
BUILDING A MODERN LIBERAL PARTY

A Background Paper

for discussion among

Members of the Liberal Party of Canada



This paper has been prepared by the National President as background to the document “A Roadmap to Renewal” published by the National Board of the Liberal Party of Canada (“LPC”). It does not represent an ‘official’ perspective of LPC or the National Board on the matters it addresses but is provided as a personal perspective solely to stimulate discussion and debate among, and input from, LPC members and supporters. For more information about feedback sessions in respect of the “Roadmap”, go to <http://convention.liberal.ca/>. Copies of this paper are also available in French.

Liberal

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PART I – OVERVIEW AND BACKGROUND

In the wake of the Canadian federal election of May 2, 2011, the Liberal Party of Canada (“LPC” or “Party”) faces an unprecedented challenge. Reduced to third party status in the House of Commons for the first time since Confederation, with the support of fewer than 20% of those voting and with a shrunken caucus of just 34 elected Members of Parliament, it is no exaggeration to note that the very survival of LPC may now be at stake. The basic question confronting the Party today is not whether it has the possibility to rebuild and renew itself for the 21st century, but whether its leadership and membership can marshal the will and energy to ensure that it does.

Canadian history teaches that political success tends to come and go in cycles. Over the years leading up to the 2011 election, as the following chart shows, LPC had experienced a serious and extended period of decline:

General Election	Voter Turnout (%)	Liberal Vote (%)	Number of Ridings < 10% Liberal Vote	Liberal Quebec Vote (%)
2000	61.2%	40.8%	4	44.2%
2004	60.9%	36.7%	1	33.9%
2006	64.7%	30.2%	26	20.8%
2008	48.8%	26.3%	39	23.8%
2011	61.1%	18.9%	91	14.2%

Over the past decade, while voter turnout remained relatively stable, LPC lost more than half of its base vote across Canada and more than two thirds of its base vote in Québec. During the same period of decline, parties under the ‘Liberal’ name and brand, however closely or distantly affiliated with LPC, have nevertheless won elections and, to this day, have retained power in Canada’s three most populous provinces including Québec¹, as well as in Prince Edward Island. In each case, a ‘Liberal’ party has consistently earned a considerably higher proportion of the popular vote than LPC has lately garnered in those provinces. The point, of course, is that the ‘Liberal’ brand remains politically marketable, even attractive, if presented to Canadians effectively.

LPC, however, has continued to lose ground. Its steep decline is reflected in a series of 5 different leaders over fewer than 8 years, 91 electoral districts in which it now attracts less than 10% of the vote and almost 80 of its EDAs that are effectively dormant today. From a purely organizational perspective and independently of ever-shifting voter preferences, LPC is at a historically low ebb. Liberals everywhere are wondering whether the decline of the Party can be turned around.

The Party’s fortunes will almost certainly improve to the extent that LPC can present Canadians with a new permanent Leader who:

- ✓ presents a strong message and solid platform that appeals to the broadest possible cross-section of Canadians;
- ✓ builds the smartest political organization that, using the best available campaign technology and skills, is capable of delivering an engaging and effective national campaign; and

¹ Quebec (since 2003), Ontario (since 2003) and British Columbia (since 2001).

- ✓ recruits a new generation of top quality candidates rooted in their communities who, in turn, are capable of attracting enough supporters to deliver a competitive local campaign in every electoral district in the country.

The challenge of reversing recent trends and someday winning national elections again will require a lot of effort and even more heart from Liberals. It will demand a recognition and conviction on the part of rank and file activists that the survival and success of their Party matters to Canada and Canadians – that Liberal values and Liberal policy have continuing relevance to a vision of Canadian and global society that is worth fighting for.

1.1 Some Points of Departure

It is no accident – and, some would argue, a barrier to genuine rebuilding – that LPC has been one of the most successful democratic political organizations in the developed world. In each generation of its long and storied history, LPC has earned the confidence of Canadians not only by renewing its leadership and policies, but also by modernizing its internal operations and organization. Once again, for the third time in a just over half a century, the verdict of Canadian voters has reduced the Party to rubble, humbling the attitude of entitlement that inevitably seems to infect any consistently successful organization over time, forcing it to go back to the political drawing board.

More significant than the fact that the Party has formed Canadian governments for over 100 of its first 144 years, is the fact that it has been able to retain the confidence of Canadians while in government over very lengthy periods, with only occasional and comparatively brief interruptions. Extended periods in power have enabled the Party to pursue a “liberal” idea of Canada which, together with the political philosophy that underlies its uniquely Canadian conception of what liberal democratic society means, has naturally evolved over time.

As the national government, the Party has been able to implement its idea of Canada with and through an array of legislation, programmes and institutions, all of which in turn have helped shape and define the contemporary Canadian identity. Party members can take pride in the fact that the highly favourable domestic political economy and international reputation that Canadians enjoy today is largely the result of successive phases of nation-building at home and positive engagement abroad by a series of extraordinary Leaders and dynamic governments that were inspired and supported by thousands of Canadian activists who all called themselves ‘Liberal’.

While this paper restricts its focus largely to the ‘nuts and bolts’ of rebuilding a progressive, moderate and ambitious Canadian political party for the 21st century under the ‘Liberal’ brand, some attention must also be paid to the vitally important threshold question of why we need to focus on party mechanics – because the answer to the question of ‘why’ we must do so is not only key to determining how we will do so but also whether or not we will find the will and the resources to do so.

The challenge for Liberals today is to determine how the Party can avoid becoming the victim of its own success. What do Liberals stand for in our time? How do the traditional values and aspirations of Liberals match up with the contemporary values and aspirations of Canadians? What is the next frontier of Liberal accomplishment in realizing our long-term vision for Canada and its role in the world? How do we mobilize Canadians in support of that vision?

2.2 The Liberal Mission Today

Canadians have built their own special variant of Liberalism in the context of the unique political experiment that is Canada. Liberals have inherited – and LPC remains – a party of significant and important ideas, only some of which are set out in the preamble to the Party’s constitution.

Canadian Liberalism reflects much more than the glib and easy phrases that many Liberals have adopted of late – like the ‘fiscally responsible, socially compassionate’ formulation, or the ‘progressive centrist’ label. Nor is it enough to say that we are not an ideological party of the left or the right, but a pragmatic party of the middle. While all of that may be true, Canadian Liberalism has been built on some very clear and positive ideas. Our Party’s intellectual foundations are diverse².

First, we believe not only in the dignity and worth of the individual, but in the absolute primacy and autonomy of individuals. We are not a party of the entitled classes nor are we a party of class entitlement. In an age of unprecedented and assertive individualism, that makes us relevant.

We stand first and foremost for freedom. We believe that wealth is created and social progress is achieved when we unleash the full capacity of individuals to think and act. We see the protection and extension of freedom for individuals as the key to personal happiness, the chief responsibility of the state and the paramount purpose of statecraft. At a point of unprecedented human creativity driving us to new levels of intellectual and technological advancement, our love of freedom makes us relevant.

We believe in the human spirit and its unlimited potential - that every citizen is entitled to live in the conditions of personal security and opportunity that will enable him or her to optimize his or her potential to the fullest, regardless of age, sex, creed, race, sexual orientation or any other accident or incident of birth, culture or country of origin. At a time of unprecedented aspiration, self-actualization and choice, our commitment to human possibility makes us relevant.

“Canadian Liberalism has been built on some very clear and positive ideas.”

We are not merely accepting of diversity. We believe that diversity is our strength, that immigration should be open, that social and cultural differences should be embraced and that tolerance and accommodation are the essential virtues of liberal society. During a period within which Canada has produced a single society consisting of two distinct diversities – one Anglophone and the other Francophone - where multiculturalism has blossomed into full flower in both official languages, the accommodation of minority cultures still has its opponents. That is why the generosity of our worldview makes us relevant.

We endorse pluralism over secularism because we believe both in freedom of religion and freedom from religion. While church should be separate from state, the public square must be open to Canadians of

² The political philosophy of LPC can be traced to a line of English liberal thinkers going back to the enlightenment right up to our own time including Hooker, Locke, Mill, Green, Acton, Popper and Berlin. We have also drawn heavily on ideas born in the French revolution and from Voltaire, Rousseau, de Toqueville and de Montesque. We owe much to Americans like Jefferson and Madison and, much more recently, Rawls, Nussbaum and King, all of whom have served as inspiration. Great minds the world over have expanded liberal horizons, like Amartya Sen, Hernando de Soto and Friedrich Hayek. Perhaps most importantly, we have produced some powerful liberal minds of our own – like Pierre Trudeau, Will Kymlicka and C.B. MacPherson.

every faith background including those of no faith at all. At a time when some seek to have people of faith hi-jack our political discussion and others seek to shut them out, our respect for the overlap between the spiritual and the temporal makes us relevant.

We are capitalists, not socialists. We believe in the profit motive. For Liberals, profit is not a dirty word. We are ready to fight for workers' rights at every turn but we also defend the right of individuals to accumulate and profit from their own capital, including especially their intellectual capital – capital whose development and commercialization has become so important and has been so dramatically democratized in our lifetime. We do not see labour and capital as inevitably opposed in interest; the fact that sheer brainpower now enables labourer and capitalist to become one jettisons a lot of our opponents' old ideological assumptions. In the knowledge economy of today, the ability of Liberals to balance the interests of labour and capital makes us relevant.

We believe in equality – quality before the law and equality of opportunity. Beyond property, civil and legal rights, we believe that the enhancement of the economic, social and cultural freedom of all Canadians is critical to ensuring a fair and equal chance for every citizen. Just as we believe that equality of outcomes is neither possible nor desirable, we also believe that the fundamental advantages in life should not flow from the circumstances of one's birth. In a society where inequities have widened and basic fairness has become the measure of freedom, that makes us relevant.

Liberals believe in democracy and that its privilege imposes some duties on the citizen. We think Canadians have a responsibility to participate in their governments, to pay their taxes, to respect the rule of law, to fill out their census forms and, most importantly, to vote. We believe that Canadians should be given ever wider rights to participate in the political process, including through political parties, and that democratic institutions and processes need to be continually modernized and strengthened. At a point in history where technology has finally made a more radical and engaging democracy possible, our posture toward broadening participation makes us relevant.

“We believe in the ‘servant state’, not the ‘nanny state’ of the left or the ‘watchman state’ of the right.”

We believe in the ‘servant state’, not the ‘nanny state’ of the left or the ‘watchman state’ of the right. We believe that the sovereignty of the state – its permissible scope of action - is dependent entirely upon the will of the people and circumscribed always by the rights of individuals. We believe that, while the state is precluded from interfering with the basic freedoms of its citizens without their consent, its proper role extends well beyond merely protecting its people from internal and external threats. In modern circumstances where the genuine will of the people is more continuously and profoundly ascertainable than at any time in history, our concept of the servant state makes us relevant.

The liberal way is the balanced middle road. We believe in the power of government to do good but that citizens must be vigilant to constrain and define the power of government by expanding the rights of individuals and promoting the strength of markets. As distinct from classical liberals, we do not believe that the government that governs best governs least. In fact, we have seen that politicians who think government is bad generally deliver bad government, while those who think that government is the solution for all our problems invariably govern in a way that creates even worse problems.

We are also the party of nation builders – the party of a strong national government. We are the party of the Canada Pension Plan, Medicare, bilingualism, multiculturalism, the flag and the Charter of Rights and Freedoms, to name just a few. We are also the only party in the House of Commons today that would actively assert nation-building federal jurisdictions, rather than pander to provincialists and separatists by abandoning the field. LPC is the only party that believes we need a strong and active national government to build a stronger and more united Canada in an ever more complex and shrinking world. That makes us relevant.

Liberals believe in free and fair markets. In fact, the LPC is the only Canadian political party whose core philosophy is genuinely pro-market. We believe that free and fair markets - open competition - are the biggest drivers of innovation and creativity, engine of economic growth and creator of wealth and jobs. Those on the left sometimes have trouble understanding that, unless there is the possibility of profit, there can be no market. To move forward, you not only have to put the horse before the cart; you also have to feed the horse.

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On the other hand, those on the right seem to have trouble understanding that free markets only remain free and fair in the face of their inability to self-regulate and their natural tendency to monopoly if they are regulated appropriately – that good regulation, in fact, preserves the marketplace and is a positive thing. Liberals know that properly regulated markets are stronger markets because regulation protects and empowers the participation of individuals in those markets. Unlike socialists, conservatives know to put the economic horse before the cart and they certainly know how to feed it. What they don't seem to appreciate is that the beast has to be reined in occasionally to prevent it from bolting and pulling the cart right into the ditch.

Liberals believe that public investment in the potential of its citizens is required because markets sometimes fail to deliver the goods necessary to optimizing their own performance. Liberals want markets firing on all cylinders, as productively and efficiently as possible, so we support public works and infrastructure, for example, in energy and transportation, and public or publicly funded services in key areas like healthcare and education. We understand that strategic public investment is what a mixed market economy is all about. We understand that Canadian competitiveness will be best assured best by having the most able (i.e. healthy, educated) workforce operating from the most efficient (i.e. energy, transportation and communications) platform.

In a world where connectivity has created entirely new markets for goods and services never before conceived or, as Adam Smith might say, a whole new universe of virtual 'shopkeepers', one where progress in transportation and communication technologies have vastly expanded Canadian and global trade, our Party's balanced pro-market approach makes us very relevant.

Liberals are also resolutely internationalist and multilateralist, committed to the continued progress of global civilization and to the enhancement of the human condition generally. Never acting alone, we are the Canadian party that has led its allies and partners on questions of peace and human rights, but we also understand that sometimes soldiers-in-arms are required to preserve that peace and protect those rights. More than that, Liberals understand that the national interest on questions of sovereignty,

security and defence cannot be compromised. At the same time, our Party sees its duty in militating for a new world order that is ever more democratic, inter-dependent and sustainable. For that reason, we promote freer global trade and investment. But we also support the development and enforcement of a more robust regime of international law and regulation to ensure those global markets will function more fairly and evenly than they do today. In the context of a growing and much more mobile population on a shrinking planet, all of that makes us relevant.

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At the core of everything, liberals are children of the enlightenment. We believe in the power of reason. We value education and learning. We see intellectual curiosity and scepticism as good things. We are open-minded, pragmatic reformers who think that public policy should be based on evidence and logic about what really works, rather than something that’s more superficially seductive simply because it resonates in the ‘gut’ and is more ‘sellable’ to voters. Liberals know that knowledge is constantly advancing and that the logic of scientific discovery sometimes does involve shifting paradigms - the constant replacement of old assumptions with new ones. We learned long ago that ‘conventional wisdom’ is often out of date or just plain wrong,

that so-called ‘common sense’ often has little to do with good sense. In a society that has achieved the highest level of general education ever, the Liberal focus on the reasoned application of learning and knowledge to the development and implementation of public policy makes us relevant.

Finally, and perhaps most importantly, liberals believe that inter-generational stewardship matters as a fundamental question of public morality. Our Party believes we must do whatever we can to ensure our aging and infirm are cared for. We know it is wrong to mortgage our children’s’ future by burdening them with an unfair inheritance of public debt. We understand that Canada must do better in trying to leave our environment better than we found it and that the health of our planet is the urgent and supervening cause of our time.

“We also know that we cannot claim any moral authority in the counsels of the world when, on questions like the environment and aboriginal dignity, we are covering our eyes and refusing to act in our own backyard.”

Given the sophistication and complexity of all the issues modern governments have to manage in the 21st century, all of these themes make Canadian Liberalism relevant.

The Liberal commitment to balanced and evidence-driven government is why we believe that the old ideologically-driven public policy silos just don’t make sense anymore. Liberals learned long ago, for example, that sound social policy – ensuring we have a healthy and well-educated work force for example – actually strengthens markets and, as such, is equally good economic policy. We are learning even now that the same conclusion applies to the supposed trade-off between the environment and the economy - a myth that for so long has been used to pit clean air and water against profits and jobs. Perhaps even more importantly, we are discovering even now that the forces of globalization mean that domestic policy cannot be conducted in a separate compartment from international policy or vice versa.

We recognize that Canada cannot play a constructive role abroad if we pervert our international policy to partisan purposes at home. We also know that we cannot claim any moral authority in the counsels of the world when, on questions like the environment and aboriginal dignity, we are covering our eyes and refusing to act in our own backyard.

While much of what our Party stands for is now embedded in our political economy and generally supported by all sides in the House of Commons, the extreme factions in Canada's conservative and socialist movements are dedicated to destroying our Party's legacy bit by bit. The essential difference between conservatives and socialists, on the one hand, and liberals, on the other, is that liberals believe in the continuous application of these principles, whereas the ideological right and the ideological left are determined to continuously and insidiously undermine them - slowly, quietly, and incrementally – until, suddenly, Canada becomes a place that Liberals no longer recognize.

If self-satisfied or complacent Liberals walk away and allow liberal principles to become the victim of their own success, it is the continuing success of Canada and Canadians that will become the real and permanent victim of our failure.

1.3 Lessons from our History

A progressive, reform-minded and future-oriented organization like LPC, while seeking to recast itself and its vision in the context of dramatic and, to some extent, sudden change in the wider political environment, can still be guided, at least to some extent, by past experience.

Initiatives to reform and renew LPC have emerged in every generation, but never as an automatic reflex of the Party as a whole.

Nor have such efforts proven to be an easy exercise for their champions within the Party. But in all cases, the conditions required for the generational modernization of LPC have been the same: an electoral defeat resulting in the election of a Conservative majority government, leadership open to change in how the Party functions and, finally and most importantly, an influx of a new generation of activists with some bold policy objectives and fresh ideas about how a 'modern' political party should operate.

It was not until 1930, following the defeat of LPC and the election of a majority Conservative government under R.B. Bennett, that the National Liberal Federation was formed under Mackenzie King, enabling the first semblance of a national structure for the extra-parliamentary wing of the Party to take shape. Reflecting the federal nature of the country, the National Liberal Federation better facilitated the orderly 'brokering' of a national Liberal consensus, albeit one still driven by regional 'strongmen' rather than being rooted in a genuinely democratic political culture. The basic federal party structure adopted in the 1930's persists to the present day.

Once LPC's extra-parliamentary wing acquired the legitimacy conferred by a formal organization, a predictable tension emerged between 'democracy' and 'discipline' in Party affairs. This dynamic has shaped and defined the zigzag evolution of the Party. For the extra-parliamentary party, the pendulum has swung widely between periods of cultural and constitutional transformation while in opposition, on the one hand, and phases of consolidation and retrenchment while in power, on the other; between the

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day-to-day preoccupations of Liberals in Parliament and the longer-term hopes and concerns of volunteer activists across the country.

LPC 'opposition' years have been marked by openness to new ideas and debate, new ways of doing things and, above all, new people. While in government, most Liberals would concede that the inertia of vested interests, including a commitment to some so-called 'sacred cows' of Party policy and an entirely natural loyalty to established power structures, whether formal or informal, has undermined the more open ethos of the Party in opposition. Depending on the circumstances, the Party's institutional imperative has variously been either 'reform, rebuild, renew' on the one hand or 'don't rock the political boat' on the other. The dominance of, and deference to, the Leader's will, at any given point in time, has varied widely.

Not surprisingly then, experience has proven that reform, renewal and rebuilding have been most seriously undertaken and most successfully accomplished by LPC following the most severe of its electoral defeats, when the Party has emerged as a dramatically reduced opposition in a majority Conservative House of Commons. The experience of the early 1930's was only the first such example of this 'renewal' phenomenon³. Notably, on being re-elected in 1934, the Party went on to enjoy an uninterrupted period of 22 years in power.

By the end of the King/St. Laurent era in 1957, the Party was widely perceived to have grown tired, cynical, arrogant and out-of-touch with the concerns of ordinary Canadians. The Diefenbaker landslide of 1958 reduced LPC to only 49 seats, following which a major effort was again undertaken to rebuild the Party, especially in vote-rich central Canada. With the decimation of the 'old guard' resulting from the Party's trouncing at the polls, a new generation of activists focused on recruiting new political talent, promoting bold new policy ideas, introducing democratic norms into internal Party procedures and developing broad accountability mechanisms in relation to the Party's policy processes and leadership/governance. Under Pearson's leadership, against the backdrop of the liberalizing social turmoil which marked the 1960's generally, a more lively democratic culture began to take a much firmer hold in the Party.

The process of reform under Pearson was driven in Ontario by young Liberals from Toronto⁴ who, while sympathetic to the Party taking a more progressive and, in economic and cultural matters, more overtly nationalistic stance in its policy platform, were focused primarily on modernizing the Party and its outdated campaigning techniques, while reinvigorating riding and regional party associations with new people. At the same time, activists from Francophone Catholic youth groups in Quebec, working quite separately, had become increasingly defiant of established authority⁵ and restless for change. They were inspired by the call to Christian 'social action' on the one hand and the emerging societal values of the Quiet Revolution on the other. Unencumbered by the constraints of power or divisions over the Party's leadership⁶, LPC was able to embrace the invigorating energy of both of these renewal movements and,

3 The Party's longstanding tradition of holding 'policy renewal conferences' while in opposition was first undertaken at the same time under the leadership of Vincent Massey, its first President (Port Hope, September, 1933)

4 The effort was led by an organization known as Cell 13.

5 Their activism was motivated by opposition to both (a) the repressive conservatism of Premier Duplessis (i.e. political authority in Quebec City) and strict Catholic Episcopal authority on moral questions like family planning and birth control.

6 Pearson, chosen leader of LPC in 1957, retained the confidence of the Party in opposition following the disastrous 1958 election which had reduced the Party to 49 seats notwithstanding that he was widely blamed for precipitating the election with an ill-considered speech in the House of Commons.

within 6 years, the Party was back in power. With only one brief interruption, the Party successfully formed governments for the ensuing 21 years.

The highly productive Pearson minority governments, culminating in the watershed 1968 leadership campaign, reflected a totally different conception of the role of a governing political party than Canada had ever known. Party activists⁷ were increasingly aligning themselves with issues and ideas, demanding a voice in policy debates and insisting on accountability from the Party's parliamentary wing for its work in government. The revolutionary notion that an ordinary member of the Party could legitimately expect to influence the direction of its policy and platform gave impetus to a much more open and democratic political culture, turning LPC into a veritable marketplace of, and breeding ground for, new talent and ideas.

Ultimately, however, efforts to 'institutionalize' concepts of participatory democracy for grassroots partisans met with only mixed success. Lofty ideals about 'member engagement' collided headlong with the harsh reality of the ever more powerful machinery of government, the increased complexity of public policy problems and, above all for a 'government' party, the centralizing tendencies of a system designed to facilitate the management of it all by Prime Minister and Cabinet. The modernization of the Party's apparatus accomplished in the Pearson/Trudeau era served its elite influencers and professional operatives⁸ well, but it could not effectively confer the real political efficacy on the broader membership base that its early champions had hoped. Over 21 years, the realities of power simply drained the extra-parliamentary wing of the Party of much of the energy and idealism that had driven its early on-the-ground activism, leaving LPC a mere shell of a structure at the end of the Trudeau era, vulnerable to defeat.

In the wake of the Mulroney-led Conservative sweep of 1984 when the Party was reduced to just 40 seats, nascent internal pressures to further modernize and democratize the Party, once again driven largely by idealistic, young Liberals⁹, began to take hold. Their militancy led to a broad re-think of the Party's *raison d'être* and a focus on institutionalizing democratic process mechanisms through a series of well-intentioned party 'reform' initiatives. Unfortunately, the push under Turner's leadership to open the Party's doors to a new generation of Canadians and instil greater commitment to democratic process in Party affairs was not rewarded with electoral success during his tenure. Side-tracked by persistent divisions over leadership, the Party's efforts to 'democratize' and 'modernize' itself under Turner unfortunately created the impression of an organization in some chaos, if not occasionally open warfare. Process reforms that seemed important to a few were regarded by most as irrelevant or, worse, politically naïve.

Under Turner, the relaxation of discipline required to stimulate genuine intellectual ferment and a more democratic *modus operandi* directly undercut the Party's treasured brand of 'managerial competence'

“The process of rebuilding the Party for the longer haul must always be a three-pronged effort – (1) renewing its resource of human talent through outreach, especially to young Canadians, (2) reshaping its intellectual (i.e. policy) consensus to suit the times and, of course (3) modernizing its organizational and campaign apparatus.”

⁷ 'Militants' in Quebec.

⁸ The so-called "pros" and 'back-roomers'.

⁹ This effort, although led by youth, was also supported by many 'old guard' Liberals from the pre-Trudeau era.

which, of course, had always been rooted firmly in organizational unity centred on loyalty to the Leader. The inevitably inherent ‘messiness’ of Party democracy, coupled with the practical impotence of any Leader who, having lost an election, ended up mired in opposition and unable to recover the momentum of the winner’s aura¹⁰, created huge challenges for the Party to overcome in Parliament and throughout the country. The inward focus spawned by persistent internal strife became debilitating. Still, the enduring legacy of the Turner era is a Party that not only renewed its ranks with a new generation of activists but one that also clawed its way back from near oblivion to respectability and, if not victory, vastly increased electoral competitiveness. As part of that story, the Party acquired a stronger and more democratic constitutional framework within which to conduct its affairs¹¹.

Under Chrétien’s leadership, the renewal process continued. But from 1990 onward, the internal focus shifted away from questions about the Party’s operational mechanics to a major re-think of the Liberal policy posture on the important contemporary public policy issues¹² (i.e. trade, deficits, research and technology) and to recruiting strong new candidates to run for office in all regions of the country. Ultimately, following two distinct stages of renewal (as well as the resolution of the public strife, if not the private tensions, over its leadership), the Party was poised to regain the confidence of Canadian voters and win the general election of 1993¹³. The next generation of Liberal electoral success that flowed from the Turner/Chrétien rebuilding phase lasted for 13 years¹⁴.

For much of the Chrétien period in government, democracy in the Party and creativity in policy formulation were aided and abetted by the existence of competing centres of influence¹⁵. Supported by a Finance Minister in Paul Martin who could claim an independent national base of followers within the Party, together with a cluster of other strong Ministers with significant regional clout, the Prime Minister was able to build the Party into a very large and commodious political tent. For many years, the productive tensions resulting from a strong Cabinet served to facilitate a ‘managed’ discipline in power, very much in contrast to the much weakened and divided opposition which had emerged on the right. The string of strong majority governments that resulted built a legacy of Liberal achievement on a number of fronts – policies that have enabled Canada and Canadians to avoid much of the economic turmoil confronting the world today. Ultimately, however, competition over leadership undid things and the Party failed to accomplish the real democratization and modernization that its continued

¹⁰ Many believe that, in recent times, the Party’s elites have demonstrated an unfortunate impatience with Leaders who, having lost one election, are seen to be permanently tainted as ‘losers’. It is useful to contrast the treatment of John Turner in the 1986 leadership review vote and in the period leading up to the 1988 election to the loyalty that was given to Pearson following the debacle of the 1958 election, as well as to note the speed with which Paul Martin, Stéphane Dion and Michael Ignatieff were persuaded or chose to resign following their defeats.

¹¹ The 1982 National Convention resolution 40 on party reform had resulted in the establishment of the President’s Committee on Reform of the Liberal Party, with a mandate to consult party members broadly and to recommend wide-reaching reforms on the structure, organization and practices of the party. In November of 1985, Liberals gathered at the Reform Conference in Halifax. They proposed a number of changes to the Liberal Party Constitution designed to update and modernize the party, and encourage more active participation by women, young people, aboriginal Canadians as well as a representation that better reflected the multicultural nature of the country. Many of these and other proposals were brought to the 1986 Policy Convention in Ottawa and were endorsed by delegates from across Canada.

¹² The Aylmer Conference marked the revival of a Liberal Party tradition of “ideas conferences” established by the Port Hope Conference of 1933 and the Kingston Conference of 1960.

¹³ The resurgence of Liberal fortunes under Chretien was made easier by profound divisions on the right and, in particular, the emergence of a new and more radically right-wing grassroots-oriented regional party based in Western Canada, the Reform Party of Canada (later the Reform Alliance Party of Canada).

¹⁴ It is widely believed that, but for the impact of the so-called “sponsorship scandal”, the Chrétien/Martin hegemony might well have lasted much longer.

¹⁵ Interestingly, it was Pierre Trudeau who said that the essence of his political philosophy was simple: “create counterweights”.

success would require. The poison of division, exacerbated by the taint of scandal¹⁶, pushed LPC into opposition once again.

Winning a single election is one thing, particularly given the widely held view that governments tend to defeat themselves. However, the more extended periods of LPC's political success have been achievable, in large part, because LPC and its leaders have understood that the process of rebuilding the Party for the longer haul must always be a three-pronged effort – (1) renewing its resource of human talent through outreach, especially to young Canadians, (2) reshaping its intellectual (i.e. policy) consensus to suit the times and, of course, (3) modernizing its organizational and campaign apparatus.

1.4 Digesting our Defeat

LPC's recent election defeat was devastating. In terms of both elected members and voter support, Liberals actually swapped places with the NDP. It all seemed to happen over the final two-week stretch of a very short campaign. In considering the future of Liberalism in Canada in the wake of such defeat, it would seem that some reflection on what went wrong is in order. While there is always a danger of 'over-reading' any election result, many members of the Party have understandably engaged in some serious soul-searching about how it all happened. If there are lessons to be learned from the defeat, Liberals want their Party to recognize them and apply them.

It may have been the extent of the defeat, more than the loss itself, that caught Liberals by surprise. Many close to the campaign thought it was going well. Crowds at events featuring the Leader were large and enthusiastic. His message seemed to be attracting interest, certainly in the early-going. The Party's platform profiled 'liberal' values clearly and positively, was well delivered and, for the most part, appeared to be well received. Fundraising during the campaign broke all previous LPC records. Yet, despite all of these positive signs, the bottom fell out.

In the search for some coherent explanation for the defeat, many and varied theories have been advanced. Some have suggested that defeat was inevitable, largely because LPC had ignored its grassroots for too long; that the Party had lost touch with its base – that support had been bleeding away for years. Others think the Party became the victim of an out-of-date structure, badly in need of modernization and crippled by an approach to campaigning from a bygone era; or that LPC's message and approach were simply out-of-sync with the current generation of voters. Some blame the debacle on an 'aging establishment elite' – the so-called 'middle age white guys' clinging to power and brought down by their own hubris. Many remain convinced that the Party's old leadership squabbles had not only sapped the internal trust required for any party to run a successful campaign, but had also eroded public confidence in LPC generally.

"In their view, we lost largely because our opponents, in fact, ran a good and a smart campaign, whereas LPC ran a bad one. Canadians were not really interested in a message about democracy, accountability and fairness, because they were more focused on keeping their jobs in uncertain economic times."

¹⁶ The so-called "Sponsorship Scandal" inflicted serious and lasting damage to the Liberal brand, especially in Quebec, even though no member of the Liberal government or caucus was ultimately convicted of, or even charged with, any criminal or other wrongdoing.

Those who focused more directly on the campaign itself had other explanations. In their view, LPC lost because its opponents, in fact, simply ran better and much smarter campaigns. In their view, Canadians were not really interested in a message about democracy, accountability and fairness, because they were more focused on keeping their jobs in uncertain economic times. Undecided voters were looking for someone they could rely on to keep the country on track, which played directly into the government's hand. Those voters who were already opposed to the government were not interested in hearing more about all the Prime Minister's 'negatives'. Rather, in exploring their options, they wanted something fresh, new, positive and full of hope. They also wanted to elect someone with whom they could identify and 'connect'. Many who think campaigns really do matter believe that the debates were the turning point, when the choice for those seeking an alternative to the Prime Minister was made.

Almost everyone recognizes that, whatever triggered the Party's slide, it ended up being caught in a perfect storm. While the mid-campaign surge for the NDP in Québec was almost exclusively based on the personal appeal of, and broad identification with, its leader, enduring momentum was possible because the NDP, being new and largely unknown to Québec voters, carried little historic baggage into the Québec campaign. On the other hand, in regions like Ontario and the West, where the NDP has long had a presence including time in government, even a modest echo of the NDP success in Québec resulted in a late stampede of fear to the CPC. As voter choices polarized around who they least wanted in power, Liberals were swept away. The whole dynamic of the early campaign was about defeating Harper, but for the last few days it was all about stopping the NDP. Liberals hardly figured in the equation after the debate.

1.5 Losing the New Air War¹⁷

While the results on Election Day certainly mean LPC lost the campaign whatever theory one picks to explain the defeat, it is clear that attention must also be paid to what happened before the election was called.

The air war of any campaign is the battle of 'message' and 'spin' fought every day, hour and minute through the lens of the omnipresent media including, more recently, the many and varied 'new media' channels now available to voters wherever they may happen to be. Political parties and candidates strive to 'connect' with the voter by crafting and delivering the sort of messages and images that 'resonate' with them. Our Party's first mistake was in thinking its communications had to be merely logical and truthful¹⁸ (i.e. rational and sound) when, in fact, political choice is governed first by emotion¹⁹.

"We lost the air war during the campaign because we did not even appreciate the profound re-engineering of the public sub-conscious that had already been accomplished."

Our Party lost the air war of the last campaign before it even started. Put another way, the CPC won before we had even fired a shot. The pre-writ attacks against our Leader – an insidiously brilliant effort to frame him negatively before he could define himself – effectively went unanswered. Whether due to the Party's lack of financial resources to counter the CPC assault or naiveté as to its impact, Liberal silence was costly. We were defeated during the writ period largely because we did not appreciate the profound re-engineering of the public sub-conscious that had already been accomplished before the

¹⁷ With thanks to Dr. Mary Fernando, an Ottawa Liberal activist, for the insights in this section.

¹⁸ Tom Flanagan, formerly an advisor to Prime Minister Harper, when discussing CPC's political messaging said this: "It doesn't have to be true. It just has to be plausible (September 2009).

¹⁹ See, for example: Drew Weston, *The Political Brain: The Role of Emotion in Deciding the Fate of the Nation* (2007)

election was called. Liberal strategists, hoping they could overcome the damage once a campaign was officially underway, did not fully appreciate what they were up against²⁰.

The highest art of modern democratic politics is that of communicating effectively with voters. CPC strategists, current masters of that art in Canada, understand that ‘connecting’ with the voter is about reaching them emotionally. Psychologists and psychiatrists have long known that what one sees and hears has the potential to cement itself in the brain if it triggers an emotional reaction. Making intense use of focus groups, the CPC found the right combinations of ideas, words and images to elude the rational cerebral processes in favor of those that govern our emotions and, by repeating them with ever greater frequency and intensity, leave lasting emotional impressions. In politics, the sort of language one uses – its inherent value-laden bias – also matters critically.²¹

The messaging used by the CPC about our Leader from long before the campaign ever started was intended to do one thing only: turn his strengths into weaknesses. His brilliant international reputation and standing were turned into a negative by repetitive, emotionally-salient messaging consisting of images and words unified by the phrase – “he’s just visiting”. Similarly, his progressive and compassionate orientation to public policy issues (e.g. childcare, elder care, education) was turned on its head with the theme – “he’s just in it for himself”. Cementing these two messages in the voters’ psyches was the very core of the CPC attack strategy – to stimulate specific negative emotions associated with the voters’ every exposure to our Leader, even including his exposure through LPC’s own advertising. The “he’s just visiting” line was engineered to trigger anger (i.e. he’s not even a Canadian). The “he’s in it for himself” line was crafted to provoke disgust (i.e. he’s a brazen opportunist). As a result, every time voters saw images or heard messages from our Leader right through to the end of the campaign, emotionally biased judgments were triggered by feelings of anger and disgust that had nothing to do with anything rational. That is why LPC support levels never moved appreciably upward in what was otherwise thought by observers to have been a solid opening to the campaign. The ‘emotional’ hostility toward him had long been firmly, albeit subtly, fixed in the minds of many voters.

“The highest art of modern democratic politics is that of communicating effectively with voters.”

Conversely, the CPC crafted and repeated different emotionally-salient messaging to transform the Prime Minister’s weaknesses into strengths. Thus the Prime Minister’s complete lack of international experience and reputation, as well as his long string of embarrassing and/or lackluster performances on the international stage (i.e. rebuffing climate change treaties, losing UN Security Council membership, G8/G20 debacles) were washed away with the message – “but he’s here for Canada” – words that were carefully crafted not to rationalize, but to glorify, a shortcoming. Likewise, his aloofness, stiffness and apparent lack of compassion for ordinary Canadians was turned into a positive simply by pressing the thought and the image, over and over again, that “he’s a steady hand on the tiller in tough economic

²⁰ From a review of *The Political Brain*: “In politics, when reason and emotion collide, emotion invariably wins. Elections are decided in the marketplace of emotions, a marketplace filled with values, images, analogies, moral sentiments, and moving oratory, in which logic plays only a supporting role. Westen shows, through a whistle-stop journey through the evolution of the passionate brain and a bravura tour through fifty years of American presidential and national elections, why campaigns succeed and fail. The evidence is overwhelming that three things determine how people vote, in this order: their feelings toward the parties and their principles, their feelings toward the candidates, and, if they haven’t decided by then, their feelings toward the candidates’ policy positions.”

²¹ George Lakoff: *The Political Mind: Why You Can’t Understand 21st-Century American Politics with an 18th-Century Brain* (2008).

times” no matter what you think of him personally. These communications were designed to make the voter feel a certain nationalist pride and sense of security when exposed to words or images of the Prime Minister throughout the campaign – and they succeeded.

The devious genius behind the carefully-crafted and controlled ‘positive’ messaging about the Prime Minister and the government, as well as devastatingly negative framing our Leader, did not, in and of itself, win the election for the CPC. But our failure to understand what they were doing to us and to respond effectively – countering their messaging with emotionally-salient messaging of our own – contributed heavily to LPC’s defeat. When it came to the air war, the CPC had all of the latest political artillery – very effective modern political communications. Liberals were not even playing on the same battlefield.

“On the ground as in the air, LPC was simply out-smarted and out-gunned.”

1.6 Losing the New Ground War

The ground war during the last campaign was equally lopsided. The CPC is a generation ahead of LPC in terms of assembling the technology and data required to win a modern campaign. As a consequence, in the last election, the Party was defeated on the ground even before it entered the ring.

Despite the fact that LPC has the most advanced political database technology available²², Liberals spent most of the campaign simply attempting to ‘identify their vote’, inputting the identification data into the Party’s voter tracking system. The strategy was simple – get every identified Liberal supporter out on Election Day using a conventional ‘pull-the-vote’ E-day strategy. Relying on ‘tried and true’ techniques including old-fashioned door-knocking, telephone canvassing and even automatic dialers (i.e. robocalls), local LPC campaigns spent a huge amount of valuable campaign time and energy getting ‘Liberal supporters’ out to vote on Election Day, even though thousands of them had by then fled to the CPC or NDP. As a result, even where we identified Liberal voters and had an organization capable of mobilizing them, it is virtually certain that, by voting day, our local organizations ultimately ended up ‘pulling’ a lot of votes that went straight to our opponents.

In stark contrast, the CPC had not only identified its vote long before the election began; it had accumulated and/or extrapolated all sorts of additional data about its supporters and potential supporters including extensive data about the issues and concerns that motivated their support/non-support. As a result, using highly sophisticated micro-targeting, the CPC was able to spend the entire campaign messaging its base to ‘firm up’ any soft or wavering vote, ‘activating’ its committed vote (i.e. securing sign locations, volunteer workers, donations), strategically persuading soft ‘Liberals’ to switch and ‘suppressing’ the votes of those who did not support it - with vote-pulling and vote-pushing technology that would put LPC to shame. On advance polling and election days, the CPC’s finely tuned machine was operating on all four cylinders (i.e. identification, activation, persuasion and suppression) while ours was struggling with only one. On the ground as in the air, LPC was simply out-smarted and out-gunned.

²² Liberalist (the Voter Activation Network or ‘VAN’ system)

1.7 The Current Context

The scope of our defeat makes the renewal ‘context’ for the Party today quite different than it has ever been. While LPC has lost the three most recent elections (i.e. 2006, 2008 and 2011) and has been relegated to the Opposition benches for almost 6 years now, the Conservatives did not achieve a majority, as they were able to do in the watershed years of 1930, 1958 and 1984, until 2011. The flip side of this significant variation on past experience is that LPC representation in the House of Commons, while dramatically smaller than it had traditionally been, was not reduced to anything approaching the mere rump of a caucus that emerged following either the 1948 or the 1984 defeats – until the rout of May 2, 2011.

Given the relative size and comparative quality of LPC’s surviving caucus following the 2006 and 2008 elections, as well as the significant lead the Party consistently maintained over other opposition parties (i.e. NDP, Green and BQ) in opinion polls until two weeks prior to the 2011 election, LPC could legitimately hold itself out as the only credible alternative to the government notwithstanding a steady pattern of decline in its electoral fortunes beginning with the 2004/2005 election. That significant advantage is now gone and, as a result, LPC faces an even bleaker landscape than it did in 1930, 1958 and 1984.

“We believe that the conditions required for a ‘bloodless revolution’ within LPC now exist.”

Is there a silver lining?

Many Liberals who have been long and genuinely committed to reform and renewal now hope that the Party has finally been jolted out of the complacency and inertia attributable to its historic success, not to mention whatever residual attitude of arrogance and entitlement may have persisted in its ranks as a result of that success. The reality of the May vote has not only placed the longer-term health of the Party in question; it has also precipitated an immediate existential crisis in the minds of many Liberals. Once regarded as vigorous, vibrant and confident, Canada’s former ‘natural governing party’ is suddenly now widely seen as a tired, stale and troubled.

With this in mind, we believe that most Liberals today not only feel the urgent need for change, but also recognize the emergence of the sort of ‘crisis conditions’ which ought to impel a genuinely thorough-going, bottom-up rebuilding effort, including the near-decimation of the pre-existing establishment of the Party. This is an inevitable consequence of any humiliating defeat, but one that makes success in any rebuilding effort to follow much easier to accomplish.

Because the slate has been wiped clean, the conditions required for a genuinely ‘bloodless revolution’ within LPC may now exist. The time for a new generation of Liberals has come. If there were ever a time for Liberals to be bold, it is now.

A truly ambitious and grassroots-driven agenda is also possible today because the Party is presented with its first clear ‘runway’ for renewal and rebuilding since 1984. Serious overhauls of LPC have only been accomplished in circumstances where the Party, having lost an election badly, could safely place election readiness and campaign planning on a back-burner, knowing its efforts to go back to the policy drawing board, refresh the team with new recruits and modernize its organizational apparatus would not be interrupted by an election campaign.

Against the backdrop of a fragile, minority Parliament, where a snap election was possible any time, the ideal of a truly democratic and participatory rebuilding process, conducted in an environment where genuine dissent and debate could be tolerated, was extraordinarily difficult to achieve. Indeed, facilitating renewal in the context of an election being possible at any time is easily as daunting a task as reforming a party while in government. The inevitably disruptive ferment that naturally accompanies real change in how any organization thinks and operates is something Liberals can now face, indeed embrace, without fear. Today, the purely pragmatic considerations that have militated powerfully against taking the obvious risks of un-bottling the renewal 'genie' no longer apply. A majority government offers the certainty of enough time for the Party to relax its expectations of strict discipline in the ranks to enable the job to get done. A lengthy period of 'interim' leadership, before a new permanent leader is chosen, further expands the room for wide open debate and deliberation.

Still, while the very nature of a minority Parliament is such that the notion of running a 'permanent election campaign' is inescapable, especially when the government is more focused on playing partisan politics than pursuing good public policy, it is dangerous to think that a majority parliament eliminates this risk. With the current government seeking to consolidate its electoral gains outside Quebec and the NDP seeking to permanently supplant LPC as the 'alternative government' party, primarily by cementing and extending its recent breakthrough in Quebec, the reality of a 'permanent election campaign' continues and could easily impose extraneous constraints on renewal efforts for LPC today. The challenge is compounded by the fact that both of the other major parties are particularly well suited to functioning in top-down, command-control 'campaign' mode all the time (see Part III – Understanding our New Reality).

1.8 A Dramatically Different Political Environment

Many believe that the Party has come to a pivotally important juncture in its history, facing challenges that are not merely new to the 'organized' political environment, but of much greater long-term significance for all moderate political parties than is generally appreciated. These profoundly new realities include:

- Political party and election finance reform (i.e. limits, prohibitions, transparency and accountability in respect of donations), as well as the elimination of public subsidies of political parties;
- Media digitization, diversification and democratization, creating an immediacy of interaction between voters and their representatives, as well as a more 'networked' and 'connected' generation of voters generally;
- Growing voter apathy/non-participation and more general disengagement from partisan political commitment and/or activity, compounded by the emergence of NGOs and other non-partisan groups as important issue-driven policy influencers;
- Globalization and internationalization of many domestic policy issues, reinforced by the ongoing ethno-cultural diversification of the Canadian voting population;
- Fragmentation and regionalization of the broadly progressive segment of the Canadian voting constituency;
- Aggressive US-style, right-wing wedge politics geared primarily to exaggerating and exacerbating ideological, regional and other cleavages so they can be exploited through micro-targeting to partisan political advantage.

Any successful rebuilding strategy must do more than merely account for these developments. It must seek to capitalize on them. Moreover, it must engender the enthusiastic endorsement and participation of the Party's grassroots.

1.9 The Changing Nature of Modern Political Engagement

The number of voices demanding change in our political system is growing because more and more people believe that Canadian democracy is broken or, at least, badly in need of repair. Some point to the steady accumulation of unchecked power in the Prime Minister's Office, the abuse of Parliament and the diminished role individual MPs. Others lament the signs of growing voter apathy, most notably reflected in declining voter turnouts²³, especially among younger voters²⁴. Surveys suggest there are many explanations for this phenomenon including basic disinterest, disaffection from partisan commitment generally, a lack of identification with election 'issues' or simply a sense that voting is without efficacy - 'that my vote won't make any difference'. Finally, there are also those who blame the predictability and superficiality of Canadian political journalism as the primary source of public cynicism and alienation.

Growing disengagement with electoral politics seems at odds with other apparent trends in the populace, suggesting that the nature of civic activism may be changing as much as it is declining. The increased proliferation of non-partisan groups with undeniably political objectives, including many non-governmental organizations ("NGOs")²⁵, may be an indicator that many activist citizens see non-partisan pressure groups as being more effective (or, if not more effective, perhaps more self-actualizing) in militating for change than working or volunteering for a political party. It is estimated that as many as 3.2 million Canadians are currently involved with the work of one or more NGOs as active participants or donors.

Voter anger has become another important driver of contemporary political engagement across North America, especially on the right²⁶. Protest movements have acquired momentum in reaction to policies that its supporters perceive to be too 'liberal' or even 'socialist' and have ripened into populist political formations that have had a demonstrable impact on electoral politics. These movements are fundamentally Conservative; averse to progressive change and fearful of what they are convinced is the socially corrosive impact of progressive values. Whereas mainstream political conservatism in Canada has traditionally had a strong 'communitarian' aspect, a significant strain of the new conservatism is more libertarian; distrustful of intrusive and coercive government generally, opposed to taxes and any public debt and fearsomely protective of individual rights to privacy and private property. The other theme with which Canadian conservatism has become identified is a largely faith-based reaction from fundamentalist, as opposed to mainstream, religious communities to a more permissive and inclusive approach to issues of choice and equality in matters related to gender, sexuality, reproduction and the family.

²³ Voter turnout for federal elections in Canada has declined steadily from a high of nearly 80% in the 1960s to only 58.8% in the last (2008) general election. In the most recent Ontario election, turnout was less than 50%.

²⁴ Estimates of turnout of voters under age 24 for federal elections in Canada are in the range of 40% only.

²⁵ It is estimated that there are now over 1,000 distinct NGOs (also known as 'civil society organizations' and/or 'think tanks') in existence in Canada. They are active in a broad range of areas including, for example, all aspects of human rights, foreign aid, peace and development, the environment, victims and crime, or trade and tourism.

²⁶ The Tea Party in the US is just the most recent expression of widespread protest from American 'conservative' extremists against big and 'intrusive' governments, taxes and deficits.

Examples of novel approaches to heightened political activism now run the full range of the political spectrum. There are even some indications that the pendulum may be ready to swing back in favour of progressive political parties and movements that appear to ‘get it’ from a communications perspective. Signs of growing voter apathy, especially among the more educated and youth, who do not share right-wing values, are countered by unmistakable indications of a yearning for a new kind of engagement everywhere. In Canada, the first indication of progressives beginning to mobilize seriously via the Internet was the ‘prorogation Facebook phenomenon’²⁷. Similarly, over one weekend in March 2010, LPC was able to pioneer the most significant digital ‘connectivity’ exercise ever launched by a Canadian political party, with over 17,000 Canadians participating online in the ‘Canada 150’ policy conference. Many informed observers felt that this single event had ‘changed Canadian politics forever’.

Another recent development on the progressive side of the ledger in favour of political, albeit non-partisan, ‘engagement’ is represented by fiercely independent organizations like “GetUp” in Australia (www.getup.org)²⁸ and “MoveOn” (www.moveon.org)²⁹ in the United States. These organizations rely heavily on aggressive online recruitment and mobilization of their members³⁰, channelling their activism into organizing and participating in both online and more traditional on-the-ground political activities that are very issue-focused and objective-driven. Determined not to be seen as a ‘front’ for any political party, both organizations are nevertheless widely acknowledged to have played pivotally important roles in the recent election of progressive governments in each of their respective countries, focusing on issues of importance to liberals like the environment, health care, poverty and foreign aid/development.

“The number of voices demanding change in our political system is growing because more and more people believe that Canadian democracy is broken or, at least, badly in need of repair.”

A similarly-inspired organization, known as LeadNow³¹ (www.leadnow.org), appeared in Canada during the last federal election and continues to exist. While it claims success for mobilizing youth voter turnout, including a role in inspiring the so-called campus ‘vote mobs’, its enduring impact is still difficult to evaluate because its prospects for longer-term survival are unclear. LeadNow’s potential for having a significant impact on the unfolding Canadian political scene, as a channel of reaction against what is

²⁷ “Canadians Against Proroguing Parliament”, a Facebook group launched in January 2010 attracted over 200,000 members in an online protest which turned into a nation-wide street protest in just few short weeks.

²⁸ Getup describes itself on its website as “an independent, grass-roots community advocacy organisation giving everyday Australians opportunities to get involved and hold politicians accountable on important issues. Whether it is sending an email to a member of parliament, engaging with the media, attending an event or helping to get a television ad on the air, GetUp members take targeted, coordinated and strategic action. GetUp does not back any particular party, but aims to build an accountable and progressive Parliament - a Parliament with economic fairness, social justice and environment at its core. GetUp is a not-for-profit and receives no money from any political party or the government. We rely solely on funds and in-kind donations from the Australian public.

²⁹ MoveOn’s website describes itself as a “family of organizations [that] brings real Americans back into the political process. With 4 million members across America — from carpenters to stay-at-home moms to business leaders — we work together to realize the progressive promise of our country. MoveOn is a service — a way for busy but concerned citizens to find their political voice in a system dominated by big money and big media.

³⁰ Getup claims almost 500,000 members or about 1.8 % of the Australian population. Moveon reports over 5 million members or about 1.6% of the US population.

³¹ LeadNow describes itself as follows on its website: “Leadnow will use innovative, technology-enabled, expressly political organizing to build a more progressive Canada. Inspired by MoveOn.org in America and GetUp! in Australia, LeadNow will fill an important role in the Canadian political landscape”.

increasingly perceived as an ideologically right-wing government, should not be underestimated. If LeadNow were to achieve the level of participation and support of the Australian and US organizations after which it is modeled, it could reasonably be expected to attract over 500,000 members. All progressive parties in Canada, but especially LPC, have to consider how to react intelligently to this development.

More recently, the emerging 'Occupy' movement is definitely worth noting. Following in the wake of the events of the so-called 'Arab spring', it is perhaps the most interesting example to date of non-partisan, Internet-enabled political activism and engagement appearing in advanced liberal democracies – connecting online organization with on-the-ground activism. Originating in the US and now 'spontaneously' appearing in Canada and around the world, 'Occupy' appears to be directing its protest, albeit amorphously, against the 'greed' of banks and large corporations, as well as the growing inequity, including in developed countries, between the ultra-rich and everyone else. Fuelled by social media and other online communication against a backdrop of global financial stress and uncertainty, the targets of its anger include politicians who are seen as aiding and abetting the status quo.

'Occupy' presents itself as a 'grassroots' phenomenon inspired by ordinary people. Its messages are clearly left-wing and anti-capitalist in orientation, but its philosophical underpinnings and practical objectives remain unclear. Striving for the 'purity' of any new protest movement, 'Occupy' nevertheless appears vulnerable to being co-opted by the organized labour movement, ambitious union leaders and/or those with radical left-wing (i.e. Socialist/Marxist) or even anarchist sympathies and affiliations. Still, given the nature of the 'Occupy' issues³², their broad linkage to 'liberal' values (i.e. equity, fairness, the need for regulated markets, human rights including economic rights) and growing criticism, especially in the US, as to the sell-out of traditional 'liberalism' to corporate interests³³, LPC activists should be paying very close attention to its message about the failure of liberal democratic societies to counter a growing sense of disenfranchisement and helplessness on the part of ordinary citizens.

“Given the nature of the ‘Occupy’ issues, their linkage to ‘liberal’ values (i.e. equity, fairness, the need for regulated markets, human rights) and growing criticism, especially in the US, as to the sell-out of traditional ‘liberalism’ to corporate interests, LPC activists should be paying very close attention to its message about the disenfranchisement of ordinary citizens.”

Whether or not the trend in favour of digital political 'engagement' is likely to endure, there is no question that the ubiquity of the Internet has changed the way that large swaths of Canadians engage in several areas of activity that also happen to be at the very heart of traditional partisan political work including (1) communication and debate, (2) conducting and sharing research, (3) organizing in-person meetings and events, (4) voting and responding to questionnaires/surveys, (4) raising money and (6) donating money. Moreover, online political activism, although dominated by younger Canadians, now seems to cut across all age, socio-economic and ethno-cultural groups. The problem for LPC and for all other political parties is that the most 'connected' generation in modern history seems, at least for now,

³² In addition to its concerns about the greed of the largest corporations and the ultra-rich, the "Occupy" movement in Canada seems to be mobilizing around poverty, homelessness, aboriginal welfare, the environment and access to health care/education.

³³ See Chris Hedges, [The Death of Liberalism](#)

to have become somewhat ‘disconnected’ from partisan politics. Left unaddressed, this could become a harbinger of a negative future for any system of democracy that is party-based. There is a very real question, given the growing pressure for greater democratization and inclusion from the disaffected and especially the young, as to whether traditionally structured political parties in Canada can sustain a healthy and engaging democratic framework, or even a genuinely competitive political culture without altogether re-inventing themselves and radically changing their modus operandi.

No one has credibly suggested – not yet, at least – that ‘online’ and ‘alternative media’³⁴ politics can serve as a complete replacement for traditional ‘in-person’ and ‘traditional media’³⁵ politics³⁶. On the other hand, partisan political efforts that have understood and applied online technology and know-how to their work and, importantly, found ways to transform the online effort into on-the-ground in-person effort, have been rewarded with huge success. The 2008 Obama campaign for the US presidency is, perhaps, the best-known example of how to successfully integrate digital organizing with a precinct-based political machine. The triumph of the ‘Canada 150’ conference was in linking live in-person sessions with other in-person gatherings across the country and with those participating from their desktops. LPC can justly claim credit for breaking exciting new ground in bringing online and on-the-ground policy discussion and debate together in a single, integrated forum.

Still, LPC needs to understand better why many large, progressive, political groups that use the Internet as their primary organizing tool seem so determined to shun partisan affiliation. The fact that they have persisted in doing so even in countries where there is a single, dominant progressive party is especially challenging, given that progressive Canadians³⁷ have fragmented their partisan affiliations and that the principal challenge of LPC in winning power today is in attracting as many such voters as possible. Why have the best digital organizers concluded that a partisan label is not a recruiting magnet but, more likely, an obstacle to success?

Part of the explanation for the independent approach of such organizers may lie in the fact that many activist citizens today, being more informed than previous generations, at least in certain limited or specialized respects, naturally tend to be narrowly issue-focused rather than broadly values-focused. They may see their objective in precipitating positive change as being best-served by getting involved with organizations and activities where they can be relatively sure about exactly what they are getting into, rather than something larger and broader that demands compromise of diverging viewpoints and differing priorities. Ultimately, successful political parties require loyalty and deference to a leader, as well as disciplined acceptance of (or at least acquiescence to) the majority will or democratic consensus of its adherents however expressed. Perhaps the notion that partisan affiliation requires one to ‘toe the party line’ in all things feeds a negative perception of party affiliation generally.

Another possible reason for avoiding partisan affiliation may be that many issue-activists simply have an inadequate or incomplete understanding of what partisanship involves and how values-based alliances across a range of issues and concerns may be valuable to those militating for change. A basic lack of traditional ‘political literacy’, perhaps reinforced by cynicism surrounding conventional partisan organizing methodologies generally, may be influencing organizers of, and participants in, online

³⁴ Blogs, twitter, text, video, webnews

³⁵ TV, Radio, newspapers (including ethnic media)

³⁶ Indeed, the success of the recent Liberal Express tour is testimony to the continuing efficacy of traditional ‘on-the-ground’ politics.

³⁷ Including Liberal, NDP, BQ, Green and progressive Conservative voters

engagement strategies from embracing more established organizational approaches for effecting political change. Perhaps they do not understand or no longer believe that the most efficacious political activity is within the context of organized political parties.

Finally, the resistance to affiliation may simply be that the Internet has exposed how ‘establishment’ political organizations like LPC³⁸, no matter how democratically structured they may be or think they are, differ profoundly from the sort of genuinely grassroots political organizations³⁹ made possible by online engagement. These differences could well give rise to an underlying organizational ‘culture clash’ between ideologically and otherwise like-minded citizens who are nevertheless, for a variety of reasons, poles apart on how things actually should get done in a democracy. Could it be that Canadians whose lives are defined by ‘networked connectedness’ are distrustful of the way compromises are forged in traditional party structures and processes because they are governed through hierarchical structures and managed by an élite professional political class?

Can an organization like LPC even contemplate crossing the chasm between what it is today and what it may have to become to remain relevant to a new generation of Canadians?

³⁸ Traditional organizations are perceived as hierarchical, vertical, bureaucratic, centralized, formalized, cronyistic, rigid (i.e. resistant to change), mechanistic (i.e. rules-based), clumsy, slow-moving and closed.

³⁹ Grassroots organizations are perceived as networked, collaborative, flat, decentralized, informal, meritocratic, flexible, organic, agile, fast-moving and open.

PART II – UNDERSTANDING OUR NEW REALITY

When it comes to assessing the health of our democracy, Canadian political parties are not immune from scrutiny. Although each, in its own way, has serious challenges to overcome in rediscovering a contemporary relevance and mission, it is doubtful that party has more ability to contribute to a positive new direction for Canadian democracy than LPC. Given all of the foregoing, however, it is abundantly clear that reform, renewal and rebuilding of LPC in 2011 means something dramatically different than ever before.

While Liberals have been continuously pre-occupied with questions of leadership and policy renewal

“Liberals have to be bold, even audacious.”

since before the CPC was even formed, the CPC has been focused on the nuts and bolts of fundraising, organization and communications from the very outset of its existence⁴⁰. Now LPC has to shift focus. The challenge is not simply to beat the CPC at their own game, but to modernize the LPC’s fundraising, organizational and

communications apparatus in ways that meld the Party’s culture, traditions, values and aspirations with the realities of 21st century political competition. Our goals have to be bold, even audacious. Liberals must transform their present crisis into an opportunity to ‘leap-frog’ their opponents, not merely to match them.

In turning to the challenge, it makes sense for Liberals to step back first and look again at the broader landscape. If serious renewal starts with honest assessment, then any focus on the rebuilding and renewal of LPC must take adequate measure of its comparative strengths and weaknesses relative to its two principal political opponents, the CPC and the NDP.

2.1 The CPC Stealth Agenda

In a country as large and diverse as Canada, winning government is about forging a coalition of regional, political and ideological (or ‘shared value’) interests that is large enough to elect a plurality and, ideally, a majority of seats in the House of Commons. The right combination of leader, team, brand, message and organization are ordinarily required to make that happen.

For 22 years under both Pearson and Trudeau, LPC benefited from an historic coalition of federalists, progressives, Francophones, Catholics and immigrants dominated largely by voters from Ontario and Québec. Its support was both rural and urban, but most heavily concentrated in the larger urban centres. In 1984, Mulroney shattered LPC dominance by forging a totally new national political entente, melding the traditional base of his party (i.e. conservatives from the West and progressive conservatives from Ontario and Atlantic Canada) with Francophone conservatives among federalists and soft nationalists from Québec. Chrétien, capitalizing on partisan division and the emergence of a more extreme conservatism that completely fractured the right side of the political spectrum, was able to restore much of the traditional LPC alliance, ultimately including even a recovery of support among Francophone Québécois. Today, winning and retaining power in a first-past-the-post democratic system – forging a new and enduring Canadian ‘power coalition’ - has become, like never before, an extraordinarily sophisticated science. No one understands its elements better than the CPC.

⁴⁰ The focus has been so successful that the CPC is now in the enviable position of not requiring any public subsidy for its very robust operations.

It is difficult to consider the future of LPC without due regard to the dramatic makeover of the CPC that has been accomplished under its current leader. Notwithstanding the inherent philosophical conflict between libertarianism and social conservatism, the CPC's roots are in a right-wing party of popular

“Whereas LPC has been focused on the next election only since 2004, the CPC has been focused on changing the political culture of Canada permanently.”

protest⁴¹ that variously shares the characteristics and values of both credos. Its most important inheritance is a large and engaged ‘grassroots’ base of activists, including tens of thousands of workers and donors, concentrated most heavily in Western Canada. This group of Canadians is the core of what is now recognized to be the CPC ‘voting base’.

This voting base has been leveraged very effectively by the CPC in acquiring and retaining power. Notwithstanding five years in government where it first tried to ‘appear’ much more moderate than its core supporters, the CPC has long had a much more ‘engageable’ base of local activists than LPC has been able to count on. It has learned exactly how to harness and mobilize its supporters’ energy with highly tactical communications techniques adopted and adapted from US conservative strategists, an approach that has changed the dynamic of partisan activism in Canada profoundly. The CPC has mobilized a highly-networked and connected series of issue-driven voters, including many with a single-issue focus. It has activated an entire set of previously ‘alienated’ voters who tend to respond well to political messaging designed to provoke anger, fear and division.

The imperative of mobilizing the CPC base for battle while not, at the same time, undermining efforts to attract the broader constituency that can deliver a majority of seats in an election, has inspired a two-track political communications strategy. The CPC’s approach of sending both overt and covert political messaging to its core supporters, a technique that goes back to its days in opposition, has been steadily refined and renewed during its years in power. In front of the curtain, official policy announcements and statements are delivered through ‘broad-cast’ or ‘macro-targeted’ ‘mainstream channels’⁴² that tend toward the more moderate, albeit the centre-right, range of the ideological spectrum. Behind the curtain, however, ‘narrow-cast’ or ‘micro-targeted’ messaging has translated the underlying values that appeal to the CPC base through a carefully-crafted and artfully delivered ‘unofficial’ communications strategy that is much more direct in its focus, but always subtly distanced from the Prime Minister himself and the ‘official government line’.

The CPC underground communications campaign, so critical to its fundraising, is always targeted to receptive audiences and generally accomplished behind closed doors, or through phantom websites, or by an anonymous army of rabidly right-wing emailers, bloggers and tweeters. It is buttressed by speeches to friendly and, mostly, private audiences that contain the right ‘coded’ messages. It is also supported by ‘strategically off-message’ public activity by backbench MPs (including through various private member’s bills that would be too risky to introduce as government legislation and provocative members’ statements in the House of Commons that the mainstream media tends to ignore) – pushing themes that are effectively recycled and highlighted to selected supporters. While none of this private member’s activity is presented as official government policy, it is carefully, albeit cynically, designed to

⁴¹ The Reform Party of Canada

⁴² Mainstream TV, newspapers, radio and ‘official’ internet sites.

send the right political signal to a specific subset of the CPC's rank and file with a wink and a nod from the PMO.

Overall, this approach has resulted in a stable and highly engaged right-wing grassroots political base that continues to provide the government with much more money and ground artillery than LPC has been able to muster. As long as it is nurturing its base in this way, the government can continue to attract votes beyond its right-wing base of protest supporters, without at the same time alienating them, simply by promoting an image of 'competent economic management' in hard and uncertain times. CPC messaging strategy, however cynical, now epitomizes the 'new politics' in grassroots engagement strategies.

Many on the progressive side of Canadian politics have long believed that, given a majority, the CPC would set about accomplishing a radically conservative re-make of Canada⁴³ that no minority Parliament would ever permit – the so-called 'hidden Harper agenda'. What fewer have appreciated is that, whatever right-wing policy agenda the CPC did not want to prematurely disclose, its greater concern was the risk that Canadians and, most especially Liberals, might come to know and understand the 'secret sauce' that drives the operational mechanics of its longer-term strategy for growing and activating its support. While governing as a minority, the CPC methodically, strategically and, above all, secretly pursued a very specific and sophisticated route to a majority – one geared to permanently expanding its political base sufficiently to make a majority victory not simply attainable, but also sustainable. If the second part of covert Harper plan is all about 'what' Canada will look like now that the CPC has an unfettered hold on the reins of power, the early innings of the game were more about 'how' the CPC was able to engineer a majority government for itself without actually ever disclosing 'what' it would do with such power. The CPC organizational agenda is one that it has to conceal because it is rooted in deception, focused on retaining first-mover advantage and, of course, dependant on the element of surprise.

“While the CPC game plan includes luring ever more swing voters into its camp under false pretences, its other objective has been to persuade its own most loyal shock troops of its fealty to their cause over the longer term without actually doing anything real or substantive to appease them in the short term. The CPC ‘secret sauce’ is rooted in this double deception.”

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For almost a decade, the CPC's leadership has actively been engaged in a political struggle against the historic hegemony of LPC⁴⁴, a battle it now believes it has won. For the CPC, veiled intentions are the only viable path to victory, for the simple reason that the overwhelming majority⁴⁵ of Canadians remain moderate/progressive voters who still have little or no identification with the extreme right-wing values and priorities of the CPC's voting base. While Canadians were prepared to throw out an LPC government in 2006 that was seen to be tired and/or scandal-plagued, they were unprepared to give the CPC a

⁴³ "Canada is content to become a second-tier socialist country boasting ever more loudly about its economy and social services to mask its second-rate status. You won't recognize Canada when I get through with it". Stephen Harper, 2006

⁴⁴ Many would argue that the CPC has attempted to unleash a culture war as a back-drop to this political struggle.

⁴⁵ Consistently estimated by pollsters at 60-70%

majority until their third try – and then, only under a very special and unprecedented set of circumstances.

To keep its underlying extremism hidden, the CPC has been forced to run campaigns where the public air war nurtured a more moderate image, hiding the radical fringe element in its ranks by imposing strict message discipline on its candidates and other spokespersons. In the parallel ground war, in its organizational plumbing and mechanics, it has run a permanent and extraordinarily powerful stealth campaign to identify, persuade and activate an ever-growing list of supporters and potential supporters for whenever the next election comes, counting on the apathy of voters generally and the lethargy of LPC in particular to sustain its competitive advantage. LPC's future depends on dissecting, understanding and countering that stealth campaign. Since 2004, while LPC has been focused only on winning the next election, the CPC has been focused on changing the political culture of Canada permanently. It is simply in recognizing that fundamental political reality that Liberals can begin to fight intelligently again.

It is also essential to renewal-minded Liberals to understand that, in the short term, widespread political apathy, including a low voter turnout, is something that serves the CPC especially well. As noted above, most voters are moderates/progressives who have little or no identification with the values or priorities of the CPC's voting base. If they were motivated to vote in larger numbers, the CPC would more easily be defeated. That is why the CPC's approach goes well beyond the traditional push to identify and pull its own vote in an election campaign. Its objectives are to understand, activate and expand its own voting base as part of a 'permanent election campaign' while, at the same time, actively suppressing or neutralizing the ability of its opponents, including LPC, to do likewise. A genuinely more participatory democracy in Canada would present a huge threat to the CPC.

An understanding of the CPC's two-tier, air-and-ground strategy for winning does not turn on recognizing that it is necessarily calculated to deceive but, rather, in figuring out who must be

“A genuinely more participatory democracy in Canada would present a huge threat to the CPC.”

successfully fooled in order for it to work. While the CPC attempts to lure ever more swing voters into its camp under false pretences about what it stands for, its other objective has been to persuade its own most loyal shock troops of its fidelity to their cause over the longer term without actually doing anything real or substantive to appease them in the short term. The CPC 'secret sauce' is rooted in this double deception.

Pretending to be a 'moderate' party over its first 5 years in power, the CPC was able to downplay some, though not all, of its clearly right-wing or ideologically-motivated policies. This 'hug-the-centre' strategy was naturally aimed squarely at centrist voters, but the CPC has also come to understand the risk of alienating its right-wing base (i.e. reducing its core supporters' incentive to engage and vote) over time. While the government enjoys some policy latitude on the theory that its base 'has nowhere else to go', it also knows that frustrated supporters ultimately expect to be rewarded for their efforts and to see at least some fruits of victory in the policy direction that the government takes. While there is little risk to the CPC that its base will ever switch to a progressive party, there is always some risk that supporters could either sit on their hands and not vote at all or coalesce around a new right-wing protest party, as they did under Mulroney.

A party funded by those at the extreme end of the political spectrum can be difficult to manage. The CPC's two-track messaging strategy is as critical to preventing a rupture as it is to motivating its base.

The pretence that it is a ‘moderate’ party, paying only lip-service to its micro-targeted base, was reinforced until it won a majority by its macro approach to governing. Rather than attack the big issues of priority concern to right-wing conservatives head-on (including, for example, by lowering taxes, reducing economic regulation, cutting funding to core social programs, expanding private health care, curbing spending on foreign aid and development, restricting immigration, tightening access to abortions and relaxing gun control), the CPC government has imported the basic modus operandi of U.S. Republicans consisting of:

- Studied inaction or outright paralysis on major files where any action palatable to its base would disclose an overtly right-wing bias including, for example, the environment and climate change, child care, aboriginal health and education, and health care;
- Populist pandering on other matters accompanied by right-wing messaging that seeks to tap into the ‘common sense’ fears of uninformed voters including, for example, on crime, defence and the military, terrorism, immigration, pay equity and gun control;
- Highlighting carefully selected issues far from mainstream concern that have been ‘concocted’ solely with the intention of sending a very targeted signal to the CPC’s voting base including, for example, the mandatory aspect of the long-form census, de-funding of reproductive health in development aid, reviewing affirmative action in the public service, de-funding the gay pride parade, de-funding of progressive women’s and human rights groups, appointing an ambassador for religious freedom; and
- Profiling the fact that it prefers to ignore advice from officials and opinions of Courts suspected and accused of being too ‘liberal’.

On the one hand, the CPC focus has been on avoiding any so-called ‘wedge issues’ that, being high profile, might actually boomerang by alienating moderate, rather than merely left or centre-left, voters. On the other hand, it has actively attempted to push ‘wedge issues’⁴⁶ that are both vulnerable to popular misconception and easy to exploit or altogether unlikely to capture sustained front-page attention or media focus. Its purpose is to divide the electorate, incrementally harden support of the CPC base and surgically peel away support from progressive parties by exploiting public ignorance or stoking unsubstantiated fear (e.g. unreported crime statistics, terrorist refugee claimants, invading Russians or police chiefs leading a cult conspiracy looking to confiscate all guns, census-takers looking to put citizens in prison) in order to seduce otherwise progressive voters into its camp. It is a covert and dirty war being waged mostly by digital guerrillas in the political trenches. The strategy is defensive, inasmuch as it seeks to inoculate and firm up the base without alienating generally disengaged moderates. But it is also a provocatively offensive strategy aimed at eliciting overly-aggressive reactions from progressive politicians and, by stimulating anger and fear among voters, chipping away at progressive support, issue by issue.

*“It is a covert and dirty war
being waged mostly by digital
guerrillas in the political
trenches.”*

⁴⁶ The best current example of this approach is the government’s indirect attack on official bilingualism through unilingual appointments to key national roles (e.g. Supreme Court Judges, Auditor-General), a tactic that not only sends the right micro signal to its right-wing voting base but also forces Liberals to highlight their longstanding commitment to official bilingualism, turning what was formerly a matter of national all-party consensus into a new partisan wedge issue designed to exacerbate, rather than heal cleavages.

As important as the CPC's 'secret sauce' of double deception may be, its real 'secret weapon' is its accumulation of digitized data on individual voters in the Conservative Information Management System (known as 'CIMS'), together with its unmatched expertise in exploiting this data for partisan political activities. The information about voters now at the disposal of the CPC dwarfs the data in LPC hands in both breadth and depth. Whereas LPC has now built a database identifying about 40% of its voting base⁴⁷, the CPC knows not only knows who the overwhelming majority of its supporters are; it has also gathered and recorded detailed information (i.e. age, income, ethnicity, email address, telephone numbers, voting history) about both them and its opponents, overlaid other generally available demographic and consumer data and identified the political issues that are each voter's 'hot-buttons'.

Just as emotionally-salient messaging is the modern political communications weapon, voter databases are unquestionably the most critical political organizational tool. The more extensive the data a political database contains, the more useful it is for a range of micro-targeting purposes, as follows:

Fundraising	A well and properly populated database can determine who should receive fundraising direct mail, e-mail solicitations or telephone calls. Depending on the quality of the database, these approaches can be tailored to reflect the issues and concerns of each potential donor. Past donor history, support for related advocacy groups, magazine subscriptions, and consumer behavior can all be used to find likely donors and maximize the returns of any fundraising efforts. Survey results or responses to targeted mailings can also elicit valuable data.
Volunteer Recruitment	As with fundraising, databases, especially those with detailed past election behavior, are essential to recruiting volunteers and finding locations for lawn signs.
Issue Tracking	A political party can track how issues are perceived across geographic and demographic lines both during and between campaigns. Database mining can provide useful intelligence as to how to adjust and/or focus the campaign's message for different audiences. By inputting data from all incoming telephone calls, mail, e-mails and letters to the editor, as well as entering petitions and supporter lists from advocacy groups and NGOs (Non-Government Organizations), one can closely track how issues are followed by the electorate.
Persuasion and Conversion	Where issue drivers or demographic datasets do not align with historic voting patterns, laser focused communication can be used strategically to motivate changes in voting patterns.
Motivating / Hardening Support	Strategic use of database intelligence in partisan communications activities can not only turn non-supporters into soft supporters, it can convert soft supporters into hard supporters, workers and donors. It can also motivate supportive issue-focused grassroots activity between elections including letter writing, petition signing, attendance at meetings and rallies and other forms of message dissemination.
Pulling / Pushing the Vote	One of the most important parts of a modern campaign is the campaign to ensure one's own supporters go to the polls on election day. The entire process is driven off accurate databased information.

⁴⁷ Liberalist.

During the last election campaign, as we have noted, LPC was focused on identifying its vote when the CPC had already done so. The CPC spent its time and resources during the campaign reinforcing and activating its already-identified support and suppressing/neutralizing the support of its opponents.

The CPC's 'data advantage' can be traced to its populist Reform Party roots, where thousands of Western Canadians signed on to the cause for specific and well understood reasons. Necessity, being a lack of corporate donors for the Reform Party at a time when corporations could make political contributions, naturally bred invention. In order to fund its activities, the Reform Party had to resort to broadly-based, popular fundraising from individuals. As data about its supporters was assembled and digitized, a donor base containing tens of thousands of small donors was also built. This donor database, in turn, positioned the CPC to dramatically outperform all other Canadian political parties in fundraising results when political and election financing reforms became law. While the other parties had been relying on corporations and unions without adequately preparing for the new political financing regime, the CPC inherited a fundraising machine unequalled in Canadian experience.

The money generated from the CPC's popular fundraising machine has not only enabled it to continuously expand and update its intelligence about Canadian voters⁴⁸, it has also enabled it to train and develop a whole team of paid and volunteer database builders and analysts, as well as voter communications specialists – digital political organizers – whose role can be best understood as builders of online political communities. The centralized and remote work of these war-room Internet and social media shock troops is central to the entire CPC battle strategy.

Using and extrapolating its database intelligence and technology, the CPC has also been able to build 'emotional constituencies' based on carefully crafted messaging on a whole range of issues that divide the electorate neatly in its favour in a whole variety of communities. Organizers identify and exacerbate demographically powerful 'issue' or 'status' cleavages⁴⁹ driven by emotions like fear⁵⁰ or anger⁵¹. Continuous contact with, and messaging to, these core constituencies has resulted in CPC support levels that are remarkably resilient even when, due to mis-steps or unpopular policies, opposition to the government has increased or hardened.

“The CPC government is driven by ruthlessly partisan calculation, rather than sound public policy.”

The current CPC government is driven by ruthlessly partisan calculation, rather than sound public policy. By tactically introducing or attacking certain policy ideas, taking or refusing certain initiatives or supporting or opposing certain groups or causes, however ill-considered and bizarre the choice may appear to progressive voters, the CPC can quickly build a platform and send a message that

⁴⁸ The CPC has used a number of devices to build its database including responses from the effective use of issue-focused ten-pencers, as well as a variety of surveying and telemarketing contacts. A heavy focus has been on gathering tens of thousands of email addresses.

⁴⁹ Target groups include, for example, gun-owners, evangelical Christians, Jews, Hindus, conservative Roman Catholics, families with stay-at-home mothers, abortion opponents.

⁵⁰ Including, for example, fears provoked by Muslim immigration, insecurity of the State of Israel, terrorism and national security, crime and drugs, threats to the traditional family and the possibility a Parliamentary 'coalition' involving the NDP and BQ.

⁵¹ Including, for example, anger about abortion, taxes, the long-gun registry, rehabilitative sentencing of criminals, immigration generally, establishment (i.e. urban) privilege, affirmative action for minorities and bilingualism.

communicates identification and empathy with the precise set of fears or angers of exactly those constituencies it needs to tap into and shore up. Positive voter feedback, including significant amounts of money in many, small donations for the CPC, can be counted on in response.

During an election, the CPC's core supporters naturally feel that the CPC is invested in them, just as they have invested in the CPC. A meaningful and emotionally-driven political relationship gets built between a sophisticated, highly-centralized, data-rich and professionally-managed digital nerve centre and a wide swath of ordinary Canadians. Those Canadians, in turn, are encouraged to channel their fear and anger into loyal support and activism for the CPC.

Put simply, the CPC has built a powerful secret weapon entirely in stealth that enables it to collect, store and manipulate a huge amount of highly useful voter data for partisan purposes, converting that information into workers, money and votes. In doing so it has acquired the backbone for a modern, unified and agile political organization capable of outperforming its opponents on the ground in a campaign. But it is not a system designed to engage Canadians in a genuine process of political discussion or debate, much less enhance the democratic accountability of their political leadership.

The highly-centralized and anti-democratic posture of the current CPC leadership has enabled the advantages of technology to be effectively leveraged in a relentless drive to (1) control the political agenda and the message, (2) pursue perceived political advantage over sound public policy and (3) quash all internal debate and dissent on any of the foregoing⁵². As one pundit recently described the CPC: "The garrison party... no longer has policy debates wherein dissenters have a chance to air their views. The role of the party's rank and file is not to develop policy but to raise funds and tear down opponents."⁵³ Still, it must be admitted that the benefits of imposing a highly 'corporatized' structure and culture on a party organization, while potentially harmful to its longer term institutional health as a volunteer political movement, are near-term electoral agility and effectiveness.

There is much to be gleaned from the CPC example about modern political organizing and campaigning that LPC can and should emulate, as well as much about building a modern, scalable, adequately financed and technologically empowered political apparatus capable of sustaining meaningful and coordinated interaction with a large mass of supporters on an ongoing basis. There is less, however, to be gleaned about building a party that has the kind of durable, participatory and democratic culture that might restore it as the preferred political choice of most Canadians for the longer term.

2.2 Unmasking the NDP - A Closed Party with a Confused Agenda

On close analysis, the NDP is not much different from the CPC when it comes to questions of fundamental structure and process. Although it purports to function under a federated structure and despite the nod to 'democracy' in its very name, the NDP's political culture is peculiarly undemocratic⁵⁴, the more so as it has focused on the discipline required to achieve and retain power. Nationally, the NDP has long devolved internal authority to a triumvirate made up of its leader, its so-called 'saints'⁵⁵ and a coterie of influential insiders, most of whom are drawn from the leadership of the trade unions

⁵² Remarkably, the government's push to quash dissent has even been extended to Order-in-Council appointees and civil servants.

⁵³ Lawrence Martin, *The Globe and Mail*, Thursday, August 26, 2010.

⁵⁴ By 'undemocratic', we are referring to how it is governed and organized, and how it develops and determines party policy.

⁵⁵ Led by Ed Broadbent and Roy Romanow.

that have traditionally provided most of its money and workers. This centralization of power within the NDP has not only been a key to its unity through long periods of opposition; it has also allowed it to sweep fundamental issues as to its true identity and orientation under the rug including, for example, whether or not it still adheres to ‘socialist’ ideology as its constitution prescribes, whether or not it is genuinely a pro-environment party⁵⁶ and, more recently, whether its sympathies in relation to Quebec are essentially ‘federalist’ or ‘sovereignist’.

“The NDP is not much different from the CPC when it comes to questions of structure and process.”

The matter of masking its commitment to socialist principles has become a particularly thorny problem for the NDP’s leadership, especially now as it seeks to expand its base toward the centre. The Party’s elder statesmen have sought to shed the baggage of the ‘socialist’ label by attempting to persuade both voters and the media that the term ‘social democrat’ instead of ‘democratic socialist’ better describes the party’s basic orientation. Yet, whatever terms the NDP uses to define itself, it has yet to persuade its own membership to abandon socialist principles, much less renounce them⁵⁷.

The NDP constitution, which appeared nowhere on the party’s website until recently, includes a preamble which, in part, provides that⁵⁸:

“The New Democratic Party believes that the social, economic and political progress of Canada can be assured only by the application of democratic socialist principles to government and the administration of public affairs.

The principles of democratic socialism can be defined briefly as:

“Curiously, the preamble to the NDP constitution no longer appears in the version published on the party’s website even though it is still referred to in the body of the constitution itself.”

That the production and distribution of goods and services shall be directed to meeting the social and individual needs of people within a sustainable environment and economy and not to the making of profit;

To modify and control the operations of the monopolistic productive and distributive organizations through economic and social planning. Towards these ends and where necessary

the extension of the principle of social ownership...”

A heated debate over amending the preamble occurred at the NDP convention of June 2011, during which the entire matter was referred to its executive after a vote to abandon all reference to ‘socialist’ principles was deferred on account of its contentiousness. The topic was just ‘too hot to handle’.

⁵⁶ Many environmentalists believe that NDP platforms have consistently betrayed the environmental cause, most recently in the 2006 federal election and in recent provincial elections in British Columbia and Ontario.

⁵⁷ Any decision by the NDP to abandon or renounce socialism would be highly problematic for a whole variety of reasons, not the least of which being its longstanding membership in Socialist International (of which Greek Prime Minister Papandreou is currently President) and its affiliation with a whole variety of unabashedly socialist organizations. See <http://www.socialistinternational.org/viewArticle.cfm?ArticleID=1927>

⁵⁸ Available at this link: <http://media.thestar.topscms.com/acrobat/9e/33/a6c6799d4cc0b8dfc9720494221e.pdf>

The NDP approach to misleading Canadians about what it really stands for has always been of a different character than the double-track deceit inherent in the CPC's communications strategy. Never having been required to form a national government, the NDP has long been able to make promises to Canadians that have a populist appeal, based on policies it knows, or ought to know, are either completely unworkable from a practical perspective⁵⁹ or impossible to implement without sacrificing the integrity of Canada's overall fiscal position⁶⁰. Why and how can it do so? Because, until recently at least, NDP strategists knew there was no risk that the party would ever have to keep its promises. Moreover, on account of its traditional third place position in any national race, the media could be expected to ignore its election platforms. During the last campaign for example, neither the NDP's spending promises, nor its highly questionable revenue projections, received any serious scrutiny from the media until the final days.

The NDP's ability to avoid democratic accountability to Canadians generally is mirrored by the striking democratic deficit in its own constitution and internal governance mechanisms. Specifically, one can point to the 'special' influence of labour, the Labour Caucus and the Labour Affiliates – organizations mentioned in the document that, conveniently and mysteriously, are left ambiguous and undefined. Whatever the terms refer to, it is clear that the Labour movement⁶¹ has significant constitutionalized power in the NDP⁶² including a senior officer, two members of the executive and 30 members of the federal council – none of whom, in any sense, are directly elected by or accountable to the membership of the party as a whole. Add to that the fact that the party's constitution affords no rights of appeal from decisions affecting individual members and it quickly becomes clear that democracy in the NDP is little more than a sham.

“Add to that the fact that the party's constitution affords no rights of appeal from decisions affecting individual members and it quickly becomes clear that democracy in the NDP is little more than a sham.”

Remarkably, a sitting President of the party can be allowed to seek its leadership, temporarily replaced by two so-called 'associate Presidents' (including an 'associate President (Labour)⁶³). The fact that there is no such position as 'associate President' contemplated under the NDP Constitution, nor any constitutional authority, or prescribed mechanism, for selecting one, appears not to matter. Moreover, any NDP member who might wish to challenge what arguably appears to be an unconstitutional 'artifice' designed solely to give the NDP President the ability to seek the party's leadership⁶⁴, not to mention an organizational leg up, has no obvious mechanism of recourse or appeal. Coupled with the fact that his

⁵⁹ See, just for example, excerpts from the 2011 NDP Platform:

“We will ensure Canadians have access to credit cards with interest rates no higher than 4 per cent above prime; We will give federal financial regulators new powers to identify and ban excessive interest rates on credit cards, payday loans, store cards and other forms of consumer credit”

⁶⁰ The 2011 NDP Platform made promises requiring a total of \$30BN in additional new federal spending.

⁶¹ Including, specifically, the Canadian Labour Congress – Article VI, Section 6

⁶² See Articles VI and VII generally.

⁶³ The person who allegedly occupies this 'created' position was actually nominated by the Labour caucus and merely ratified, not elected, by the national convention of the NDP.

⁶⁴ Mr. Brian Topp, President of the NDP and a union leader, announced his candidacy for the leadership of the party on September 12, 2011. He did so notwithstanding his fiduciary duty to the party as its President during a period of leadership transition and without stepping down from his position.

candidacy is also endorsed by the ‘saints’ of the NDP, these interesting anomalies suggest a more presumptively ‘top-down’ and less ‘grassroots’ party culture than many might otherwise expect of the NDP given how it advertises itself.

Over time, the NDP’s success in the last election is likely to give rise to significant structural dissonance in its caucus - divisions that already appear to be surfacing in its current leadership campaign. The dramatic under-representation of Québec party members in the NDP’s pending leadership vote has understandably become an issue given the relative size of the Québec caucus. A battle between new members from Québec and old-timers from the rest of Canada over the special status of unions in the NDP is also brewing.

“One thing is clear: the paternalistic top-down tradition of organized socialism is very much alive in the NDP.”

There are also some stark policy differences within the NDP that will almost certainly come to the fore over the coming months. Even though the NDP’s Québec supporters tend to be progressive, many are also strongly nationalist or even sovereignist. As a result, the NDP’s traditional support for a strong federal government with an activist and interventionist bias will directly conflict with the longstanding aversion of its Québec contingent to anything that even hints of interference in provincial affairs by Ottawa. Similarly, on issues like the environment, corporate responsibility and gun control, the progressive support the NDP garnered in urban ridings is at odds with its voting base in rural and remote ridings. As a result, the challenge for the NDP in crafting any kind of progressive pan-Canadian platform through a process that does not occur behind closed doors may prove overwhelming. One thing is clear: the paternalistic top-down tradition of organized socialism is very much alive in the NDP.

Whatever problems may emerge, the NDP is unquestionably enjoying unprecedented political momentum⁶⁵. LPC has to be realistic in assessing and aggressive in countering that threat wherever it appears. By allowing the NDP to continue to paint LPC as just another ‘old line party’ and ‘more of the same’, or to position itself as something new, fresh and different, LPC unnecessarily sacrifices ground. During a period when voters are looking for something new, fresh and different, LPC has to focus directly both on filling that very frame by re-inventing itself and making repeatedly clear to all who will listen that the NDP, in fact, is the same, old party of tired, outdated and unworkable socialism that it has always been.

2.3 LPC and the New Politics

Whatever Liberals may think of their opponents, it is certainly no time to be smug. Nor should we expect Canadians to concede us the moral high ground just because we may try to claim it. The real question that emerges from assessing the approach of our opponents is whether LPC can be enduringly successful without sacrificing the essential integrity of its message or surrendering its democratic traditions.

Success for LPC will demand extraordinary effort and buy-in to a new vision of partisan activism at all levels of the Party, from poll-worker to Leader. It will also demand that we define our own focused Liberal version of the ‘new politics’ – a determination to reach out in a way that will resonate more

⁶⁵ As evidenced by recent gains in Newfoundland and Ontario, as well as the October re-election of the Manitoba NDP government.

profoundly with the broad and moderate base of Canadians from which our support has traditionally been drawn – many of whom are increasingly tuned out to, and turned off by, politics generally.

It is not merely the centralization of authority in our opponents' camps that poses a perilous threat to Liberals. Rather, it is the modernizing and professionalizing of their day-to-day political operations that a highly centralized decision-making structure so much more easily facilitates. The CPC, in particular, has been able to transition itself from a traditional political organization into a highly sophisticated, technologically-enabled and data-driven marketing and communications machine capable not only of 'identifying' and 'recruiting' broad-based grassroots support, but also 'activating' support (i.e. turning supporters into volunteer workers, new and social media advocates and, above all, donors) and even 'suppressing' opposition.

“Whatever route we take, LPC’s history, culture, values and aspirations all make one indisputably clear statement: in order to survive and grow over the long term, it is essential that the Party be, and be made, more open to change.”

Liberals can apply most of these lessons without losing their political soul. We must apply them if we want to win the modern political war.

Whatever challenges there may be in renewing and rebuilding an organization like LPC today, the Party can neither ignore the necessity of doing so nor shirk from being bold. If anything, the present circumstances demand a focus on modernizing reform that is more urgent and intense than it has ever been. Whatever route we take, LPC’s history, culture, values and aspirations all make one indisputably clear statement: in order to survive and grow over the long term, it is essential that the Party be, and be made, more open to change.

2.4 Some Hopeful Signs of Renewal in LPC

In responding to the challenge of renewal today, some inspiration in the recent experience of the Party which have demonstrated an open, unfiltered approach to democratic engagement and policy-making. Over the past few years, notwithstanding the risks of a minority Parliament and the fallout of a vicious government effort to ‘frame’ the former Leader negatively, LPC has engaged in several major outreach and engagement initiatives:

- ✓ The ***Campus and Town Hall Tour*** during the early months of 2010, while Parliament was prorogued, was a serious issue-focused effort to reach out to young people and ordinary Canadians, listening to new and different voices from beyond the Party;
- ✓ The ***Canada 150 Conference*** of March 2010 that again opened up the Party to new ideas and new people, including more than 17,000 online participants, reaching out to Canadians with events in more than 20 different communities large and small; and
- ✓ The ***Liberal Express Tour*** of Summer 2010 that visited all 13 provinces and territories, traveling over 57,000 kilometres, visiting 166 local communities and involving literally thousands of Canadians of every background and from every walk of life, all supported by a massive digital

communication campaign that shared this coast-to-coast-to coast adventure with Canadians via their desktops and PDA's.

- ✓ The **Extraordinary Convention** following the election, in June 2011, in which over 2700 Liberals also participated in a massive consultation exercise to set the date for the next National Biennial Convention (January 13-14, 2012) and the next leadership selection process (April 1 to June 30, 2013).

- ✓ The **Leader's Online Townhall** of November 5, 2011 in which over 22,000 Liberals participated in a talk-back session on rebuilding and renewal.

"If the Party can simply double its level of support from the Victory Fund in each of the coming four years, it would more than replace all of the funding it will lose from the elimination of the public subsidy."

Bold and significant organizational undertakings like these give all Liberals a very contemporary and exciting hint about the possibilities for re-inventing their Party by broadening its channels for engaging Canadians. They demonstrate not only that LPC has the courage to function as an open party, but also that it is both capable of outreach and determined to listen to its membership and to all Canadians. They have also provided Liberals with a clearer understanding of what it will take to build a modern political party that more directly engages a broad cross-section of Canadians.

Another hopeful sign of change in LPC is the steady transition, however belated and incomplete, in the Party's fundraising culture – from one based on a relatively small number of large and/or corporate donors to one capturing tens of thousands of small donations from individuals⁶⁶. The best example of success in this area is the Victory Fund, which over a very short period of time has successfully linked membership in the Party to donorship. Introduced in 2008, this new program has quickly grown to a total of over 9,000 donors, automatically providing EDAs with total funding of almost \$1 million annually and providing LPC with national funding of over \$900,000 annually. If the Party can simply double its level of support from the Victory Fund in each of the coming four years, it would more than replace all of the funding it will lose from the elimination of the public subsidy.

Beyond that, we have to quickly conquer the digital realm of popular fundraising. The most critical immediate challenge is therefore to turn Liberalist into a truly competitive, national technology platform. The Party cannot and will not compete effectively if its core organizational and fundraising apparatus remains outdated and its basic communications capacity continues to be so dramatically dwarfed by that of the CPC.

Liberals are not currently fighting on anything approaching a level field. Rebuilding must mean a major investment in the Party's technology platform first.

2.5 Assessing LPC Today – Key Weaknesses and Strengths

⁶⁶ In 2006, LPC had 14,437 distinct individual donors contributing a total of \$4,742,464 for an average donation of \$329 per person. As of mid-September 2011, it had a total of 25 483 separate donors contributing a total of \$6,716,024 yielding an average donation of \$274 per person.

Although changes in the fundraising rules have delivered an extraordinary advantage to the CPC, its winning organizational edge is due more to how it has invested the money it has raised. The real differential between LPC and the CPC is the powerful database containing the accumulated, manipulated, dissected and refined intelligence on each of its supporters and potential supporters, coupled with sophisticated know-how in exploiting it using comprehensive national call-centre support. The system works because it has the universal buy-in of the CPC at all levels – from the caucus, the national party and all of its EDAs.

While LPC has recently made some progress in this area, it is still only assembling and digitizing the most basic data about its identifiable supporters⁶⁷. In contrast, the CPC not only knows the identity of those who make up its potential voting base, it also knows why its ‘hard’ supporters vote and donate, what issues matter to them, how negative and positive factors influence the leanings of potential supporters and, most importantly, how and when best to activate its supporters and persuade potential supporters to its side. In short, the formidable political machine that the CPC is now able to take into any campaign is driven by extensive data about voters that, quite literally, turns information into power.

Rank and file Liberal supporters need to understand what the Party is up against. The same political party that prefers to govern the country without reference to data and evidence has in fact pioneered a form of campaigning in Canada that turns politics into a highly sophisticated science, based almost exclusively on data and evidence, with its political messaging based on detailed individualized and aggregated intelligence. The CPC is able to calibrate its voter contact to each voter’s profile with laser-like focus. Stated bluntly, although the more dynamic and democratic culture of LPC has enabled it to survive through many cycles of victory and defeat, we are now, for the first time in living memory, competing with an opponent whose campaign techniques and related human campaigning skills are considerably more developed and sophisticated than our own. LPC is flying half-blind and well behind when it comes to election technology and digital know-how.

This huge advantage is not only key to the CPC’s continuing success in popular fundraising, but also to the remarkable resilience of its support levels in public opinion polls, because it enables the process of voter identification to become one of continuous voter contact and proselytization, thereby slowly but

“LPC can be that party if it reaches out to Canadians, listens to Canadians, fights for Canadians and tells the truth to Canadians.”

steadily broadening the CPC base and eroding the LPC base. Beyond that, its digital toolset confers a measure of flexibility, agility and immediacy to political organizing that LPC simply does not have. If LPC hopes to remain competitive with the CPC over the medium to longer term, it must find a way to match and beat its opponents at their own game quickly. The further development of the LPC’s voter database and related digital organizational skills are crucial to bringing the Party into the 21st century and placing it on a competitive modern platform.

Beyond the LPC’s fundamental weaknesses in modern organization and fundraising, there are other aspects of the Party that require priority attention:

1. A brand that has been struggling in Manitoba, Saskatchewan, Alberta and parts of Quebec and British Columbia for almost 3 decades;

⁶⁷ The deployment of Liberalist has resulted in the identification of 1.3M Liberal voters across Canada to date, roughly 4.3% only of its total potential voting base.

2. A distinct failure, particularly at the national level, to ensure that the Party's organizational apparatus (elected officers, staff) is adequately reflective of Canada's ever-growing and dynamic diversity;
3. The need to fine-tune and better resource our policy development and feedback apparatus to better engage leading subject-matter experts from within and outside the Party, as well as relevant NGOs and other non-partisan organizations;
4. The need to better resource and support the work of our aboriginal, seniors, youth and women's commissions in the context of more clearly established mandates;
5. The need to more firmly establish a culture of active recruitment and outreach⁶⁸, particularly in local and regional segments of the Party where the Party's organization has atrophied, become lethargic and needs rejuvenation;
6. The need to build stronger and more productive links with extra-party organizations like Liberal International, emergent progressive non-partisan organizations like 'Lead Now' and progressive think-tanks;
7. The need to build an adequately staffed and resourced, issue-driven proselytization/growth strategy linked tightly to a truly credible 308 riding strategy;
8. The need to strengthen the level of engagement and commitment of EDA Presidents, particularly in dormant ridings;
9. The need to streamline party decision-making (i.e. governance) and service-delivery (operations) to enable a more efficient and effective deployment of its resources; and
10. The need to enhance overall top-down and bottom-up transparency and accountability in the Party through clear, comprehensive and regular reporting.

There are also many strengths upon which the Party can build in modernizing itself, including:

- ✓ A brand that continues to be resilient in many parts of Canada;
- ✓ A more democratic and, therefore, embracing or open political culture than either of our principal opponents;
- ✓ An under-exploited federal, rather than unitary, structure that permits mutually beneficial relationships with several provincial parties;
- ✓ A tradition, albeit one that recently has not been effectively used⁶⁹, of broadly-based, democratic policy development and accountability;
- ✓ A now-established system of national membership which has standardized grassroots participation and enabled the maintenance of centralized membership data and enhanced communications;
- ✓ A popular fundraising tool for members⁷⁰ which has shown enormous promise for resourcing the Party, both locally and nationally, in a large number of 'test' ridings;

⁶⁸ What Cell 13 described as the "work or resign" ethic.

⁶⁹ Formal policy processes in accordance with the LPC Constitution have been difficult to launch because the last 3 national conventions (2004, 2006, 2008) have been dominated by leadership processes.

⁷⁰ Victory Fund

- ✓ An established maximum-donor fundraising tool⁷¹caucus which enables the Party to secure comparatively more ‘maximum donors’ than its opponents;
- ✓ A parliamentary caucus which, when properly incentivized, has co-operated in leading the Party’s growth in riding-level members and grassroots donors;
- ✓ A professionally managed and highly-efficient national office;
- ✓ A constitution/governance structure that sensibly balances the powers and interests, respectively, of the Party’s parliamentary wing and extra-parliamentary wing; and
- ✓ First-mover, ground-breaking experience in online citizen engagement (e.g. Canada 150).

Acutely aware of its weaknesses but confident in its strengths, LPC needs to move forward now with proposals that will enable it to leap-frog the strengths and exploit the weaknesses of both of its opponents. With a clearer understanding of the changing political environment and the landscape that is being occupied by our opponents, our Party needs to move forward confidently with a new vision of itself and a new roadmap to renewal.



⁷¹ Laurier Club

PART III – ENVISIONING A MODERN LIBERAL PARTY

Liberals know that Canadians have little interest in a US-style polarization of their politics, and are ready for a new LPC to emerge over the coming months.

Liberals also believe that most Canadians want the kind of Canada that we believe in and that the Party has built – moderate, progressive and prosperous. Having punished us soundly in the ballot box for being less than we could be, voters now want our Party to survive and succeed for the good of Canada. In the midst of the most cynical and alienating political culture that Canadians have ever known, they expect Liberals to come back stronger than ever – as a genuinely renewed party of the people.

Liberals know that LPC can be that party if it reaches out to Canadians, listens to Canadians, fights for Canadians and, above all, tells the truth to Canadians.

Now we need to chart a path that will transform LPC into a truly open, modern and democratic party ‘fit for the times’ – a party that, in all of its activities, genuinely embraces mass citizen participation based on universal suffrage, accountable governance, transparent processes, accessible structures and a participatory culture that encourages open debate, free discussion and honest dissent. In order to be that party, LPC also needs to become a highly scalable, issue-driven, technologically empowered and professionally managed volunteer organization that is progressive, inclusive and reflective of the evolving Canadian reality, focused on continuous outreach to every Canadian citizen and community, capable of acting both as an effective and disciplined political machine during election campaigns and as an organization capable of breaking down the barriers to political engagement for all Canadians who want to participate in the governance of their country.

3.1 Institution or Movement?

In theory at least, LPC is both a parliamentary party in the British tradition and an autonomous⁷², voluntary, democratic and national extra-parliamentary organization controlled by its membership⁷³. Over the years, its reformers have taken great pride in the progress that has been made in democratizing its governance and processes, up to and including the weighted one-person, one-vote reforms to its leadership selection process that were only recently adopted. In fact, however, the Party operates between leadership conventions as a relatively small, Ottawa-centric and distinctly hierarchical organization, highly dependant upon and, in critical areas of activity⁷⁴, generally subservient to the agenda of its Leader, including the Leader’s personal ‘bureaucracy’⁷⁵, whether in or out of power. Until the 1930’s, the Party was little more than an informal ‘brand affiliation’ consisting of the Leader and his entourage of supporters inside and outside of Parliament.

At its highest levels today, the Party functions under a very centralized, fast-moving and highly ‘professionalized’ system, based on delegated authority and informal relationships that are rooted in deep personal confidence and loyalty earned over time. While not altogether a ‘closed shop’, the Party’s central apparatus is administered by a relatively stable relationship network. While there is a steady

⁷² ‘Autonomous’ in the sense that its institutional existence is independent of whoever occupies the office of ‘Leader’ or represents it in Parliament.

⁷³ See the LPC Constitution

⁷⁴ Fundraising, platform development, election readiness and campaign.

⁷⁵ Formerly the Office of the Leader of the Opposition (“OLO”) or Office of the Prime Minister (“PMO”)

rotation of the Party's political 'pros' in and out of the Ottawa scene over time, there is considerable truth to the view that LPC is run largely by a self-perpetuating and self-renewing élite whose primary role is to ensure the orderly and competent management of the Party's parliamentary affairs, discipline in the execution of its Parliamentary agenda and, of course, perceived skill in running effective electoral campaigns.

The emergence and evolution of the institutionalized extra-parliamentary Party was the direct result of the need to organize the Liberal laity. Their efforts were always required to deliver election campaigns on the ground. While civic virtue or personal ambition has long provided motivation enough for the engagement of some, petty patronage was the principal fuel that fired local political machines of all stripes for many years. When that ended as a result of democratic and political finance reform, Liberals came to expect a greater say in the Party's affairs between elections in exchange for their contributions of time and money. Participation expectations soon demanded a structure and processes which, in turn, required the introduction of professional management in the Party's affairs.

Today, although the professional Party apparatus (i.e. LPC's own staff and resources) is subject to democratically accountable oversight by the Board in many areas, it necessarily operates in tandem with and subject to guidance and direction from the Leader's bureaucracy as a direct consequence of the Leader's prerogative authority over critical areas of the Party's activities. Thus, although the Party advertises itself as a 'autonomous', 'voluntary', 'democratic' and 'national' organization, those who make up its inner circle of influence (i.e. its informal governing class) are overwhelmingly located in Ottawa and, with a mere handful of exceptions, drawn from one of the following four categories:

- i. Full time elected or appointed members of the Parliamentary caucus (i.e. MPs and Senators);
- ii. Full-time paid staff of the Leader or the Parliamentary caucus;
- iii. Full-time paid staff of LPC and its affiliated entities; and/or
- iv. Ottawa-based political or government relations consultants and/or lobbyists.

At the local level, where volunteer rank and file Liberals (i.e. the so-called 'grassroots') can ordinarily expect to enjoy much more influence, the primary role of the Party has been to support the local Member of Parliament in 'held' ridings until he or she resigns and, in non-held ridings or held ridings which have become 'open' due to an incumbent's resignation, to select⁷⁶ and support the nominated candidate.

The sheer pace and complexity of the contemporary Ottawa agenda, coupled with the pressures of its media-driven, 'gotcha politics' culture, render meaningful participation in the serious day-to-day business of the Party by volunteers, especially those from outlying regions of the country, an almost impossible dream. No national party with a top-down organizational and operating structure, geared primarily to supporting the activities of its Leader and elected Members of Parliament in a sophisticated and fast-paced environment, can ever truly accommodate any formalised central role for volunteers except, and then only to a very limited degree, for very short periods (e.g. during election campaigns). Party 'engagement', other than as an election worker or as a back-drop for brand-promoting media events during a campaign, is extraordinarily difficult to accomplish.

Formal and informal decision-making structures of any national political party unavoidably give rise to an insider/outsider dynamic which is only exacerbated if and when the party wins power. To underline

⁷⁶ Subject to the Leader's prerogative (acquired in 1992) to appoint the Party's candidate.

the point, one could fairly analyse LPC’s current membership⁷⁷ as including three classes of Liberals: national insiders, grasstops and grassroots, as more fully described below.

Overview of LPC Membership

National Insiders	Approximately 1,400 – 2,000 caucus members, Parliament Hill staff, party staff and political consultants/lobbyists – i.e. those who attend the annual LPC Christmas Party;
Volunteer Leadership ('Grasstops')	Approximately 10,000 – 14,000 members who serve on PTA, EDA or LPC Commission executives including former ‘national insiders’ and who attend regional or national conventions of the Party, manage campaigns and/or raise funds for the Party;
Grassroots Workers / Donors	Approximately 40,000 to 140,000 ⁷⁸ loosely affiliated members/supporters who attend riding nomination meetings, work in election campaigns at the riding level and/or donate to LPC either nationally or locally.

The overwhelming majority of ‘national insiders’ earn their living either directly or indirectly from their federal political activity and, as such, comprise the Party’s ‘professional political class’. The power vacuum triggered by any LPC election defeat gives impetus to renewal in proportion to the scale of the defeat simply because many ‘old warriors’, having lost their political income as elected officials or staff, either retire or are required to vacate the field in order to survive, opening up the chance for a new generation of Liberal activists and idealists to assert itself and take charge. In defeat, young ‘outsiders’ willing to take a lifestyle and vocation risk get the chance to become ‘insiders’.

The balance of the federal party membership, if not working as part of a similarly configured ‘professional political class’ at the provincial or territorial level, consists mostly of ‘real volunteers’ including retirees, students, the unemployed or those gainfully employed outside of politics. These are the people on whom the Party relies to work the ground in election campaigns at the local level - putting up signs, distributing literature, identifying the vote (both at the door and by telephone), ‘pulling’ the vote on election day and raising funds.

“The health and dynamism of the Party in every region of the country is almost exclusively dependant on the level of activity in the EDAs of that region...”

In summary, LPC has not been a large or very active volunteer organization between elections. It does not have a populist or ideological tradition and, as such, does not naturally have a huge base of ‘engageable’ supporters. Moreover, with the exception of its volunteer leadership or ‘grasstops’ group, the participation of its supporters between election cycles tends to be sporadic at best. The health and dynamism of the Party in every region of the country is almost exclusively dependant on the level of activity in the EDAs of that region, where virtually all activity has traditionally been focussed on the needs of the local MP/Candidate⁷⁹ rather than more

⁷⁷ LPC’s membership levels have been highly variable varying from a ‘low’ of about 50,000 to a somewhat suspect ‘high’ of almost 500,000 in the lead-up to the 2003 leadership campaign.

⁷⁸ This number can occasionally double or even triple in a federal election riding nomination phase or a leadership campaign cycle.

⁷⁹ Many ridings that do not have a sitting MP or a nominated Candidate with some prospect of winning are effectively moribund.

broadly oriented issue-based or community-oriented outreach and engagement (i.e. policy activism). Similarly, apart from so-called ‘stakeholder’ engagement activities led by caucus members in their respective spheres of responsibility, whether as Minister or opposition critics⁸⁰, there has been extremely little ongoing issue-based outreach by LPC itself. Nor has there ever been any national party apparatus capable of managing such initiatives within the extra-parliamentary wing of the Party on an ongoing basis.

“If contemporary reformers of LPC hope to leverage the truly democratizing and disintermediating potential of technology to reinvent itself for the 21st century, there is much that needs to be accomplished to make that possible and little that stands in the way of doing so.”

Critics of those who advocate reform of LPC often observe that, historically, renewal of the Party is rarely really about introducing more democracy to the Party or about building better or more participatory democratic processes that might engage a wider swath of the Canadian population. Rather, they argue, renewal tends to be more about replacing one generation or one faction of party insiders with another, with little resulting change in the Party’s operational reality or cultural ethos. One élite simply replaces another and the Party carries on much as it always has, albeit perhaps with refinements at the margins of the processes which govern its normal activities. The notion that a new generation of Canadians could assert itself within the Party in a revolutionary way – to fundamentally alter the dynamic that still reserves power in the Party largely to the professional pols – would be regarded by many as naïve, perhaps dangerous and, certainly, inimical to the interest of those who understand how to advance within the current organizational model and would like to do so.

On the other hand, for those who perceive not only the appeal, but also the necessity, of a more radical approach, the fact that LPC is a comparatively small organization today may be a blessing in disguise. There is little to prevent a wholesale rethink of how it works outside of Ottawa. The Party, at least as currently configured, simply does not currently have a national organizational platform or infrastructure that can scalably contend with tens or hundreds of thousands of truly engaged members, much less activists who are not only issue-oriented and policy driven but also looking to play a meaningful role between elections. However, if contemporary reformers of LPC hope to leverage the truly democratizing and disintermediating potential of technology to reinvent the Party for the 21st century, there is much that needs to be accomplished to make that possible and little that stands in the way of doing so.

The appeal of a technologically empowered organization is obvious because the potential of dramatically higher levels of partisan engagement by Canadians is enormous. Depending on the circumstances, somewhere between a ‘low’ of 4.4 million and a ‘high’ of 10.0 million eligible Canadians voters are prepared to identify themselves as supporters of LPC, with roughly 60% of them turning out to vote for the Party at election time in recent elections. The core renewal challenge for LPC is to find the formula for engaging a larger proportion of this pool of Canadians on a meaningful and sustainable basis as contributors of time, money and ideas. For example, a relatively minor commitment of volunteer time (i.e. an hour or two) or money (\$40) from just 2% of Liberal supporters nationally would not only radically alter the unfolding organizational and financial outlook for the Party but also, if supplemented by pressure to reform the wider framework of our national democratic culture, re-set

⁸⁰ Notably, an extremely ambitious issue-based and community-oriented outreach program was undertaken by the Leader and caucus during the last Parliament.

Canada on a progressive political course capable of inspiring and serving another century of Canadian aspiration.

The mere desirability of, or possibility for, genuine change is not enough. Whatever appeal there may be in serious renewal and modernization of LPC, necessity is the only thing that will ultimately impel the transformation the Party needs. The Party's 'insiders' have to come to an appreciation that their role in the overall scheme of things cannot remain the same if the Party is to survive. The era of brokered conventions, or leadership campaigns skewed by insider influence, or backroom machinations over the hierarchical distribution of power within the Party has to end. From a purely competitive perspective, the Party's 'grasstops' across the country must come to recognize that LPC's ability to triumph consistently over the recently and ruthlessly modernized CPC demands a truly bold response – a response that demonstrates a full appreciation for what CPC has accomplished but also pushes the frontiers of partisan political organization forward generally in ways that reinforce progressive values of the sort that 'grassroots' Liberals can enthusiastically embrace.

“How do we infuse a traditional political institution with the energy of a modern political movement?”

The threshold question for contemporary reformers is whether the Internet, including everything it makes possible for political organizations in a knowledge/information age, has become the great equalizer – the disruptive technology that breaks down the walls between the political insider and the outsider, between the Party's establishment and its rank and file. If so, LPC has a hugely important, indeed fundamental, set of questions to ask itself in considering what renewal and modernization might mean today:

- Does LPC exist to intermediate grassroots engagement in national politics, as it currently does, or does LPC exist to disintermediate grassroots engagement in national politics?
- Do we follow the CPC and the NDP by succumbing to less democracy in the Party today, or does LPC reform require an even more democratic and inclusive approach?
- Is our future to continue as an institution for élites engaged in democratic 'brokerage' or are we building a movement truly open to, and shaped by, mass participation?
- How do we translate the demonstrated yearning for a new type of political engagement among ordinary Canadians into a more broadly-based 'activism' for LPC?

The Party also needs to ask itself whether a modern political party can survive by preserving a regime of 'indirect' or 'delegated' democracy as has so long been the case with LPC⁸¹ or should it move forward now toward a world where direct democracy and universal suffrage genuinely prevail? This is not merely a question of how a party's leaders are selected. In theory, at least, it could extend to almost everything a democratic political party does including the election of its candidates and officers, the development and promulgation of its policy, its communication and feedback mechanisms and, above all, its programs for fundraising and giving.

In reflecting on this most basic question, careful consideration must be given to the ever-present trade-offs between discipline and democracy. LPC's current organizational structure is quite hierarchical,

⁸¹ Where decisions are taken only by the active membership or by delegates selected to vote at the Party's conventions.

bureaucratic, cronyistic and closed, ostensibly to enable effective professional management. The CPC and the NDP have also taken this approach but against the back-drop of a much more centralized, streamlined and, in the case of the CPC, technologically-enabled platform. LPC, on the other hand, still functions in the worst of both worlds. It still operates as a formalized, rigid, mechanistic, clumsy and slow-moving organization largely as a consequence of the need to accommodate its federated history and structure, together with some semblance of democratic accountability to its volunteer base.

Can Liberals build a disciplined and well managed political organization that is networked, collaborative, flat, decentralized, informal, meritocratic, flexible, organic, agile, fast-moving and open? Or – and this may be the most intriguing question of all - is there some creative hybrid of the two competing organizational models that would optimize LPC success, at least during a transition phase? Can such a hybrid structure make it possible for Liberals to infuse a traditional political institution with the energy of a modern political movement?

“In building a modern political party, Liberals can also seek to shape the wider political environment in ways that more closely match their vision of how democratic politics should work in Canada.”

This paper argues that the rigidity, clumsiness, inaccessibility or inflexibility of any organizational structure can be overcome if all of its engagement processes are held to a high standard of democratic accountability and delivered through a more open, transparent and relevant communications platform. For all its strengths in digital organization, the CPC has not yet built a ‘next generation’ political community that effectively integrates online engagement with on-the-ground participation. The new horizon for political engagement for Liberals across Canada is one that must transcend all of the debates over internal structures by being anchored in a more voter-centric web presence that offers the active Liberal everything that ‘state-of-the-art’ online communities provide to their members including (i) privacy to engender trust, (ii) timely and high quality content to communicate respect and (iii) prompt and meaningful feedback to express appreciation.

Trust, respect and appreciation are the key to powerful online community-building and, together with the focus afforded by careful and thoughtful market segmentation, critical to stimulating the sort of meaningful digital engagement and commitment that should result in greater off-line participation in Party affairs generally. Both require a digital ethic and etiquette that LPC can be the first to master, recognizing that, increasingly, the boundary between the political experience at the desktop/laptop/handset, on the one hand, and in the meeting room or at the doorstep, on the other, no longer exists.

LPC’s own ‘secret sauce’ in the digital age should therefore be ‘total engagement’. Our ‘secret weapon’ should be the fact that no Canadian political party other than LPC can risk truly wide open, free expression from, or genuinely transparent engagement with, its members. Because LPC does not contain the fringe and extremist elements that other parties attract and invariably have to ‘manage’ with a muzzle, we can afford to be truly open and democratic. Similarly, no other party can consistently deliver content that is rational, logical, evidence-based and true - unencumbered by ideological dogma and/or propaganda. These two elements – an ability to trust in the outcome of a more radical democracy and to deliver a top quality voter-centric experience from a content/feedback perspective – should be and can become critical organizational differentiators for LPC. More importantly, they

embrace and reinforce a culture and value-set that is fully consonant with the aspirations and expectations of most Liberals.

Liberals can now have and deploy the communication technology and skill-sets required to turn an institution into a movement.

3.2 An 'Open Democracy' Agenda for LPC

LPC has always been a party which, in addition to positioning itself at the centre of Canadian life, has accomplished much to define the centre of Canadian life. As Liberals focus on rebuilding and renewal, it therefore makes sense to pay close attention to the social and political landscape which is daily changing so dramatically all around the Party.

Being 'fit for the times' means adjusting to new realities, but it also means more. In building a modern political party, Liberals can also seek to shape the wider political environment in ways that more closely match their vision of how democratic politics should work in Canada. LPC aspires to be a smart, modern and truly mass-participation political party capable of consistently winning elections and governing effectively in the 21st century. However, because it is also policy-driven and believes that sound public policy makes for good politics, it is able to approach the challenge of renewing itself with something bigger in mind. Rather than merely copying the CPC, Liberals ought to think about what the Party can do in government to modernize the wider democratic playing field in ways that will better equalize the play for all political parties, eliminating the historic advantages that skew the ability of extreme parties, like the CPC, to capitalize unfairly on voter activation information, technology and know-how. While it is not the role of the extra-parliamentary wing of LPC to define the Party's election priorities or platform, it is absolutely appropriate for Liberals to agitate and militate for change in our wider democratic system where they can establish a consensus that such change is both in harmony with Liberal values and in the interest of a healthier Canadian political system.

Thus, if the goal of Liberals is to build a contemporary party that is both progressive and participatory, LPC can legitimately press for complementary enhancements to Canada's broader democratic framework – reforms that it can pledge to implement when returned to government - that it can foreshadow within its own processes. The importance of doing so now is underscored by the fact that the age of e-politics and e-government has triggered a paradigm shift not only in how our political economy functions but also in how our citizens engage with politics and government both as individuals and groups. Whether it be election campaigns to attract votes or issue-oriented campaigns to influence the thinking of decision-makers, there are an entirely new and more powerful set of tools to identify, persuade and activate one's supporters. Given that LPC was defeated in 2006 by a CPC platform which, almost hilariously in retrospect, focused on strengthening political accountability in Canada, it makes sense for the Party to find new and bold ways to recover its natural political ground promoting progressive democratic reform, 'upping the ante' by assuming a posture that clearly pushes for even more democracy in Canada, rather than less. In the face of increasing evidence of a government that is, both strategically and tactically, hewing a line of control, secrecy, intimidation and disinformation, coupled with growing disregard for some of the fundamental tenets of advanced liberal democratic theory, including respect for the independence of the professional civil service and the opinions of the courts, sound policy thrusts in this area should also make for good politics.

So, just as it has often been appropriate for LPC to advocate for and, in government, implement democracy-building political and election finance reforms in the past, it makes complete sense for the

extra-parliamentary wing of the Party to press for another generation of balanced democratic process reforms today, only one of the ultimate side-effects of which would be to neutralize the unfair political advantage that CPC has acquired over all other parties.

Liberals should consider the following proposals:

1. Amending the Elections Act (Canada) (the “Act”) to permit online voting in federal general elections or by-elections, subject of course to appropriate security and identity verification⁸²;
2. Amending the Act to provide for the maintenance of a ‘registered voting list’ for each riding available to all political parties and containing the registered party preference of every voter entitled to cast a ballot referable to such riding (“Registered Voter List”). This would require an additional data element on the current permanent voters’ list. Each voter would be able to either (a) disclose a registered party affiliation, (b) claim an ‘independent’ voting status, or (c) declare an ‘exempt⁸³’ voting status. Voters electing not to register an affiliation would be classified as independent. Registered voting status would be permanent unless changed by the voter, which would be permitted at any time;
3. Amending the Act to permit every eligible Canadian voter (as otherwise currently defined) who is not ordinarily resident in Canada and is not a citizen of any other country⁸⁴ to cast a ballot referable to their last riding of residency in any federal by-election or general election in which they were entitled to vote as a resident provided they maintain registration on the Registered Voter List;
4. Amending the Act to require Elections Canada to conduct and oversee each EDA candidate nomination process on behalf of any registered political party that grants universal suffrage to its registered voters and to bear the cost of doing so;
5. Amending the Act to require Elections Canada to conduct and oversee any leadership selection process on behalf of any registered political party that grants universal suffrage to its registered voters and to bear the cost of doing so; and
6. Amending the Act to impose severe penalties for using, or allowing the use of, the Registered Voting List or derivatives thereof for any purpose other than a ‘permitted’ purpose which would include only those activities related to the conduct of an EDA Primary, a federal by-election or general election campaign, or the conduct of the business and affairs generally of a registered political party including voter identification and activation activities.

Such reforms would do many things to modernize and improve the Canadian political system including making voting generally easier, increasing voter turnout, broadening the franchise, enabling all political parties to more easily access, identify and activate their base of supporters and potential supporters, and enhancing the credibility and legitimacy of party candidates by permitting a more open and

⁸² Given the range of activities that can now be engaged in via the Internet that require much greater security and identity verification than is currently required for in-person voters at the ballot box, such an amendment in 2010 should be both non-controversial and technologically achievable. At the same time, special concern needs to be exercised to preclude undue influence of aged, infirm or mentally disable/incapacitated voters.

⁸³ Eligible voters opting for exemption on the basis of conscience or incapacity.

⁸⁴ Currently estimated at 2 million citizens.

participatory democratic selection process, ensuring proper regulation and oversight of the voting process itself, promoting regular renewal of the registered party's membership base and reducing the likelihood of nominations being 'hi-jacked' by small but highly organized groups or by back-room manipulation of party nomination rules.

The Registered Voters' List is an adaptation of both the UK⁸⁵ and American electoral process that not only focuses local level partisan energy and activity but also enables political parties to extend their internal processes to much wider participation. Optional partisan self-identification automatically creates the base digital database around which every party can both organize its supporters from a relatively equal footing and open up its internal processes to wider engagement and suffrage.

Some Liberals may balk at the notion of the overt partisanship implied by a Registered Voters List. But the CPC has already converted Canadian politics into a tougher and more partisan landscape than it has ever been and it is certainly not turning back. Now more than ever, LPC needs to build a culture where Liberals, rather than being cowed by extremists and ideologues of the left and right, demonstrate that they are prepared to stand up, to be counted and to fight for their kind of Canada. By embracing the concept of a Registered Voter's List and agreeing to conduct itself as if the concept were already part of Canada's democratic framework, LPC would very quickly leap-frog its opponents and, in one massive outreach and voter engagement exercise - a Voter Registration Drive conducted by EDAs across Canada - address most of the technological, organizational and funding challenges which have plagued the Party for almost a decade.



⁸⁵ Members of the Political and Constitutional Reform Committee of the UK House of Commons want it to be an offence for individuals not to register to vote. The government says it is "putting safeguards in place" to prevent people dropping off the electoral roll. Currently, the head of a household can be fined up to £1,000 for failing to register all eligible voters at his or her property. The government wants to switch to a system in which individuals register themselves, but does not think there should be a similar legal penalty for those who fail to do so.

PART IV - BUILDING A MODERN LIBERAL PARTY

Our goal as Liberals should be to create a truly modern Party that can function operationally as an autonomous, connected and national organizational network of Canadians that is still rooted in its EDAs, organized on a federal basis, controlled by its membership (which includes its elected Members of Parliament and Senators) and governed in all extra-parliamentary matters by the Board in accordance with the LPC Constitution under which the Leader has been granted certain specific powers and prerogatives. In all matters related to the governance of Canada, as opposed to the governance of the Party, all responsibility in the Party would continue to fall to its parliamentary wing which is organized as a caucus and acts under the authority and direction of the Leader.

4.1 The Current LPC Constitutional Framework

No discussion about renewing and rebuilding the Party today can proceed without reference to its constating instruments and the broader governance and process framework within which it currently operates. The Party's constitution (the "LPC Constitution") is a living document, reflective of the Party's nature, traditions, values and aspirations. It has been adapted and updated to suit the times as part of every major phase of the Party's renewal. Notwithstanding the significant reforms to the LPC Constitution adopted in Montréal in 2006 and in Vancouver in 2009⁸⁶, most agree that the operational modernization required to restore the Party to competitiveness will, among other things, require further constitutional reform. The upcoming Biennial Convention ("Convention") provides the opportunity to accomplish that objective.

In thinking about its future and any implications for the LPC Constitution, the Party must grapple with the fact that it has always operated with what many see to be a fundamentally and inherently conflicted set of goals (i.e. winning elections vs. providing good government) and values (i.e. democracy vs. discipline). These conflicts, if satisfactorily reconciled by institutional structures and processes, can create a productive tension conducive to the Party's long term health. If not recognized and reconciled, the double-aspects of the Party's essential mission can threaten its very existence. When rebuilding and renewal are at issue, the stakes can become enormous.

"The Party must grapple with the fact that it has always operated with what many see to be a fundamentally and inherently conflicted set of goals (i.e. winning elections vs. providing good government) and values (i.e. democracy vs. discipline)."

⁸⁶ At the 2006 Biennial and Leadership Convention in Montreal, the Party adopted a new constitution with a view to streamlining the governance of the Party (i.e. through reducing the size of the National Board), strengthening the national infrastructure of the Party (i.e. largely through the creation of a national membership) and enhancing accountability and grassroots engagement (i.e. through the creation of the Council of Presidents). Further amendments were adopted in 2009 including the abandonment of delegated leadership conventions in favour of a riding-weighted universal suffrage mechanism.

On the one hand, in any advanced liberal democracy, a healthy and progressive political party is one that, beyond being bound together by its own history of relationships and traditions, should be able to enlist the active participation of a wide swath of ordinary citizens in well-understood and meaningful processes (i.e. fundraising, policy development, candidate selection) that promote common values and a shared policy agenda, both of which must be the result of a constantly-evolving democratic consensus

“Campaigns require military-like discipline and, as such, are no place for those who wish to engage in ‘friendly fire’ or ‘freelancing’ on platform and strategy.”

achieved through open debate, healthy dissent and serious deliberation. As such, a modern political party strives to be a ‘bottom-up’ institution in pursuit of these goals, employing best practices, appropriate technology and continuous ‘top-down’ accountability. On the other hand, even though the long-term success of any political party depends largely on its health between elections

, experience has likewise proven that its ability to win elections requires universal adherence to a very different mode of operation, supported by a very specific and distinct set of organizational values. In campaign mode, a modern political party must function as a finely-tuned ‘top-down’ machine able to impose ‘bottom-up’ accountability in ensuring absolute unity of message and precision of attack. Campaigns require military-like discipline and, as such, are no place for those who wish to engage in ‘friendly fire’ or ‘freelancing’ on platform and strategy.

“The challenge is to accomplish necessary change without upsetting the fragile balance between democracy and discipline that enables the Party to survive, evolve, win and govern for the longer term.”

If campaign periods are times when ‘discipline’ in the Party clearly ought to prevail over ‘democracy’, the struggle to find the right institutional balance between the two imperatives, especially difficult for LPC while serving in opposition in a minority Parliament due to the ‘permanent campaign’ syndrome, never disappears altogether. It persists even when the Party is not waging an election campaign and whether or not it is serving as the national government. We have to build a modern Party constitution suited to the most challenging of frameworks – and the challenge is greatest for an opposition party facing a government, whether majority or minority, engaged in a permanent campaign. How can the Party function democratically and openly given such constraints?

In theory, leaders of political parties are able to ‘whip’ their support in Parliament. Similarly, they can exercise moral suasion in securing unity of focus and consistency of message from members of their caucus. In fact, however, no opposition leader has the effective weaponry required to enforce unity, quell dissent or tame disruptive behaviour under any or all conditions. Discipline becomes a question of voluntary alignment. The most powerful such alignment tends to emerge less around fear of retribution than hope of collective success. Absent the perception that the Party has a reasonable hope of winning, there is little for the ambitious to fear. When struggling in opposition, any party’s effectiveness turns on whether it can call upon a deeply-rooted culture of loyalty and discipline. If poised to win, the Party’s prospects become a powerful elixir for all the potential negativity and messiness of even the most unbridled democracy.

These tensions extend well beyond the management of the Party’s caucus to the discipline of the Party as a whole. Given the unique democratic legitimacy of elected MPs, it would be unprecedented for

dissenters in the extra-parliamentary Party to exact strict accountability from the parliamentary wing on questions of legislation or policy at any time. The LPC Constitution has precluded such possibility, imposing severe constraints on the scope of the extra-parliamentary wing's powers relative to the parliamentary wing⁸⁷. However, another set of checks and balances embedded in the LPC Constitution reinforces the Leader's prerogatives to lead the Caucus even in the face of serious dissent⁸⁸. Thus, while the principle of parliamentary supremacy runs headlong into the entire theory of party democracy and accountability precisely where many democratic 'reformers' believe it matters most – in the development, promotion and implementation of the Party's program – the Party as a whole only exercises supremacy over Parliamentarians on the residual question of leadership. Technically, no LPC Leader can be forced to resign absent a negative review decision taken at a Party convention immediately following an election⁸⁹. Leaders who win elections naturally tend to be invulnerable to review and, by logical extension, governments formed by the Party are ultimately even more insulated than individual MPs⁹⁰, if not altogether immune, from the constraints of party democracy and strict accountability.

Given this tension between 'democracy' and 'discipline' in the Party, the question of where authority currently resides in the discharge of Party affairs is naturally of crucial importance in considering the responsibilities of the Board as the voice and instrument of the extra-parliamentary Party. Over the years, LPC has demonstrated a remarkable genius in getting the balance right. Its success has been reflected in the orderly evolution and modernization of the LPC Constitution over many years, as well as administrative refinements thereto, including those introduced through the implementation of the Change Commission Report tabled in 2009.

In the spirit of continuing party renewal, rebuilding and reform, it is essential that the Party move forward in a manner that accords with and builds on the spirit and the substance of the LPC Constitution. The challenge is to accomplish necessary change without upsetting the fragile balance between democracy and discipline that enables the Party to survive, evolve, win and govern for the longer term. The LPC Constitution clearly establishes where authority in the Party currently resides. Because the governance of the parliamentary and extra-parliamentary activities of LPC are functionally separated but inextricably linked, the proper functioning of the Party depends on continuing goodwill and co-operation. More especially, it requires deference on all sides to the constitutionally mandated roles of the Leader and the Board respectively.

As noted above, the Leader clearly has exclusive power and discretion to lead the activities of the parliamentary party (i.e. the Caucus and, indirectly, Caucus staff) both in and out of Parliament. On the other hand, the Board is unquestionably responsible for the day-to-day management of the Party's extra-parliamentary party affairs, including the management and resourcing of all of its extra-parliamentary processes and activities. However, the vital nexus between Leader and Board arises where authority currently inter-connects or overlaps: namely, finance, platform development, election

⁸⁷ The Party's current policy accountability mechanisms are consultative only.

⁸⁸ LPC Leaders can only be selected by action of the Party as a whole. In Canada, unlike other jurisdictions including the UK and Australia, the caucus does not have the legal or even moral authority, acting alone, to oust or replace a leader.

⁸⁹ Technically at least, because the permanent leadership decision is reserved to the entire Party, even a non-confidence vote from the Caucus would not result in the removal of a leader although, practically speaking, no leader could likely continue to lead the Party's forces in Parliament under such circumstances.

⁹⁰ In theory at least, MPs must submit themselves for re-nomination by their Electoral District Association ("EDA") prior to each general election.

“LPC requires a top-down and bottom-up modernization of the Party’s structure, converting it from being less of a ‘brokerage institution for Canadian elites into more of a progressive mass political movement with which Canadians everywhere can more easily both identify and engage. In short, the primary goal for the Convention is to facilitate the birth of a new LPC.”

readiness, campaigns and, as a matter of actual rather than constitutional fact, the use and maintenance of party technology and data.

Based upon all of the foregoing and subject to the input of Liberals over the coming weeks, a six-phase plan or roadmap for renewal to 2015 has been proposed. Naturally, given that success in the execution of each phase of the Plan will impact the shape and direction of the phases to follow, this paper provides more definition to the first three phases of the plan than the last three which will presumably be developed and refined by the next Board of the Party to be elected at the Convention.

4.2 Phase One - Consultation, Reflection and Reform

To bring focus to the Convention agenda, a two month period of serious consultation and reflection with all segments of the Party is proposed. This consultation would seek out the further input of all Liberals, especially the grassroots of the Party as represented by the EDAs and delegates to the Convention. The consultation process would culminate in a weekend of reform at the Convention where decisions will be taken.

4.2.1. Convention

The Convention presents the first real opportunity to re-position the Party following its defeat. More specifically, it affords a national stage for undertaking a wholesale transformation of Party operations and culture over the critical 18 month period that will follow. By ‘wholesale transformation’, we mean a top-down and bottom-up modernization of the Party’s structure, converting it from being less of a ‘brokerage institution for Canadian elites’, as discussed above, into more of a progressive mass political movement with which Canadians everywhere can more easily both identify and engage. In short, our goal for the Convention is to facilitate the birth of a LPC.

The Convention extends to and involves the process leading up to it. As Liberal members have seen, this has included a broad outreach exercise on the very form and agenda for the event, as well as grassroots input from myriad informal groups, roundtable sessions and written and oral input. In addition to engaging and re-engaging traditional Liberal activists, it is hoped that the Convention will draw ‘first-time’ participation from progressive Canadians of all backgrounds and walks of life, including those who may have not previously engaged in partisan political activity. Most especially, it must include participation from a wide range of community activists, issue-oriented policy champions and other organizational and opinion leaders from among the next generation of Canadians.

The LPC Constitution provides that the Biennial Convention could have up to well over 7000 voting participants⁹¹ (“Delegates”). The Party’s goal has been to maximize delegate attendance by keeping the

⁹¹ Consisting of potentially over 1000 ex officio delegates, 6000 EDA delegates, in addition to club, commission and other delegates.

cost of the convention to an historic low, by activating a Delegate Organizing Committee to promote attendance and by making a special effort to engage the Caucus in a larger role.

The Constitution places no limits on the number of non-voting observers who may attend a Biennial Convention (“Observers”) or in the number of Party members who may choose to be online participants (“Online Participants”). As part of the outreach effort in the process leading up to the Convention, the Party will also be taking step stimulate participation of Observers from community and cultural organizations, NGOs and other interest groups and organizations, as well as individual Canadians, as a second major goal of the effort.

Once again taking a lead in the world of online political engagement, the Party has launched a Convention website⁹² which includes an issue-oriented, resolution-focused engagement campaign, with strong social media back-up, all as part of a much broader engagement process leading up to the Convention. It is targeted to entice first-time Delegates to attend, as well as the broad base of existing party members and prospective new members, many of whom may choose to engage as Online Participants rather than attend as in-person as Delegates. Delegates and others will be able to review, discuss, debate and prioritize resolutions and ideas online long before the Convention even starts.

Given the historic significance of the Convention, Liberals naturally hope for a large and enthusiastic attendance (including many first-time delegates), some bold resolutions, a healthy and open debate and, above all, some clear decisions that will set the stage for the Party’s future.

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4.2.2 Funding the Party

“No meaningful renewal or rebuilding of LPC can occur without first resolving the question of adequately resourcing the Party and clarifying lines of authority in that regard.”

First and foremost, the Party has to take some major decision about how to fund itself on a competitive basis. While LPC fundraising results continue to be ahead of the NDP, we are lagging behind the CPC and its popular fundraising machine by a factor of 2.4: 1. Few Liberals believe that any meaningful renewal or rebuilding of LPC can occur without first resolving the question of adequately resourcing the Party and clarifying lines of authority in that regard.

LPC is constitutionally mandated to manage its own financial agenda (i.e. budget, revenue and expenditure), subject to the ‘check and balance’ role of FLAC⁹³. However, when it comes to fundraising activities, the LPC Constitution currently makes clear that the Leader is in charge. The Leader is responsible for appointing both (1) the Chair of the National Revenue Committee (“NRC”), albeit in

⁹² <http://convention.liberal.ca/>

⁹³ FLAC is the designated “agent” of LPC for statutory and regulatory purposes and, for purposes of ensuring compliance and of limiting the potential liability of volunteers and staff, is the legal entity through which LPC contracts and conducts business.

consultation with the President, and (2) the various provincial and territorial representatives on the NRC, in consultation with the PTA executives⁹⁴. The NRC is constitutionally charged with “developing comprehensive fundraising plans” in consultation with the Leader and for “managing or supervising the management of the implementation” of those plans.

Pursuant to the LPC Constitution, the Board is also entitled to be consulted in respect of the fundraising plans developed by NRC. Importantly, however, the Board has no ability to mandate the creation of or reject the adoption of the NRC’s fundraising plans. The only remedy currently open to the Party in relation to inadequate fundraising or fundraising plans is for the Board to persuade the Leader to replace the Chair of the NRC or to otherwise reconstitute the NRC.

Prior to political finance reform, this assignment of responsibility made good sense – for three main reasons:

- 1) Fundraising is essentially connected to two other key Party activities which fall primarily within the Leader’s domain, being election readiness and campaigns;
- 2) Fundraising activities have traditionally been heavily dependent upon the Leader’s cooperation (i.e. for the practical delivery of many fundraising events and programs including major fundraising events that required the Leader’s personal attendance); and
- 3) Funds raised for the Party have historically provided critically required additional financing for the political operations and activities of the Leader’s Office including, for example, the Liberal Express tour mentioned above;

However, in the wake of political finance reform, the constitutional framework for the revenue generation efforts of the Party as represented by the NRC⁹⁵ has become an albatross – an entirely embarrassing and ineffective throwback to another era. It was conceived and structured for a time when the Party’s fundraising was the work of the so-called ‘bagmen’.⁹⁶ Apart from being seriously outdated and inappropriate given the new compliance environment, the efficacy of the Party’s ‘volunteer’ revenue generation machinery has been so extraordinarily limited⁹⁷ that the continued existence of the NRC, eight years after the fundraising reforms were first put into effect, is a bluntly shocking example of organizational neglect. It is based on a system of authority and accountability for fundraising which should have been dispensed with when the reforms were introduced.

⁹⁴ It is worth noting that these appointments are to be made by the Leader “in consultation with”, rather than “on the recommendation of”, Party officials.

⁹⁵ Under the auspices of the National Revenue Committee (or NRC) appointed by the Leader.

⁹⁶ Members of the NRC were able to raise more than enough money to satisfy the Party’s national requirements simply by visiting a few dozen corporate and major donors every year. Over the years, a good portion of its members were rewarded with an appointment to the Senate as a reward.

⁹⁷ The only successful new fundraising initiative introduced over the past few years is the Victory Fund, initiated entirely by the Party. While members of the NRC have occasionally played a role in hosting local fundraising events, the NRC itself, for all practical purposes, is functus. It has been wholly ineffective in expanding popular fundraising, is currently without a Chair and has been completely inactive for over 6 months.

By common agreement and obvious evidence, the inadequate financing of LPC since the election financing reforms of 2003⁹⁸ has been the Party's most prominent Achilles heel and the biggest reason why LPC has failed to more effectively modernize its operations in the areas of organization and riding development, communications and outreach/engagement and policy development. Inadequate ongoing resourcing of the Party, especially between elections, has also left it vulnerable to attack and precluded it from being competitive during election campaigns even when, as in 2011, it was able to spend the maximum allowable limit⁹⁹. Two leaders in a row were politically destroyed by an advertising onslaught from the CPC that LPC did not have the resources to counter. The Party's fundraising challenges were also a principal contributor to the Party's recent electoral disaster because they significantly constrained its ability, during the pre-writ period especially, to modernize its organizational and technological campaign apparatus.

The phrase 'new compliance environment' is a somewhat euphemistic description of the reforms to Canada's statutorily regulated political party and election financing regime. These reforms, including the prohibition of corporate and union donations and the introduction of strict individual limits on personal donors¹⁰⁰, have posed serious challenges to LPC. Moreover, the public subsidy for political parties, originally introduced to partially compensate for the new fundraising strictures, is now disappearing¹⁰¹.

While many Liberals are rightly proud of the fact that, in government, LPC led the way with the most comprehensive reform of political financing in Canadian history, the Party was nowhere near ready to digest, much less capitalize on, such reform. Prior to the reforms, LPC enjoyed a significant competitive advantage in fundraising. However, as a result of its dependence on corporate and other major donations, not to mention the fundraising advantage that a 'government' party ordinarily enjoys, it is as though LPC unilaterally disarmed itself when changing the rules. Out of historic necessity, both of LPC's principal opponents, the CPC (as the Reform and Reform Alliance parties) and the NDP, had already developed a larger grassroots fundraising base by 2003. The subsequent further reduction of personal donation limits in 2008 only widened this advantage. For seven years, LPC has been struggling to catch up with fundamental change in the most important ingredient of the Canadian political calculus.

In recent years, the public subsidy for political parties, because it is based on voter support levels, actually exacerbated the impact of the Party's loss of revenue from corporate and major donors, breathing new life into LPC's principal opponents in two of its traditional strongholds – in Québec,

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⁹⁸ CPC national fundraising since 2003 has outperformed LPC fundraising. The gap in favour of the CPC has been a factor of about 2.5:1 in both 2010 and 2011. LPC fundraising has only barely surpassed that of the NDP for the past two years.

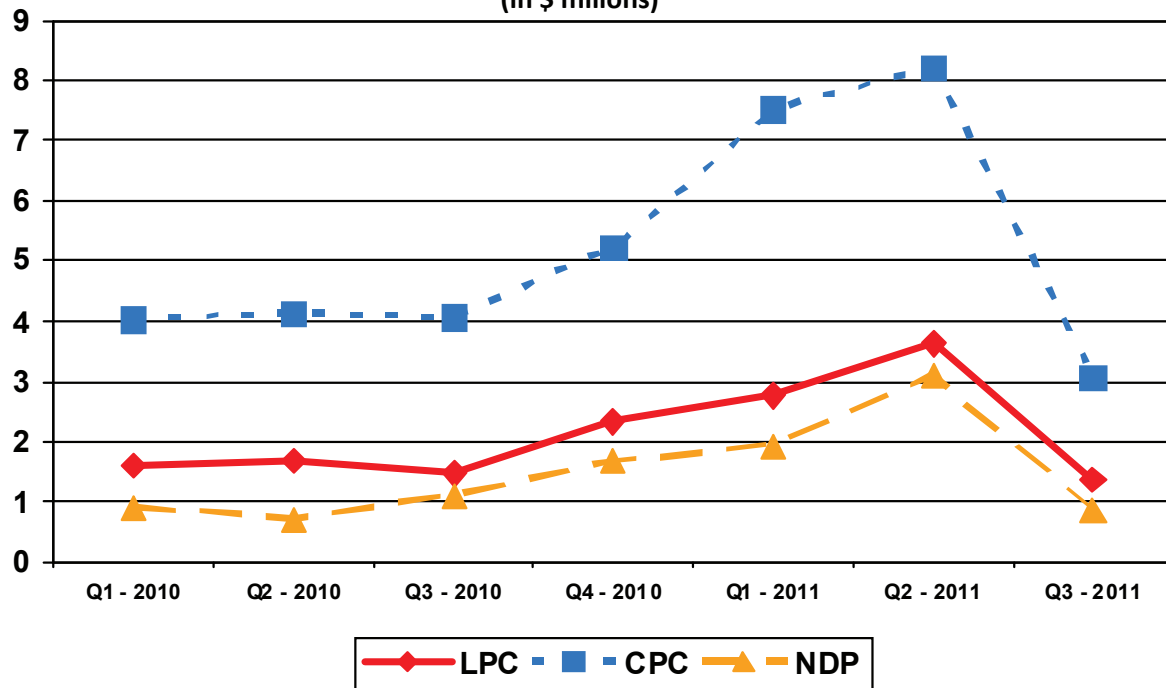
⁹⁹ Although, it is essential to note that in 2011, at the riding level, EDAs spent well below the maximum allowable limit for riding campaigns as evidence of the large number of currently dormant or weak EDAs (see Note *). The maximum allowed in 2011 for the national campaign was \$21.026M and LPC spent approximately \$19.6M.

¹⁰⁰ Initially fixed at \$4,000 in 2003 by the Chrétien government and reduced in 2007 by the Harper government to \$1,100 for the national party and \$1,100 for riding associations.

¹⁰¹ This is projected to result in a loss of revenue to LPC of \$6.4M in 2011, \$4.6M in 2012, \$3.2M in 2013, \$1.8M in 2014 and \$0.4M in 2015 when the subsidy will end altogether.

where the Bloc Québécois (“BQ”) received approximately 74% of their overall financing from the public subsidy until the last election¹⁰², and in cities throughout the rest of Canada, where the New Democratic Party (“NDP”) could count on the public subsidy for more than 40% of its overall funding. Although voluntary contributions to LPC have significantly outstripped the performance of all opposition parties since the reforms were introduced, the public subsidy significantly eroded that advantage because LPC benefited from the government allowance for less than 40% of its total revenue, with the CPC collecting about 33% of its much larger revenue base. LPC obviously finds itself vulnerable. The end of the public subsidy only adds to the challenges with which the Party has to contend in rebuilding.

Comparative National Party Fundraising
(in \$ millions)



For purely structural reasons, LPC has been even slower to update its approach to fundraising than it should have been. After 8 years under 4 leaders, no fundamental reform or reorganization of fundraising has occurred. Fixing the problem will not be easy, but it must start at the Convention.

Comprehensive reform has been proposed in this critical area. If the Party intends to enter the next election campaign on an even footing with its opponents and with an ability to fight on a level playing field, it has to radically alter its approach to national fundraising. Specifically:

- LPC’s fundraising philosophy and operational approach, already in the process of shifting¹⁰³ to popular fundraising (i.e. e-solicitations, direct mail, telemarketing) for smaller average donations

¹⁰² The BQ also benefited from the concentration of its voting base in Quebec and the fact that it was not required to maintain a nation-wide apparatus or mount a nation-wide campaign.

¹⁰³ i.e. shifting from the old system based on ‘events’ involving the Leader (and other senior, elected Party members – Ministers or Critics) and premised on offering ‘access’ to them. This system was in place before political finance reform, especially for any party in power. But the essential thrust of political finance reform in elimination corporate donations and strictly reducing donation limits, as enacted by LPC in 2003 while in government, was to reduce the impact of ‘access’ and, therefore, the

from a wider donor base, has to be focussed more directly, effectively and quickly on widening and regularizing its pool of recurring small donors¹⁰⁴;

- An issue-driven and values-motivated approach to broadening the base of recurring ‘small’ donors, requires a well-managed, centralized, highly-integrated, technologically-enabled, state-of-the-art, and well-managed professional fundraising operations using sophisticated, data-seeking and data-driven communications (i.e. messaging and outreach) skills supported by active social media organization and a powerful national call centre, all driven off a common voter activation database (i.e. Liberalist);
- In the spirit of continuing reform, fundraising should be more thoroughly distanced from the Leader and the Caucus, except to the extent of overall ‘message’ co-ordination;
- The Victory Fund and the Laurier Club, being successful fundraising programs oriented to building a culture based on the principle that ‘membership is donorship’ should be under the jurisdiction of the Director of Membership; and
- The Party needs to maintain a permanent reserve to promote and defend itself and its Leader in the face of CPC and NDP attack.

As noted above, progress already achieved in building popular fundraising tools geared toward small donors, especially the Victory Fund¹⁰⁵ and LPC’s growing success from e-solicitations, direct mail and telemarketing, points the way to a much brighter future if appropriately and quickly developed under strong and accountable professional leadership. But LPC needs to triple its base of donors and giving over the next four years if it hopes to be competitive in the 2015 election and the lead-up to it.

The Laurier Club, as a vehicle for ‘maximum donors’ and the sponsor of key fundraising events for Liberals across the country, should have stronger and more active leadership including national co-chairs, active provincial and territorial chairs, with leadership in every major Canadian urban centre, all drawn from the ranks of respected senior lay Liberals across the country. Properly organized and mobilized, the Laurier Club can continue to give the Party the edge in the category of ‘maximum donors’ that it currently enjoys.

relevance of ‘power’ to successful fundraising and force political parties to pursue a more broadly-based, issue-motivated or values-oriented donor base.

¹⁰⁴ Under the current (i.e. reformed) system, fundraising success should not turn on influence (i.e. ‘access to power’).

¹⁰⁵ Although it is worth noting that, even today, fewer than 12% of LPC members are Victory Fund or Laurier Club donors and that take-up of the Victory Fund has been disappointingly low in Québec. This may be due to a ‘branding’ problem for the fund in Québec.

4.2.3 Streamlining the Party Structure

Most Liberals recognize the essential importance of EDAs, the key role played by EDA Presidents in the Party's structure and the value and historic significance of the Party's federated structure as currently represented by PTAs. At the same time, pressures to streamline and modernize the Party, to make it more efficient and effective, require action. The sections to follow (Sections 4.2.4, 4.2.5 and 4.2.6) deal with this imperative pragmatically, suggesting a hybrid solution to structural issues that is intended to preserve the best elements of the Party's federal and regionally diverse character while eliminating whatever waste and duplication result from an overly complex volunteer governance structure and a distinct lack of operational integration and cohesion at the level of staff and Party offices.

“As the primary focus of organizational and outreach activity of EDAs leading up to the selection process for the next permanent Leader, each EDA it is proposed that each EDA conduct a nationally-supported Voter Registration Drive.”

4.2.4 The Role and Funding of EDAs

EDAs are the basic building blocks of the Party, the frontline of its outreach to Canadians and, above all, the key to the rebuilding and long-term health of LPC. Our success in rebuilding a healthy Party over the next four years will turn largely on our success in building EDAs with:

- Strong and capable leadership,
- A large, active and engaged membership,
- More than sufficient funding to operate locally between and during election campaigns,
- A strong communications platform that includes a website for each EDA, and a local strategy that exploits both conventional and new media and making use of both traditional and social media tools and techniques of engagement, all based on universal adoption of Liberalist and
- A real organizational connection to, and involvement with, its local community.

Each EDA executive team should be regarded as the local fiduciary body for the 'Liberal' brand just as each EDA is the custodian of the 'Liberal' brand for the Electoral District. In a very real sense, each EDA is like a 'franchisee' of LPC that should be regarded and held accountable as such. Each EDA is entitled to service and support from the National Office of the Party and to hold the Board more directly accountable for the discharge of its responsibilities at the national level. At the same time, LPC ought to be able to hold EDAs accountable for their performance at the local level. Many Liberals believe that mechanisms to exact higher and better two-way (i.e. top-down and bottom-up) accountability and transparency are required within the Party.

“In a very real sense, each EDA is like a 'franchisee' of LPC that should be regarded and held accountable as such.”

However, by far the most frequent criticism and concern that the Board has heard from Liberals about the current state of the Party relates to the dysfunctionality and/or outright dormancy of many EDAs. Some point to a 'closed-shop' attitude within many EDAs, where a small coterie of more-or-less

permanent ‘insiders’ carry on in a manner that, far from being engaging and inclusive, actually repels and rebuffs interest from new prospective members and activists. Others fix the blame on an intentionally anti-democratic culture where disaffection of both long-time Liberals and new recruits has resulted from a decision to protect an incumbent or favored insider from an open or contested nomination. Some EDA executives have variously taken steps to frustrate the openness and democracy of the Party, by avoiding open contests for local Party office or through a persistent lack of transparency in EDA operations and finances. Still others point to an attitude of futility and complacency – outright laziness – which has infected some local EDA leadership. LPC currently has no authority or mechanism to deal with rogue, dysfunctional or dormant EDAs.

Historically, the greatest growth and activity in EDAs has occurred in the context of open and contested national leadership races, as well as open and contested local nomination battles. The Board therefore believes that we must use our pending leadership selection process, as well as the process of nominating candidates for the next federal general election, to maximize this opportunity for expanding engagement and accomplishing grassroots renewal and, in particular, for strengthening EDAs by providing a framework for a massive infusion of new local talent. This paper makes comprehensive proposals for serious reform in this area (see Section 4.6 - Local Election Readiness and Section 4.4 - Selection of New Permanent Leader). As the primary focus of organizational and outreach activity of EDAs leading up to the selection process for the next permanent Leader, the Board is proposing that each EDA conduct a nationally-supported Voter Registration Drive (see Section 4.3.2 - Voter Registration Drive).

If healthy EDAs are the essential building blocks of a strong and renewed LPC, the Party’s history demonstrates that the key to building healthy EDAs is in recruiting outstanding EDA Presidents as the first step in building strong and, mostly, new EDA leadership teams. To that end, the Party’s national fieldwork activity in every province and territory should be directed to EDA development, starting with recruiting and training strong riding Presidents and executive teams everywhere, especially for all currently dysfunctional and dormant EDAs (see Section 4.2.6, Party Operations).

The maintenance of strong and growing EDAs also requires concerted effort by EDA executives directed to the achievement of targets in membership, fundraising, convention participation and other metrics of local activity including participation in regional and national policy processes and in the population (data input and maintenance) of Liberalist. In addition to reforms directed to achieving greater top-down accountability and transparency from the Board to PTAs and LPC members, accountability demands greater bottom-up transparency in reporting by EDAs, as well as new, enforceable accountability mechanisms in relation to the achievement of EDA targets set in consultation with EDAs (see Section 4.2. – The Role and Funding of the Council of Presidents).

To build local political capacity, it is recommended that the revival and expansion of online and in-person courses under Liberal University¹⁰⁶ for the ongoing training of volunteers in riding management, candidate recruitment, election readiness, campaign management and voter communications (i.e. identification, persuasion and activation) through Liberalist.

Finally, participation in the Victory Fund can provide all ridings with the level and stability of funding they need to prosper. It is recommending a program that would double Victory Fund participation over each of the next three years, increasing participation from about 10,000 donors in 2011 to about 80,000

¹⁰⁶ Liberal University was launched in 1999 and was used to train over 4,000 Liberals between 1999 and 2003. Its courses need to be updated to reflect the new digitally enabled election readiness and campaign environment.

donors by the end of 2014¹⁰⁷. By setting targets in consultation with EDAs and building on the proven success of the Victory Fund in both held and non-held electoral districts, the Party will also be able to substantially resolve its national funding problem, including the elimination of the public subsidy¹⁰⁸.

4.2.5 The Role and Funding of Provincial and Territorial Associations

If LPC is to modernize and streamline its operational and decision making structures, it must look closely at the role of the PTAs and the continuing value of maintaining PTAs.

“Although there has always been a very high degree of collaboration and cooperation between the PTAs and the National Office of the Party, the current system of local staff reporting to one level of governance (i.e. the PTA Executives) and national staff reporting to another (i.e. the Board) creates a gap of accountability that many Liberals want to close.”

Under the current LPC Constitution, the federal nature of the country is reflected in the federated structure of the Party through PTAs¹⁰⁹ which carry on some of the business of LPC in all of the provinces and territories. Specifically, each PTA is responsible for:

“(a) Organization and election readiness and policy development in its province or territory, for representing its province or territory to the Party nationally and for implementing national programs and initiatives in its province or territory;

(b) Developing on an annual basis, in concert with the members of the Party in its province or territory, a strategic plan for its province or territory that proposes activities in the areas of membership recruitment; finance and fundraising; policy development; EDA compliance; EDA organization, election readiness and policy development; where a provincial or territorial section of a Commission (a “PTA Commission”) is recognized, PTA Commission

compliance; PTA Commission organization, election readiness and policy development; administration of Party elections (including a Leadership Vote, a Leadership Endorsement Ballot, candidate selection meetings and delegate selection meetings); and election readiness; and

(c) Communicating regularly with its members and with the public in its province or territory in connection with the provincial or territorial affairs of the Party¹¹⁰.

This existing scope of responsibility for PTAs, above and beyond serving their important representative function nationally at the Board level¹¹¹, transfers the local discharge of many national responsibilities of the Party to the PTAs (i.e. organization and election readiness, membership recruitment; finance and

¹⁰⁷ Reflecting an average of 64 donors per riding in 2012, an average of 130 donors per riding in 2013 and an average of 260 donors per riding by 2014. Achievement of this target would ultimately produce an average recurring revenue stream of approximately \$31,200 annually for each EDA (which is more than enough to fund a healthy EDA, including a local election campaign on a normal 4 year cycle) and approximately \$9,600,000 annually for LPC.

¹⁰⁸ LPC received \$7.2MM from the public subsidy in 2010.

¹⁰⁹ PTAs include Blended Parties in Newfoundland, Nova Scotia, New Brunswick and Prince Edward Island, as well as provincial and territorial divisions of LPC in all other provinces and territories.

¹¹⁰ LPC Constitution, Chapter 4, Section 14

¹¹¹ Currently accomplished through each PTA President, who is an ex-officio voting member of the Board

fundraising; policy development). For many, the localization of these responsibilities continues to be a function of the belief that a single and uniform national approach in some spheres of the Party's activity is not appropriate – that 'one size does not fit all' and that, accordingly, the Party's programs have to be tailored for local implementation.

However, the current governance and operational structure of LPC not only creates a complete and distinct second tier of decision-making within the Party¹¹², but also eleven separate teams of paid staff funded from LPC resources, none of whom have any formal reporting obligations or accountability, either directly or indirectly to the National Director of the Party. Moreover, the current PTA structure involves a level of funding for PTA operations – resources over which the Board completely surrenders authority to the PTAs. Some of these resources – funds that could be directed to ensuring more staff are engaged in full-time fieldwork for the Party in the provinces and territories – are now being spent on administrative and bureaucratic tasks in support of PTA executive bodies and on operations or services that are either duplicative or, if PTAs were to be eliminated, redundant.

While any questioning of the continuing role of PTAs within the Party is understandably controversial in some quarters, there are also many in the Party who believe that, while regional input into national decision-making is critical in a federal country as large and diverse as Canada¹¹³, far too much time, energy and money is now spent on multiple levels of volunteer engagement in internal Party consultation and decision-making, rather than on external outreach and organization. Even those who want to preserve PTAs as a critical link between the Party, its EDAs and its grassroots membership acknowledge the opportunity for streamlining, synergies and greater accountability.

The impetus for streamlining and simplifying the Party's structure is made more urgent by ever tightening revenue constraints and, in particular, the reduction and ultimate loss of the Party's public subsidy. Most Liberals now accept that there is an urgent need to focus and allocate scarce Party resources in the most effective way possible. Some believe that LPC can no longer afford the continuing inefficiency of three levels of internal legislative governance (i.e. EDAs, PTAs, Board) whereas others believe that PTAs should perform an even more critical, albeit focused, role in strengthening and rebuilding EDAs. Most agree that, whatever the role of PTAs, the current reality of 11 separate teams of Party staff from coast to coast must become a single, more integrated national team with a local presence that is accountable in some way through a single line of reporting through the National Director to the Board.

¹¹² Including provincial and regional conventions, management meetings, executive meetings and other meetings.

¹¹³ Depending on one's perspective, this fundamental inefficiency in Party operations has long been considered as either an appropriate response to, or an unfortunate by-product of:

1. a huge national geography, with widely diverse local political cultures and interests;
2. the practical inability of the National Office to effectively oversee and interface with more than 300 EDAs and tens or even hundreds of thousands of ordinary members;
3. the need to develop regional volunteer political leadership and capacity; and/or
4. the need to facilitate accountability of, and ongoing input from, EDAs on a regionalized basis.

In fact, the fully federated structure of the national Party is, at least in part, a throw-back to the days of the National Liberal Federation when Liberal governments were built around regional 'strongmen' who required a regional party apparatus to support the organization of the regional component of national campaigns, the articulation of regional interests and the dispensation of regional patronage.

PTA staff in each province currently report, through an Executive Director or Director General, to their PTA executive rather than the National Director. As a result, the existing staffing configuration and reporting structure of the Party is so disparate, given an intervening level of Party's governance in the regions, that PTA personnel and operations today do not even come close to meeting the minimum reporting and accountability standards that one would expect, for example, of the staff of a regional 'division' of a national corporation. Although there has always been a very high degree of collaboration and cooperation between the PTAs and the National Office of the Party, the current system of local staff reporting to one level of governance (i.e. the PTA Executives) and national staff reporting to another (i.e. the Board) creates a gap of accountability that many Liberals want to close.. Rather than having multiple local staff teams that report only 'collaboratively' to the National Director but directly to the PTA Executive, most prefer the adoption of a single national staff team in some way reporting directly to the National Director – at least on issues related to the achievement of basic targets – and collaboratively to the PTA Executive.

“The salient question then is whether the intervening level of PTA governance is still necessary and/or appropriate.”

The salient question then is whether the intervening level of PTA governance is still necessary and/or appropriate. Are there important but distinct roles for the Party and its 13 PTAs that need to be preserved and protected? Has the modernization of the political environment generally, including the immediacy and scope of modern communication techniques and the ease of modern travel, rendered a second or middle tier of decision-making within the Party unnecessary¹¹⁴. Or, does modern technology provide the framework through which our federated structure can function more efficiently than it does today.

In fact, the finance function of PTAs is now basically restricted to accounting (i.e. management and processing of receivables and payables including PTA payroll¹¹⁵) and related book-keeping work, as well as some minor treasury and banking work, all for the PTA organizations themselves. If PTAs were eliminated, this work would be significantly reduced and any residual issues could be handled by the accounting and finance staff of the National Office. Except in Québec¹¹⁶, virtually all LPC fundraising, including the co-ordination of local events (which, as noted above, have been declining in relative value and importance for some time) is now centralized nationally by common agreement, with the PTAs having almost abandoned the field. Proposals in this paper, if adopted, would further centralize all compliance, accounting and administration activity nationally and, except for the Victory Fund¹¹⁷, firmly fix responsibility for national fundraising activity on the national Party (see Section 4.2.2 - Funding the

¹¹⁴ It is worth noting that in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia, in addition to the PTAs of LPC, there are fully-formed provincial parties operating under the 'Liberal' brand which, depending on the province, have varying levels of affiliation and/or cooperation with LPC. The Québec Liberal Party became independent of LPC in 1944 and, while there is considerable cross-over of membership, maintains no formal organizational affiliation with LPC. The British Columbia Liberal Party became independent of LPC in 1987 and includes many federal Liberals but maintains no formal organizational affiliation with LPC. The Ontario Liberal Party and Manitoba Liberal Party are independent of, but closely aligned with, LPC. The Alberta Liberal Party has had no formal affiliation with LPC since 1976. The Saskatchewan Liberal Party has had no formal affiliation with since 2009.

¹¹⁵ LPC already provides a benefits plan for all LPC and PTA employees

¹¹⁶ LPC(Q) raised \$717,469 in 2010, and required \$981,749 to fund its operations

¹¹⁷ Victory Fund donors are originated both in the National Office (i.e. online and telemarketing) and by EDAs directly. Proceeds are shared roughly equally between the Party and EDAs. The Alberta PTA supports a version of the Victory Fund that splits donations three ways between LPC, the PTA and the EDAs.

Party) and for all local fundraising on the EDAs (see Section 4.2.4 - The Role and Funding of Electoral District Associations).

Under other reforms proposed in this paper, the policy development process would be modernized to create a much more participatory national policy framework, including mechanisms for securing ongoing regional input from EDAs and from Liberals in all provinces and territories (see Section 4.2.12 - The Policy and Platform Development Process). These proposed changes would also render each PTA's role in this area of traditional activity less essential although, importantly, not redundant. The need for some regional policy focus and for coordinating regional policy events persists in relation to national platform development.

From the perspective of both the National Office of the Party, as well as EDAs, the most important role for PTAs continues to be the provision of support for EDA-level processes relates to (i) membership administration, which can be centralized, (ii) assisting in the coordination of meetings of party members which cannot easily be centralized¹¹⁸, and (iii) telephone and in-person fieldwork or outreach focused primarily on riding development which clearly requires a local presence. The core regional responsibilities going forward are essentially administrative or staff functions that, apart from ensuring the local volunteer perspective is understood and reflected by the Party's operations, do not require much legislative oversight or governance from a PTA Executive. Even policy-making related to membership and meeting processes within the Party, formerly matters administered by the PTA, are now increasingly determined by the Board on the recommendation of the National Membership Secretary who has established a national membership working group of staff and volunteers that includes broad provincial and territorial input.

“The key to maintaining a lively nexus between the Party and its EDAs is not the preservation of a second-tier of party governance but, rather, the maintenance of local offices in each province, staffed primarily by fieldworkers engaged in outreach and riding development, with and through whom the EDAs can maintain close contact to the Party.”

Most of the residual continuing responsibilities of PTAs (being regional election readiness and organization, EDA support and development generally and PTA Commission support and development) essentially require staff support from the PTAs that, most believe, can quite easily be executed by locally-based personnel of LPC supported by the National Office provided that the local volunteer perspective is respected. Collaborative oversight and perspective can be provided by a PTA executive that is much smaller and more focused than those that currently exist. A streamlined approach to staffing and a trimmed-down approach to PTA governance would enable local flexibility without requiring a comprehensive and burdensome second level of volunteer governance and oversight. Certainly, if focusing on basic EDA support and development should be LPC's top regional and local priority (see Section 2.7 above – Role of the EDAs) as most believe, this is work that could continue to be performed primarily by the Party's paid staff of fieldworkers, the majority of whom could still be based locally, under much smaller and more collaborative volunteer PTA governance structures.

¹¹⁸ For example, the intake and input of membership applications not completed online, supervising membership cut-offs for annual, delegate selection, special and nomination meetings of EDAs, overseeing the proper conduct of EDA meetings etc and other related administrative functions.

From the perspective of most Liberals, the key to maintaining a lively nexus between the Party and its EDAs is the maintenance of local offices in each province, staffed primarily by fieldworkers engaged in outreach and riding development, with and through whom the EDAs can maintain close contact to the Party. The importance of LPC maintaining permanent regional offices across Canada where it performs field work and outreach, either directly¹¹⁹ or through service agreements with Blended Parties¹²⁰ cannot be dismissed. Equally essential is a streamlined staff structure to support an enhanced and integrated field operation reporting to the National Director. On this model, PTA Executives would re-focus their attention to (i) co-ordinating regional policy input and events, as well as regional platform development, (ii) EDA development including, especially, in the areas of fundraising (i.e. Victory Fund and Laurier Club), organization (i.e. election readiness and training), regional internal communications and, of course, outreach generally.

Regional (i.e. provincial and territorial) volunteer participation in federal election readiness and campaign activity, which is already co-ordinated nationally in any event under the jurisdiction of the Leader rather than the Board, should be more tightly tied in, through volunteer provincial and territorial campaign co-chairs, who are members of NERC and NCC respectively already, serving on smaller and more focused PTA Executives. A nationally integrated but locally-based field staff structure will hopefully provide such provincial and territorial bodies with the enhanced levels of local staff support they require. The objective is to end break down the silos that currently exist between PTA Executives and provincial/territorial election readiness committees by, effectively, making them one or at least able to function as such.

Finally, in considering the national perspective that the Board ought to have and the critical link that the PTA's have historically provided between EDAs and the Board, it is important to address the representative function of PTA's on the Board, currently performed by PTA Presidents on behalf of their respective provinces and/or territories. This is a function that most regard as critical to preserving the federal character of the Party. At the same time, regional input to national decisions does not require the preservation of broad local legislative, policy-making or day-to-day staff oversight functions at the provincial/territorial level.

In the Atlantic Provinces, where the number of EDAs would not support an LPC office in every province, LPC is fortunate to have blended parties as PTAs in the four provinces of Atlantic Canada ("Blended Party" or "Blended Parties") that have offices with full operational infrastructures. As a result, using service agreements, LPC receives the benefit of strong federal/provincial co-operation and co-ordination and can contract for a level of service from the Blended Parties that would be impossible for it to deliver efficiently on its own. Any streamlined structure for the Party that impacts on PTAs would have to be specially tailored to enable these arrangements to continue.

The financial implications of maintaining PTAs is clear because, for several years now, the activities of PTAs have been funded largely by LPC. Funding of PTAs totaled \$2,961,077 in 2010 and is projected to be \$2,449,161 in 2011 of which \$269,637 was directed to Blended Parties. For the Blended Parties, the funding has been negotiated under service agreements on a value-for-money basis. For all other PTAs, LPC funding has been based on a formula that allocates 24% of the public subsidy to PTAs and 24% of all other fundraising receipts originating from the province or territory except Victory Fund donations and popular fundraising revenue (i.e. direct mail, e-solicitations etc).

¹¹⁹ Montréal, Toronto, Winnipeg, Regina, Edmonton and Vancouver.

¹²⁰ Fredericton, Halifax, Charlottetown and St. John's.

Given the widely acknowledged need to retain properly staffed local offices even if PTAs were dissolved, savings that might come from such a move are not likely to be significant. Achievable savings, and greater accountability for money spent, are more likely to come from streamlining than from eliminating PTAs. Accordingly a whole series of proposals have been tabled to modernize the structure, achieve savings through synergies, as well as from the elimination of duplication and redundancy. In addition, by requiring performance targets to be set and creating more direct line of reporting between local and national staff in relation to targets, accountability for money raised and money spent should be considerably enhanced.

4.2.6 Party Operations

The entire operational infrastructure of the Party needs to be re-oriented to EDA development, local on-the-ground fieldwork and national digital organizational support for fundraising from the National Office. The most urgent operational requirement is a Party-wide recommitment to Liberalist and the development and deployment of a National Liberalist Call Centre in support of the Party's organizational, communication and fundraising activities.

As discussed above, there is likewise a need to integrate the human resources of the Party (i.e. paid staff) into a single operational and accountability structure and payroll under the direction of the National Director with all accounting, fundraising and compliance operations being centralized at the National Office and the oversight of the Board. It is also critical, whatever happens to PTAs, that the Party maintain a permanent office for fieldwork and EDA support in each of Vancouver, Edmonton, Regina, Winnipeg, Toronto and Montreal and, through Blended Parties under service agreements, in Fredericton, Halifax, Charlottetown and St. John's

For purposes of improving overall compliance and efficiency, as well as the optimization of the Party's assets, be directed to consolidate the financial resources of the Party (including all EDA accounts but excluding those of Blended Parties) into accounts under the authority of the Federal Liberal Agency of Canada ("FLAC") administered centrally by the National Office and invested under a single treasury management function while reserving the control over the deposit and expenditure of EDA monies to EDAs.

The LPC Constitution does not even speak to the technological backbone that serves as the core infrastructure and glue of any modern political party. The Party's technology and data assets – its hardware, software, database, data and personnel – need to be consolidated under the direction of a Director of Digital Operations ("DDO") reporting to the National Director under the oversight of the Board. The DDO would oversee the continued maintenance, development, integration and optimization of the Party's technology and data assets.

The Party would continue to operate in the Atlantic Provinces through the Blended Parties under service agreements negotiated from time to time. In the event that close affiliations with other provincial 'Liberal' parties outside Atlantic Canada are established or in the event that new Blended Parties are created, the Party may wish to consider entering into service agreements for the delivery of operational service to its PTAs of the sort currently used in the Atlantic provinces.

4.2.7 The Role of the Council of Presidents

The CoP was an innovation to the LPC Constitution in 2006 designed to strengthen the links between the Board and the grassroots of the Party as represented by the presidents of the EDAs. It is currently composed of 367 eligible participants and is required to meet at least once annually with meetings no more than 18 months apart¹²¹.

LPC desperately needs to identify and recruit strong new EDA presidents in up to half of its ridings. A wide swath of rank and file Liberals believe that incompetent, complacent, exhausted, disengaged or non-inclusive EDA presidents are the single biggest barrier to the renewal of the Party and the principal reason why LPC now has over 100 weak and dormant EDAs, not to mention dysfunctional EDA executives and/or EDA executives that, whether intentionally or not, have turned the Party locally into a 'closed' shop. Many EDAs have been without proper, engaged leadership for years. In addressing the role of the CoP, the Board has been focused squarely on this problem. We are as concerned as much about strengthening bottom-up accountability in the Party as it is about top-down accountability.

The LPC Constitution¹²² describes the role of the CoP as being to review:

- (a) the annual strategic, organizational and fundraising plans of the Party developed by the Board;
- (b) the annual strategic, organizational and fundraising plans of each of the Party's Commissions;
- (c) the fundraising plans developed by the NRC;
- (d) the election readiness plans developed by the NERC;
- (e) the policy development process developed by the NPPC;
- (f) the annual policy development plan developed by the Political Policy Strategy Subcommittee of the NPPC;
- (g) the membership fees and procedures set by the Board;
- (h) the determination by the Board of the sharing of membership fees and other revenues between the Party, the PTAs, the EDAs and the Commissions.

“LPC desperately needs to identify and recruit strong new EDA presidents in up to half of its ridings.”

The CoP role is specifically restricted to the 'review' of matters only. Its mandate was intended to be consultative, enabling feedback and input from EDA presidents to the Board on matters within the legislative and policy jurisdiction of the Board. It was never intended to be a legislative body in its own right.

Given the vital role that EDA presidents need to play in the local and national Party apparatus (see Section 4.2.4 - The Role and Funding of EDAs), considerable time and effort has been invested in engaging and activating the CoP with a series of formal and informal consultative teleconference meetings (including involvement from the Leader as required) as well as the constitutionally mandated in-person meetings including the upcoming meeting of the CoP at the Convention.

¹²¹ Chapter 4, LPC Constitution

¹²² Chapter 4, Section 17, LPC Constitution

The success of CoP meetings over the past two years has been decidedly mixed. Most consultative initiatives were well-received by those who participated, although the format of teleconference meetings was frustrating for many due to the limited interactivity possible - a problem that would only have been worsened by higher attendance at the meetings. Additionally, there was a persistent challenge in conducting bilingual telephone meetings with proper two-way translation when required. Moreover, CoP participation by EDA Presidents at CoP meetings for which more than adequate notice was given, including the in-person meeting, was consistently and disappointingly low¹²³. Rather than being reflective of problems with the CoP meeting format, we believe that poor attendance at CoP meetings was due to the large number of EDAs that are either (1) dormant, (2) inadequately resourced to finance the participation of their president (or his/her designee) in the case of in-person meetings or (3) led by executives that are simply not prepared to demonstrate even a minimum level of commitment to their EDA responsibilities as they relate to national Party affairs.

If the CoP is to fulfill the function it was contemplated to perform under the LPC Constitution as a fundamental cornerstone of LPC member engagement, much greater effort is required to secure increased meaningful participation from EDA presidents. In the view of the Board and in light of experience since 2009, the Party has two choices – either abolish the CoP or improve it. Given the proposed dissolution of the PTAs, we have decided to propose several steps to make the CoP a more effective instrument of grassroots input by defining a wider role for EDA presidents.

It is generally agreed that the CoP, as currently structured, is too large and unwieldy to meet effectively by telephone, except when absolutely required in relation to emergency consultations or other special situations¹²⁴. At the same time, to facilitate grassroots input into Board decision-making, its consultative role should be enhanced and its powers should be expanded.

Specifically, while the CoP should continue to meet in emergency situations and at least once annually, following some of the better recent examples¹²⁵, PTA Presidents should also convene and chair meaningful quarterly consultative meetings of the EDA Presidents from their province and territory including at least one in-person meeting annually, providing a more direct consultation and input process to the Board's decision-making process.

At the Annual CoP Meeting, the Board should be constitutionally obligated to:

(a) table an annual strategic operating plan and budget (“Strategic Plan”) for the Party for the review and consideration of the CoP annually no later than the preceding December 1 of each year;

(b) table an annual report (“Annual Report”) to be made available to all members of the Party via posting on the Party's website within 90 days of the calendar year end. The Annual Report shall (i) contain the audited financial statements of the Party, (ii) an assessment of the Party's performance relative to the Strategic Plan and (iii) detail the historic and comparative financial and organizational status of the Party at each of the EDA, provincial or territorial and national levels (i.e. registered Liberals, Party members,

¹²³ Attendance of Québec EDA presidents was especially low and quorum was sometimes not achieved.

¹²⁴ The CoP consultation of May 2011 in relation to the appointment of the Interim Leader and the convening of an Extraordinary Convention provides an excellent example of such a special situation in which a CoP meeting was appropriate and required.

¹²⁵ British Columbia

number of donors, amount raised, average donation, attendance at AGM etc), including EDA rankings in relation to pre-defined performance scorecards, targets and rankings;

The provincial and territorial councils of EDA Presidents (“PTCs”) should be given the authority, at the request of the Board, to put any EDA in their provinces or territories into trusteeship for consistently missing EDA targets. This process would become the Party’s sole performance enforcement mechanism in respect of dormant or dysfunctional EDAs. Any EDA that is de-certified by Elections Canada for delinquent filing or otherwise would automatically be deemed to be dissolved. In either case, it would then fall to the Party to recruit a new EDA President and Executive and to oversee the creation of a new EDA for LPC.

4.2.8 The Role and Funding of Party Commissions

The Commissions of LPC (i.e. for Youth, Women, Seniors and Aboriginal Peoples) enable continuing activity nationally by important components of the LPC voting base. The LPC Constitution provides that each Commission is responsible to pursue actively the following purposes and activities:

(a) to participate in public affairs by supporting members of the Party as candidates of the Party for election to the House of Commons;

(b) to provide a forum for members of the Commission to have their say and influence the policies and platform of the Party and to encourage involvement in the policy development process of the Party;

(c) to raise money to support the purposes and activities of the Commission.

“The Party will not succeed in rebuilding unless every EDA, every EDA President, every other officer of the Party and every member of Caucus commit to utilizing Liberalist.”

A trimmed-down and more focused mandate for EDAs will almost certainly impact the functioning of the Commissions at the provincial and territorial level.

Commissions could perform more valuable roles for the Party than they currently do, recognizing that, especially recently, they have been under-resourced. Rather than propose changes to the LPC Constitution at this time, Commissions should be invited to make their own proposals about their future, recognizing that such proposals should consist of a Strategic Plan and Budget, together with, in the case of the Women’s and Senior’s Commission, a self-funding strategy.

4.2.9 The Party’s Commitment to Bilingualism

The streamlining of the Party’s governance and operational structure brings the Party’s commitment to a genuinely bilingual environment squarely into focus, particularly in relation to the rebuilding of the Party in Québec and other areas of Canada (including especially New Brunswick, northern Ontario, eastern Ontario, Manitoba, Alberta and Nova Scotia) where there are also significant Francophone populations.

In addition to retaining a permanent office in Québec, a Chief Québec Organizer and field staff focused exclusively on Québec, all of whom will be expected to operate primarily in French, the Board believes that an aggressive determination to strengthen the bilingual character of the National Office and the entire Party is required now more than ever. The Board should implement a policy regarding staffing to over a transition period of one year (i.e. by December 31, 2012) that all staff in the National Office, as well as local fieldworkers engaged in support of ridings with significant Francophone minorities, must be bilingual, and that one-third of all director-level positions in the Party and field staff positions for the Party wherever situate must be occupied by persons for whom French is the mother tongue.

4.2.10 The Party's Reflection of Diversity

While LPC strongly reflects the full diversity of Canada at the EDA level and in its membership, it needs to urgently address the serious lack of diversity in its most senior governance structures including at the Board level. All members of LPC should be encouraged to reflect on the need to identify, promote and support the election of candidates for Party office who will strengthen the involvement of women, new Canadians, aboriginal Canadians and others from minority communities with which the Party identifies closely.

4.2.11 The Party's Commitment to Liberalist

The Party will not succeed in rebuilding unless every EDA, every EDA President, every other officer of the Party and every member of Caucus commit to utilizing Liberalist as the integrated database engine for the Party at all levels and in all respects (i.e. organization, communications, fundraising). The Party must consider setting targets for data input to Liberalist in consultation with each EDAs as part of LPC's proposed Voter Registration Drive, with such targets to be enforced by the Board acting on the approval of the CoP (see Section 4.2.7- The Role of the Council of Presidents)

4.2.12 Policy and Platform Development

In the area of policy development, the National Policy and Platform Committee ("NPPC") is specifically designed to be representative of both the parliamentary and extra-parliamentary party, with broad duties to facilitate the policy development process of the party, publish the party's policy, hold the parliamentary wing of the party accountable to party policy and develop a party platform. The Leader may exercise an absolute veto over the contents of the party's platform and over how and when it is released in connection with any election campaign. In effect, the Leader enjoys a complete discretion in relation to the content of the Party's election platforms but, together with caucus, must observe certain consultative, albeit non-binding, accountability mechanisms with respect to its development and propagation.

The Party's election platform is not necessarily the Party's 'official' policy¹²⁶. No policy becomes 'official' policy of LPC unless it is so designated by a special subcommittee of the NPPC, the Policy Approval Subcommittee ("PAS") or by the Leader in consultation with the PAS¹²⁷. Responsibility for the campaign platform, as recommended by the NPPC, is the Leader's whereas the responsibility for financially resourcing the work of the NPPC is the responsibility of the Board.

¹²⁶ It is essential to recognize that the 'policy' of the Party is not automatically the 'policy' of its parliamentary wing, whether in or out of government.

¹²⁷ This is a provision of the 2006 Constitution that, sadly, seems to have been observed in the breach.

What is clear to many Liberals is that the policy development process of LPC needs to become:

1. Less rigid, static and exclusively resolution-based;
2. More continuous, participatory and broadly-based relying more directly on online tools to facilitate education, research (including surveys and opinion gathering), discussion/debate and prioritization;
3. More amenable to the involvement and inclusion of lay party issue-based interest and expertise.

We believe that the finalization of election platforms needs to remain within the jurisdiction of the Leader, but with a more effective mechanism for intermediating the input of the Party, through Caucus, to the Leader.

Exciting new prototypes for broad engagement in policy discussion were pioneered at “Canada 150” by way of the functionality offered to online participants for input, including regional input, and discussion. Additionally, certain MPs have successfully broken down the silos between the Caucus and the grassroots of the Party by establishing policy working groups aligned directly with their critic responsibilities. Finally, the Convention website has introduced tools and protocols for reviewing, debating and prioritizing resolutions online that open up the process for grassroots engagement significantly. Clearly, there are opportunities to transform the policy development process into a more engaging, open, relevant and flexible process that can be carried on continuously and in real-time. The Board would like to integrate and institutionalize these concepts with a new ongoing process that can be accessed broadly through the Party’s website.

The Party should maintain a permanent virtual policy development process for all ‘supporters’ of the Party through its website, with management of the process to be developed and overseen by NPPC and with content delegated to volunteer expert policy working groups to be organized, maintained and supported by Caucus critics, assisted by Caucus staff. In addition, the next permanent leader of the Party should consider convening another open ‘thinker’s conference’ modeled on “Canada 140” prior to the convening of the next biennial convention which, the Board believes, should be devoted to the development and debate of suggestions for the policy platform for the 2015 campaign (see Section 4.7 – National Election Readiness).

4.2.13 National Membership

The National Membership Registry, introduced in 2006, has functioned quite well and has proven the huge advantages in central list maintenance for communication and fundraising. However, in order to facilitate the broader engagement of Canadians in the activities of the Party including, most especially, the selection of the next permanent leader, as well as EDA candidates for the 2015 election, the Board would like to propose a broadening of the terms of engagement with LPC.

Many Liberals believe that the LPC Constitution should be amended to distinguish between the roles, rights and responsibilities of Party ‘officers’, ‘members’ and ‘supporters’ at large, leading to a new, more open and more flexible framework for active engagement as a Liberal partisan. Specifically, it has been suggested that:

1. The LPC Constitution be amended to redefine the concept of affiliation with LPC as follows:

- (i) 'officers' of the Party at the EDA or Board level who must be 'members' of the Party who have sworn to uphold the LPC Constitution;
- (ii) 'members of the Party' who have (a) signed a prescribed Declaration of Principles in support of LPC, (b) become a registered supporter of LPC, (c) confirmed they are not currently a member of any other federal political party and (d) paid the prescribed membership fee;
- (iii) 'registered supporters of the Party would include Canadian citizens or landed immigrants at least 14 years of age who are presently or were last resident in Canada in the electoral district who have (a) signed a prescribed Declaration of Principles in support of LPC and (b) confirmed they are not currently a member of any other federal political party; and

2. The LPC Constitution be amended to establish the rights of officers, members and supporters as follows:

- (i) 'officers' would be entitled to attend any convention of the Party as an ex officio delegate;
- (ii) 'members' would be entitled to participate and vote in meetings of the EDA or Club of which they are a member, serve as officers of an EDA, a Club or of the Party, stand for election as delegates from an EDA or Club to conventions of the Party and stand for election as the Party's candidate for election to the House of Commons from an electoral district or as Leader of the Party;
- (iii) 'registered supporters' within an electoral district would be entitled to participate in the selection of (a) the Party's candidate for election to the House of Commons from such electoral district or (b) any election of a Leader of the Party.

This proposed structure of Party affiliation, in making basic engagement much easier, would expand the possibilities of partisan participation in an age of instantaneous mass communication.

4.3 Phase Two - Organization, Mobilization and Outreach

Once the Convention is over and the Party has decided upon the reforms to its structure proposed by the Board and others, it is essential that LPC undertake the extraordinary work required to begin to put itself back into contention in the minds of Canadians, competitively positioned for victory over the CPC in the 2015 election.

4.3.1 National Liberalist Call Centre

Having fully committed to Liberalist as the single integrated database engine for all Party activity, the next step is to build the machine to maintain and grow the database, to support the Party, the Caucus, the National Liberal Fund and all EDAs in optimizing its potential. Under the direction of the Director of Digital Organization, a National Liberalist Call Centre ("NLCC") would be specifically responsible for:

- a) Expanding/populating and maintaining the data content within Liberalist including its sub-databases of members, donors, volunteer workers and supporters,

- b) Developing NLCC-centric human resources for LPC in the area of digital outreach and organization by training local full-time and part-time staff of NLCC, as well as LPC volunteers at the national and local level, in the new political skill sets of telephone and online voter identification and activation, as well as database management and optimization; and
- c) Providing a full-time Liberalist service centre and help desk for paid staff and volunteer users from across Canada.

In addition to its ongoing external outreach and service functions, the NLCC would be made available to support:

- a) The donor identification and activation activities of the National Liberal Fund (“NLF”),
- b) The voter identification and activation activities of the National Election Readiness Committee (“NERC”) and the National Campaign Committee (“NCC”) in relation to any federal by-election and/or general election campaigns,
- c) Any ‘on the ground’ local or national membership drive, as well as the Voter Registration Drive, and
- d) Any issue-oriented or community-focused stakeholder constituency building and communication activities of the Caucus.

Subject to the critical success of the special appeal to fund this investment, a National Liberalist Call Centre to support permanent outreach and EDA development activities of LPC, including the work of the National Liberal Fund and the Voter Registration Drive (See Section 4.3.2 – National Voter Registration Drive);

4.3.2 National Voter Registration Drive

Once the funding for, and establishment of, the National Liberalist Call Centre has been achieved, the Party needs to turn to the most massive outreach and engagement exercise of its history. Subject to, and building on, the enactment and implementation of the other reforms to the LPC Constitution discussed above, a Voter Registration Drive would be the key preparatory organizational step to the selection of the next permanent Leader for the Party and its EDA candidates for the 2015 election.

“Any voter could register as a Liberal, either online, by ordinary mail or in-person...”

Just as the precursors of CPC were able to leap-frog their opponents by organizing their fundraising on a basis that assumed the need to access thousands of small individual donors long before election financing reform was enacted, Liberals would be wise to begin operating now as if the concept of a Registered Voters List were part of the wider democratic framework within which Canada will one day be operating. The CPC had a huge head start in fundraising. Liberals need to a similar head start in democratic engagement so that we can quickly catch up to and surpass the CPC in popular fundraising and digital organization.

Each EDA would be mandated to undertake a comprehensive and nationally-supported voter registration drive in its electoral district between April 1, 2012 and March 31, 2013 to recruit participants (i.e. voters) for a new and expanded leadership selection process and to identify and collect

data related to the base of Liberal supporters for input into Liberalist and for use by the Party in its fundraising, organizing and communications activities.

The campaign would be run off the official list of electors which is already provided digitally to the Party by Elections Canada. Any voter could register as a Liberal, either online, by ordinary mail or in-person, simply by (i) affirming Declaration of Principles drawn from the LPC Constitution, (ii) confirming that they were not a member of any other federal political party and (iii) providing their personal contact details (i.e. email address, telephone numbers¹²⁸). It is proposed that there would be no charge or fee for signing up as a registered Liberal supporter. In addition to receiving regular information updates from the Party, the benefits of doing so would be the right to participate in the selection of any permanent Leader (see Section 4.4 - Phase Three – Selection of a New Permanent Leader) and any Liberal candidate for the voter’s electoral district (see Section 4.6 - Phase Five: Local Election Readiness).

This Voter Registration Drive would be conducted like an extended, well-organized election campaign in every electoral district. Liberals would reach out to every Canadian home through door-knocking, telephone canvassing and social media engagement in a thorough national process of voter identification similar to those conducted during election campaigns. The Voter Registration Drive would be supported by the National Liberalist Call Centre, particularly where EDAs continue to be dormant or cannot muster the number of required volunteers to participate. The purpose of the exercise would be to identify all Liberal supporters who are prepared to declare themselves as supporters (no charge), members (\$10) or donors (\$120 annually through the Victory Fund) and to collect personal identification information from them (i.e. email addresses, telephone numbers) for use by the Party in conjunction with the official list of electors.

This Voter Registration Drive would be accompanied by a centrally coordinated survey process, with all collected data about voters, their preferences and their issue concerns being input into Liberalist. Voters would be asked whether they voted last time and how they voted or why they didn’t vote, about whether they ever voted Liberal and, if they stopped voting Liberal or switched to another party, when they did and why they did. It would ask about the issues that matter most to the voter. The survey would be developed under the auspices of the National Office and available to be completed in-person, over the phone or online.

Using Liberalist and the data gathered from the survey included as part of the national Voter Registration Drive, LPC would be able to quickly build:

- ✓ a multi-tiered/multi-platform communications infrastructure to distribute customized messaging to strategic segments of voters and Party stakeholders - a *strategy*, not just a delivery platform
- ✓ a rich voter database to guide content development and decision-making that is comprised of multiple segments developed from research into the emotional connections with the LPC vision, values, mission and platform
- ✓ a sophisticated market segmentation analysis and behavioural targeting algorithms to deploy a rich inventory of messages directly to voters and to stakeholders, through a variety of media

¹²⁸ Name and residence address are provided on the official electors list.

- ✓ a new campaign paradigm that includes an air war and a ground war that are adjuncts to the *cyber war* – a reversal of the current paradigm. The cyber war will be the new margin of difference
- ✓ a savvy communications vision that can adapt and change quickly with new breakthroughs in technology platforms¹²⁹.

The process inherent in Voter Registration Drive - identifying and engaging Liberals and possible Liberals as part of survey all voters - would be a democratic outreach and engagement exercise unlike any that Canada has ever seen. It would also provide a post-election assessment process unlike any ever conducted in Canadian politics, focusing Liberals squarely on re-connecting with and rebuilding the LPC base.

A well-executed national Voter Registration Drive is also an excellent way to recapture the political playing field from our opponents – for building the database Liberals need to have about our supporters and for finding the tens of thousands of small donors we need to build a war-chest capable of defending our next leader when the inevitable onslaught comes and for fighting the next campaign. Most importantly, it's a 21st century organizational recipe for a party that needs to remobilize quickly and shed its organizational complacency in order to rejuvenate itself and win again.

“One would also expect that anybody considering a run for the Liberal nomination in an electoral district would want to play a major role in the process locally.”

With a strong database in-house, Liberals, like the CPC, can begin to focus on turning possible Liberals into Liberals and converting Liberal supporters into Liberal members and donors, again using the technology of the Internet supported by the National Liberalist Call Centre. Once all the data is gathered from Canadians and the registered list of Liberal voters is built, LPC can also transform the selection of our next Liberal leader in about 18 months' time from a one-member, one-vote process as its currently designed into a one-Liberal, one-vote process that truly engages Canadians, potentially millions of them. Indeed, the possibility of participating in this process is one of the magnets that will encourage Canadians to sign up.

The Voter Registration Drive, like any election campaign, would require a campaign manager in every riding. The national co-ordination of the Voter Registration Drive would be overseen by the National Office under the authority of a new national Director of Organization, the five Chief Regional Organizers and the fieldworkers in every province and territory. A timetable would have to be agreed upon in consultation with the CoP, volunteer training (including an update course under Liberal University) would have to occur and each EDA would have to develop its own plan to fit into the program which could be carried out, for example, over a series of weekends in September and October 2012.

In proceeding with a Voter Registration Drive, LPC should anticipate that candidates organizing for the campaign for the permanent Leadership of the Party would want to ensure that their organizations of supporters were fully engaged nationally in this process. One would also expect that anybody considering a run for the Liberal nomination in an electoral district would want to play a major role in the process locally. We hope that a Voter Registration Drive would be led and inspired – electoral district by electoral district - by the hundreds and thousands of young people who believe in the

¹²⁹ The assistance of Jay Whiteside in scoping these requirements is acknowledged.

resilience of the Party and want to have a shot at being a Liberal candidate for Parliament in their riding in the next election: young women, new Canadians, our best and brightest of the next generation. But most importantly, a national Liberal Voter Registration Drive is something in which every Liberal can be involved, young and old alike.

The process of a national Voter Registration Drive is also one from which the entire Liberal family would benefit. If LPC undertakes to proceed, other opportunities are created to cement its broad rebuilding exercise. Given the interest of Party in having strong provincial bases for the 'Liberal' brand, for example, we believe that serious consideration should be given by the next Board to inviting the organizations of provincial and territorial 'Liberal' parties, however loosely or closely affiliated, to participate in the Voter Registration Drive on the understanding that participation would entitle those parties to share in the data generated for their respective province – a tentative first step in re-uniting the Liberal family nationally and rebuilding a sense of common purpose locally, regionally and nationally.

“Such a process could be highly engaging and would certainly be profoundly democratic.”

4.4 Phase Three - Selection of a New Permanent Leader

In 2009, the Party belatedly moved to amend the LPC Constitution to provide for a weighted one-person, one vote method for selecting its Leaders.

In the wake of our election defeat, overwhelmingly confirmed at the Extraordinary Virtual Convention held in June 2011, Liberals made clear to the Board that they did not want to rush into a leadership campaign. Liberals wanted to see new candidates being given time to develop, whether inside or outside the Caucus. They wanted to preserve the possibility of an energizing generation shift in the leadership of the Party. They also made clear that, above all, they were yearning for a wide-open leadership race under the auspices of an 'interim' or 'caretaker' leader who would act as custodian of the Party during its permanent leadership process – a race that would truly engage and attract Liberal supporters, result in a new leader for the long haul and, above all, be conducted on a fair and even playing field.

“This is a process that would truly engage grassroots Liberals, former Liberals and possible Liberals. This is a process that would truly engage the media across the country and re-connect Liberalism with millions of disaffected and disengaged Canadians.”

A leadership selection timeframe has now been set by Liberals – from February 28, 2013 to June 30, 2013. That is now just 14 months away.

If LPC makes the constitutional changes being proposed in this paper, the next leadership selection process could be run as a series of regionally time-staged votes of all registered Liberals over an extended period, with voting on one weekend, for example, in British Columbia, New Brunswick and parts of Ontario, for example. Two weeks later, the voting could occur in Alberta, Newfoundland and parts of Quebec, and so on until one big final super-Saturday by which every part of Canada will have voted. Voting could be by preferential ballot only, or by some combination of a preferential ballot with a run-off vote in the event of no clear first ballot winner.

Such a process could be highly engaging and would certainly be profoundly democratic. Leading up to each primary vote, rather than having party delegates converge on the big cities to meet their leadership candidates, LPC could organize live and online town hall meetings and debates, send the candidates to lay out their vision of the future of our Party and country everywhere in the regions where the next primary vote is going to occur, in small towns and large.

It could also encourage a much wider field of potential participants. Candidates trying to decide whether or not to make a bid, uncertain whether or not they could find enough support or raise enough money, could ‘test the water’ without having to ‘go the distance’. Most importantly, such a process would open up the possibilities much wider for, and publicly test the talents of, many Liberals who do not currently sit in the House of Commons, opening up the potential for candidacies of former MPs, provincial Liberal legislators, municipal politicians and inspiring Canadians not even currently engaged in politics.

Naturally, Liberals may have concerns about the costs and logistics of such an exercise. But in 2013, so much can be done electronically, digitally and virtually at remarkably low cost. Voting in such a universal suffrage process would be by a combination of mail-in ballot, telephone voting and/or online voting - all with appropriate security of course. As the Party demonstrated with the Extraordinary Convention, much more than was ever dreamed of can be now accomplished politically through the medium of modern communications than was ever dreamed of a decade ago. LPC has 14 months to work out the rules, limits, schedule and, above all, technology required to manage such a process.

Accordingly, it has been suggested that the right to participate in the selection of the next permanent leader of LPC be extended to all registered Liberals, permitting electronic, online and mail-in voting, utilizing a preferential and/or run-off ballot system, in the context of an appropriately secured, national voting process that:

- (i) is staged and phased regionally over a period of no less than 10 and no more than 16 weeks between March 1, 2013 and June 30, 2013;
- (ii) is weighted equally by electoral district;
- (iii) is confirmed by a vote of the Council of Presidents (“CoP”) at an in-person meeting of the CoP in the manner of an electoral college vote.

This is a process that would truly engage grassroots Liberals, former Liberals and possible Liberals¹³⁰. This is a process that would truly engage the media across the country and re-connect Liberalism with millions of disaffected and disengaged Canadians. A time-stage, universal suffrage, selection process, supported by a national Liberal voter registration drive over the preceding 14 months (i.e. the 14 months following the Convention) would revolutionize the culture of the Party and put LPC in the forefront of partisan, democratic engagement techniques.

4.5 Phase Four – Introduction of the New Leader

This is a phase of rebuilding that should be left to the next Leader and his or her team. However, the Party should continue building a special cash reserve for the purpose of promoting and defending its

¹³⁰ For the first time, the Socialist Party of France conducted an open primary-style run-off election in 2011 for the selection of its Presidential Candidate. Over 5 million voters participated in 2 rounds of voting. Recent polls show the winning candidate now favoured by over 60% of French voters.

next permanent Leader, by applying all remaining funding to which LPC is entitled under the existing public subsidy for registered political parties to such reserve.

4.6 Phase Five - Local Election Readiness

Election readiness activities are a shared responsibility of the Leader and the Board under the LPC Constitution, with the Leader again having primary responsibility. All election readiness activities of the party are prescribed to fall under the mandate of NERC. The Leader appoints the NERC co-chairs directly.

The President is an *ex officio* member of NERC and the financial resourcing of NERC is the responsibility of the Board. But the balance of the membership of NERC is to be appointed by the Co-chairs of NERC in consultation with the Leader and the Board. Constitutionally, NERC functions as a committee of the Board reporting to the Leader and to the Board. Among other things, NERC is mandated to prepare comprehensive election readiness plans in consultation with both the Leader and the Board.

In fact, executive members of the Board had virtually no input or involvement in the election readiness planning for last campaign beyond the approval of the campaign budget and the National Policy Chair's input to the platform through the NPPC. Members of the Board likewise had no input into or role in campaign strategy, candidate selection, messaging, tour, advertising or organization nor were they given the opportunity to review election readiness plans.

Rather than proposing any interference with the Leader's jurisdiction in this area, the Board would simply propose that the interface between Board and Leader in relation to election readiness be a matter for discussion between the Leader and the next Board, once the Leader is selected. However, there are three matters about which the Board is convinced that the Party wishes to speak out strongly at this time. First, Liberals believe that open, contested nomination processes are critical to the health of the Party and EDAs. Second, many believe that practices recently adopted (i.e. appointing candidates, protecting incumbents) have been inimical to the health and vibrancy of the Party locally in many electoral districts, contributing heavily to complacency, lethargy and disengagement of grassroots Liberals. Third, Liberals want to ensure that their next slate of EDA candidates are nominated and in place as soon as possible after the selection of the new permanent Leader and well before the next election. Accordingly, it is suggested that:

1. The process for nominating LPC candidates for the House of Commons from any electoral district in any election or by-election be extended to all registered Liberals living in the electoral district, permitting electronic, online and mail-in voting, using a preferential ballot system in a single-vote selection process;
2. Except in an electoral emergency and subject to specific and limited exceptions requested by the Leader and approved by the Board, the practice of appointing candidates in electoral districts and/or protecting incumbents from being required to face an open nomination contest in their electoral districts be discontinued;
3. The new permanent Leader of the Party be requested to reconstitute the National Election Readiness Committee ("NERC") no later than September 1, 2013; and
4. Nominations for LPC electoral district candidates be opened (i.e. the freeze be lifted) no earlier than October 14, 2013.

The new permanent Leader, the Caucus and NERC must give serious consideration, given the realities of the ‘permanent campaign’ and the ‘new politics’ of the digital media age, to creating a permanent Liberal ‘war room style’ communications team be formed, breaking down the silos between the Leader’s office, the Party and the Caucus - to ensure that every day, the Liberal team including all of its lay spokespeople are empowered with strong research on a real-time basis related to the issues of the day, trending topics and emerging national political themes. This team should also consist of personnel highly skilled in crafting ‘emotionally-salient’ messaging both for the coordinated internal and external use of the Party.

4.7 Phase Six - National Election Readiness

The final phase of rebuilding for Victory is the last phase which, of course, will acquire much greater definition under the guidance of the new permanent Leader, the next Board and, when formed, NERC.

Like NERC, the National Campaign Committee (“NCC”) is currently accountable directly to the Leader and not to the Board. It is constituted by NERC as a sub-committee of NERC and is therefore subject to the same governance model as NERC. Ultimately, responsibility for campaign strategy, as recommended by the NCC, is the Leader’s whereas the responsibility for financially resourcing the NCC is the responsibility of the Board which, in turn, is directly accountable to the Party as a whole. No table officers of the Board served on the last National Campaign Committee.

While the Board has not sought additional authority in this area that would interfere with the jurisdiction of any Leader, members of the Party who wish to hold the Board accountable for the success or failure of any particular election campaign should note that the current LPC Constitution does not fix or grant any authority in this area to the Board, so the problem of fixing responsibility on and/or exacting accountability from persons other than the Leader and his or her team for any particular election result including the most recent one, is problematic. Under the LPC Constitution, LPC campaigns are contemplated to be Leader-controlled, single authority, top-down exercises where the Board exercise virtually no oversight or discretion beyond the oversight and approval of budgetary and financial aspects¹³¹.

In connection with the National Election Readiness phase of rebuilding, many Liberals have made clear that they want their next Biennial Convention of the Party be focused on the policy and platform of LPC and be held no later than May 30, 2014. In addition, the new permanent Leader and the next Board may well wish to hold another conference on the model of “Canada 150” in the lead-up to the next Biennial Convention.

4.8 Conclusion

As stated at the outset of this paper, the basic question confronting the Party is not whether it has the possibility to rebuild and renew itself for the 21st century, but whether its leadership and membership can marshal the will and energy to ensure that it does. The Convention and everything that follows will be the test of that.

This discussion paper has been an attempt to reflect what Liberals from across Canada have been saying since the last federal election and, in some cases, long before that. It has also made some specific

¹³¹ The 2011 campaign was executed on budget and did not leave the Party in a deficit position.

suggestions that provide a bold and coherent way forward for the Party. It sets the stage for a highly scalable, streamlined, issue-driven, technologically empowered and professionally managed volunteer organization that is progressive, inclusive and reflective of the evolving Canadian reality, focused on continuous outreach to every Canadian citizen and community, capable of acting both as an effective and disciplined political machine during election campaigns and as a proactive disintermediator of the political process for all Canadians who wish to participate in the governance of their country.

Now it's up to Liberals. The formal consultation process has begun. Please share your thoughts, input and ideas.

All of which is respectfully submitted,

Alfred Apps
President
Liberal Party of Canada

November 10, 2011

“Now it's up to Liberals. Please share your thoughts, input and ideas.”
