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The Potential Political Disruptors, Trudeau and Sanders

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Mr. Dhillon has worked and negotiated with highest levels of Governments in Canada and India. His extensive experience in securing and negotiating multi-hundred million and billion dollar mandates in power project development, gives him in-depth knowledge and intuitive insights into macro and micro, national and international, geo-political and economic realities and trends.



Justin Trudeau is from iconic political pedigree (*the son of the late, great, Canadian Prime Minister, Pierre Elliot Trudeau*), and is now a young (43-year-old) come-from-behind, “rock star” political leader of the Liberal Party, in the front running, to potentially win the Canadian Federal Government election on October 19th, 2015. Relatively new and inexperienced as a politician on the national stage, even a few weeks ago nobody would have given him any chance of leading the three party race to possibly win in the election, to become the next Prime Minister of Canada. Yet, in the past few weeks, Trudeau has grown in political stature through his surprisingly strong performances in the recent political debates, steadily picked up momentum, and has pulled his lagging Liberal Party from a non-contender in the past years, into the lead. This is due to his surprising toughness and resilience, which is usually well-hidden behind a deceptive boyish bonhomie and charm.

Both, the far more experienced and seasoned leaders of the competing political parties, mistook his up-to-now less than impressive political and public performances for inherent weakness, rather than just inexperience, and therefore under-estimated him going into the election race. As the tough guy, and youngest Canadian (*Conservative Party*) Senator, Patrick Brazeau, had done in the Charity Boxing Match on March 31, 2012. The Conservatives expected an easy win by Brazeau, a quick 1st round knockout; Trudeau shocked the Conservatives and the Country by thoroughly beating Brazeau for a third round TKO win. It seems, he may be about to repeat a similar performance - politically.



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After advance voting, Trudeau and his Party's lead in the polls has already disrupted the political status-quo and shaken the confidence of the two seasoned, in-the-front political rivals, the long reigning Conservative Prime Minister Steven Harper, and the more-to-the-left Canadian Opposition Party, the New Democrat Party (*or NDP*) leader Thomas Mulcair, both of whom had not taken him too seriously. Now, both sound increasingly desperate as they try with increasing intensity to attack him on all his perceived weaknesses, particularly his youth and inexperience, yet so far Trudeau seems to be impervious to all attacks and continues to gain in the polls.



Win or lose, Justin Trudeau is now a political force to be reckoned with in Canada. Barring any future personal scandal or public relations disaster, his popularity and influence will continue to grow and he will shape the future political and economic landscape of Canada.

The current Prime Minister, Steven Harper's three terms have been defined by divisive and combative U.S. Republican style politics, lack of transparency in governance, the muzzling of dissent in and outside his Party; a big step back from Canada being a global leader in environment and international diplomacy, much to the chagrin of Canadians and the international community, who always expect Canada in that traditional role. His right-of-centre economic policies have been generally unimaginative, and tended to favour big business and the privileged. He has been the custodian of the good economic policies of the former Liberal Government of Jean Chretien and Paul Martin, and at that he did a fair job, but his three terms lacked vision and imagination, and in the recent years were wracked by scandals.

Trudeau will turn Canada back towards the traditional Canadian style of governance that is expected nationally, that is more transparent, answerable, inclusive, and more people oriented. Economically, he will emulate the



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Chretien and Martin years as they were by far the most successful. On the international stage, under Trudeau, Canada will once again take leadership role in “Climate Change” and “Environmental Issues” and become more the unbiased broker and peacemaker that it was always known as. He is his father’s son, and his father certainly left an indelible mark on what the World came to see as unique Canadian national identity and style, and Justin Trudeau appears likely to steer Canada towards that ideal and image again.

Individually, Bernie Sanders is all that Justin Trudeau isn’t. He is not young (*74-year-old*); he is no neophyte, being one of the most experienced, longest serving independent in U.S. congressional history; he is not from a privileged political and social background, being from a non-political working class family of modest standing; and although well respected for his steadfast political principals and beliefs, and his consistent championing of causes of the “common man”, yet he was no “rock star” in his long political career. That is until lately...

In the past months, Bernie Sanders has ‘rocked’ the American political establishment, come from a long ways behind the leading candidate for Democratic Party nomination and till now an expected “given” winner, Hillary Rodham Clinton, to become a ‘contender’ and a threat to her nomination.

Over the past weeks, his political rallies have drawn the largest crowds and his campaign for the nomination as the Democratic Party candidate has gathered the greatest momentum. He was not considered a serious candidate to be the potential nominee of the Democratic Party by anyone, but now he is setting the agenda in the race, and has become the contender to beat.

Bernie Sanders is still considered unlikely to beat Hillary Clinton for the Democratic nomination, but he has momentum, and more importantly seems to have caught the attention and tapped into the frustration of the American people as they have felt excluded from the easy money gravy train unleashed by the Federal Reserve, controlled by big money, for the past 7 years, in response to the 2008 crisis, that has favored almost exclusively the top 10%, making them extraordinarily wealthy, and left the average American struggling to just maintain ground and failing.

Bernie Sanders has also brought to the fore, in this nomination race and 2016 election, the insidious influence of big money on the political process of America. The influence of the “Billionaire and Millionaire Class” (*as he puts it*) to a large extent dictates the formation and implementation of political policy and regulatory framework that can be enacted today. He rails against the blatant and massive subsidies that are given to large corporations and the wealthy, which they expect as their God-given right, in terms of “Hundreds of Billions” in “Cash Bailouts” and massive “Tax Breaks”, and the howls of outrage from the same group and the Republican right, regarding any spending, or proposed increase in spending on social programs and increase in wages to assist the poor and the average working class (termed his ‘Socialist’ agenda).



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Bernie Sanders has spoken bluntly and forcefully about the skewed political and economic landscape in America, in favor of the privileged few to the detriment of the majority, and it has caught the attention of a lot of the majority. In fact, enough Americans are paying attention to him now that he is defining and framing the national issues that are already forcing the leading Democrat and the Republican candidates to adjust their own election themes to his. His impassioned battle cries for the scorned underprivileged, and regressing middle class Americans, is resonating with the public, and is going to force his competitors to fight the coming national election on issues that he has galvanized the public on.



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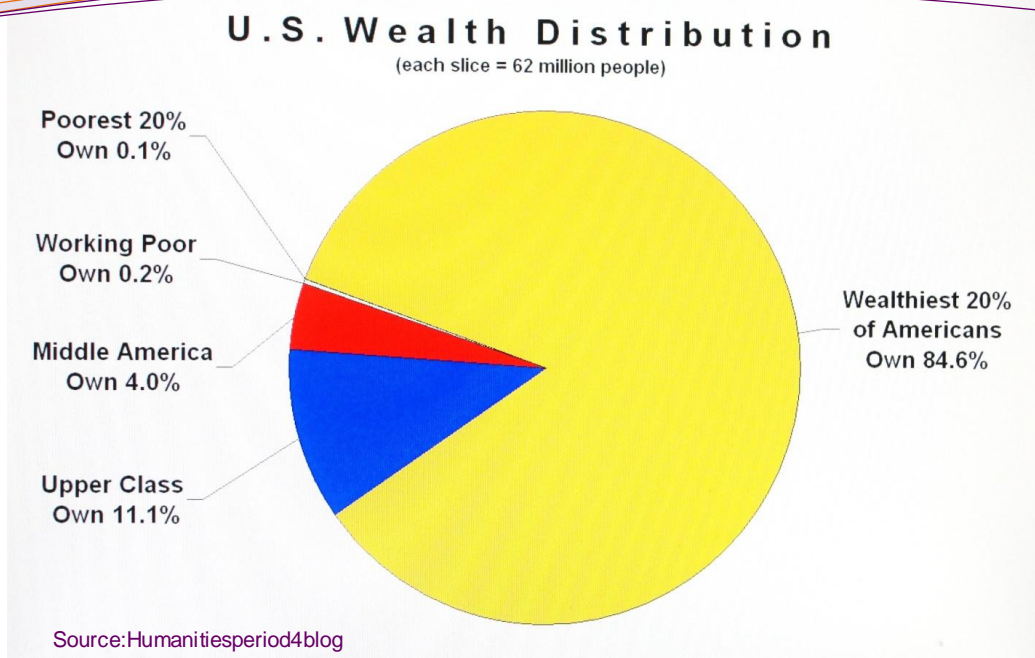
Canada and the United States are heading for national leadership elections facing similar economic and social issues. In Canada, the Conservatives (*ideologically similar to the U.S. Republicans*) under the leadership of Steven Harper have been in power for the past three terms (*and in total political control*). In the United States, the Democrats (*similar ideologically to the Liberals*) have been in the White House for the past (*maximum allowed*) two terms, under Barack Obama. But, throughout those terms they have been severely hamstrung by the Republican controlled Senate and Congress, and therefore ineffective in carrying out their agenda. The result has been, in the past decade, both countries, regardless of the ideologically different ruling parties, have been primarily influenced by right-of-centre economic policies, in spite of the Democrats (*centre - left of centre*) having been in power in the U.S. for the past eight years.

If those policies and regulatory frameworks (*so influenced by the powerful few in both countries*) had worked for the economy and the average citizen, neither of the two, Trudeau and Sanders, would have got much of a hearing from the public, and they both would have languished in political obscurity. But, the policies and regulations of the past decades have not worked to curb the damaging excesses of the financial and business communities, leaving the average tax payer to pick up the costs, and then to add insult to injury, be forced to watch helplessly as the same favoured people and corporations were given a free pass to unlimited and easy wealth through the “trickle down” policies of the ruling governments.

Justin Trudeau and Bernie Sanders, if they win, will bring the disruptive political and economic change that both countries desperately need to break out of the political and economic strangle hold of big finance and big business, and the resultant growing wealth inequality in both the countries.



Source: Broadbent Institute



In America, this type of wealth inequality was last seen in late 1920s, just before the Great Depression of 1929 (*but of course this time it's different*).

This is a time of extremes. Over the past decades, inexorably, the continuous and relentless easing of monetary and fiscal policies on both sides of the border, have led to the extraordinary enrichment of the wealthy, without the required and commensurate increase in economic productivity that would have favored all.

In spite of the unleashing of massive near free (*near zero interest rates*) liquidity into the economies for the past 7 years, the average Canadian, and American, find themselves facing an uncertain future: with shaky economies; increasing job losses, as major companies cut back from shrinking business and in anticipation of greater difficulties in the near future; and inflated asset bubbles whose implosions will further damage their precarious financial status.

The generally right-of-centre policies of the past 4 decades resulted in extreme asset markets speculation in equities – technologies – real estate (all *with periodic crashes*), the export of manufacturing and service jobs to the cheaper jurisdictions of emerging countries of Asia, and the flow of fickle “hot capital” across the globe. All of this debt driven, speculative and shifting business and capital has created great imbalances and vulnerabilities in the economies, leaving the average person more insecure, exposed and the poorer for it, while the very few powerful and rich benefitted greatly by it.

The up-to-now outliers, Justin Trudeau in Canada, and Bernie Sanders in the United States propose to tackle the “great imbalance”, and in proposing to do so, they have already changed the complexion of the debates, and core policy issues that form the debates, in both the countries.