishment of much of the world’s population are now telling us that these same policies are the “solutions” to our current crises, just as they told the populations of Africa, Asia, and Latin America. If we listen to these same people, submit to the same policies, and accept the same ideologies which have caused so much destruction and devastation around the world, and expect different results at home, we deserve what we get. Naturally, then, we must stop accepting and consenting to the hegemony and power of our elites and their institutions and ideologies. This means that we have to actively create alternatives, not simply protest against their programs, or demand reforms, rearranging deck chairs on the Titanic. The boat is sinking, it doesn’t matter how it looks on the way down. It’s time for a new system altogether. One cannot demand from others to create a new system, but must actively create it themselves.

In the next part of this series, “Class War and the College Crisis,” I will be discussing the coming economic crisis for Canada, which has thus far been hailed as the “safest” nation emerging from the 2008 “recession,” a myth that will soon be broken. As Canada, and much of the rest of the world, begin their rapid descent into an economic depression, the above-mentioned statistics regarding debt, poverty, and inequality will get worse. As the social and economic crisis deepens, our governments will continue to show in whose interests they truly rule: with batons, tear gas, beatings, mass arrests, detention camps, and the growth and development of a police state surveillance society, our governments will reveal that they rule for bankers, corporations, and oligarchs. The democratic façade will wash away. It is within these circumstances that Canadians, and the wider world in general, must seek to create a true democratic system. First, however, we must recognize and understand the system in which we live for what it is: a State-Capitalist society ruled by a power-mad oligarchy. The next part of this series will be taking a look at what this power-mad oligarchy is doing and will be doing to Canada’s economy and society in the coming years. Here’s a hint: it doesn’t benefit YOU!

Donate



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## **Canada's Economic Collapse and Social Crisis: Class War and the College Crisis, Part 5**

**Canada's Economic Collapse and Social Crisis: Class War and the College Crisis, Part 5**

By: Andrew Gavin Marshall



Hundreds of thousands of students take to the streets in Québec to protest tuition increases

[Part 1: The “Crisis of Democracy” and the Attack on Education](#)

[Part 2: The Purpose of Education: Social Uplift or Social Control?](#)

[Part 3: Of Prophets, Power, and the Purpose of Intellectuals](#)

[Part 4: Student Strikes, Debt Domination, and Class War in Canada](#)

[Part 6: The Québec Student Strike: From ‘Maple Spring’ to Summer Rebellion?](#)

**What are the Spending Priorities of the Government?**

In the debate raging over increased costs of tuition in Quebec, increased debt loads of the federal and provincial governments, the need to reduce costs – impose “fiscal austerity” – and find “solutions” to these problems, very little context is given. As students fight back against increased fees, the counter argument simply states that people must pay for their education, that governments must reduce their deficits, and therefore, cuts in spending and increases in tuition are necessary, though undesirable. But how necessary are they? Where is the government putting its money?

The question really comes down to one of priorities and approach. What are the spending priorities of the government, for people in need or for the benefit of the rich? What is the government's approach to spending in terms of addressing a major social and economic crisis, to treat symptoms or address the cause? A great deal is revealed about the moral, ethical and humanitarian considerations of a state in terms of how and where it spends its money. Canada is no exception.

First, let's start with Canada's debt. In October of 2011, it was reported that Canada's combined federal and provincial debt equaled roughly \$1.1 trillion. This raised calls from the business community in Canada stating that, "It's time for governments across Canada to get more serious about controlling and reducing debt." In other words: time for fiscal austerity! (i.e., cutting social spending and increasing costs and taxes) This debt load amounts to roughly 58% of government GDP (that is, 58% of yearly tax revenues), as opposed to Greece, with a debt-to-GDP ratio of 160%.[1]

An interesting issue to note is that the Bank of Canada (Canada's central bank) was created in 1934 as a private bank, and it was transformed into a government-owned bank in 1938, and was then able to lend to the government *without interest*, and thus, "the Bank is ultimately owned by the people of Canada." The job of the Bank is to manage monetary policy, by issuing the currency and setting interest rates. Canada had a unique central bank, as most other central banks were founded and maintained as private banks (responsible to private shareholders), such as the Bank of England (1694), the Bank of France (1801), and the Federal Reserve Bank of the United States (1913). It was responsible for financing Canada's war machine during World War II, railways, the St. Lawrence seaway, the TransCanada Highway, schools, hospitals, healthcare, pensions, and social security, all with no interest attached. Between 1940 and 1974, Canada had a national debt below \$18 billion. In 1974, all of this changed as Canada sunk into its neoliberal abyss, when private banks (the "big five" in Canada) essentially took over the function of lending to the government, and at high interest rates, with Canada paying over \$61 billion per year on interest to private banks alone. Between 1981 and 1995, the Canadian government collected \$619 billion in income tax, but because the debt was owed to private banks, instead of being interest-free with the Bank of Canada, during that same period of time, the Canadian government paid the private banks \$428 billion in interest payments.[2]

Interest payments on Canada's debt account for roughly 15% of Canada's revenues. Statistics Canada provides information up until 2009 on the Canadian government's expenditures and revenues. In 2009, the federal government's expenditures amounted to \$243 billion, with \$26 billion spent on health care, \$88 billion on social services, \$5.8 billion on education, and \$18.6 billion on debt charges.[3]

So, while cuts are being made to social programs and education (fiscal austerity), they are increasing dramatically to the military, defense, and police. In 2000, Canada spent \$10 billion on defense, and that rose to \$21.8 billion in 2011. In 2008, Canada's Conservative government set out a plan to increase defense spending over the following 20 years, setting the goal at \$490 billion in total defense spending over that period. Included in the plans are the purchase of 65 F-35 fighter jets from Lockheed Martin, the American war profiteering corporation, to a possible dollar amount of \$30 billion or more.[4] So there is money for the war machine, to support an increasingly imperialistic foreign policy, and as the ever-present appendage lap-dog to the American Empire to the south.

And since Canada has its lowest crime rate since the 1970s, naturally the ever-pragmatic Conservative government is seeking to rapidly accelerate the construction of prisons and expansion of police forces. The government's proposed changes to the criminal system seek to "create a flood of Canadians into the prison system." [5] The government identified prisons, police, and the purposely-Orwellian classification of "public safety" as the biggest winners in increased budget allocations for 2011, seeking to build more prisons and hire hundreds more police officers.[6] At the same time, the government is slashing benefits to seniors and old-age

pensioners. According to the Parliamentary Budget Office, prison costs are expected to rise from \$4.4 billion in 2011 to \$9.5 billion in 2015-16. When the Conservatives came to power in 2006, prison costs amounted to \$1.6 billion per year.[7] So while the government spends billions on corporate tax cuts, fighter jets, police and prisons, it is simultaneously planning on cutting spending for old age pensioners and social security programs.[8]

As the government cuts between 11-22,000 federal public sector jobs, the Canadian Forces (military), RCMP (police), and the overall 'national security' establishment will not suffer such cuts, and in fact, will gain employees. Ultimately, under the plans of the Conservative government, between 60,000 and 70,000 jobs could vanish across the country to implement \$8 billion in spending cuts.[9]

While spending on health care exceeded \$200 billion in 2011, it amounted to \$5,800 per person in Canada. While this system – of what is often called 'socialized healthcare' – is portrayed by Americans as costly and wasteful, it is far cheaper than the American corporatized – or privatized – health "care" system. The average spending on health care for OECD countries – as a percentage of GDP – is 9.5%: Canada spent 11.4% of its GDP on healthcare in 2009, compared to the United States, which spent 17.4% of its GDP on healthcare; with the Netherlands spending at 12% of GDP, France at 11.8% and Germany at 11.6%. In terms of spending per capita (that is, the cost of healthcare spread out evenly to each individual within the country), Canada spends \$4,363 (U.S. dollars) per person on healthcare, with the OECD average at \$3,223, and compared to the United States at \$7,960 per capita. The irony here, of course, is that a for-profit health system is far more costly than a 'socialized' healthcare system, despite the common claims to the contrary.[10]

So naturally, the Federal Government, in the midst of – and on the precipice of a far greater – economic crisis, decides that the best courses of action are to increase unemployment by firing tens of thousands of people, reduce social spending so that they are left with less support in their newfound poverty, and continue to privatize everything. Of course, this inevitably leads to social unrest, protests, even rebellion. Quebec is a great example, as it seems that the anti-tuition strikes and protests are getting more dramatic with each passing week. As the reality of our situation settles in over the course of the next year and years, the protests and resistance will exacerbate and grow nation-wide (along with the development of similar movements around the world). Thus, we may properly understand the impetus of the government to increase spending on police, the military, "public safety" (national security/police state) and prisons: as typical state responses to social crises, throw money at the systems, structures and institutions of oppression so that when the people begin to rise up, the state may have the force available to push them down, oppress them, and imprison them.

The Government of Quebec, which is doubling tuition costs over the next five years, has a current debt of \$184 billion or 55.5% of GDP. Quebec's current budget, released in March of 2012, projects spending of \$70.9 billion, with 42.5% of the budget allocated to healthcare and social services, 22.5% on education and culture, 11.6% on debt servicing, 3.5% on families and seniors, and 19.9% on "other." Total expenditures on education, leisure, and sports amount to less than \$16 billion, with \$1.3 billion being allocated to Quebec's corporations, \$5 billion going to manufacturing, while \$8.2 billion of the budget is going to pay the interest on the debt. Meanwhile, the government was announcing major investments in mining, aiming to produce a surplus, with \$1 billion in investments in mining and hydrocarbon industries, as part of Quebec's 'Plan Nord,' The Plan includes the creation of Resources Québec, a new Crown corporation that will oversee a \$1.2-billion equity portfolio, designed to "help develop the north and exploit the province's abundant mineral resources." The government, in turn, is expecting \$4 billion in mining royalties over the next decade. The forestry, tourism, and agribusiness industries are also getting support from the government, creating partnerships between big business, government, and unions. Quebec provides a great deal of corporate welfare. In 2007, Quebec ranked first among Canadian provinces in how much corporate welfare was doled out, at \$6 billion, followed by Ontario at

\$2.1 billion, Alberta at \$1.2 billion, and British Columbia at over \$1 billion.[11] So, there's no more money for education, but there's plenty of money to throw at multi-billion dollar corporations.

For all the screaming and wailing governments engage in over the costs of social programs and benefits for the public, there's very little discussion over the expenditures of governments which go to corporations, not to mention, tax cuts. Beginning in 2000, under Prime Minister Jean Chrétien, the Canadian federal government began implementing massive corporate tax cuts, which "allowed Canadian companies to amass some \$477 billion in cash reserves," with corporate taxes going from 28% in 2000, to 21% when the Conservatives came to power in 2006, to 15% at the beginning of 2012. While the tax cuts were supposedly to encourage job creation, in reality, the cuts "allowed companies to hoard cash, pay out larger dividends to shareholders and beef up executive salaries." For each percentage point in a decrease of corporate taxes, the federal government loses \$2 billion in potential revenue. Thus, the total loss from the new tax cuts amounts to \$26 billion. A report from the Canadian Labour Congress explained, "The government has been borrowing money to pay for its corporate tax giveaways. Now, to pay for tax breaks, the government is planning to make massive cuts to public services, such as meat inspection, that are essential to Canadians." [12]

So while students, seniors, and the poor suffer, Canadian corporations are doing marvelously well. Reports from Statistics Canada show that Canadian corporations are "sitting on more than \$583 billion in Canadian currency and deposits, and more than \$276 billion in foreign currency." The cash reserves of these companies have climbed 27.3% since 2007, back when Canada's economy was "booming," and 9% of the increase in reserves was since last year. Not including financial corporations and banks, Canadian companies saw their cash reserves increase by \$33 billion in the last quarter of 2011. While Canadian household debt has doubled since 1990, corporate taxes have been cut almost in half in the same amount of time. Canadian provinces have been lowering corporate taxes as well. Back in 2000, Canada's combined federal and provincial corporate tax rate was the highest of the OECD countries, at 43%. Today, it's around the world average of 26%. So while Canadian corporations sit on hundreds of billions of unused dollars, the Canadian government is continuing to give them more money to put in their bank accounts, which then reduces the government budget by billions each year, and the Canadian people are then expected to pay for this corporate welfare through reduced social services, loss of public sector jobs, increased tuition costs and increased debt.[13]

Corporate welfare is dolled out by provincial governments as well. In 2011, the Province of Quebec and Quebec City each provided \$200 million to build a new hockey arena for a for-profit hockey team. Ontario is also a corporate welfare haven, as between 2003 and 2005, the province gave \$422 million to GM, Ford, Toyota and Chrysler, and in 2009, the province participated in a Canada-Ontario \$15.3 billion bailout of GM and Chrysler. The last year that government statistics are available, in 2008, Ontario spent \$2.7 billion on corporate welfare, while Quebec spent \$6 billion.[14] Between 1991 and 2009, the government of Ontario gave \$27.7 billion in tax dollars to corporations.[15] Meanwhile, the Government of Quebec increased taxes in 2010, and the provincial sales tax increased by 2% since then, along with an increased gas tax, and of course, tuition increases.[16]

This system is, by definition, corporatist. A corporatist system (alternatively referred to as "corporate socialism" or "economic fascism") is one in which profit is privatized and risk is socialized. In other words, the state ensures that corporations profit and become more powerful and dominant, while the people have to foot the bill and suffer for it. As Benito Mussolini reportedly stated, "Fascism should more appropriately be called corporatism, for it is the merger of state and corporate power." It is no surprise then, that as the state becomes more supportive to the suckling-pig-like-corporate cancers of our society, they also become more oppressive and totalitarian. The very circumstances demand it.

## **The Big Five Banks Declare War on the People**

In early March of 2012, it was reported that Canada's big five banks (Royal Bank, CIBC, TD, Scotiabank, Bank of Montreal) have recorded "sky-high profits" of \$7 billion in the first quarter alone (from November 2011 to January 2012), an average increase of 5.8% since last year. Much of the profits, especially for CIBC, "were mostly due to higher volumes of personal and commercial loans," or, in other words: debt for people and corporations.[17] Canadian banks are, on the whole, doing better than ever. They are consistently rated as the "world's soundest" banks by the World Economic Forum, and are even adding some jobs, while U.S. banks cut theirs.[18]

A recent report released by CIBC stated that corporate Canada is as "fit as a fiddle," as "a health check on Canada's corporate sector shows businesses across the country passing with flying colours." In fact, according to economists from CIBC, Canada's corporate sector has never been better. The major indices of corporate 'health' are: "debt-to-equity ratios, cash to credit ratios, profit margins, returns on equity, returns on capital." The economists concluded that, "even with public sector retrenchment under way, and indications that consumers may not have the same appetite to spend as earlier in the recovery, corporate Canada could be positioned to pick up the mantle and drive economic growth in the years ahead." [19] So naturally while Canada's corporations are as "fit as a fiddle" and the public at large is dominated by debt, the government – both federal and provincial – seek to extend more benefits to corporations (tax cuts and state subsidies), while extending hardships to the majority of Canadians (increased taxes, reduced social spending, increased costs). Again, it's about priorities.

The banking sector in Canada itself is becoming two-tiered, where the big five banks are vacating the inner cities, and so-called "fringe banks" are becoming the choice banks for poor and low-income Canadians. Professor Jerry Buckland wrote that, "There is something ethically troublesome about a situation where low-income people are paying high fees for low-quality services and middle-income people are paying low fees for high-quality services." Unexpected fees, bad banking hours, lack of ID, and other constraints have pushed lower income groups away from the big five and toward the 'fringe banks' which also charge big fees but are more accessible. However, the combination of the big five leaving the inner cities and the fringe banks charging high fees and interest rates, "exacerbate poverty and create a two-tiered banking system." [20]

Canada's big five banks are rolling in money. CIBC reported \$835 million in profits for the first quarter, up 9.4% from last year; Royal Bank reported first quarter profits of \$1.86 billion; TD Bank had profits of \$1.48 billion; Scotiabank had first quarter profits of \$1.44 billion, a 15.2% increase from last year; and the Bank of Montreal recorded profits of \$1.11 billion, up 34.5% from last year.[21]

So why are Canada's banks doing so well? It's simple: because people are in debt, and getting deeper into debt. As the *Globe and Mail* reported, "Mortgages and credit card spending have fuelled bank profits for years." [22] So now what? Well, Royal Bank of Canada and TD both announced in March of 2012 that they will begin to increase their interest rates on mortgages, which means that they are seeking to further sap the wealth and deflate the future potential of the average Canadian household. But the increase in interest rates will increase bank profits, so it's a good thing for Royal Bank and TD, never mind that it's bad for everyone else. The other major Canadian banks will likely follow suit in raising their interest rates. The chief economist at TD Bank estimated that, "more than one million Canadian households, or about 10 per cent of those that currently have debt, will have to devote 40 per cent or more of their income to making their monthly debt payments if rates rise by two-to-three points to more normal levels." [23]

### **A Bubble Waiting to Burst?**

So what is the Canadian mortgage and housing market doing? Well, it's replicating the disaster seen in the United States just prior to the 2008 crash. Canada's banking regulator, the Office of the Superintendent of

Financial Institutions warned that Canadian banks were offering mortgages very similar to the U.S. subprime loans and that these pose an “emerging risk” to Canadian banks. Now the regulator didn’t just come out and say this, because that might be helpful. Instead, this information was released to Bloomberg news via a Freedom of Information law request, which revealed that Canadian mortgages “have some similarities to non-prime loans in the U.S. retail lending market.” In 2009, Canada’s housing market began to soar with record-low interest rates on mortgages. This is one of the primary reasons why Bank of Canada governor (and former Goldman Sachs executive) Mark Carney warned that household debt is the greatest threat to Canada’s economic stability.[24]

The state of the Canadian population is abysmal. The average debt for a Canadian household is over \$100,000, and the average Canadian household spends 150% of their income. This means that for every \$1,000 earned, \$1,500 is owed. These debt figures are primarily made up of mortgages, but also student debt, credit card debt, and other lines of credit. A 2011 report indicated that, “17,400 households were behind in their mortgage payments by three or more months in 2010, up by 50 per cent since the recession began. Credit card delinquencies and bankruptcy rates also remain higher than before the recession.”[25]

In March of 2012, the Bank of Canada warned that household debt “remains the biggest domestic risk” to Canada’s economy. While part of the Bank’s role is to set interest rates, it has kept interest rates very low (at 1%) in order to encourage lending (and indeed, families have become more indebted as a result). Yet, the Bank says, interest rates will have to rise eventually. Economists at Canada’s major banks (CIBC, RBC, BMO, TD, and ScotiaBank) naturally support such an inevitability, as one BMO economist stated, “while rates are unlikely to increase in the near term, the next move is more likely to be up rather than down, and could well emerge sooner than we currently anticipate.” The chief economist at CIBC stated that, “markets will pick up on the slightly improved change in tone on the economy, and might move forward the implied date for the first rate hike.” This translates into: the economy is doing well for the big banks, therefore they will demand higher interest rates on debts, and plunge the Canadian population into poverty; the “invisible hand of the free market” in action.[26]

The Canadian housing market is in a major bubble, “with a run-up in prices, high ownership rates and overbuilding.” A majority of Canadian mortgages are financed through the Canada Mortgage and Housing Corporation (CMHC), the equivalent of Fannie Mae and Freddie Mac in the United States (which both went bust in the 2008 crash). The CMHC has an outstanding balance of \$132 billion in mortgage-backed securities, \$202 billion in Canada Mortgage Bonds, and last year issued a debt of \$41.3 billion (compared to \$6.5 billion in 2001). The big five banks generally provide the remaining mortgages (again, just like in the U.S.). A spokeswoman for the Canadian Bankers Association, however, reassured those who somehow still trust bankers that Canadian banks “carefully manage risk in their mortgage portfolios.” Home sales are increasing – another indication of the growing bubble – by 9.5% last year alone, while home prices increased by 7.2%. CIBC reported that Canadian homes are overvalued (that is, their prices are artificially inflated) by 10%, and the heads of the Bank of Montreal and Royal Bank both warned in late 2011 that, “condominium markets in Toronto and Vancouver are at risk of correction,” which is to say, a crash.[27]

The problem is especially large in Vancouver, which was recently rated as the most expensive city to live in across North America, followed Los Angeles and New York. Vancouver is now the 37<sup>th</sup> most expensive city in the world, whereas just last year it was ranked as 72<sup>nd</sup>. The average price for a detached bungalow in Vancouver increased by 17% from the previous year to \$1.02 million. The average cost of a condominium in Vancouver rose 5.1% to \$513,500 and the “average priced home in Vancouver is now 11.2 times the average family income, a figure many economists call unsustainable.”[28] In certain areas of Vancouver, such as Richmond, West Vancouver and the West End, housing prices have soared nearly 80% in the past five years, and 27% just in the past year alone. This has been raising fears of a housing bubble in Vancouver, and indeed it should be.[29]

In January of 2012, Bank of Canada governor warned – in very subtle and vague terms – that Canada’s property market is “probably overvalued,” meaning that it is heavily overvalued. Canadian Finance Minister Jim Flaherty also hinted that something is rotten in the state of Denmark, stating, “We watch the housing market carefully and we are prepared to intervene if necessary.” So is it a bubble? Yes! In fact, the Bank of Nova Scotia recently reported that, “At 13 years and counting, Canada’s current housing boom is one of the longest-lasting in the world.” The price of Canadian homes has increased by over 85% since 1998, with a slight stagnant period in 2008, and then continued to rise in 2009, growing by a further 20%. It is no coincidence that household debt has increased as well, with the debt burden of Canadian families at 153% of their income, which is “almost as much debt as American households had at the peak of their bubble.” In fact, the *Economist* magazine estimated that the Canadian housing market is overvalued by more than 70% (which is to say, it’s probably much higher than that). One of the major American banks, Merrill Lynch, issued a report indicating that the Canadian housing market is rife with “overvaluation, speculation and over supply.” According to an international survey of housing affordability, Vancouver is the second-least affordable city in the world.[30]

It seems that 2012 will be the year the housing market bubble begins to pop, with the economy slowing down, unemployment rising, and job creation has virtually stalled, according to CIBC, which explained that, “the job market is currently weaker than any non-recessionary period.” Canada is not alone, of course, as the United States and Ireland were just the beginning. It is expected that the U.K., Australia, Belgium, France, New Zealand, Spain, and Sweden are all set to follow suit. Within Canada, however, British Columbia and Ontario will be the most affected. But don’t worry, the Canadian banking sector will survive the pop, because it is actually the Canadian government which owns 75% of the mortgages, meaning that this will then pass to Canadian taxpayers, not the poor disadvantaged millionaire and billionaire bankers.[31] Besides, the risk they have will probably be bailed out by our government. As our Finance Minister stated, “we are prepared to intervene if necessary,” which means that they will take all the bad debts of the banks, and then hand them to YOU.

An economist at the Bank of Montreal said not to worry, however, because Canada’s housing market isn’t a bubble, “it’s a balloon,” and therefore, she predicted, “Canada’s housing market is expected to deflate slowly rather than pop.”[32] The argument, however, is one based upon faith: faith that the banks won’t increase interest rates by too much, faith that Canadian household debt won’t inflict as much harm as American household debt, and faith that one can compete in verbal and mental gymnastics in such a way as to convincingly refer to a bubble as a “balloon.” It should be noted that up until the burst of the American housing bubble, all the major players were denying that a bubble even existed.

Patti Croft, a recently retired chief economist from the Royal Bank of Canada warned the Canadian Parliament in January of 2012 that, “the risk of a housing bubble was among Canada’s biggest issues.” The Bank of Canada’s extremely low interest rate (of 1%) has stimulated this growth, just as the Federal Reserve in the United States helped stimulate the housing bubble there through historically low interest rates. The result of such low rates is an excess of speculative actions in the housing market, driving prices up. Croft warned that, “the greater concern is the looming housing bubble that we see, particularly in cities like Toronto and Vancouver, because I think that is where the speculative excesses lie.”[33]

In March, TD Bank warned that Canada’s housing bubble posed a “clear and present danger” to Canada’s economy, and singled out Vancouver as “the market with the greatest risk of a housing price correction.”[34] The effects of the bubble are already evident, as British Columbia is increasingly losing people who are moving to other provinces due to the high cost of living.[35]

It should be noted that, even though this housing bubble in Canada has been inflated since the late 1990s, it is only being talked about, admitted as even existing (though some make absurd claims about magical “balloons”),

and acknowledged NOW. This is dangerous. The fact that it is now being acknowledged by top banks, the finance minister, the Bank of Canada and other major international organizations and banks, implies that they are now preparing for it to burst, and are thus positioning themselves to profit from the coming collapse. Remember, this is not a strange idea: during the housing bubble collapse in the United States, all the big banks which helped create it then bet against the market and profited off of its collapse, not to mention, they were then rewarded by the federal government with trillions of dollars in bailouts for their outstanding accomplishments in causing the crisis in the first place. Criminals are rewarded, and victims are punished. That is for a simple reason: government is organized crime.

Canada's youth are in a major crisis. The youth unemployment rate in Canada is at 14.7%, compared to an overall unemployment rate of 7.4%, with 27,000 less jobs for young Canadians than last year. As one economist explained, "In addition to the fact that youths are facing competition from their own age cohorts, they are now facing competition from people who just lost their jobs during the recession and have 20 years of experience in the workforce." Further, the economist added, "the whole process of trying to get to where you wanted to be when you got out of university takes years longer than it used to. Taking a lower wage than you were initially expecting has significant repercussions for your long-term career." A one percent increase in unemployment rates leads to a six-to-seven percent decrease in salary, and thus, "It can take anywhere from 10 upwards to 15 years to close that gap of reduced wages. So your lifetime earnings are substantially lower, for the simple fact that you graduated at the wrong time." The real rates of unemployed are actually much higher than the stated 14% "because a lot of young people aren't collecting Unemployment Insurance or welfare." Thus, it is 14% of Canadian youths who are on Unemployment Insurance or welfare, and the statistics don't include the rest of the unemployed youth population of Canada.[36]

As for the net unemployment rate of Canadians at 7.4%, this too is misleading, because the statistics don't include the number of Canadians who have simply given up on the job search, amounting to 38,000 Canadians in the past year. The province of Manitoba created 600 new jobs in 2011, while cutting 10,000 jobs in the same amount of time. The Canadian economy has cut 37,000 jobs just since October of 2011, and it's only going to get worse. While there are 27,000 less jobs for Canadian youth than there were last year, this number grows to 300,000 less jobs for youth than there were in 2008.[37]

The Canadian federal budget, released in late March, set out the government's priorities for the coming year. Students and youth, who are among the most in need of help, were basically left out of the budget, naturally, since they are not multinational corporations, bankers, or billionaires. What money is going to schools is marked for industry-related research (i.e., a corporate subsidy), and as Finance Minister Jim Flaherty explained, "The plan's measures focus on the drivers of growth: innovation, business investment, people's education and skills that will fuel the new wave of job creation." Again, it's important to note that when politicians use the terms "jobs" or "job creation," what they actually mean is "profit" and "profit creation," invariably for corporations and banks. In regards to education:

The Conservatives placed a clear emphasis on partnerships between businesses and universities when it came to research funding: among their plans, they intend to dedicate \$14 million over two years to double the Industrial Research and Development Internship Program, which currently supports 1,000 graduate students in conducting research at private-sector firms.[38]

While the Canadian government announced funding of "\$500 million over five years to support modernization of research infrastructure on campuses through the Canada Foundation for Innovation," as well as through other research granting councils, the funding will actually be reallocated from other areas of education financing, what are deemed "lower-priority programs," which means that they do not directly support corporate or industrial profit-making potential. The government will also cut 19,200 jobs from the public sector.[39]

The federal government's budget estimates a \$5.2 billion cut in spending, as well as increasing the limit on Old Age Security from 65 to 67, meaning that older people will have to work longer before getting any benefits.[40] That will give the government just enough time to steal everyone's pension and hand them to corporations before the people actually need them. So while the government cuts social spending, ignores the needs of Canada's youth, and fires tens of thousands of workers – this is what economists call “fiscal austerity” – it simultaneously is increasing its spending and support to Canada's corporations (who are already as “fit as a fiddle”), with “direct spending and incentives to help firms expand, invest and export, as well as measures designed to shed some of the shackles on their growth.” The chief economist at TD Bank stated, “They are trying to create a favourable environment in which businesses can grow.” So while the government provides a meager \$50 million to help students find jobs, it hands out billions to corporations. The increased funding for research at universities is also specifically designed to produce products to go onto the market; so again, education funding is being further railroaded into merging business and higher education.[41]

These moves are obviously not taken on the initiative of government alone, but are lobbied for by the corporate and financial elite, whether directly through interest groups, or indirectly through think tanks. The Canadian Council of Chief Executives (CCCE) – formerly the Business Council on National Issues (BCNI) – is an interest group made up of the top 150 CEOs in Canada, and which directly lobbies the government to serve their interests. They played a major role in the efforts to create NAFTA and to pursue the agenda of North American integration, as well as a plethora of other free trade deals. However, their “interests” extend beyond trade, and they seek to lobby the government to serve their interests across the whole society.

The current President and CEO of the CCCE is John P. Manley, former Deputy Prime Minister of Canada, former Minister of Finance, Industry, and Foreign Affairs. He was the co-chair of a Council on Foreign Relations Task Force on the Future of North America (which set the agenda for the Security and Prosperity Partnership and North American integration). He is also on the board of directors of CIBC and a number of other corporations and non-profits. The Vice Chairman of the board of directors of the CCCE is of course, Paul Desmarais Jr. (of the powerful Desmarais family, who essentially OWN Canada's politicians and Prime Ministers), and other board members include: William A. Downe, CEO of BMO Financial Group; Gordon Nixon, CEO of Royal Bank of Canada; and a number of other leading corporate executives.

The CEOs of the following companies and business organizations are all represented in the CCCE: Air Canada, Astral Media, Barrick Gold Corporation, BCE Inc and Bell Canada, BMO Financial group, BNP Paribas (Canada), Bombardier, the Canadian Chamber of Commerce, Canadian Manufacturers and Exporters, Canadian Oil Sands Limited, Canadian Pacific Railway, Canfor Corporation, Cargill Limited, Chevron Canada, CIBC, CN, Deloitte & Touche LLP, Desjardins Group, Dow Chemical Canada, E.I. du Pont Canada Company, Encana Corporation, Ford Motor Company of Canada, GE Canada, GlaxoSmithKline, the Great-West Life Assurance Company, HSBC Bank Canada, Hudson's Bay Company, IBM Canada, Imperial Oil Limited, Manulife Financial Corporation, McCain Foods Limited, Microsoft Canada, National Bank of Canada, Pfizer Canada, Power Corporation of Canada, Power Financial Corporation, Royal Bank of Canada, Scotiabank, SNC-Lavalin Group, Standard Life Assurance Company, Sun Life Financial, Suncor Energy, TD Bank Group, TELUS, TransCanada Corporation, The Woodbridge Company Limited, among many others.

Back in October of 2010, John Manley spoke to the Association of Universities and Colleges of Canada on the issue of making Canada “a leader in the knowledge economy.” Manley stated that Canada needed to ensure that “more of our academic discoveries successfully ‘cross the chasm’ to commercial success,” referring to the need to market what is done in university laboratories. Manley stated that, “there is a need for closer collaboration between post-secondary education institutions and the business community,” as, he explained: “Business-university collaboration is key to Canada's ability to compete more effectively, to enhance our quality of life and to provide better opportunities for tomorrow's graduates.” Manley elaborated:

All of us have an interest in achieving stronger partnerships between post-secondary institutions and the private sector, and in overcoming the barriers to commercialization of university research – barriers ranging from “hard” issues of funding and intellectual property ownership, to less tangible considerations such as differences in expectations, culture and behaviour between academia and the private sector.[42]

With the release of the Canadian federal budget for 2012, the CCCE of course praised the budget as “taking steps to promote job creation and business investment.” John Manley stated, “By restraining the growth in public spending, reducing regulatory overlap, improving Canada’s immigration system and enhancing support for business-driven research, the government is helping to build a stronger and more competitive Canadian economy.”[43]

Economists from Canada’s major banks had a good deal to say about the budget. Economists from TD Bank explained that, “When combined, the various measures included in today’s budget are aimed at improving productivity and boosting private sector growth, at a time when public spending is being constrained,” and that, of course, this is a good thing. An economist at CIBC praised “the path towards fiscal balance,” as “the 2012 budget was as much about Canada’s longer term prospects as it was about squeezing spending.” Economists at the National Bank of Canada praised the budget’s decision to raise the old age security pension eligibility from 65 to 67 years, “While it is a step in the right direction, it could have been implemented earlier.” Economists at Royal Bank of Canada stated that the Canadian government “has delivered on its promise of guiding the Canadian economy towards improved fiscal performance in what are generally difficult economic times globally.” Meanwhile, the National Pensioner and Senior Citizens Federation declared that, “Today’s budget tabled by Finance Minister Flaherty confirmed the worst for our children and grandchildren... This government has attacked the retirement security of future generations as it looks years ahead for dollars to finance other priorities... There was nothing for seniors, not even a discarded penny for the poorest living in poverty.”[44]

But then, that’s the point, isn’t it? Why would you seek to help the elderly and the poor and needy when you can help the multinational corporations and global banks, and thus, when you leave government, get a secure position on their boards (as John Manley did), and live the rest of your days as a jet-setting, globe-trotting, high-rolling elite? As a politician, you get no personal benefit or profit from supporting or serving the poor or the majority, you must only serve a tiny elite, and then your place is ensured among them.

Make no mistake: Canada’s Big Five Banks, the corporations they control, and the federal and provincial governments, which they collectively OWN, have declared class war on the people of Canada. The agenda is simple: get the population of Canada indebted, which is to say, *enslaved*; then, increase interest rates, cut social spending, increase unemployment, increase tuition, increase consumer costs, increase taxes, and at the same time, give more support and money to corporations and banks, and decrease their taxes. Then, build prisons, fund the military and the police and the police state apparatus of surveillance and control, so that when the people wake up to the fact that their future is being stolen from them, you can put them in their place: under the boot.

So the question for Canadian is this: will you acknowledge the class war taking place against you, your friends, and your families and fellow brothers and sisters, and then seek to fight back; or, will you continue to go into credit card debt, further into student debt, get mortgages and passively accept subservience to a system which treats you like a slave, sub-human degenerates, and superfluous, that is, useless and expendable. It is a question of passive acceptance of an evil system, or active resistance to forge ahead and creatively construct a humane society. The question is for all; the answer is yours alone.

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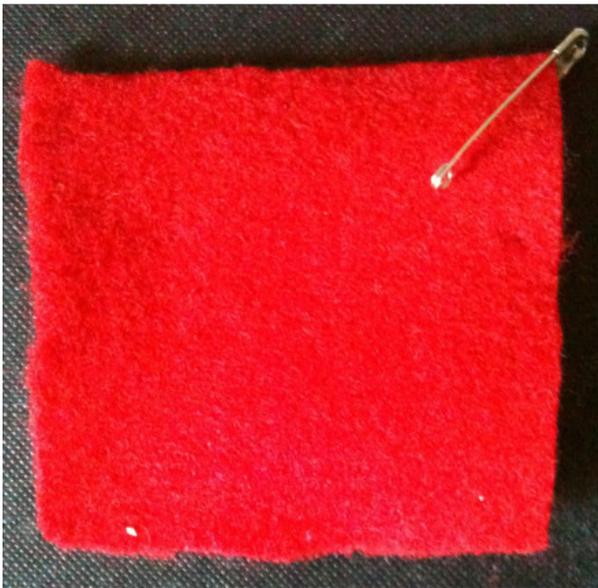
# The Québec Student Strike: From 'Maple Spring' to Summer Rebellion?

The Québec Student Strike: From 'Maple Spring' to Summer Rebellion?

*Tuition Hikes, Student Strikes, Police Batons, and Teargas Bombs*

By: Andrew Gavin Marshall

*The following is Part 6 of the series, "Class War and the College Crisis."*



The "red square" symbol of the Québec student movement

**[Part 1: The "Crisis of Democracy" and the Attack on Education](#)**

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**[Part 3: Of Prophets, Power, and the Purpose of Intellectuals](#)**

**[Part 4: Student Strikes, Debt Domination, and Class War in Canada](#)**

**[Part 5: Canada's Economic Collapse and Social Crisis](#)**

In Montréal, where I live, and across the Canadian province of Québec, there is a growing and expanding student movement which emerged as a strike in February against the provincial government's plan to increase the cost of university tuition by \$325 per year for the next five years, for a total of \$1,625. The students have

been seeking and demanding a halt to the tuition hike in order to keep higher education accessible, a concept that the province of Québec alone has held onto with greater strength than any other province in Canada. The government continues to dismiss and deride the students, meeting their protests with batons, teargas bombs, and mass arrests. The universities in Québec are complicit with the government in their repression of students and the struggle for basic democratic rights, bringing in private security firms to patrol and harass students in the schools. While the university administrations claim they are 'neutral' on the issue of tuition hikes, privately, the boards of governors are made up of bankers and business executives who lobby the government to increase tuition. After all, in April of 2007 – five years ago – Toronto-Dominion Bank (TD Bank Group), one of Canada's 'big five' banks which dominate the economy, released a "plan for prosperity" for the province of Quebec, which recommended, among other things, raising the cost of tuition: "by raising tuition fees but focusing on increased financial assistance for those in need, post secondary education (PSE) institutions will be better-positioned to prosper and provide world-class education and research." [1]

The movement is becoming more radicalized, more activated, and is consistently met with more state repression. Almost daily, it seems, there are protests all over the city, drawing in other social organizers and activists in solidarity. The little red square patch – the symbol of the Québec student strike – is adorned across the province of Québec and the city of Montréal and on the jackets and bags of a large percentage of its residents. The city and the province, it seems, are at the forefront of a youth-driven social struggle, a growing and rumbling resistance movement. As the issues spread from tuition hikes to a more broad conception of social justice, the movement has the potential to grow both within and far beyond Québec. If the situation continues as it has until present, already the longest student strike in Québec's history, with increased activism and accelerated state repression, it is not inconceivable to imagine a growing student-led social rebellion by the end of the summer. As the economic situation in Canada – and indeed, the world – continues to get worse for the people of the world (as opposed to the corporations and banks, who are doing very well!), the momentum behind the current student movement has the potential to spill across Québec's borders into the rest of Canada, with some people referring to this as the beginnings of the 'Québec Spring,' or the 'Maple Spring.'



Protest in Montréal

Emotions are running high in Québec, and increasingly, the government and the Canadian media are presenting the protesters as violent and destructive, and framing the debate in a misleading context, presenting the students as whining about “entitlements.” The rest of Canada is especially fed a line of intellectual excrement, repeating the same invalid and misleading arguments *ad nauseum*. This article seeks to present the issues of the strike, and the actions of protesters and the government into a wider context, so that other young Canadians (and youth around the world) may understand what is truly taking place, what is truly being struggled for, what the government and media are doing to stop it, the absurdity of the arguments against the students, and the need for this movement to spread beyond this province, to let this truly be the dawn of the ‘Maple Spring.’

## Entitlements and Social Justice: Putting the Protests in Context

The most commonly spewed argument *against* the student protests – and *for* the tuition increases – emanating from the ‘stenographers of power’ (the media) and others, is that the students are complaining about their supposed ‘right’ to entitlements for cheap education. Québec has the cheapest university tuition in Canada (for residents of the province), and even with the tuition increases, it will still remain among the cheapest nationwide. Thus, claims the media, there is no rational basis for the complaints and strike. The argument is, however, based upon the fallacious argument that, “the rest of Canada does it, so why not Québec?” In Québec’s history, however, the claim that “the rest of Canada does it” has never been an argument that has won the sympathy of residents of Canada’s French-speaking province. This argument, however, goes beyond a cultural difference between Québec and English-speaking Canada. The most basic problem with this line of thinking is that what is taking place in the *rest* of Canada is something to aspire to, that because the rest of Canada has higher tuition costs, this is not something to struggle against. When placed in context, we are left with the conclusion that the rest of Canada should be following the example of the students in Québec, not the other way around. So let’s break down the numbers.

Currently, the average yearly cost of tuition for Québec residents is \$2,519. With the projected increases of \$325 over five years (for a total of \$1,625), the annual cost would reach roughly \$4,000. The province of Ontario has the highest tuition costs in the country, which has also increased over the past four years from \$5,388 to \$6,640, an increase of 23% between 2008 and 2012. Québec’s proposed 75% increase over the next five years would mean that Newfoundland would have the lowest tuition in Canada, at \$2,649 per year. Québec, while currently the cheapest in Canada, has already undergone a number of tuition hikes in recent years. While maintaining a tuition freeze between 1994 and 2007, while the rest of Canada had consistent hikes, Québec premier Jean Charest introduced a five-year tuition hike of \$100 per year between 2007 and 2012. So the reality is that Jean Charest has undertaken and is attempting to undertake a 10-year tuition hike for a total of \$2,125 in additional costs, more than doubling what tuition cost in 2007, prior to the onset of the global economic crisis.[2]

So, what does this have to do with the rest of Canada? Let’s pretend, for a moment, that the argument that “the rest of Canada does it” is a valid one. So let’s look at what the rest of Canada actually does, and therefore, if this is something which should be accepted and promoted, instead of struggled against. An article in the *Kamloops Daily News* pointed out that the average tuition cost in Canadian schools is \$5,000, while Québec currently has roughly half that cost. Thus, stated the author, “despite all the whining and crying coming from post-secondary students in Quebec, it’s hard — really hard — to feel sorry for them.” Describing the students like children throwing a tantrum for lack of getting what they want – “kicking up a fuss” – the author contends that since we’re not in a “perfect world,” tuition has to be increased. This line of thinking is, of course, beyond ignorant. Its premise is that because we don’t live in a “perfect world,” there is no basis for trying to struggle for a “better world.” I suppose that black Americans in a liberation struggle in the 1950s, 60s and 70s should have just listened to those who claimed that, “hey, it’s not a perfect world, accept your place in it!” Or perhaps gays and lesbians should just accept that it’s “not a perfect world,” so, why bother attempting to attain rights? Or, for that

matter, just tell women to get back in the kitchen. After all, it's not a "perfect world," so there's really no point in trying to make it better, in trying to achieve even small victories along the way. With this absurd argument out of the way, it is true that Québec has roughly half the tuition costs as the rest of Canada. As well as this, Québec students have less student debt than the rest of Canada, at roughly \$13,000, also nearly half as what the rest of Canada has. The author of the absurd article contends, therefore, that the *real* reason for the strike is that, "like a lot of things in Quebec, the sense of entitlement seems to have become a normal part of the culture." [3]

Now, think about this for a moment. Let's put this in its proper context. The average tuition for students in Québec is \$2,500, and the average debt for Québec students is \$13,000. On the other hand, the average tuition costs for Canadian students is \$5,000, with the average debt for Canadian students at \$27,000. Is this really something to aspire to? Is this really the type of "equality" that we should want, that we should accept, or adhere to? Is it really a valid argument in stating that since the rest of Canadian students pay excessive tuition costs and graduate with absurd debts, that we should too? Especially important in this equation is the current condition for students and youth in Canada today, where upon graduating with an average of \$27,000 (a national average, which, by the way, is kept lower due to Quebec's lower fees), and "once they complete their degrees, there are fewer jobs around that pay the kind of money that allows grads to seriously whittle away at their debt." This massive debt for students in Canada "is bankrupting a generation of students," explained the *Globe and Mail*. It's not simply the money which is being borrowed, but the interest rates being paid, varying from province to province at between 5 and 9 percent. Interest rates, more over, are expected to increase, and thus, the cost of the debt will increase, and with that, so too will youth poverty increase. [4]

With tuition hikes to add to that, [the debt burden will become greater](#). So not only will the average interest payments on student debt increase with more student debt required to pay for tuition, but the interest rates themselves will increase. What this translates into is class warfare. Thus, the argument that "the rest of Canada does it, so stop complaining," is akin to saying, "Everyone else is screwed, doomed to be a 'lost generation', so stop complaining that we're throwing you to the wolves too!" Since debt essentially amounts to a form of slavery, let's use the example of slavery itself to look at this argument. Let's build a premise of ten slave plantations, one of which is made of indentured slaves (meaning that they will be freed after a set amount of time), and the other nine consist of absolute slavery (from birth to death). Indentured slavery, while not desirable, is better than absolute slavery from birth to death. So, if the plantation owners begin to change the system of slavery of the unique plantation from indentured to life-time slavery, and the indentured slaves revolt, the plantation owners would then argue, "All nine other plantations operate under that system, stop complaining." Is this a legitimate argument? So when Québec's student-slave plantation owners tell us that, "the rest of Canada does it," what they're really saying is that they want to enslave us in debt and plunge us into a poverty of future opportunities to the same degree that exists in the rest of Canada. And when we fight against this, they say we are "whining and crying" about "entitlements."

Québec students, themselves, are not living the easy life, as the picture is often painted. A study from November of 2010 put to shame these notions, based upon surveys of students in 2009, and thus, before the \$500 tuition increase that ended in 2012, meaning that the numbers are likely much worse today. Half of all full-time students in Québec live on less than \$12,200 per year, significantly below the national poverty line. To add to that, 25% of full-time students live on less than \$7,400 per year. This data includes the amounts that students get in government loans, leading the president of the Fédération étudiante universitaire du Québec (University Student Federation of Quebec), Louis-Philippe Savoie, to comment, "Imagine the disastrous effect that raising tuition fees by the Charest government" would then have on the students. The largest source of finances for students does not come from government loans, but from working: part-time students work more, and have less debt, with their work accounting for 83% of their financing; full-time students have more debt, but still 55% of their financing comes from working, and over 80% of full-time students work an average of 18.8 hours per week. Thus, Savoie noted, "The portrait of the lazy student is totally false." The second largest source of

financial support for students is from parents, accounting for 22%, with 60% of full-time students getting support from their parents and families, while 23% of part-time students get financial support from their parents, accounting for a total of 7% of their total financing. Roughly 60% of full-time students in Québec will go into debt, averaging at around \$14,000, with student loans making up the majority of that debt, as 44.5% of full-time students have government loans, 23.4% take out bank loans or credit lines, and 22.1% take on credit card debt. The study further showed that 46.6% of part-time students will even end up in debt, averaging at \$11,500. The report concluded that the government should freeze tuition and increase financial assistance.[5] Over one year later, the government announced a 75% increase in tuition costs.

## To Strike and Strike Down!

By April 26, 2012, the student strike – the longest in Québec’s history – had lasted 72 days and had a running total of 160 different protests, hundreds of people arrested, multiple injuries, and still the government stands stubborn in its refusal to even enter a negotiation with the students in good faith. As a result of the government’s intransigence to democratic appeals, some have taken to acts of violence and destruction. Bricks have been tossed off a downtown overpass, and onto the tracks of the Montréal metro system, leading to road and metro closures. Cars and businesses in downtown are left with broken windows and shattered debris, the remnants of protests in which police invariably turn to oppression and brutality. As the government and police become more repressive, the issue becomes less and less about tuition, and develops a wider social position. Thus, the nomenclature has begun to change from “student strike” to “Québec Spring” – or “Maple Spring” emblematic of “a broader, international Occupy-style fight for a new economic order.” In French, ‘Maple Spring’ is translated as “*Printemps Érable*,” with érable being very close to the French word for ‘Arab,’ thus drawing an even closer dialectical connection with the ‘Arab Spring.’ One student commented, “A lot of people have stopped calling it a student movement; now it’s a social movement, and I think that it affects people in a much deeper way than just tuition fees.” Another student added, “the whole protest is against the neoconservative and neoliberal point of view of doing politics... People in Quebec are using this movement as a means of venting against the current government.”[6]

In March of 2011, Québec’s Finance Minister under the Liberal Jean Charest government announced the tuition hikes of \$325 per year, over five years. In August of 2011, students began campaigning against the tuition hikes, with a large peaceful rally held in Montréal in November, establishing a “common front” of student groups attempting to apply democratic pressure against the government. On February 13, 2012, the strike officially began, with several student groups voting in favour of a walk out. The decisions in the student group are, after all, made democratically, unlike the decisions of the government.

On February 23, students occupied a downtown bridge, and were subsequently pepper-sprayed by police. During a protest on March 7, one student, Francis Grenier, almost lost an eye due to a police stun grenade. On March 21, student tactics changed – as the government refused to even consider negotiations – and were now seeking to disrupt the economy in order to be heard. One group of students occupied the busy city Champlain Bridge in Montréal during rush hour, leading to each student involved being fined \$494. On March 22, a massive rally of students from around the province took place in Montréal, drawing hundreds of thousands of students and supporters. The government again refused to negotiate or even consider changing its position. Line Beauchamp, the Quebec [Mis]Education Minister, had the outside of her Montréal office painted red – the symbolic colour of the protests – as she continued to deride the protests and refuse to negotiate with the students. On April 16, the city’s subway (metro) system was shut down in a number of places as some individuals (who remain unidentified) tossed bags of rocks onto the metro tracks at a number of different stations. On April 18 and 19, over 300 people were arrested in the city of Gatineau, Québec, in a confrontation with police at a local university campus. On April 20 and 21, as Jean Charest was attending a job fair, speaking to an audience of business leaders in promoting his ‘Plan Nord’ (Plan North) which seeks to provide

government funds to subsidize multi-million and multi-billion dollar mining corporations to exploit the mineral resources of northern Québec, had his speech interrupted by protests. Outside the convention centre, protesters clashed with police, leading to the arrests of over 100 people.[7]



Francis Grenier, who almost lost his eye

In what was described by the *Globe and Mail* as Jean Charest's "Marie Antoinette moment," as tear gas filled the streets with students fleeing the riot police protecting the comfortable lap-dog-to-the-rich premier inside the convention centre, Charest, speaking at a business lunch with his *real* constituency (the wealthy elite), joked, "we could offer them a job ... in the North, as far as possible." [8]

Jean Charest, when he paused from making jokes about giving jobs to students "as far as possible" in the North, commented that, "[t]his is 2012, this is Quebec. We have had ministers find tanks of gas on their verandas... Molotov cocktails in front of their offices. There are ministers who have had death threats." He added, "I find it unacceptable that one student association refuses to condemn violence," referring to C.L.A.S.S.E (the largest and most militant of the student groups). Meanwhile, as Charest joked and complained, students were being brutalized by police just outside his conference meeting, with tear gas and concussion grenades being tossed at Québec's youth by riot police. Charest declared social disruption to be "unacceptable," but apparently state repression and violence is therefore, totally acceptable.[9]

With Jean Charest's 'Marie Antoinette moment' during his conference of congratulating Quebec's business elite on their new government subsidization from his administration (the latest Québec budget allocated massive funds for mining companies), protests continued outside, with students setting up barricades "made from construction site materials and restaurant patio furniture to impede the circulation of police," and so of course, the police "responded with stun grenades, pepper spray and batons." As the violence erupted, Charest was inside making more jokes to his real constituents, stating, "[t]he (event) that we're holding today is very popular. People are running all over the place to get in." The crowd of businessmen erupted in laughter and applause. Charest added, "It's an opportunity for job hunters." The spokesperson for the student group, CLASSE, replied to the premier's contemptuous comments, stating, "all my calls for calm won't do anything... He's laughing at us. I don't know if he realizes were in a crisis right now." [10]

## The Schools Side Against the Students

The schools themselves have been participating in the repression of student strikes. Injunctions were issued to protesters, demanding that they permit other students to attend their classes and exams. The legal injunctions declared that those who were not attending classes were not considered to be participating in a legitimate strike. After the injunctions were issued, and two days after the school's director demanded classes resume, student protesters blocked the entrance to College de Valleyfield, with hundreds blocking the main doors to the school. The school director threatened students that if they did not return to class they would fail the semester. The director, however, canceled the classes in order to avoid a physical confrontation with protesters. Education minister Line Beauchamp then reminded schools that, "they are legally obliged to provide courses." Premier Charest, who was in Brazil at the time, again serving corporate interests on a trade mission, suggested the possibility of "forcing the schools to open." He added, "We leave to each institution the task of taking the decisions they must make based on several criteria that include safety as well as the management of their establishments." [11]

At Concordia University, protesters also blocked the entrance doors, preventing other students and teachers from entering the building during exams. The school responded by calling in the riot police to 'remove' the protesters, with fights breaking out between various students, and police then began "intervening" with pepper spray. The University of Montreal won a court injunction which banned protests from assembling on the school campus. The school informed students that, "all individuals must refrain from blocking access to campus buildings, individual classrooms, and even parking lots. Protesters are also banned from taking any action that interferes with classes, campus services or meetings." [12]



Protest at Concordia University

Striking students at McGill University delivered a letter to University President Heather Munroe-Blum, signed by many students, professors, staff and student groups, asking the school to accommodate striking students with finding alternatives to exams or issuing 'Incompletes' for classes. Munroe-Blum was not present to accept the letter, with her chief of staff accepting the letter on her behalf, stating that Munroe-Blum had "University business off campus." Perhaps she was running errands for the Royal Bank of Canada, whose board of directors she also sits on. Concordia University has also shown significant opposition to the strike. The chancellor of Concordia, incidentally, is also on the board of directors of the Bank of Montreal. Concordia, facing demands from striking students to accommodate the strike, replied: "The university's position has been the same from the beginning, and it's not going to change." Students who are involved in the strike, stated a Concordia spokesperson, are "accepting the risks." She added, "[t]hose who choose not to attend exams when exams are being held, they know the consequences... There's just nothing more we can add." A CLASSE representative referred to the situation of the striking students at Concordia, numbering in the thousands, "Unfortunately, since the start of the conflict [they] have faced an intransigent and undemocratic attitude in their talks with their administration." Some of the French-speaking schools had been making accommodations for striking students,

but none were to be found at the English-speaking schools, where there are fewer strikers and more elitist administrators. The CLASSE representative, Gabriel Nadeau-Dubois, commented that, “[o]ur coalition and our militants will be there on the campus to help the students, to help the strikers, in order to make their democratic-mandated strike respected.”[13]

Concordia University has also responded to the strike by hiring a private security firm to patrol the school. On March 26, there was a clash between striking students and security guards as the school took a harsh stance against picketing students. Some students were taking part in a sit-in on the 7<sup>th</sup> floor of the school, while others were being harassed by seven security guards on the 4<sup>th</sup> floor. Geography students were blocking the entrance to their classroom when security guards showed up, purportedly to ensure “there would be no incident,” while intimidating the students and filming them. One student who was present commented, “What happened at the classrooms so far was very calm and very peaceful. The presence of security guards is creating a really uncomfortable environment on campus. It’s really unnecessary and it feels like students are being prosecuted.” The previous week, the school had sent emails out to all of its students, “warning about consequences for students who choose to continue blocking access to classes, which could include formal charges.” The geography teacher who was supposed to teach the class then cancelled it, telling the security guards that there weren’t enough students to continue the class. The professor commented, “I just think that I’m in a really difficult position because I respect what the students have democratically chosen to do... But the picket wouldn’t permit me to pass through anyway and there weren’t enough students that were in the classroom to hold the class.” Earlier that same day, a student who was filming an argument between security guards and students “was struck in the face by one of the security guards, throwing the camera out of her hands and onto the ground.” The incident [was filmed](#), and after the camera was thrown to the ground, the student asked the security guard for his name “for hitting a student,” after which he walked away.[14]

As it turned out, the security official that hit the student in the face “was discovered not to be in possession of a valid security permit, according to a letter sent by the Concordia security department.” The student who had been assaulted had filed a request for information from the director of Concordia University Security, to which she received a letter response informing her that the assaulting guard – hired by the school from the private firm of Maximum Security Inc. – did not possess a security license, adding, “Given the fact that he is not a licensed security agent [...] we are not legally permitted to release his name.” Concordia Student Union (CSU) VP Chad Walcott commented, “It would be very concerning if we are being blocked access to any information about the assault of a student... Having unlicensed security staff on campus is completely unacceptable.” The student who was hit told the school newspaper that, “[t]hese kind of accidents are likely to happen again... That’s what happens when you start hiring a large number of security guards for political purposes on campus when they’re not trained to do it.”[15]

CSU VP Chad Walcott later commented: “The university told us on [March 30] that this person was under review... Then we found out that he wasn’t even licensed at all, which leads me to believe that the university lied to us, or they themselves were lied to... Every security agent that is on the university premises is supposed to be a licensed individual. These individuals are also all supposed to be providing students with licenses when requested, and to fail to do so is a violation of the Private Security Act.” As section four of Quebec’s Private Security Act stipulates, “Any person operating an enterprise that carries on a private security activity must hold an agency license of the appropriate class.”[16]

Meanwhile, in late April, the Canadian Parliament – with the Conservative Party in power – are attempting to pass a bill entitled, “Bill C-26: The Citizen’s Arrest and Self Defence Act,” which “clarifies” laws around citizen’s arrests, and according to the Canadian Bar Association, “will grant greater powers to private security agencies” which “will give poorly trained ‘rent-a-cops’ greater latitude to arrest Canadians.” An official at the Canadian Bar Association warned that, “Such personnel often lack the necessary range of equipment or

adequate training to safely and lawfully make arrests in a manner proportionate to the circumstances.” The *only* MP in Parliament to oppose the bill was Elizabeth May of the Green Party, who stated that it would be a “very big gift to the private security companies... The constitution of this country is governed by the concept of peace, order and good government... This stuff goes off in a wacky new direction, and it worries me.”[17]

The Concordia University email sent to students declared that it was “no longer possible to tolerate further disruption of university activities by a minority of protesters who refuse to respect the rights of others,” though apparently it is okay to tolerate harassment by private security guards. The university informed students that those who choose to picket will be asked for their IDs by the private security goons, “and will be reported to a panel to face the appropriate charges,” while those who refuse to provide ID “will have their pictures taken in order to be identified.” The school declared that, “[t]he charges will depend on the severity of the case but it could go from a written reprimand to expulsion.” A Concordia spokesperson stated, “[t]he university will only target students who are physically blocking access to classrooms and offices. We received complaints and we need to make sure our community has the liberty of movement. Blocking the Guy Metro building [the previous week] for example was unacceptable.” The Concordia Student Union and Graduate Student’s Association replied to the school’s email, stating, “Students will not be intimidated.” Both organizations referred to the school’s email as “dangerous” and “irresponsible,” presenting picketers as aggressive, when “in reality [their actions] have been consistently characterized by a lighthearted, peaceful, and creative nature, with very few incidents.” A student union official stated, “[t]heir message is calling for a profiling of students and a general discrimination against protesters and picketers. We think that it is highly unacceptable.” The same official added that, “We actually sat with the university administration to tell them that this email would only create conflictual relations between students and the university... We were basically told that the university did not care if things went out of hand.”[18]

### **Negotiations in Good Faith...? Not With Beauchamp!**

In late April, the [Mis]Education Minister, Line Beauchamp, suggested that the government would agree to discussions with the students. She ensured, however, that the talks would be cancelled before they began, by demanding that the more radical, and most active student organization – C.L.A.S.S.E. – be refused the opportunity to engage in the discussions. Why? CLASSE was branded as “radical” (assuming ‘radical’ is a bad term to begin with) because it refused to come outright in denouncing violence at the protests, though there has never been any condemnation of police brutality and repression from the government, so it’s apparently a contradictory position. Moreover, Beauchamp, accustomed to operating in an authoritarian manner, empty of any notion of democratic governance, demanded that CLASSE do as she said before they could be invited to discussions with a government that had, until late April, refused to discuss the issue with hundreds of thousands of students demanding it. Beauchamp delivered an undemocratic ultimatum, stating that she would only speak with two of the three student associations involved, which together represent 53% of striking students. The student organization, CLASSE, which represents 47% of the 175,000 striking students, held a press conference in response, saying “Beauchamp’s decision was unacceptable and that there can’t be a solution to the dispute without CLASSE’s involvement.” A spokesperson for CLASSE commented, “She can’t marginalize half of the people on strike,” and accused Beauchamp of attempting to “divide and conquer” the student movement. CLASSE was not even involved in the violence that took place, and as the organization acts and makes decisions in a democratic manner, it cannot respond to authoritarian ultimatums from a woman who has no consideration for democratic methods.[19]



### Education Minister Line Beauchamp

Despite Beauchamp's authoritarian ultimatum, the other student groups remained in solidarity with CLASSE and refused to meet with the [Dis]Honourable Beauchamp unless CLASSE was present. CLASSE announced that they could only denounce the violence if the members voted on it, since the leaders of the organization (unlike those of the government) must make decisions based upon the democratic wishes of their constituents, not their personal pandering to the financial elite. Of course, the refusal by CLASSE to follow the immediate demands of Beauchamp incurred the continued denunciation of the organization by the government and its media lap-dogs like the *Montreal Gazette*, responsible for possibly the most deriding, rag-like, yellow-journalism-inspired newspaper coverage of the protests to date. However, on April 22, CLASSE addressed its constituents (unlike the government) and they took a vote in which they unanimously condemned the violence, stating: "The position we took to last night was to clearly denounce and condemn any act of deliberate physical violence towards individuals... As a progressive and democratic organization, we cannot subscribe to those actions." The spokesperson for CLASSE added, however, that civil disobedience will continue: "We think that the principle of civil disobedience has made Quebec civil society a little bit more just and little bit more free than other societies." Beauchamp replied to the announcement, clearly confused about the difference between civil disobedience (the likes of which was praised and practiced by peaceful non-violent leaders like Gandhi and Martin Luther King) and acts of violence. Beauchamp addressed her own lack of education in stating, "We all need to act in good faith. If social and economic disruptions continue, the students who endorse them will be excluding themselves from talks." So where previously it was the refusal to denounce violence that would result in exclusion of talks, and since that requirement was met, the demand changed to refusal to denounce "social and economic disruptions," which is the entire basis of civil disobedience, strikes, and protests. So, essentially, Beauchamp is demanding that the student organizations denounce their cause before they meet... to discuss their cause.[20]

The last strikes that took place in Quebec in 2005 were successfully divided using the same strategy as Beauchamp attempted. However, as her tactical failure was evident, the divide and conquer effort clearly was not working on Québec students anymore, who remained in solidarity with one another. The government then agreed to sit down to negotiations with the student groups in late April. The talks came to a quick end on April 25, as Line Beauchamp admonished CLASSE for sponsoring a protest the previous night which ended in violence, vandalism, and injuries. Beauchamp commented that, "We cannot pretend today that they have dissociated themselves. I consider, therefore, that the CLASSE has excluded itself from the negotiation table." A CLASSE spokesperson replied, "Madame Beauchamp does not want to talk about the tuition hike... This

decision by Madame Beauchamp is obviously another strategy to sabotage the discussions... Madame Beauchamp will not resolve the crisis without the CLASSE.”[21]

On the night Beauchamp threw her hissy-fit and again ended the chances of negotiations, Montréal had a large protest, drawing thousands of students into the streets. When the students reached a police barricade at a major downtown intersection, tempers flared: garbage cans were overturned, windows of banks were smashed, and some rocks were hurled at police cars. It is notable that violence tends to erupt in protests when confronted with a heavy police presence. A protest earlier on that same afternoon was entirely peaceful, as the police did not have a major presence, instead tailing behind the protesters in vans. It is when the protest is cordoned off, and the right to march – the right to freedom of speech, association, and movement – is being curtailed by riot police, blocking off entire intersections like some reinforced line of Storm Troopers, with police tactics aimed at attempting to separate the protesters into smaller groups, that the police presence creates an antagonizing factor. So, as the protest on the 25<sup>th</sup> of April was confronted by the line of riot police storm troopers, the protest was declared to be “illegal” by the police: as a few acts of vandalism took place, the police waited, and then began firing tear gas into the crowd of students. The crowd began to disperse and students ran, as the police threw concussion grenades and used their batons.[22]

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Protest following Beauchamp's cancellation of negotiations

The following day, all the blame was placed upon the students. In fact, this remains consistent. All the blame for all the events that have taken place is placed squarely upon the students and protesters. When, earlier in April, three out of four of Montréal's metro lines were shut down due to bags of bricks being thrown on the tracks and emergency stop levers being pulled on the trains, the blame was also put on students, "but the police have not connected this incident to students." One individual even released a smoke bomb in a metro station on April 18.[23] While the sources of these incidents remain unknown, the sources of the vast majority of violence at protests is quite evident: the police. It should also be noted that Québec has a bad track record of dealing with protesters and inciting violence, often through *agent provocateurs*. Back in 2007, at the Montebello protests against North American integration, the Québec provincial police had to later admit that they planted three undercover cops among the protesters, dressed in all black, with their faces covered and brandishing large rocks in their hands as they neared a lineup of riot police. The three men were called out by protesters as being

undercover cops attempting to start a riot and justify police repression, and once their cover was blown, they made their way past the police line where they were then “arrested.” Photos of the men show that they were wearing the same police-issued shoes as the riot cops, and the government had to later admit that they were indeed police. Though, the government claimed at the time, their men were undercover “to keep order and security.” No doubt with large rocks.[24]

### **Emergence of the ‘Maple Spring’**

Following the large protests in late April, the Liberal Quebec government – bypassing negotiations – came up with its own brand new “solution” to the protests: increase the tuition even more! Jean Charest and Line Beauchamp gave a press conference on April 27 announcing a six-point plan to end the protests, with absolutely no input from the protesters themselves. Charest began the press conference, speaking to the stenographers of power (the media), stating, “There is an increase in the tuition fees... Let’s not pretend it isn’t there.” The proposal suggested that the government would spread the increases over seven years instead of five, though Charest announced that the government would begin “indexing” the tuition costs in the sixth and seventh years to the rate of inflation, which would mean an annual increase of \$254 over seven years (instead of \$325 over five), resulting in a total of \$1,778, as opposed to the \$1,625 over five years. Beauchamp added that, “after factoring in the income-tax credit on tuition fees, the increase is \$177 a year, or 50 cents a day.” Beauchamp told reporters, “I invite the students to go to their courses because the solution proposed by the government is a just and equitable solution which ensures better financing of our universities, which ensures a fair share from students, which also ensures access to university and ensures better management of our universities.” Further, Charest and Beauchamp announced that the government would add \$39 million in bursaries, the premise of which suggests that it’s fine if the government takes a lot more money from students, so much as they give a small fraction of it back, without raising the obvious question of: why don’t we just keep it in the first place? A student organizer commented that Beauchamp’s “50 cents a day” argument was “very clever,” yet, “It does not touch the nub of the question.” The president of the student organization, the Federation étudiante universitaire du Québec (FEUQ), Martine Desjardins, commented that, “Quebec families are already heavily indebted,” and the new plan would only increase the debt burden.[25]

An overlooked report from late March by the Institut de recherche et d’informations socio-économique explained that, “increased student debt from higher tuitions could have severe repercussions on public funds.” The researchers noted that, “the provincial government is creating a precarious situation when it encourages students to incur higher debt, much in the same way banks in the United States created a risky situation when they made it easy to obtain mortgages – a situation that ultimately threw the U.S. economy into a recession when homeowners began to default on their payments.” When interest rates go up, as they are set to do so, “today’s students may well find themselves in the same situation of not being able to pay off their student loans.” One of the researchers commented, “Since governments underwrite those loans, if students default it could be catastrophic for public finances... We are already seeing signs of a higher education bubble like that in the U.S... If the bubble explodes, it could be just like the mortgage crisis... The fact is, there is no need for additional funding for Quebec universities.”[26]

The student movement has now begun the campaign for other social movements, labour groups, and activist organizations to join the protests in a wider ‘social strike’ against the Québec government. The more radical student organization, which represents 47% of the 175,000 striking students in Quebec, C.L.A.S.S.E., issued a press release in late April calling for a “social strike” from the “population as a whole!”[27]

Following a massive demonstration of over 200,000 people on April 22 in Montréal demanding the protection of the environment and natural resources, the message was clear: more than tuition is at stake. A manifesto for a “Maple Spring” appeared and spread through social media networks in late April. The manifesto declared that:

2011 was the year of indignation and revolt. The Arab spring unnerved autocrats, swept out dictators, destabilized regimes and drove many to grant reforms. The images of these Arab peoples deposing their oligarchies went around the world and set an example.

Inspired by the spontaneous occupations of public places in the Arab world, the first Indignados appeared in Spain, when deep-going austerity measures were imposed on the country. The Spanish highlighted the real limits of democracy in that country, strongly affected by the economic crisis, subject to the dictates of the financial markets, with 46 per cent of its young people unemployed. The initiative produced its emulators and the movement spread in Europe and beyond.

The movement extended to North America, and from New York around the Occupy Wall Street initiative. That movement was aimed at the richest 1 per cent, the major banks and multinational corporations, which dictate the laws of an unjust global economy that is mortgaging the future of all of us. The movement then spread to more than 100 U.S. cities, but also to Canada (Vancouver, Toronto, Ottawa, Montréal).

The rebellious Arabs, the European Indignant, or the American occupiers, all have gathered behind the same message of hope: Another world is possible!

This storm of global protest against economic and political elites out of touch with the legitimate concerns of insecure peoples who are always being asked to pay more, to work harder, and above all not to demand anything in return, is now blowing over Quebec. The students' courageous fight for the right to education now constitutes the spearhead of a profound movement of indignation and popular mobilization that has been stirring in Quebec for several years. The monster demonstration of March 22 launched the *printemps érable!* [Maple Spring!]

Let us join in this global current of revolt and follow the example of the Icelanders who, in January 2009, forced the resignation of the neoliberal government of Geir Haarde, which had participated in the genesis of the economic and social crisis in which that country plunged in 2008.

*It's Quebec's turn to bring down its corrupt clique!*

*Charest, that's enough! Let us demand the government's resignation!*[28]

Among the 'demands' that the manifesto made were:

- The right to education for everyone, without discrimination linked to money;
- The right to a healthy environment and the conservation of our natural resources, to protect our water, our rivers, our forests, our regions, and not to yield to the voracious appetite of the mining and oil and gas companies;
- The rights of the indigenous peoples to their aboriginal lands;
- The right to enjoy a responsible and democratic government, serving its people and not some financial interests;
- The right to pacifism and international solidarity, clearly displaying Quebec's opposition to the militaristic and commercial policies of the federal Conservative government;

- The right to a local, sustainable, mutually supportive social economy that puts humans at the centre of its concerns.[29]

Solidarity for the Québec students has been shown from students and unions and other groups across Canada and indeed, around the world. Students from the University of Ottawa have participated in strikes and protests in Montréal, and the Student Federation of the University of Ottawa (SFUO) sent a bus of students to participate in the mass rally of hundreds of thousands of students on March 22. SFUO president Amalia Savva stated, “When it comes to tuition fees in general—when we see a 75 per cent increase in tuition fees over the next five years in Quebec—that’s extremely dangerous for students not only in Quebec, but across the country, to set a precedent like that... Tuition fees are one of the common struggles students have, not only between Quebec and Ontario, but across the country and across the world as well.”[30]

A number of unions from Ontario expressed solidarity with the student strike, stating that, “We stand in solidarity with the student strikers and the professors, campus workers and community members who have supported this movement. Students in Quebec are fighting against the commercialization of education and user pay through tuition increases that create massive barriers to access and student debt that profits the banks while haunting students for years after graduation.”[31]

On April 26, roughly 50 peaceful protesters assembled in downtown Toronto, with riot police assembled nearby, demonstrating in support of the Québec student strike.[32] A progressive think tank, the Centre for Social Justice, had called for the Toronto protest, issuing a press release stating: “Join us for a rally in front of Québec’s Office in Toronto in solidarity with the ongoing student strike. On this occasion, we will be delivering a petition to be sent to the Premier’s office in Québec. With this action, we also want to contribute to bringing this great movement’s democratic and combative spirit to Ontario.”[33] Students, while fighting against tuition hikes around the world, continue to express solidarity with Québec’s strike, including signs of solidarity appearing at a protest against tuition hikes in Taipei, Taiwan, as well as small protests in Paris and Brussels specifically assembled to show solidarity with Québec students.[34]



Solidarity protest in Belgium



Solidarity protest in Paris, France

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Student protest in Taiwan, also showing solidarity with Québec

Québec is not the only place where there is a massive student movement developing into a wider social movement. In fact, Chile saw the start of its massive nation-wide student protest movement in May of 2011, roughly one year ago. The movement began as a student protest and evolved into a wider social movement with demonstrations drawing hundreds of thousands of Chileans, often met with the state apparatus of repression, remnants from Chile's military dictatorship put in power by the CIA in 1973. The student movement has continued into the new year, and on April 25, the same day that large protests erupted in Montréal, Santiago had a protests which drew tens of thousands of students into the streets (between 25-50,000), rejecting the

government's proposed reforms as "too little." Student leader Gabriel Boric declared, "We will carry on making history... We students will not give up the fight to make education a public right." [35] Roughly ten days prior to the protests, Canadian Prime Minister Stephen Harper visited Chile seeking to extend "free-trade" agreements for the benefit of multinational corporations. Canada already has the largest investment in Chile's mining industry. Reportedly, the massive student movement in Chile was not under discussion between Harper and Chilean President Pinera. [36]

So in Québec, the premier is dismissing the students and subsidizing the mining corporations. In Chile, the Canadian Prime Minister is ignoring student movements in both Canada and Chile while seeking to better secure Canadian mining interests. Thus, in the provincial, national, and international arena, Canadian politicians continually seek to protect, support, and expand the interests of multinational corporations while simultaneously undermining, ignoring, dismissing, and repressing massive student movements demanding social, political, and economic justice. This is not merely a Canadian issue, but a global one, making what is happening in Québec all the more relevant in attempting to bring about a 'Maple Spring.' Informal acts of solidarity and formal associations and relationships should be established between the two student movements in Québec and Chile so as to further empower and support those around the world who are partaking in a similar struggle.

### **What the Students are Saying**

I had the chance to interview students and youth taking part in the strike and protests here in Québec. While the mainstream media inundates readers with quotes and concerns of the minority of students who do *not* support the strike, thus giving a very slanted perspective of the events taking place, I felt it was important to provide statements and perspectives from students who *do* support and have been taking part in the strike. I asked the students to tell me about their experiences, perspectives, and hopes for the strike and student movement, and what their message to the rest of Canada would be, in light of the poor information being given through the media.

Karine G. from Québec City said that her message to the rest of Canada was that, "Québec is not Canada. Our education system, like other specificities in our society, reflects our difference and our values. We are not complaining, simply trying to defend who we are and how we think it should be reflected through our institutions. Democracy supposes that citizens are free to invest in what they value the most; we think education should be a priority." She added, "No matter what people try to justify with numbers, raising tuition fees is an ideological decision. Even though the Liberals are trying to make us believe – 'There is no other alternative' – we are not fools." She expressed a great deal of frustration in getting others to understand what democracy and strikes actually represent and consist of, and finds a great deal of "ignorance and individualism" as well as apathy among others who criticize or oppose the strike.

Mathieu Lapointe Deraiche from Montréal stated that while the strike began in opposition to the tuition hikes, "I think after 11 weeks of strike, in the middle of one of the greatest student movements in the history" of the province, in both numbers and duration, "the hike of fees is now only a detail." He added, "It is now a social crisis that [has] revealed an important generational gap (not to say 'war') between Quebec's youth and the children of the 'Trentes Glorieuses,' referring to the "30 Glorious Years" of growth following World War II, ending in the 1970s. He explained that the "social crisis" has "called into question the role of the police and the media," such as TVA, the Journal de Montréal, and the Gazette. Referring to it as a "socio-political war between the youth and the government," Mathieu explained that it has now reached the point where he "couldn't be satisfied with a cancellation of the fees," as his "actual disgust towards [the] government... transcends a financial issue."

### **Freezing the 'Spring': State Repression of the Strike**

Andrée Bourbeau, a member of the legal committee for C.L.A.S.S.E., is responsible for organizing funds to pay for the legal defense of those who are arrested at the protests (whether or not they are students), by disputing the tickets and fines which are dispersed to protesters by the police for taking part in the demonstrations. The mass arrests are done through the use of such tickets, using two Québec laws in particular to repress the student protests, which C.L.A.S.S.E. maintains – and rightly so – as being unconstitutional. For example, article 500.1 of the Code de sécurité routière (Québec law) is “unconstitutional,” explained Bourbeau, “because it prohibits any demonstration.” The article states that, “No person may, during a concerted action intended to obstruct in any way vehicular traffic on a public highway, occupy the roadway, shoulder or any other part of the right of way of or approaches to the highway or place a vehicle or obstacle thereon so as to obstruct vehicular traffic on the highway or access to such a highway.” In short, the very notion of a street protest is declared “unlawful” by Québec, which is a very violation of the right to assemble, the right to free speech and movement. Thus, it is unconstitutional. This article has led to the repression of every demonstration in Québec City, where more than 300 people have received \$500 fines under this law. If any of those individuals take part in another protest, and receive another fine, the amount increases to between \$3,500 and \$10,500. Bourbeau told me, “this is outrageous because this is purely political repression of the student movement in Quebec City.” From the beginning of April, demonstrations have been declared illegal by the police, who threaten students that they will be fined if they take part, even if the demonstrations are peaceful, and of course the vast majority of them are.

It’s a stark reminder of the reality of how the student movement is presented in the media that with over 160 protests – with an average of 2-3 *per day* across the province – the rest of Canada only hears about the few protests that turned violent. Yet, for the nearly 200 protests that have taken place thus far, they are consistently met with a large police presence, fines, police brutality, and other forms of state coercion and repression. But it is the incidents of bank windows being smashed which the rest of Canada hears about. In Montréal, protests are repressed by the police through a bylaw which forbids assemblies that “breach the peace.” Bourbeau explained, “this is so broad it covers every kind of demonstration.” Thus, at each demonstration, the police arrest students and other protesters simply for being present. When some protesters react with violence or vandalism, this is referred to in the media and by the government as a “riot.”

For example, an article in the *National Post* written by David Frum was entitled, “David Frum on the Quebec student riots.” The first line in the article wrote, “The rioting students of Quebec got scant sympathy even before they started smashing windows and detonating smoke bombs.” He later referred to the student protesters as “a radical fringe,” who do not “deserve any sympathy.” He added: “And besides, they are part of the problem: a richer-than-average tranche of their own cohort demanding support from the taxes of less affluent people.” [37] David Frum, it should be noted, is a Canadian-American “journalist” who was previously a speechwriter for U.S. President George W. Bush, an ardent neoconservative, and was one of the loudest voices calling for the war on Iraq. Frum was also responsible for coining the phrase “axis of evil,” which George Bush first used in a speech from 2002. Hard to imagine that Québec would get fair coverage from the likes of Frum.

The use of bylaws and other unconstitutional ‘articles’ are – explained Bourbeau – aimed at “trying to demobilize the students, to make us fear going out to demonstrations and organize.” Of particular concern for protesters and organizers, she said, was the recently created police “GAMMA squad” in Montréal. In January of 2011, the GAMMA (Guet des activités et des mouvements marginaux et anarchistes) squad was created as a special unit of the Montréal police, specifically designed to monitor anarchists and other “marginal political groups.” In short, it is a political policing unit, designed to engage in repression of ideological opposition to the state. These types of “squads” are typical in fascist and authoritarian countries around the world, but it’s new to Montréal. While protest organizers are very concerned about this squad, they have remained virtually out of the national media (though there is some discussion of them in the French media), so very few are even aware of their existence.

In July of 2011, C.L.A.S.S.E. filed human rights complaints against the GAMMA squad after an “unprecedented” wave of arrests, when four members of the student group, three of whom were executives, were arrested as they were preparing to organize a campaign against the tuition hikes. The stated reason for the arrests was for the organizers participating in having organized protests the previous March which resulted in a small injury of a staff member of Québec Finance Minister Bouchard’s office. A CLASSE spokesperson stated that the aim of the arrests was to “break the back” of the student movement before it even began to mobilize. CLASSE is neither an “anarchist” nor a “marginal” organization (due to it being the largest representation of the student movement), which is not to say that monitoring anarchist and other “marginal” groups (however the State defines that) is acceptable, because it is not. The “evidence” against the student organizers was largely provided by an informant for the GAMMA squad.[38] CLASSE spokesperson Gabriel Nadeau-Dubois stated, “There is no doubt about the political nature of these arrests... This is clearly an attempt by the [Montreal police] to decapitate the Quebec student movement on the eve of one of its historical struggles.”[39]

Alexandre Popovic, a spokesperson for the Coalition against repression and police brutality, explained that the GAMMA squad represents “police use of social stereotyping to hinder the legal expression of opposition to social and legal policies.” He stated, “It’s ridiculous... They have a stereotypical cartoon image of anarchists,” adding that while anarchists believe in opposing authority (which is a good thing!), they also have families, host book fairs, and engage in intellectual discussions. Referring to the complaints filed against GAMMA to the Québec Human Rights Commission, Popovic stated: “The commission needs to remind the police that we are not in a police state. We have the right to disagree and even have thoughts they might not like.”[40] CLASSE spokesperson Nadeau-Dubois explained, “This squad is really a new kind of political police to fight against social movements.” The GAMMA unit is a branch of the Montréal Police Force’s Organized Crime Unit, which “uses tactics developed to monitor mafia and street gangs in order to keep tabs on political activists.”[41]

Though apparently they don’t do a very good job of handling the Montréal mafia, since the city government they work for has been handing out public contracts to the mafia, who have connections to political parties and the construction industry as well.[42] Back in 2009, a former city government opposition leader, Benoit Labonte, facing corruption charges, stated that the Montréal mafia controls roughly 80% of City Hall, telling Radio-Canada, “Is there a Mafia system that controls city hall? The response is yes.”[43] Mafia-connected construction executives have been involved in election campaigns in municipalities all across the city of Montréal and elsewhere, and have thereafter been awarded with lucrative public contracts.[44] Arrests were made on anti-corruption charges in Montréal in late April, and among the 14 suspects arrested, two of them were Liberal Party organizers, putting Jean Charest’s government further on the offensive. One of those Liberal Party organizers was personally given an award by Jean Charest at a Liberal Party meeting in 2010.[45] Back in September of 2010, Jean Charest’s Québec government was declared by *Maclean’s Magazine* to be “the most corrupt province” in Canada. Marc Bellemare, the province’s former Justice Minister in the Charest government, spoke out about the rife corruption, favouritism, collusion and graft, with Charest granting Liberal Party fundraisers a say in the appointments of judges, not to mention his government’s deep connections to the overtly-corrupt construction industry. Interestingly, “it costs Quebec taxpayers roughly 30 per cent more to build a stretch of road than anywhere else in the country.”[46] So if Québec really is concerned with “balancing the budget,” perhaps the government – and the police, for that matter – should start with ending corruption in the governments itself (as if that were even possible!). It seems that the government is more interested in supporting organized crime than organized students.

I do not mean to paint Charest as a pawn of the mafia, since he always has been and always will be far more beholden to elite financial and economic interests, specifically that of the powerful Desmarais family (Canada’s equivalent of the Rockefeller family), with its patriarch Paul Desmarais Sr, who treats Charest like a little poodle, and who has established close connections with every Canadian Prime Minister since the 1970s, and all but two of Québec’s premiers in the same amount of time. As one reporter with the *Globe and Mail* explained,

“Desmarais has been personally consulted by prime ministers on every major federal economic and constitutional initiative since the 1970s. Most of the time, they’ve taken his advice.”[47] It was also reported that, “[o]ver the last several years, [Paul Desmarais Sr.] has spun his web to such an extent that it now enables him to call the shots,” especially in promoting his right-wing economic vision, with “a disproportionate influence on politics and the economy in Quebec and Canada.” In particular, Desmarais “has a lot of influence on Premier Jean Charest.” Quebec writer Robin Philpot wrote that when Paul Desmarais received the French Légion d’honneur (Legion of Honour) from French President Nicolas Sarkozy, Jean Charest was in attendance, of which Philpot stated, “He took him along like a poodle.” Philpot added, “It’s a very unhealthy situation for a government to be indebted to a businessman that has his own interest at heart. They get their hands tied.”[48]



Québec Premier Jean Charest (right), with French President Sarkozy (centre), and Canadian billionaire oligarch Paul Desmarais, Sr. (left)

And now Charest is attempting to ensure that future generations of students are themselves beholden to the same interests he is: the bankers and corporations, the political-economic and financial elite who dominate the province and the country.

### **The Students ‘Spring’ Forward**

Following Charest’s announcement of a new “seven-year” program for the tuition hikes (with even more tuition costs added on!), students took to the streets in another night of major protests in Montreal. Student leaders rejected the absurd proposal, declaring, “It’s not an offer, it’s an insult.” When some students in the protest occupied an intersection and sat down in the street, the police responded with tear gas. Then, after two hours of peaceful protest (apart from police aggression and a few projectiles thrown at police in response), the police declared the demonstration to be “illegal” and began arresting people.[49]

In late April, in the eleventh week of the strike, international media have finally taken notice, as the student movement is making its way into the headlines of *CNN*, the *BBC*, and *Al-Jazeera*. Martine Desjardins, president of the Fédération étudiante universitaire du Québec (FEUQ), one of the main student groups, commented that, “I think we’ve seen that no matter how far reaching the movement is, Charest just isn’t listening... After

months of taking to the streets, it's encouraging and surprising to see the struggle catching on like this. It's been tiring for students to have to keep marching and striking but this gives us new hope moving forward." However, despite the general perception of the protests, both student leaders and the police themselves admit that the vast majority of those assembled do so peacefully. Constable Yannick Ouimet of the Montreal Police said, "We know that 99 per cent of the people who show up to protest want to do so peacefully... What we're seeing now is that the peaceful protesters and their leaders are helping police identify criminals so that they can be removed from the crowd." Desjardins reflected on the latest "proposal" from Charest, calling it "a smokescreen." He explained: "the offer was never mentioned when we set down to negotiate with the government. Instead, it was sent above students' heads as an attempt to win over the general public." While the media continues to repeat the falling support for the students among the general public – figures which are attributed to the violence – Desjardins felt it noteworthy to point out, "We're seeing small openings and we're seeing our support base broadening. It's not just students out there, it's parents, teachers, trade unions and different social groups. We don't want to have gone through all of this and to go back to school empty handed." [50]

Québec students are increasingly frustrated with the government response to the strike. At a protest in late April, a number of students gave their complaints to the media. "I don't think there is any class of society that would like to be ignored for three months," one student explained. She added, "Now, all of a sudden, people realize something is going on because some windows were broken." Another student, and mother of two, Aurélie Pedron, raised the issue of *agent provocateurs* being used to demonize the students: "When there are vandals on bicycles, with rocks so huge that you could not find them on Ste. Catherine Street [where the protest was taking place], when it's a bookstore whose window is smashed, do you really think it is students who do that?.. Don't take us for idiots." Another student explained that, "the government approach is to present us as a bunch of vandals." One political science student explained, "this has become more than a student fight, it is a fight against the government and the state." Another student at the protest agreed: "The issue is bigger than tuition fees. It is a question of re-establishing democracy. There is no democracy. We are closer to totalitarianism. Decisions are made without listening to the people." Gabriel Nadeau-Dubois, the spokesperson for CLASSE, elaborated on the increased scope and vision of the struggle of students: "Those people are a single elite, a greedy elite, a corrupt elite, a vulgar elite, an elite that only sees education as an investment in human capital, that only sees a tree as a piece of paper and only sees a child as a future employee." Thus, he explained, the student strike would be "a springboard to a much wider, much deeper, much more radical challenge of the direction Quebec has been heading in recent years." [51]



C.L.A.S.S.E. spokesperson Gabriel Nadeau-Dubois

Andrée Bourbeau of CLASSE told me that, “if Quebec is the province that has the lowest tuition fees and the best system of bursaries, it’s because we fought since the 1960s through organized actions and strikes,” with the current 2012 strike being the ninth one, and the largest of its kind, with the longest duration. She added, in regards to the methods of the student organizations, that, “we have practiced direct democracy through our student general assemblies for several decades now,” and that it is through this ‘direct democracy’ approach that decisions of the students are made before approaching the government. When the government ignores and dismisses the demands of the students, it is through the direct democracy approach of *syndicalisme de combat* that the students decide to target – through civil disobedience and peaceful assembly – the economy itself. “Transparency is very important,” explained Bourbeau, “Acting with *syndicalisme de combat* means that we mobilize people, we organize demonstrations and actions. The movement is its members, not an enlightened elite.” I asked her what her message to the rest of Canada was, to which she replied:

I wait for Canadian students to start struggling for their rights, for free tuition and self-governed universities. I don’t think Quebec has to be different than the other provinces in regards to social programs and public services. [I speak] in solidarity with the people of Canada!

The “political police” and its corrupt and elite-beholden government sponsor continues to repress dissent, demonize an emerging social movement, prevent the expression of basic – constitutionally guaranteed – rights and liberties of hundreds of thousands of youth and activists across the province. The government of Québec is attempting to turn a potential ‘Maple Spring’ into a ‘Hopeless Winter.’ But as we here in Montréal can see and feel, winter is on its way out, the temperature is getting warmer, the sun is starting to shine more and more, and spring is sprouting!

### **Message from Canada’s Youth: We Refuse to be a Lost Generation!**

The argument that Québec students are “whining and crying” about “entitlements” is not only wrong, but deeply immoral. What Québec students are doing is *finally* standing up and saying, ‘No More!’ What Québec students are doing is not a misguided attempt to preserve “entitlements,” but to try to ensure for ourselves a future, a future which is being – year-by-year – stolen from us. My generation of Canadians – and for that matter youth all over the world – are shackled with more debts than any before us, with less job opportunities, with more poverty, and with the burden of beginning our lives under a system which has consistently favoured the rich few at the expense of the rest. We are told to go to school and get a good job. So we go to school, get deep into debt, and graduate into a market with few jobs. With professional degrees, we go work at Starbucks, so that we may pay the interest on our student debts, or the interest on our credit card debts, struggling to pay our monthly rent, or living at home for much longer than any generation before us because we simply can’t afford to move out. Rents are going up, and housing prices are sky-high in an absurd bubble waiting to burst. So then we are told that if we want “a future,” we have to buy property. None of us can afford a \$500,000 condominium in Vancouver or Toronto, so we are told: get a mortgage, it’s the “smart” thing to do. So we get a mortgage, because our parents, our banks, and our government said: “It’s the smart thing to do.” And [when this absurd housing bubble pops](#), our interest payments on our mortgages will skyrocket, and our student debts will skyrocket, and our credit card interest payments will skyrocket, and we won’t even be able to keep up with the increasing costs of food.

We are doomed to poverty before we even have a chance at possibility. We were raised with expectations of a life we could have. For those of us who grew up middle class, like myself, we grew up in a world built on a mirage of debt. [The average Canadian household today spends 150% of its income](#), so that for every \$1 they make, they owe \$1.50. The average Canadian household is \$103,000 in debt, largely due to mortgages, but also

as a result of credit card debt, student debt, and other loans. Canada's big five banks help provide the mortgages, the student debt, tell us to get credit cards, and through the Bank of Canada (our central bank), keep the interest rates low so as to encourage people to get more loans and go deeper into debt. Everyone is told to get an RRSP because "it's the smart thing to do." So we save what money we can, and put it into an RRSP account. Yet, if we want to spend that money, we have to do so on property. If we take out the money for anything other than a house or condo (which would still require us to get a mortgage to cover the full expense), then we lose a huge percentage of the money within the account. I took a class in high school where the teacher explained to all the compliant young students that investing your money in an RRSP is "the smart thing to do."

So now our parents are struggling to pay their rent, meet their interest payments, or even pay for food. They work several jobs, and still we struggle, day-to-day and week-to-week. Our parents see us – their children – also struggling, falling behind and not meeting the social expectations that were set for us: when to move out, when to get an apartment, when to go to school and graduate, when to get a job, when to get a house, when to get married, when to have kids, etc. So our parents, naturally, want the best for us, want us to have what they tried for but are now struggling to even maintain as an illusion. So they tell us: get a student loan to go to school and get a good job, get a credit card, get a mortgage to buy a house. They encourage us to follow their path, when where they currently stand is already dangerously close to the cliff's edge. Our path, then, is much rougher, much more dangerous, and all the more illusory than theirs. They see only their own children, and want the best. But we, their children, see each other: we see our friends, co-workers, fellow students and compatriots; we see our entire generation and how we all struggle. Our parents see the individual struggles of their own kids. We see and feel the collective struggle of a generation. We did what we were told, and now we are left with massive debt and no jobs, higher rents and fewer hopes. We did what we were told, year after year, because, as they say, "It's the smart thing to do." We did everything we were told to "get ahead," and now we are being left behind.

So what the students in Québec are doing is simply trying to catch up, is simply speaking up and saying that we don't want to be a "lost generation," doomed to debt bondage. And now that we – *finally!* – are awakening to our situation and taking action, we are derided and dismissed, insulted and 'dissed', spat on and chastised, beaten with batons, bombed with tear gas. We are told, now, that we are "crying and whining," that we are spoiled children, demanding "entitlements" and subsidies. We aren't asking for a free ride through life, all we are wanting... is the chance to have a life.

The future is the world that we are inheriting, and before we can even enter the future, it's being stolen from us. We are disciplined under heavy debts and higher costs before we have the chance to even reach a true sense of autonomy and independence. We are indebted before we even move out of our homes, before we get our first job. And then we are told we are spoiled and entitled!

It's time for older generations to move aside, to stop telling us what it is we should want, how we should get it, and then deride us for not doing what they say. If we feel we are 'entitled,' it is because we were raised to feel that way. This is partly the fault of our parents' generation, who have lived a life in debt, and who now instruct us to follow them into the abyss, and dismiss us when we say we want to chart our own course. Well now it's time for them to move aside. They tried, in the 1960s and early 70s, to civilize society and make a better world – something we are now told is not worth aspiring to – and indeed, achievements were made, but it was stopped short. The elites of our society saw the emergence of social democratization and struggles for liberation and put a finish to it. The system they constructed to strangle the struggle for liberation is what we call "neoliberalism" and debt-domination.



## Demonstration in Montréal

Now, all around the world, from North Africa, to Latin America, East Asia, Europe and right here in Québec, the youth are finally standing up against this ruthless global system of exploitation, militarism, racism, and domination. What the students in Québec are doing is joining the global struggle as it emerges around the world, and setting an example for the rest of Canada and North America, who have so far been lagging far behind. We are not preserving *entitlement*; we are seeking *empowerment*. If our parents failed to do it, it is left to us. So, for those in previous generations who only want “the best” for their children, it is time to stop telling us to follow their examples, and time to start following ours. It is time to stand with and behind the youth, instead of out in front and above us. It is time to support us where we need it most. What the youth of the world are now saying is that we will welcome your support and encouragement, but if you get in our way, we will push you aside and leave you behind. So if you – like all people of this world should – desire a better world for your children, want to enter a more hopeful future, and create a more equal and fair society, it’s time to step up to the plate and stand behind the vanguard of the revolution: the youth!

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