



Canadian Perspectives 2026

(Adopted April 4, 2026)

Introduction

1. A year ago, our *Perspectives* began with stating that this is a period of transition. The old world is dying, and the new world struggles to be born. In just one year, the shape of this new world is coming into sharper focus. From the shadows of inter-imperialist conflict, the rise of the right, polarization, and environmental disasters, we have entered a world of war, genocide, increasingly repressive right regimes who blatantly disregard international law, and environmental catastrophe. We have seen too the explosion of youth revolts, the rise of new left formations, and a push forward for socialist ideas.
2. Times of rapid change, such as we are now experiencing, are fertile ground for revolutionary ideas. In times such as these, developing perspectives becomes at once the most difficult but also the most essential task for Marxists.
3. Perspectives are a guide to action. The more uncertain the times, the more the quality of the guide determines the effectiveness of the action. To act without understanding the situation is to act blindly, to be buffeted about by events, and to in fact be controlled by that which once seeks to control. “Freedom of the will therefore means nothing but the capacity to make decisions with knowledge of the subject.”¹
4. Each great and terrible event that unfolds across the world puts a new test on the working class and its conscious revolutionaries. Tests demand action, sometimes rapid and decisive. But it is precisely

because action is demanded that understanding is required. What is therefore necessary above all else for the still-small forces of revolutionary Marxism is the judicious application of patience and a sense for the rhythm of struggle.

5. In developing our perspectives, we seek to clearly describe underlying processes and trends. The point is not to produce a map that shows a precise path to follow, but to make a compass that will serve to orient us in a chaotic and confusing landscape.

International Context: A World in Peril

6. Events of the last year have confirmed our perspective that the new world era is defined by inter-imperialist conflict and war, climate disasters, environmental degradation, and economic crises. This era is fueling nationalism, reactionary ideas with attacks on immigrants, women and LGBTQ+ people, neocolonialism and war. Free trade, globalization and various international treaties have been discarded as has the rhetoric about individual rights and abstract democracy — a capitalist concession to keep its profits flowing. The western alliance and international institutions are fraying along with the so-called “international rules-based order” that served to maintain stability to help ensure profits for big business.
7. COP 30 concluded in December with no actions to halt the accelerating global emissions. Astoundingly, the UN-led climate negotiations failed to even

¹ Frederick Engels, *Anti-Dühring*

- mention fossil fuels by name as the cause of 75% of global warming. Even after 30 years of negotiations, and 10 years since the Paris Agreement brought together 50,000 participants, including tens of thousands of representatives of Indigenous peoples, environmental and social movements, little real progress has been made.
8. This is an era of revolution and counterrevolution, when mass movements overthrow repressive governments, block coup attempts, or produce strike waves, but also where such movements face setbacks and defeats as reactionary far-right forces contest and win state power. It is an era of polarization, where the old political centre is collapsing in favour of far-right and far-left ideas. In the 2010s there was a wave of left-leaning political formations (e.g., Corbyn, Sanders, Syriza, Podemos, etc.), which gained enthusiastic support, especially from young people. For one reason or another they were unable to deliver. Recently the right was more confident and organized and increasingly has the backing of the ruling class. However, the emergence and founding of Your Party in Britain, the election of Mamdani in New York City, the election and topping of the polls of a socialist in Vancouver — all over the past year — adds to the previous leap in support for Die Linke in Germany and the strength of support for Insoumise in France. These events show that the potential for the left is growing.
 9. In 2025, a global wave of youth-led revolts swept the global south —Nepal, Indonesia, Peru, Morocco, Madagascar — burning parliament buildings and toppling governments. Driven by anger at the cost of living, inequality, and corruption, they mobilized through social media and while they sought profound change, they lacked a clear program and leadership. In Madagascar, the President Andry Rajoelina was overthrown in a military coup while in Nepal, former Supreme Court chief justice Sushila Karki was appointed following a vote organised on Discord.
- War and Militarism on the Rise**
10. 2026 began with US imperialism on the offensive —its February 28 attack on Iran has propelled the entire region into a war that may be the most significant since the Vietnam War and that has made the world an increasingly dangerous place.
 11. The reactionary juggernaut of Donald Trump dominated 2025, shaking world relations to the core. But the naked, shameless imperialist aggression against Venezuela with which he kicked off 2026 has taken things to a new level. Having grotesquely campaigned as a peacemaker, Trump bombed his seventh country in less than a year (Iran, Iraq, Nigeria, Somalia, Syria and Yemen were the other six) when US warplanes descended on Caracas and kidnapped Venezuelan President Nicolás Maduro and his wife Cilia Flores. Delcy Rodríguez was sworn in as acting president and now is doing the bidding of the US administration.
 12. Just like in the Middle East, Ukraine, Africa and the Pacific, Trump is acting undeterred by “international laws and norms” to grab resources and combat the influence of rival imperialist powers especially China. His regime seeks to reassert itself in the Western Hemisphere. Chinese capitalism is the main target of this aggressive US strategy: Venezuela under Maduro was China’s “crown jewel,” its biggest debtor after Russia and key oil supplier.
 13. After the US military intervention in Venezuela, Cuba is in the crosshairs of US imperialism. Trump wants to impose historic defeats on the peoples of Latin America and control every inch of what he considers his backyard. By practically taking control of Venezuelan oil and imposing his will on Delcy Rodríguez’s government, he has cut off one of Cuba’s main energy sources. In the face of Trump’s threats, Mexico also stopped sending oil to Cuba. In Cuba, the result has been a semi-collapse economically and socially, in a country that depends on external oil supplies.
 14. In late December and early January, Iran experienced the biggest nationwide uprising since the 1979 Islamic Revolution that led to the overthrow of the Shah of Iran. The protests, which spread to 180 cities and towns in all 31 provinces, were sparked by anger over the collapse of the Iranian currency and soaring cost of living. These protests — a new turning point in the struggle of the Iranian masses — turned into a mass movement aimed at bringing down the regime. It is estimated that at least 7,000 people were massacred in mass unlawful killings by the regime.
 15. On February 28, Israel and the US launched a war on Iran, unleashing a nightmare for Iranian people.

- The airstrikes targeted multiple sites and cities: military bases, government facilities, schools, hospitals, cultural heritage sites and energy infrastructure. Over 165 girls were killed in an attack on their school. Supreme leader Ali Khamenei and other Iranian leaders were assassinated. A human and ecological catastrophe is playing out after oil refineries and storage sites were set ablaze. Water supplies are also under attack. Khamenei's son, reactionary Motjaba Khamenei, has been nominated as the new Supreme Leader — a show of defiance in the face of Trump's demands for unconditional surrender. The war now appears to be escalating with reports of whole residential blocks destroyed by heavy bombs from Israel — an estimated 80,000 civilian units have been hit or fully demolished and more than 1,500 people killed.
16. The entire region is now engulfed in this conflict, and it threatens to draw other countries in. This war has also unleashed another wave of unspeakable barbarism on the part of the Israeli regime. Israel's attacks on Lebanon have resulted in over 1,000 people killed and 1.1 million displaced. Israel, the US and people in neighbouring countries have also seen casualties.
 17. After three weeks, the US-Israel war on Iran is not going as Donald Trump wished. What Trump envisioned as a demonstration of strength and another "easy victory" following his January operation in Venezuela, is instead going down in history as a gigantic miscalculation. Its consequences now dominate the concerns of governments and the capitalist class internationally. In particular, the world economy, energy and food production are fundamentally shaken by the closure of the Strait of Hormuz by an Iranian regime that has not collapsed. NATO and Asian allies have not acceded to Trump's threatening appeals for them to again act as vassals to Trump and Netanyahu's war in the Gulf. It's a highly unpopular war conducted without a plan. A US retired general described Trump's attack as a marketing project, rather than a carefully planned and resourced military campaign.
 18. While the trajectory of the war is uncertain — much depends on the US — the Iranian regime has shown great resistance and is temporarily strengthened. The war has played crucial role in allowing the Iranian dictatorship to consolidate after the murder of the Ayatollah.
 19. Almost four years after the Ukraine war began, Western imperialism is in disarray. European governments, not least in Kyiv, are in panic, scrambling from one emergency summit to the next, desperate to assert their interests as the war's future is hammered out. The cause of their panic lies in the realization that there seem to be only two voices which really matter: those of Donald Trump and Vladimir Putin. Trump has signalled increasing uncertainty that he is willing to support Europe and disapproves of the direction he believes Europe is going. The Trump administration's new national security strategy report claims Europe now faces the "stark prospect of civilisational erasure." While perspectives for the future of the war remain uncertain, it is increasingly clear that when the war does end, the result will be a victory for Russian imperialism, at least relatively speaking. This will have a significant impact on the world situation.
 20. Italian workers took industrial action on October 3 with more than two million workers walking out in a 24-hour general strike called for by Italy's largest trade union, the Confederazione Generale Italiana del Lavoro and the grassroots Unione Sindicale di Base. The strike was organized in defence of the Global Sumud Flotilla, which was intercepted by the Israeli military and blocked from delivering supplies to Gaza. The Freedom Flotilla Coalition has announced it plans to escalate actions in 2026.
 21. World attention has been drawn away from the genocide in Gaza since the ceasefire was agreed on October 10. Trump was motivated to push for a ceasefire because of US imperialism's concern about escalating protests in solidarity with Gaza and general strikes that endanger imperialism's agenda and his desire to strengthen economic ties with the billionaires in the Gulf states.
 22. But the Israeli state's brutal attacks have not stopped and mass death due to collapsed buildings, unexploded bombs, floods, hypothermia, starvation and illness continue. Gazans struggle with no proper shelter or food, no heating, electricity or potable water. Israel continues to deny aid offers. This new stage of genocide is about the extermination of Palestinian life in Gaza. As of March 24, an estimated 687 people have been

- killed since the so-called ceasefire, with 1,845 injured. The Israeli regime has emerged temporarily strengthened after the last two years of war, not only in Gaza, but against Lebanon, Iran, Syria and the Houthis in Yemen. The Israeli regime aims to do to Lebanon what it has done to Gaza — devastate it and then occupy it.
23. Despite there being no peace in the occupied region, Trump has pronounced that they are ready to proceed to phase two of the Gaza peace deal, which includes convening what he has dubbed “The Board of Peace.” Originally represented and named in a [UN Security Council resolution](#) last year as a body to oversee Gaza’s reconstruction, this brainchild of Trump’s has since rapidly escalated both in its scale and in its implications. First it sought to govern Gaza indefinitely, with sweeping powers such as the ability to nominate senior officials and appoint a “High Representative.”
 24. Now it has expressed its [open-ended aspirations of authority](#) around the world in any “areas affected or threatened by conflict.” Its founding charter doesn’t mention Gaza at all. This Board was assembled during the Davos summit and met for the first time in Washington on February 19. It includes representatives of member states such as Qatar, Saudi Arabia, Turkey, and Egypt: a rogue’s gallery of Middle Eastern and other global south states in the US’s imperialist orbit, most of them bitterly oppressive authoritarian regimes. Notably, the states that declined to join included leading members of the European Union such as France, Germany, and Spain, citing concerns that it [sought to undermine the UN itself](#). Indeed, Trump has stated that it “might” do just that.
 25. This is perhaps the starkest example to date of the [total abandonment of the so-called “rules-based order”](#) or “liberal international order” established after WWII to facilitate “international cooperation” through structures like the UN, NATO, and the IMF. Trump is remaking the world in his image, and it means a new and even more dangerous face of imperialism in the years ahead.
 26. In Carney’s speech at the Devos meeting, he declared that the international order and ideals of the UN charter have never been a reality, as “the powerful do what they can do, and the powerless suffer and try to get along.” He opportunistically argued that countries like Canada should “stop invoking” the rules-based international order because it was always a “fiction.”
 27. Meanwhile there has been a ferocious civil war between two military factions in Sudan. More than 150,000 people have been killed there over the past couple of years; around 12 million have been forced out of their homes. Other conflict areas include the Horn of Africa, the Congo and the Sahel as well as Pakistan. Myanmar’s armed conflict is in a broad strategic stalemate with its military having rebuilt its depleted units with conscripts and has begun to recapture territory from opposition forces.
 28. These wars and conflicts are not accidents, but the natural consequence of imperialism. There is no prospect to return to stability without qualitative change in the world situation. Such change could be negative or positive from the point of view of the international working class: another world war, or another great socialist revolution.
 29. World military spending rose to US\$2.46 trillion in 2024 (1.9% of global GDP), an increase of 7.6% from 2023. This includes spending boosts in every major world region except sub-Saharan Africa. Especially significant year-on-year increases took place in Israel (72.9%), Russia (41.9%), and Germany (23.2%). Donald Trump has declared that NATO’s long-agreed goal that member states spend 2% of their GDP on the military — which 23 of the imperialist alliance’s 32 member states currently do, up from 10 in 2023 and seven in 2022 — is now insufficient. He says the target must now be 5% of GDP, which even NATO’s top per capita spender, Poland (4.12%) does not match. The United States making Trump’s target — which has not been ratified by NATO nor officially endorsed by its major members — would have meant US\$1.46 trillion in US military spending in 2024, a massive increase to its (official) military budget of US\$841.4 billion. The European Union in March 2025 agreed to increase military spending by an additional €800 billion (\$1,250 billion).
- ### Inter-Imperialist Conflict
30. This new era of inter-imperialist conflict follows a relatively stable period from the collapse of the Soviet Union to the recession of 2008-09, when the US was the single world power. However, the rise of China as an imperialist rival to the US, with its moving to hi-tech manufacture, rising exports and

its Belt and Road Initiative, has led to competition for world dominance between the US and China blocs. The reversal of neoliberal globalization, the prevailing capitalist doctrine for three decades, has shifted the strategy of the major powers to reindustrialize their own economies and towards protectionism, discarding neoliberalism's free trade *modus operandi*. Preparation for war between the imperialist powers is part of the logic.

31. The main axis around which the world situation revolves is the inter-imperialist conflict between the United States and China, the two most powerful capitalist states in the world. Capitalist economies across the world face existential crises of overproduction and stagnant growth, compelling their respective capitalist classes to seek new markets and secure access to resources. But since the world is already divided up amongst capitalist powers, this inevitably leads to inter-imperialist conflict and war.
32. While both the US and China treat most of the other nations in their "block" as vassals, there is no other third power to rival them. The European Union's population is larger than the US, but with a smaller GDP, while its GDP is equal to China but with a smaller population. However, even in the boom years the EU could not overcome its nation states. India has largest population in the world, but its GDP is a tiny fraction of the US, EU or China. The other imperialist powers such as Japan, Canada or Brazil are even weaker.
33. China has stood back as a number of nations of its block have been attacked and, in some cases, pulled into the US orbit including Venezuela, the Assad regime in Syria and now Iran and probably soon Cuba. Russia although a major power (9th largest GDP) is reliant on China.
34. US imperialism, under Trump, is rampaging the globe, attacking its former allies, but they have nowhere else to run to. Despite Carney's Davos speech, the world's "middle powers" have no common aims and cannot unite to form a third block.
35. Both US and Chinese capitalism — despite their outward strength, are in deep crisis. Both regimes increasingly have turned to Bonapartist figures with growing dictatorial powers. The growth of the US economy is based on the AI bubble and huge government debt. Several times in recent months the US dollar, stock market and government bond markets have all dropped at the same time, a highly unusual trend indicative of deep uncertainty and instability.
36. Chinese capitalism has large over capacity, a major debt crisis, falling consumer spending, falling prices and a falling population. The tensions behind the scenes are revealed in the major purge of the leadership of Chinese armed forces. Xi Jinping's strategy for addressing the country's demographic crisis is the aggressive reassertion of traditional gender roles, including restricting abortion rights. The "one-child-policy" has been replaced, not by increased freedom for individuals to plan their own families, but by coercive pressure for women to have three or more children.
37. China's internal economic and political problems mean it is unable to take advantage of US overreach, depletion of weapons and entanglement in the Gulf, although it has stepped up pressure on Taiwan with regular military exercises around it.
38. Whether or not the Trump administration's new strategy is successful in strengthening the US-led bloc, the core of US policy continues to be competition with China. While relations within the blocs are shifting, the main geopolitical axis of the era continues to be the conflict between US and Chinese imperialism.
39. Capitalism as a global system is still searching for a new way to restore stability, although this may be a vain attempt. While the ruling classes of the world are increasingly turning to authoritarianism and far-right ideology in order to protect their rule, the masses of workers and youth who are drawing revolutionary anti-capitalist conclusions are still struggling to find political clarity and to learn the correct lessons from history.

World Economy

40. The overall outlook for the world economy is bleak, with the lowest level of growth at the moment (except for the pandemic downturn) since the financial crisis in 2008. The World Bank said a few months ago that this was due to "heightened trade tension and policy uncertainty" (read Trump's trade war) and went on to say, "if forecasts for the next two years materialize, average global growth

in the first seven years of the 2020s will be the slowest of any decade since the 1960s.”

41. The assault on Iran will deepen the economic crisis, with rising prices for oil, food, fertilizer, etc. and may possibly lead to a recession. Even if the attacks stopped soon, the impact on oil and gas prices, with damaged facilities, will last years.
42. The last time the US dramatically increased tariffs on the rest of the world was the 1930 Smoot–Hawley Tariff Act; these tariffs were met with countermeasures and plunged the world even deeper into the Great Depression, having devastating consequences for working-class people in the United States and around the capitalist world.
43. There is a sharp disconnect between the booming stock market and the reality for most of the working class and a growing section of the middle class. The high value of shares, much of it boosted by the AI boom (bubble), continue to boost the wealth of the richest 10%, who continue to drive consumer spending.
44. There are many potential triggers for a world recession — debt, AI bubble bursts, impact of Trump’s and retaliatory tariffs, a major increase in the contradictions in the Chinese economy, etc. With the re-emergence of inflation, much of the world economy could face the capitalists’ nightmare of stagflation (high unemployment combined with high inflation). On the other hand, the sluggish growth, based on the spending of the wealthy, government spending on arms, tax cuts in some countries, can continue for some time.

Trump 2.0

45. Trump’s rise is a product of the main features of the development of global capitalism in the new era. At the same time, he is now causing major shifts in the character and direction of that development in every part of the world, including in Canada.
46. The era of “woke capitalism” is over. In the wake of powerful movements against oppression, sections of the capitalist class claimed to stand against discrimination, for example in schools and businesses. Their approach was based on the premise that oppression in society could be eliminated if individuals just improved their behaviour or their thinking.
47. Today, the counter-revolution of the right is not just throwing away diversity initiatives but wants to go much further than that. They want to attack fundamental voting, labour, and reproductive rights, which were won through the struggles of the 1960s and 70s. In the United States, these protections are being dramatically undermined and even eliminated. The Civil Rights Department no longer pursues cases of discrimination against women or people of colour. It now focuses not on protecting people, but on taking up cases against transgender people. They are also pursuing cases such as those brought by white people appealing against school initiatives aimed at supporting Black students.
48. The ruling classes are increasingly turning back to the old ideas of the family and the nation in order to control dissent and justify their need for imperialist expansion. In the neoliberal era, the ruling class was able to largely let go of these ideas. It co-opted struggles for liberation into safe channels focused on individualism, while embracing an era of globalization and free trade. This neoliberal regime was no longer able to provide stability and profits; the ruling class is in need of a new ideology, but as yet there are no clear answers.
49. Our characterization of Trump’s rule is that of a Bonapartist has been proven correct. Trump’s miscalculation in the US attack on Iran is typical for a Bonapartist regime.
50. After his strike on Venezuela, International Socialist Alternative said: *Underestimating Trump’s determination to act on his threats would be a grave mistake. He is drunk on success, increasingly seduced by the prospect of using the US military to achieve quick and easy wins.... However, it would also be a mistake to overestimate Trump. In fact, his hubris will inevitably lead to miscalculations in every sphere, and military miscalculations are the most costly of all. Trump’s increasingly unbridled aggression, combined with US imperialism’s inability to deploy significant ground troops, is a recipe for new crises and quagmires.*
51. There is an apparent contradiction between Trump’s declining support in recent months and

the drive to rapidly consolidate an authoritarian regime. Trump now has less than 50% support in the polls for his handling of every key issue, especially the economy and inflation, issues that were key to him getting elected. There is 67% disapproval on the cost of living. The continuing Epstein scandal has also contributed to Trump's softening support. Even on immigration, the public is increasingly unhappy with the brutality of Trump's deportation campaign though there is overall support for "securing the border."

52. ICE's occupation of Minneapolis/ St. Paul and the brutal murder of Renee Good and Alex Pretti by ICE agents triggered massive demonstrations in the Twin Cities and in cities across the US. Over two months, the Twin Cities' working class built a mass movement of resistance culminating in a citywide general strike that forced ICE to retreat.
53. Socialist Alternative US and unions are calling for a nationwide day of strike action on May 1. If this happens, it would be the biggest and most powerful rebuke to Trump's far-right authoritarian agenda so far. It will need far more unions to sign onto it, and those who have backed it need to be broadcasting it more widely. If truly built for by union leaders, and accompanied by a groundswell of organizing from below in every union, non-union workplace, school, community, rapid response group, and more, May 1 can become the first nationwide general strike in US history. But even short of a full-on general strike, substantial workplace actions in a few cities across the country would still be a significant step forward for the movement and serve as a stepping stone toward more and bigger nationwide strike action in the future.
54. The rise of the reactionary right wing continues, to different degrees, around the world. Milei in Argentina won a surprise victory in the October 26 election and the second round of elections in December in Chile resulted in an overwhelming victory for the far-right candidate José Antonio Kast with 58.16% of the vote compared to 41.84% for Jeannette Jara. Kast's vote count has a terrible historical significance. Never before in Chilean history has any candidate achieved such a high vote count.
55. The rise of the right is fuelled in part by the anger and despair over falling living standards and the

loss of stable, good union jobs. For many, the future looks grim, and the right can offer simplistic answers harkening back to an imagined past when things were "better." Immigrants and "wokeness" are identified as the cause of the breakdown in the social order and loss of economic security.

56. The rise of the right is also due to the failure of the mainstream left in most countries to offer a way forward. Nonetheless there are limits to the success of the right. They cannot deliver improved living standards to the majority of society. Angry rhetoric is not enough; workers can't eat or pay the rent with words. The whip of counter-revolutionary trends will push people into action against reactionary forces, as recently seen in Germany and the US.

Canada: Sleeping Next to an Elephant

57. Canadians are increasingly fed up with Trump's threats: exiting CUSMA (the Canada-US-Mexico free trade agreement), decertifying Bombardier planes manufactured in Québec, and annexing Canada as the 51st state.
58. This is the new reality that Mark Carney has dealt with since winning the federal election last April. Former Prime Minister Pierre Trudeau once said that living next to the US is "like sleeping with an elephant. No matter how friendly and even-tempered the beast . . . one is affected by every twitch and grunt." The difference today is that the beast is no longer even-tempered.
59. Carney assumed the leadership of the Liberal Party on March 9, 2025 and called an election less than two weeks later. The Liberals won a minority government, promising to stand up to Trump's tariffs and threats to make Canada the 51st state.
60. The re-election of the Liberals under Mark Carney ushered in a new era, with fundamental realignment taking place in Canadian politics. The Liberal Party has shifted decisively to the centre-right, in effect taking on many of the policies of the Conservative Party. The sharpest expression of this is the recent MOU that Canada signed with the Alberta government. Carney's signature on the MOU erased any illusions (not that Socialist Alternative had any) that the Liberal Party is serious about reducing emissions and averting climate catastrophe. It made clear where its allegiances lie: with big business and big oil. The

- MOU, signed on November 27, was a sharp break from the Trudeau-era policies, which while inadequate, aimed at slowly reducing the carbon dioxide released in the production (but not the burning) of oil, and gas and methane emissions.
61. Most of Trudeau's climate change policies (even though several were performative) have been scrapped: the consumer carbon tax, the 2 Billion Trees program, and the Canada Greener Homes Grant. Carney reintroduced the lapsed tax credit for LNG development and suspended the clean energy regulations, which would have required a net-zero grid in every province by 2050. He replaced the hard cap on emissions with a carbon capture sequestration scheme — a handout to oil companies. He repealed the electric vehicle sales mandate, instead reintroducing EV rebate subsidies.
 62. The Canada Public Transit Fund was first announced in 2024 and promised to deliver \$3 billion per year to municipalities for transit, over 10 years, starting in the 2026-27 fiscal year. In early February, the Minister of Housing, Infrastructure and Communities announced a cut of \$5 billion over 10 years to this key transfer program for municipal transit. Both municipalities and Amalgamated Transit Union Canada expressed concern over this broken promise.
 63. The MOU has created an opening for a new pipeline to the west coast and to end the Oil Tanker Moratorium. This has been vigorously opposed by the National Assembly of First Nations, the BC Indian Chiefs and coastal nations. Chief Marilyn Slett, of the Coastal First Nations Great Bear Initiative, said that a tanker ban on the north coast "is not up for negotiation" nor will they "tolerate any exemptions or carveouts."
 64. In office, Carney dropped the "elbows up" approach; instead, he is appeasing Trump. The Liberals have scrapped almost all tariffs on US imports. He agreed to join the "Golden Dome," a space-based system of satellites and weapons with a cost estimated between \$1 and \$4 trillion.
 65. Bill C-2, the *Stronger Borders Act*, claims to reduce both the flow of people and drugs across the border, a further effort to appease Trump. The Liberals had already announced reductions in the number of temporary foreign workers it would permit, and this bill explicitly targets refugees. No one who has been in Canada for more than one year, including people who arrived before the bill was tabled, would be able to claim asylum, regardless of conditions in their home country and what they might face if they were sent back. While the bill included several privacy-violating measures, including provisions for the spy agency CSIS to access users' online data without a warrant, overwhelming opposition forced the Liberals to repackage C-2 into a new bill, C-12 that maintains the restrictions on migrant and refugee rights, but removed some of the most egregious attacks on privacy. This new bill still faces fierce opposition.
 66. Carney's first budget (introduced in November) represents a 180° turn in direction. It is business-friendly and in spite of deep cuts, the deficit will grow to \$78.3 billion for 2025-26. This is because military spending will explode — up by \$84 billion over the next five years and Carney has promised to reach 5% of GDP by 2035. This is higher than what the Conservatives' election platform called for. As well as the military, the RCMP and border police are also getting more money. Carney's government is spending \$1.8 billion over four years to increase federal policing and to hire 1,000 RCMP personnel.
 67. The recent budget includes cuts to some departments (including Environment and Climate Change, Innovation and Science, Indigenous Services, Veteran's Affairs and Transport) of \$60 billion in five years that will weaken many public services and slash 40,000 jobs. It is claimed that many of the jobs cut, such as in Canada Revenue Agency or Employment and Social Development, will be replaced with AI. The Phoenix pay system, proposed in 2009 by Stephen Harper, is a cautionary tale of the delusions in technology to cut jobs and save money. Phoenix has never worked; it has cost over \$5 billion, still has a backlog of over 200,000 cases and the Liberal government is now planning to scrap it, with a cost of an additional \$4 billion. Canada Post, as part of its self-destruction plans, intends to cut 30,000 jobs in the next 10 years.
 68. Carney has been touting his plans *to Build Baby Build*. Twelve major Projects have been announced. Of these, nine increase dependence on resource extraction, will damage the environment (several

will directly increase climate change) and do little to meet Canadians' needs. Five are new or expanded mines (Sisson, NB, Nouveau Monde, QC, Crawford, ON, McIlvenna Bay, SK and Red Chris, BC); two are expansions of fossil fuel exports from BC (Ksi Lisims and Kitimat); two are measures to support mines and fossil fuels in BC (North Coast Transmission Line and Northwest Critical Conservation Corridor, which despite its name is more about mines and LNG than conservation) and one is an expansion of a highly polluting nuclear power plant in Ontario. The Red Chris mine in northern BC is already polluting the Stikine River, a major salmon river. The MOU on a pipeline is part of this pattern.

69. Resource extraction with little downstream processing of the raw materials is a hallmark of Canadian capitalism, a trend that has increased in the last 25 years. In 1999 manufactured goods comprised 55% of exports and raw materials only 38%. In 2025 the pattern is reversed with raw materials now 55% of exports and manufactured goods down to 36%.
70. This over reliance on commodities is a major cause of the low productivity growth. Commodities are also much more vulnerable to swings in prices, making for economic booms and busts.
71. The trade war is not resolved and it is not clear where the negotiations for renewing the Canada-US-Mexico Free Trade Agreement are going. Negotiations have been on, off and on and off again. Tariffs have resulted in jobs being slashed — with steel plants, car factories and sawmills closing.
72. Carney's answer to Trump's tariffs, *Build Baby Build*, while trying to carve a more independent path from the US, will not result in a sustainable and just future for Canadians. It continues the reliance of extracting and exporting raw materials and harkens back to an era when Canada was the "hewer of wood and drawers of water," when workers were subjected to a lifetime of economic bondage from employers that extracted as much labour value they could, without consideration of safety or workers' needs.

Political Parties

73. Carney's move in the direction of Harper's Conservatives has pleased big business. Some Conservatives are also happy with Carney's

conservative Liberals as shown by the defection of Chris d'Entremont, Michael Ma and Matt Jeneroux to the Liberals. With the recent defection of the NDP's Lori Idlout, this leaves the Liberals just two seats short of a majority government. Three by-elections will be held on April 13, two of them in Liberal strongholds, giving the Liberals the possibility of a majority government.

74. While Poilievre overwhelmingly won his leadership review at the end of January, securing 87.4% support, the Conservatives are now decisively trailing the Liberals in recent polls. The Liberals now have a double-digit lead over the Conservatives and Carney has a large lead over Poilievre. Poilievre is still struggling to adjust to the new situation of Trump. The Conservatives are also at a disadvantage as they win large majorities in rural prairie seats, while the Liberals win with small majorities in the seat-rich urban centres of Montreal, Toronto and Vancouver.
75. While still leading a minority government, Carney will continue to call the bluff of the other parties as he did over the budget, where the Green, NDP and Conservatives ensured it would pass.
76. While there has been speculation about whether the Liberals will call another election, hoping to gain a majority, this seems unlikely as their strategy seems to be encouraging defectors from other parties to join the Liberals.
77. For now, Carney faces no serious opposition, either in Parliament or outside. The reality of his large cuts to jobs and services have not yet hit home. But below the surface there is simmering anger that will erupt at some stage — either to the left or the right or even in both directions.
78. The Green Party has had a modest boost in BC with a new eco-socialist leader, Emily Lowan. However, federally they remain in the doldrums and their one MP, Elizabeth May, voted for Carney's budget, days before he signed the MOU with Alberta to build a new pipeline.
79. In last May's election, the NDP kept only 7 of its previous 25 seats, winning just 6.3% of the popular vote, its worst ever performance in a federal election. Its loss was not just about Jagmeet Singh's unpopularity. It goes much deeper: it reflects the NDP's failure to campaign boldly, talk to people on the streets, etc. The NDP has now concluded its

leadership campaign. Avi Lewis handily won the NDP leadership race with 39,734 votes, 56% of the total, on the first ballot. His program is clearly popular with NDP members. His campaign raised more money, \$1.23 million, than the other four candidates combined, and with an average donation of \$105, smaller than Ashton's average of \$149, McPherson's \$133 and McQuail's \$113.

80. This outcome may determine whether the NDP remains relevant in federal politics. Unless the NDP can recover, voters face a grim choice. On the one hand there is Carney's conservative Liberals with cuts to public services, handouts to big business and massive military spending. Or Poilievre who continues his Trumpish faux anger, with very few clear policies.
81. Avi Lewis's platform is a sharp break with the present and past failed policies of the NDP both federally and provincially. His campaigns focused on demands such as building public homes, protecting tenants, creating 1 million good green jobs, free transit, a public option for groceries, postal banking, a public pharmaceutical manufacturer, taxing the ultra rich and ending corporate handouts.
82. All five candidates vowed to rebuild the NDP, but now it is up to Lewis. The conference decision that the NDP will campaign year-round, rather than just at elections is an important step to rebuild the party as is the commitment to empower the constituency associations rather than having everything controlled by the headquarters.
83. Lewis has already faced attacks from two provincial leaders (Alberta's Nenshi and Saskatchewan NDP Leader Carla Beck). Yet, Lewis's fundraising in Saskatchewan topped that of all other nominees combined (with a similar pattern in other regions). This suggests the party establishment is out of touch with grassroots members. If Lewis tries to get the NDP to campaign on his program, he will face fierce resistance from the NDP establishment as well as provincial NDP representatives. The clash of his policies and his supporters against the NDP machine will most likely open a debate about what sort of party the working class needs. Lewis will have to fully mobilize his supporters to resist the inevitable sabotage.

Cost-of-living Crisis and Rising Inequality

84. For the Canadian working class, life is increasingly volatile. Increasing pressure from several economic and political factors finally spilled over to produce a major shift in Canadian bourgeois politics in 2025. The Trudeau government, in power since 2015, became deeply unpopular among the working class after presiding over a cost-of-living crisis unprecedented in living memory.
85. The working class experiences economic crises through the cost of living, including how easy it is to get or keep a job, the level of wages, and the price of goods. From 2021 to 2024, inflation surged in Canada as it did in many countries around the world. By 2025, inflation returned to pre-pandemic levels of roughly 2%, which is considered the "target" level of inflation by prevailing neoclassical economic theory. However, the accumulated price increases over the period of high inflation have not been matched by corresponding wage increases. In other words, working-class people still find themselves poorer in terms of real purchasing power than they did before the pandemic.
86. The main drivers of cost of living include food and grocery prices, rent and housing costs, debt payments and energy and transportation costs. Food prices have risen faster than general inflation and are projected to rise 4 – 6% in 2026, equivalent to \$1,000 more per year for a family of 4. Five dominant corporations (Loblaw, Sobeys, Metro, Walmart and Costco) control close to 80% of national food sales. In 2024, more than 25% of Canadians were living in food-insecure households.
87. While the rental market is showing signs of "cooling," the majority of renters in Canada still pay in excess of 30% of their income on rent, the threshold usually cited as being "affordable." Statistics Canada reported in 2022 that almost half (44%) of Canadians were very concerned with their household's ability to afford housing or rent. So, it comes as no surprise that the most reported reason leading to homelessness was financial issues (41.8%).
88. In 2024, an estimated 119,574 people experienced homelessness in an emergency shelter and many more are forced to live in horrible unmaintained housing conditions. The phenomena of "encampment clearances" are on the rise, in which

homeless people are driven out of public parks and whatever personal property they have is stolen or destroyed, although of course they have nowhere else to go.

89. The cost of living will take a leap because of the assault on Iran. Inflation will get much worse. This is partly due to oil price increases caused by the blockage in the Strait of Hormuz preventing ships from going through (daily traffic is down 95% since February 28 when US and Israel started bombing Iran). Rising oil prices will affect energy and transportation costs as well as food prices (a significant portion of food is transported some distance, including from other countries). The world supply of fertilizers, vital for modern agriculture, have also been sharply reduced.
90. Workers have a high level of consciousness about the cost of living, and the level of wages is driving labour negotiations much more than working conditions. It is critical that the left seize this issue; if the ambient resentment of the working class is not addressed, this issue will continue to fester.
91. Canada's economy lost 84,000 jobs in February while the unemployment rate edged up to 6.7 per cent. This was one of the worst monthly job losses seen in years outside of the pandemic. The decline in employment was largely driven by a drop in full-time and private sector jobs. Employment mostly fell in the goods and services-producing industries, with 18,000 jobs lost in wholesale and retail trade, 12,000 lost in construction and 9,200 lost in manufacturing. The groups most impacted include men aged 25 to 54 and young people aged 15 to 24.
92. Youth have struggled with a high unemployment over the last two years; youth unemployment rate for people aged 15 to 24 rose to 14.1 per cent in February. The rates for racialized youth were "notably higher" compared with non-racialized, non-Indigenous youth, according to Statistics Canada.
93. Economic inequality – both income inequality and wealth inequality – has reached crisis levels in Canada. In 2025, income inequality was at a record high. Across the world, billionaire wealth has never been higher than it is today. Today, the world's 12 richest billionaires have more wealth than the poorest half of humanity combined, or more than

four billion people. In Canada, the billionaire class is growing — in 2025, according to data from Maclean's and Forbes, there were approximately 89 Canadian billionaires. Between 2024 and 2025 the wealth of Canada's richest 40 billionaires grew by almost \$95B — more than 20%. The richest 1% in Canada, which are those with a net-worth of \$7M and above, hold nearly \$1.25 trillion in wealth — almost as much as the bottom 80% combined.

94. What most people in Canada need is stable, well-paid jobs instead of the precarity that gig jobs offer. They need decent, affordable housing, not condos built by private developers for the investment market. They need services and infrastructure like transportation, both within cities and to other cities. The *Build Baby Build* initiatives for the working class would focus on construction of public housing, rapid transit, cross-Canada rail networks and renewable energy systems. It would include affordable, quality childcare and a health care system that provides reliable, quality care for all Canadians. It would take into public ownership key sections of the economy including factories that fire workers.

Crisis of Right Populism

95. Right populism is by definition a lie. Right populists focus on nationalism, social conservatism, economic nationalism and fiscal conservatism. They feed on anger and deliberately sow misinformation to grow their base.
96. Around the world, in electoral politics, the right populists are making the running. Partly pushed from above by the ruling class, as the shift to nationalism and partly driven from below by the masses' anger and alienation and the centres' complacency to the real anger. Canada has a range of right populists, showing their strengths and weaknesses. The right populists are good at pretending to be angry at elites, although most of them are from the milieu. However, they can't address the causes of anger — stagnant living standards, inequality, decay of the social fabric and declining public services.
97. Of 10 Canadian provinces the NDP, moderate and cautious, are in government in two — BC and Manitoba. The various conservatives are government in Alberta, Saskatchewan, Ontario, Québec, Nova Scotia, Newfoundland and Prince

Edward Island, representing most Canadians. The conservatives vary in their position and how they hold together coalitions of social reactionaries and economic conservatives. Earlier, they held coalitions together by being in power or by the prospect of winning. After all many politicians are driven as much by career as ideology. Harper and Poilievre, so far, have held together the federal conservative alliance. Scheer and O'Toole failed.

98. Legault's CAQ (Coalition Avenir Québec) doubled down on French identity —*pure laine* (meaning pure wool or genuine), although the CAQ is facing electoral defeat by the Parti Québécois, equally *pure laine*. François Legault has resigned as leader and an election must take place before October. The failure of Québec solidaire and the crisis in the Québec Liberals, sparked by the resignation of leader Pablo Rodriguez, means the Parti Québécois is widely predicted to win.
99. Danielle Smith, leader of the United Conservative Party in Alberta, is the most ideological provincial leader and panders to her social conservative base. She continues to play to her right-wing base with attacks on trans people, moves to privatize more of the health system and a high-risk flirting with separatists. A referendum on leaving Canada would likely be defeated but produce an even more polarized province than now and divide the conservative base in Alberta and across Canada. A citizen initiative petition is now being circulated throughout Alberta for "A Referendum Relating to Alberta Independence."
100. Doug Ford, Conservative Premier of Ontario, is an ideologue but is also opportunistic and will retreat from his ideological positions. His power base is maintained in part because he faces two opposition parties, the NDP and Liberals, unlike the four western provinces (Manitoba, Saskatchewan, Alberta and British Columbia), where there are two main parties: a conservative party and the NDP.
101. BC's Conservative Party has launched a leadership race after being embroiled in tensions that severely damaged the party. A very new party, it lacks a party establishment to stabilize. Former leader, Rustad, who resigned in December, could not hold the party together.

102. None of this is to say that right populists are going to disappear. As Carney's Canadian nationalism fails to deliver, people will look for an alternative. Unless the NDP can significantly recover by engaging in more class struggle, the Conservative can win more elections, federally and in the provinces.

Labour Upsurge Faces Headwinds

103. After governments interfered in strike actions to a high degree in 2024, 2025 saw some pushback from unions. Flight attendants working for Air Canada won a victory for themselves and the entire the labour movement when they defied the Labour Board's return-to-work order, reinforcing workers' right to strike.
104. The show of defiance in the face of the government's and employer's bullying won a potentially fatal blow to Section 107 and a historic defence of the right to strike. What is crucial is that the airline attendants emboldened workers, unions and the labour movement to stand up against the recent efforts of employers and governments to weaken this fundamental right. Section 107 is now much discredited — now the unions will fight to abolish it. Other unions will draw the conclusion to follow the fight attendants' example of standing firm against government attempts at intimidation.
105. However, the attendants agreed to arbitration and the ruling of the arbitrator in February maintained the rates agreed to in a tentative deal for flight attendants at Air Canada's main line but bumped up the increase in the first year for those at Rouge. Ultimately, this was not the outcome the attendants fought for.
106. Alberta's teachers struck for a month last autumn against lagging pay and ballooning class sizes. The United Conservative government legislated them back to work, using the notwithstanding clause, on a contract that 90% had rejected. The Alberta Federation of Labour threatened a general strike, but Smith had the measure of the union leaders who backed down in a couple of days.
107. The labour movement will continue to face administrative methods of dragging out and/or breaking strikes unless it is able to build an organized and well-prepared campaign to defy back-to-work orders. This process will likely

involve organized meetings and discussions of workers both within and outside established union structures. Active and fulsome union democracy is the best defence against out-of-touch higher-ups, many of whom will need to be ousted and replaced by new leaders who see the urgency and necessity to build militant unions.

Politics and Struggle

108. In this increasingly volatile world, struggle could emerge in unexpected areas. Increasing militarism and war will trigger economic volatility, uncertainty and instability, both internationally and domestically. While there is little evidence of anti-war movements or climate movements, they may re-emerge in the present context. We live in times where the cost-of-living crisis has been the instigator for struggles, strikes and even coups in many different countries. These same pressures exist in Canada and at some stage struggles will erupt.
109. This new era of trade wars, nationalism and inter-imperialist rivalries comes with the pressure to develop domestic industries and promote national sovereignty. How to survive Trump's trade war is a key concern. The ruling class's answer is strengthening Canadian capitalism by dismantling "barriers" to economic development such as environmental assessments and the need for "free and informed consent" of Indigenous people prior to the approval of projects affecting their lands or territories, as per the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).
110. Indigenous struggle has taken a step back in recent years, but it could re-emerge over issues related to increased resource extraction, particularly on Indigenous lands. The federal government, provincial governments and industry are increasingly using the mantra of "economic reconciliation," but what they really mean is development in the interests of big business, not necessarily in the interests of Indigenous communities.
111. A major feature of the class struggle during the neoliberal era was the ideological struggle. The collapse of Stalinism led to a period of capitalist triumphalism and the idea of "the end of history."
112. Related to the influence of identity politics and individualism is a mood of distrust of all forms of political leadership and organization on the left. Democratic organization is often confused with organization by consensus, which is not democratic. A distrust of authority leads to a preference for "leaderless" movements. But leaderless movements in practice typically have a *de facto* leadership, which by virtue of being unofficial is therefore unaccountable. Numerous historical examples point to the fact that mass movements can overthrow governments — for example, the Arab Spring movements in the 2010s, or the overthrow of the Hasina regime in Bangladesh in 2024. But without political leadership the inevitable result is a power vacuum that gets filled by a reorganized or renamed capitalist government.
113. Part of the class struggle is an ideological struggle against bourgeois ideas within the movements of the working class and the oppressed. Socialist ideas are the ideas that reflect the material interests of the working class and the oppressed, but they do not spread throughout the consciousness of the whole class automatically. Revolutionary Marxists must engage constructively with non-Marxist ideas in these movements, without arrogance or sectarianism, but while being firm and confident in the correctness of our ideas.

Consciousness and Struggles Against Oppression

111. A major feature of the class struggle during the neoliberal era was the ideological struggle. The collapse of Stalinism led to a period of capitalist triumphalism and the idea of "the end of history."

Conclusion: the Working Class Needs a Marxist Program

114. The objective crisis of global capitalism worsens every year. Canadian and global society feels extremely volatile, as if on a knife's edge. It has never been more clear that Canadian capitalism is incapable of providing security or a decent life or even a stable society, for the vast majority of people. And yet despite this, the mainstream left, labour movement, and social movements do not mobilize their power and therefore appear weak. Most of the leadership have no understanding of how to struggle or of any society other than capitalism. The objective situation is ripe for revolutionary change in Canadian society, but there is a lack of the means, and in some cases the will, to accomplish these changes.
115. The weaknesses of the leadership of the mainstream left and the wider workers' movement can only be overcome through the experience of struggle over time. Marxists cannot become the mass movement ourselves, nor can we convince the movements of our ideas through propaganda alone. Working-class people have to go through the experience of struggle and come to their own conclusions. The role of Marxists is to strengthen movements with our active participation, while intervening with our revolutionary program at key moments, using

transitional methods, to reinforce and sharpen the correct lessons as they are being learned.

116. As the capitalist class pushes humanity closer to a new world war and ecological collapse, the existing order of society is increasingly threatened. While continuing to fight for reforms, we boldly present the need for revolutionary change, including taking the key sectors of the economy into public ownership with workers' control and democratic and international planning. We call for unions to actively participate in building movements, to counter the rise of the right and to fight for necessary change. We understand that a socialist society based on human need, not profit, is possible, but this society must be fought for and built by the working class overthrowing capitalism and taking power into its own mighty hands.