



**REJECT  
AUSTERITY**

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**MONTREAL AND QUEBEC  
PROTEST**  
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MARCH BEGINS AT 1 PM



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Our politicians' hollow words are a cover for this ideology of austerity, whose logic boils down to four words: fear, short-sightedness, amnesia and authoritarianism.

**FEAR** Because in the austerity version, the credit rating agencies, which are indeed very powerful, are described as bogeymen lording it over powerless victims. Instead of analysing our society in all its complexity, it describes an apocalyptic future in a debt-ridden Quebec, without any nuances or scientific data. The Liberal Party's promise to cut taxes after it balances the books simply paves the way for the next episode in this "structural" crisis of public finances.

**SHORT-SIGHTEDNESS** Because the picture drawn to justify budget cuts deliberately leaves out part of the information. For instance, payments to the *Fonds des générations*, which in 2014-2015 amounted to approximately \$1.3 billion – or more than half of the anticipated deficit – are systematically exempted from any public debate. The Liberal government also has very little to say about the fiscal imbalance that its own minister of finance says has cost

"Because of the public debt, there's a risk our credit rating will be lowered by the credit rating agencies. This means we have to balance public finances and eliminate the deficit. Since Quebecers are taxed more heavily than anyone else in North America, we can't add to the "fiscal burden." If we don't touch revenue, we have to cut back on programs that are too generous and inefficient." And then as a sop for everyone, the Liberals finish off with their usual refrain of "After this effort, you'll get tax cuts."

Quebec close to \$9 billion since 2009. At a time when European countries that opted for austerity are in economic freefall, our leaders are turning a blind eye, convinced that they have THE solution. As Joseph Stiglitz, Nobel laureate in economics, has pointed out, the consequences of austerity measures in Europe have been "persistent record-high unemployment in many countries and a real GDP per capita that is still lower than pre-crisis levels".<sup>1</sup>

**AMNESIA** Because we seem to be forgetting all the lessons of the 1929 crash and ways of stimulating economic recovery. Austerity calls for less government spending, and used during an economic downturn it simply makes things worse. Amnesia, because we haven't learned any of the lessons of the 2008 economic crisis either. Finance still plays the same unbridled role in our economic system. The IMF warns against the growth of unregulated investment funds, estimating the size of the sector at \$60,000 billion in 2013.<sup>2</sup> As the government butchers our pension plans, has it forgotten that the main reason for their under-capitalization is laissez-faire in the world of finance?

**AUTHORITARIANISM** Politically, the trend today is to a new form of Caesarism: in times of crisis, voters choose to entrust their destiny to a charismatic strongman who alone can "clean things up". With a majority of seats despite being elected by only 29% of the voters, the Liberal Party believes that its legitimacy is unassailable. Bill 10 in health care, which some observers depict as a "dictatorship of doctors", is perhaps just a glimpse of what the future holds.

**FEAR - SHORT-SIGHTEDNESS - AMNESIA - AUTHORITARIANISM** To win, we will have to persuade, but we will also have to build a real position of strength, real bargaining power, at the grassroots level. We will have to repeat over and over and over again that austerity destroys, that it is a failure and that there are alternatives. In this regard, the CSN recently published a brief on taxation entitled "*Plaidoyer pour la solidarité*".<sup>3</sup>

**We invite you to join us in the fight against austerity!**

1 Stiglitz, Joseph. « L'austérité a échoué », La Presse, September 30, 2014, [on line], <http://www.lapresse.ca/debats/votre-opinion/201409/29/01-4804704-lausterite-a-echoue.php> (page consultée le 21 octobre 2014)  
2 Agence France Presse, « Le «shadow banking» menace la stabilité financière, selon le FMI », La Presse, October 1, 2014, [on line], <http://affaires.lapresse.ca/economie/international/201410/01/01-4805361-le-shadow-banking-menace-la-stabilite-financiere-selon-le-fmi.php> (page consultée le 21 octobre 2014).  
3 Read on line [http://www.csn.qc.ca/c/document\\_library/get\\_file?uuid=f28b5e42-7162-4e98-b4e7-211c4303c165&groupId=13943](http://www.csn.qc.ca/c/document_library/get_file?uuid=f28b5e42-7162-4e98-b4e7-211c4303c165&groupId=13943).