



Prime Minister Mulroney speaks to a Joint Session of the US Congress on free trade in April 1988. Looking on are Vice-President George Bush and House Speaker Jim Wright. PMO photo

The Ghost of Elections Past: 1988 and 1911

Patrice Dutil and David MacKenzie

The 1988 election was in many respects a replay of the famed 1911 contest that pitted Wilfrid Laurier against Robert Borden, except for the final result: The (now Progressive) Conservative party in 1988 won on a platform favouring free trade, with the full-throated support of the business community. In 1911, Borden had won the fight against Reciprocity, again with the carriage of the business sector. In both cases, people voted against free trade. What changed?

L'élection de 1988 ressemblait à maints égards au célèbre scrutin de 1911 qui opposait Wilfrid Laurier et Robert Borden, sauf pour son dénouement. C'est avec une plate-forme favor-

able au libre-échange que les conservateurs (devenus progressistes-conservateurs) l'ont emporté en 1988 avec le plein appui des milieux d'affaires. En 1911, les conservateurs de

Borden l'avaient aussi emporté avec le soutien des milieux d'affaires, mais en s'opposant à l'entente de réciprocité avec les États-Unis. Qu'est-ce qui a changé dans l'intervalle ?

During the general election of 1988, Canadians were presented with an issue they had scrupulously avoided since the divisive election of 1911: free trade with the United States. The old campaign was evoked a few times, mostly by people who were opposed to the deal, but the memories of that contest were too blurred to be symbolically meaningful. In 1911 the country found itself, to use the words of imperial poet and novelist Rudyard Kipling (who ardently opposed the deal, as did other notables like Stephen Leacock), considering a “parting of the ways” in its relationship with the Great Britain. In 1988 the opponents of the deal wished for a “parting of the ways” with the US.

The age of Laurier was, to be sure, very different. Disputes over religion and denominational education still created headlines, and Western settlement and railway expansion were at the heart of national development policies. This was an age when the memory of Sir John A. Macdonald could still be raised to good political effect, when government correspondence could be mostly administered via the prime minister’s jacket pockets, and when calling someone an “imperialist” could still be a compliment. Despite the vast differences between the elections of 1911 and 1988, Canadians confronted the same issues and understood them in much the same way. In both cases, they voted mostly for parties that stood *against* free trade, but accepted living with different results.

If Macdonald had been the “Moses” of continental trade in his early career, Laurier now presented himself as the “Joshua” who could actually deliver the goods to the people.

Early in 1911, the Liberal government of Sir Wilfrid Laurier announced that, after decades of wandering in the wilderness of economic protectionism and at the behest of the American government, it had negotiated a reciprocity, or free trade, agreement with the US on most Canadian natural products. If Macdonald had been the “Moses” of continental trade in his early career, Laurier now presented himself as the “Joshua” who could actually deliver the goods to the people. Laurier confidently called an early election and focused his campaign on this one crucial issue. Brian Mulroney followed a similar game plan 77 years later. It was an important political decision in both cases: the issue of free trade has always been a divisive wedge in Canadian politics and it, more than any other issue, distinguished the Liberal and Conservative parties. For both Mulroney and Laurier, it was a cause to fight for and a way to shift attention away from the controversies that had marked their administrations and the growing regional divisions within the country. Without it, both governments would have had to run on their records. It was a daring move for both prime ministers.

Free trade with the United States was not an easy idea to sell to Canadians in either 1911 or 1988. In both cases, many Canadians believed that the agreement was unnecessary. By 1911, Canada had experienced more than a decade of prosperity and significant economic growth over the 30 years since the implementation of the National Policy (notwithstanding the depression of the 1890s). In 1988, Canada was also in a strong position: the economy had rebounded after the deep recession of 1981-82, employment was at record highs, real estate values were rocketing upwards, and a new sense of destiny prevailed. Canadians did not seem to need freer trade with their most important trading partner.

For both Mulroney and Laurier, it was a cause to fight for and a way to shift attention away from the controversies that had marked their administrations and the growing regional divisions within the country. Without it, both governments would have had to run on their records. It was a daring move for both prime ministers.

There were many striking similarities between the elections of 1988 and 1911. In both cases much of the debate focused on what the agreement *meant* rather than what it *said*. For many Canadians, the 1988 version of free trade seemed like an attack on Canadian nationhood. The FTA was the “thin edge of the wedge” of economic and political integration, the “slippery slope”, the “disappearing border”. It promised a loss of control over environmental matters and working conditions and, perhaps, even the loss of the country. Canadians of 1911 would have understood this position very well: in their day the Reciprocity Agreement was portrayed as threatening integration with a republic that was hostile to British values, a melting pot of raw capitalist energy that cared nothing for King and culture. Anti-Americanism was healthy in both elections.

For many Canadians, the 1988 version of free trade seemed like an attack on Canadian nationhood. The FTA was the “thin edge of the wedge” of economic and political integration, the “slippery slope”, the “disappearing border”. It promised a loss of control over environmental matters and working conditions and, perhaps, even the loss of the country.

The Conservative opposition, led by Robert Borden, stuck to the traditional script and treated reciprocity as an assault on imperial loyalty and a direct challenge to the whole thrust

of the National Policy. Sir John A. Macdonald's vision of the country, they argued, was of a transcontinental British nation founded on an east-west transportation network and strong inter-provincial trade. Under reciprocity Canadian trade would succumb to geography and east-west trade would start flowing north-south. In other words, the element of nation-building in the protective tariff would be destroyed by reciprocity. Brian Mulroney would not have agreed.

From the moment Laurier announced the new deal, business leaders, who had for 15 years supported him with their votes and their money, ideas, and networks, turned their backs on the Liberal Party and mobilized against him.

There were also similarities in how the parties approached voters. Like Robert Borden, Brian Mulroney fashioned an alliance between some western Conservatives, the business community in Ontario, and Quebec nationalists to defeat the Liberals. And for both Borden and Mulroney, the cohesion of that alliance quickly evaporated after the election victory. Like Borden's party, the Mulroney Conservatives were soon divided amongst themselves and ultimately almost destroyed from within.

The biggest contrast between the two elections was the position of the Canadian business community: it opposed free trade in 1911, but supported it in 1988. From the moment Laurier announced the new deal, business leaders, who had for 15 years supported him with their votes and their money, ideas, and networks, turned their backs on the Liberal Party and mobilized against him. There was both sentiment and business to consider and, for most manufacturers, bankers, and retailers, love of Empire and the protection of their business interests were two sides of the same coin. While Liberals fanned the hope that reciprocity would bring the cost of living down, the business class argued that reciprocity would take away jobs.

A group of prominent Toronto Liberal businessmen issued a scathing manifesto denouncing both reciprocity and the Liberal government. This group, immediately dubbed the "Toronto Eighteen", comprised a who's who of Toronto's financial elite. It was led by Sir Byron Edmund Walker, one of the country's leading businessmen and president of the Canadian Bank of Commerce. His friend and neighbour, Joseph Flavelle, was easily convinced to fight the deal. One of the richest men in Canada, he had made his money in the meatpacking business, one of the industries that would be most affected by the Reciprocity Agreement because it would open the doors to American competition. From that moment, the business community used its influ-



Courtesy, Archives of Ontario



Courtesy, Archives of Ontario

ence and financial clout to save the country – and itself – from free trade and the Liberal government. The anti-reciprocity and frankly anti-American message quickly radiated across the country; organizations were established, rallies were held to condemn the agreement, Boards of Trade passed resolutions opposing free trade, and workers were taken aside and told what they should think about the trade deal – if they wanted to keep their jobs. In 1988 the business community – more mature and self-confident – had lost its fear of American competition and now craved continental markets. Arguments over a distinct cultural identity were washed away by the steady tide of American music, film, literature, and television that addicted Canadians.


There were, of course, other important differences between 1911 and 1988. The 1988 agreement was much longer and less read by Canadians (the 1911 agreement consisted of only a few pages), and the thought of exempting “cultural industries” from the 1911 agreement would never have crossed the minds of those who negotiated it.

There were, of course, other important differences between 1911 and 1988. The 1988 agreement was much longer and less read by Canadians (the 1911 agreement consisted of only a few pages), and the thought of exempting “cultural industries” from the 1911 agreement would never have crossed

the minds of those who negotiated it. The most important difference, however, was that in 1911 there were only two parties in the election campaign and Canadians faced a stark choice. In 1988 there were three, with two (the Liberals and New Democrats) opposed to the agreement. This triangular race enabled the Mulroney Conservatives to win the most seats even though more Canadians voted for parties opposed to the agreement. A final difference, and one that was barely acknowledged in 1988, was how little the connection to Great Britain (let alone the British Empire) factored into the election campaign. What for most English-Canadians resonated at the very heart of their identity in 1911 mattered little in 1988. Nobody talked about it and nobody cared.

The defeat of free trade in 1911 took the issue off the agenda for decades. In the 1930s the two countries, mired in depression, turned once again to mutual trading arrangements and a series of agreements were negotiated between Canada, the US, and Great Britain, but war broke out before they could have much effect. After the war, Mackenzie King oversaw the secret negotiation of a free trade agreement but at the last minute – haunted by the spectre of ending his career like his beloved hero Sir Wilfrid Laurier – scuttled the deal. From that moment, trade negotiations of a different and multilateral sort continued, via the General Agreement on Tariffs and Trade or on particular sectors of the economy such as automobile manufacturing. Only in the 1980s, following a Royal Commission that advocated greater trade with the US, did the two sides return to the negotiating table, but this time at the behest of the Canadians.

It is worth remembering that many of the larger issues of 1911 were still with us in 1988: concern over the economic impact of the United States on Canada, the fear of cultural annexation, and questions over the place of Quebec in Canadian politics.

The Canada of 1911 was a very different place: women did not vote, the “media” consisted primarily of daily newspapers and a few magazines, and Canadians did not crisscross the continent in jets but, rather, followed a few railroad tracks. Still, it is worth remembering that many of the larger issues of 1911 were still with us in 1988: concern over the economic impact of the United States on Canada, the fear of cultural annexation, and questions over the place of Quebec in Canadian politics. There will never be complete agreement as to what exactly happened in 1911 or 1988 and many different interpretations have been offered to explain why Canadians voted as they did. There is no doubt, however, that these elections set the future direction of not just the Borden and Mulroney governments but of the whole country. Canadians might not have realized it at the time, but both 1911 and 1988 were turning points in our political, intellectual, and economic history. 

*Patrice Dutil and David MacKenzie are professors at Ryerson University. Their book *Canada 1911: The Decisive Election that Shaped the Country*, was published by Dundurn Press in 2011.*