THE DURABILITY OF ROLL-OUT NEOLIBERALISM UNDER CENTRE-LEFT GOVERNANCE: THE CASE OF ONTARIO’S SOCIAL HOUSING SECTOR

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Introduction Neoliberalism arguably has become the predominant focus within political economy studies during the past 10 years.\(^1\) As Perry Anderson has said, neoliberalism is nothing less than “the most successful ideology in world history.”\(^2\) It is a guiding light for the Washington Consensus, powerful think tanks, and an assortment of governments throughout the world. It has been the justification for systemic changes in governance during the past three decades. David Wilson argues that neoliberalism poses nothing short of a “new reality” that seeks to “re-entrepreneurialize” cities physically and socially.\(^3\) Literatures in geography, planning, sociology, and development economics, among others, have evolved to understand this “new reality” with varying success. Emphases and foci of this literature have been varied, but in recent years particular attention has been paid to the definition of neoliberalism,\(^4\) the nature of neoliberal policies,\(^5\) and the importance of its promoters, such as think tanks, bond-rating agencies,\(^6\) and ideologues.\(^7\) Though the literature is characterized by a great deal of debate, some consensus does seem to be forming about the general historical trajectory that these institutions and individuals have produced.\(^8\) Many studies of neoliberalism identify a stage of “destruction”\(^9\) or “roll-back”\(^10\) of Keynesian welfare state political institutions and practices. The exact date of the neoliberal turn — if in fact we can identify such a definitive moment — varies from country to country, even city to city. Following this moment of destruc-
tion/roll-back is a more affirmative roll-out of policies designed to reproduce a neoliberal future, including, but not limited to, labour law changes, workfare, and regulatory changes designed to burden those Keynesian institutions that managed to survive the roll-back juggernaut.¹¹

Debate has been rampant about the extent to which this portrait fits every country, or even broadly characterizes the situation in actually existing geographical contexts.¹² But while consensus on these issues seems distant, some consensus does exist on the proper target of critical research on neoliberalism: active proponents and institutions of neoliberalism. There is nothing particularly curious about this on the surface; it would not make much sense to study neoliberalism by focusing on proponents of, say, socialism. However, focusing on the most unvarnished promoters of neoliberalism brings us no closer to understanding a paradoxical recent development in Canada, the United States, and Western Europe during the past 15 years. In a variety of locations at various scales, Centre-Left governments have been elected as part of a rejection of the neoliberal ones that preceded them. The political discourses of these Centre-Left governments rarely, if ever, foreground neoliberal principles, but these governments are often more effective at pushing forth roll-back policies, maintaining the status quo, or even pushing through roll-out policies. Bill Clinton, for example, was elected in part to replace the antigovernment neoliberalism of the Reagan-Bush administrations, but his primary success was the highly neoliberal welfare reform bill of 1996. Tony Blair was elected for similar reasons and had a similar legislative bent. Closer to home, Dalton McGuinty’s 2003 government was elected in Ontario in part as a rejection of the Harris-Eves “Common Sense Revolution” (CSR), but has done little (some would say nothing) to actually reverse the latter’s policies on health care, social housing, and education. In short, while it is clearly important to understand the motivation and strategy of pro-neoliberal governments in the promotion of the ideology, many ostensibly non-neoliberal governments are now either presiding over, or even extending, the neoliberalism of their predecessors. How and why this has happened is largely unexplored in the neoliberalism literature.
In general, I feel that it is important for progressive scholars of neoliberalism to study ostensibly non-neoliberal governments because the latter’s “softer edge” has muted or divided potential critics just enough to distract from neoliberalism’s expansion over the past 15 years. Harvey has even argued that, in many ways, such governments are actually more important to the normalization of neoliberalism than its active proponents. He reminds us that Richard Nixon — someone who ran on and wanted to achieve reforms understood today as “neoliberal” — signed into law a number of Democratic-led regulatory initiatives to expand environmental control and enhance social services. Apparently resigned to the fact that the tide was against him, he famously quipped that “we are all Keynesians now.” Fast forward 20 years of roll-back and roll-out neoliberalism, and the situation, according to Harvey, is almost completely reversed. By the 1990s, the two most powerful Centre-Left leaders in the world (Clinton and Blair) could have easily reversed Nixon’s statement. “By then,” Harvey notes, both Clinton and Blair could have simply said “we are all neoliberals now.” The parallel with Nixonian Keynesianism is interesting, to say the least. Highlighting the importance of structure opens the possibility that Centre-Left politicians may be as, if not more, important to the neoliberal project than its most ideologically rabid proponents because the former are rarely interested or able to reverse the tide (think of Tony Blair’s “Third Way” or Dalton McGuinty’s disinterest in reversing the institutional changes of the CSR), and often actually facilitate roll-out neoliberalism more effectively than its proponents (think of Clinton’s welfare reform bill, or the Chrétien-Martin fiscal cuts of the 1990s).

Why is this the case? Why, in particular, is it harder to organize progressive activism against such governments, given their ability and willingness to maintain if not extend the conditions of neoliberalism? After hundreds of articles written on the topic, we know a great deal about neoliberalism’s active promoters, but very little about those individuals, institutions, and structures that are either ambivalent or not supportive, but yet serve to reproduce the ideology. This study uses the experience of social housing in Ontario to reflect upon this issue. Interviews with nearly half of all municipal nonprofit housing providers in the province were recently completed.
to gauge how social housing is provided within a system that was fundamentally changed by Harris’s revolution, but currently managed by a government that is not actively (at least in this sector) pursuing a neoliberal agenda. The main argument is that while the McGuinty government is not guilty of rolling out neoliberal policies, nor even of actively rolling back social housing subsidies, its policy inaction in the sector, coupled with supportive (to social housing) public rhetoric, is an important component in the reproduction of neoliberalism.

From Social Housing as Saviour to Its “Common Sense” Roll-back For context, it is useful to consider a few basic features of the Ontario social housing system and the larger Canadian context from which it emerged. First, while social housing enjoys more public support in Canada than in the United States, the Canadian (and Ontarian) sector is numerically and politically marginalized by almost any other international comparison. Of the roughly 4.2 million housing units in Ontario, 267,888, or 6.3 percent, are “social” in the sense that they are physical units either originally or currently receiving direct subsidy from a governmental source.¹⁵ The provincial rate is roughly equal to the six percent rate for Canada as a whole, but belies the variation within Ontario itself.¹⁶ Large cities with expensive land have greater percentages of social housing while rural areas have lower rates. Toronto, for example, has a social housing rate of roughly 10.1 percent while some rural areas in the province have rates in the one to two percent range.¹⁷ By way of international comparison, the United States rate is around two percent, but rates in other industrialized countries (especially western Europe) can be as high as 45 percent (e.g., the Netherlands).¹⁸ Definitions of “social housing” differ greatly from country to country, but not enough to challenge the statement that Canada has a higher rate of social housing than the United States though much lower than other rich countries in the world. These statistics roughly parallel the level of political marginalization experienced in each location. That is, Canadian social housing is less marginalized politically than the same sector in the United States, but does not experience the level of support seen in Germany, France, the Netherlands, Scandinavia, or even Great Britain. In general, this has meant that it is more
vulnerable to broad ideological interventions (sympathetic and not) by
government than in other countries, or even other, more broadly supported
sectors within Canada, like the health system.

Second, the Ontario system is composed of housing units that vary
dramatically in origin, level of integration, surrounding context, and manage-
ment style. Some of this can be traced to the federal public housing system
out of which it emerged; some can be traced to more recent events. As a
country, Canada’s formal social housing experience dates back to the 1946
National Housing Act (NHA), but there were several examples of federal
intervention in the housing sector, such as the Dominion Housing Act of
1935, that predate the NHA. However, the overwhelming emphasis in both
of these acts was the promotion of single-family suburban housing, not
what we would customarily refer to as social housing. It was not until a
series of amendments to the NHA in 1949 that a formal public housing
program was created. Under this program, “slum” neighbourhoods
throughout the country were identified for demolition. Federally financed
and managed housing units were built in the place of razed neighbourhoods
in a variety of locations. Unit production was initially low (about 850 units
per year), but the experience set the institutional stage for the expansion of
the sector in the late 1960s. Initially, the sector enjoyed relatively wide
public support as a way to ameliorate slum conditions and control housing
costs more generally, but with the late 1960s expansion came a parallel rise
in public antipathy. Social housing — almost regardless of its form, design,
location, and tenantry — became acutely stigmatized and, by the early
1970s, pressure began to mount to modify the way that it was financed,
built, and managed. Out of this negative political energy grew a very positive
social housing form — Cooperative housing. Coop housing was initiated
with the 1973 NHA amendments and became an increasingly common
form of social housing for the next two decades. The cooperative model
differed from traditional social housing in that it aimed for local tenant
management, mixed incomes, and integration with the surrounding commu-
nity. The sector was (and still is) seen by housing scholars and activists as a
success story, but public sentiment generally did not differentiate cooper-
tives from traditional public housing complexes and the entire social housing
sector became even more marginalized during the 1970s and 1980s as a result. It is also important to note that the growing mainstream unease with public housing helped facilitate a desire to devolve management of existing units and provision of planned units. Beginning in the 1960s, the provinces each assembled housing agencies to oversee an increasingly large portfolio of new housing and management of previously federal housing. The direction towards decentralization would continue only throughout the 1980s and 1990s.

By the early 1990s, the social housing system in Canada was regionally and institutionally fragmented, consisting of four basic portfolios and multiple origins. First, there was traditional public housing, which composed about a third of the social housing stock and consisted of units built and, until 1993, owned and managed by the federal government. Second, there was cooperative housing — arguably the most successful portfolio in the housing stock — which was derived from changes to housing laws in the 1970s that allow more residential autonomy in nonmarket housing. Third, there was private nonprofit (PNP) housing, which was usually managed by a church, community group, or other NGO (non governmental organization), but is funded almost entirely by provincial outlays. Finally, there was municipal nonprofit (MNP) housing, consisting of units built with federal, provincial, or municipal money, but managed by either a nonprofit corporation owned by a city or a special administrative wing of a city. Despite the variation in success, management style, and cost of these portfolios, each suffered marginalization under the prevailing antisocial housing ethos of the past 30 years, particularly the last 15.

The 1993 election of a Liberal federal government held great promise for activists in Ontario and beyond who were worried about the continued Rightward slide away from the sector in the 1980s. But the Liberal government immediately established itself as one that was not sympathetic to this form of social redistribution (or just about any other for that matter). Deficit-obsessed finance minister Paul Martin immediately downloaded responsibility for social housing to the provinces and removed almost all of the subsidies that had previously accompanied federal responsibility.22 Given that the federal government was still the primary financier of social housing
across the country, provinces were left in a serious political and fiscal bind by the announcement — risk important urban votes by following the federal government’s anti-social housing lead, or acquiesce by facilitating the further downloading, even privatization, of social housing.

Upon the 1995 election of Fraser Institute fellow Mike Harris, Ontario became one of the latter. Harris deemed his struggle “The Common Sense Revolution,” declared his intention to “get Ontario out of the housing business,” and immediately set about implementing this agenda. Not only were subsidies for an estimated 17,000 planned affordable housing units cut, but efforts to deregulate the private housing sector were pursued, primarily by lowering local development barriers. The Harris government also began negotiations about what to do with the existing stock of social housing in the province. The province successfully angled to have responsibility for social housing be as diffuse and privately oriented as possible. The institutional result of these negotiations finally manifested with the 2000 passage of the Social Housing Reform Act (SHRA). The SHRA downloaded responsibility for social housing to 47 “service managers” who would be responsible for regulating the portfolios in their region. On-the-ground housing providers (municipal and private nonprofits) were explicitly and implicitly encouraged to become more entrepreneurial, to ally more closely with the private building market, and to get used to working with their local service managers rather than a centralized authority. If Harris’s initial cuts represented the “roll-back” of the previous order, the SHRA surely marked the “roll-out” of a set of institutions that would reproduce neoliberalism in the sector long after the government’s exit.

Housing activists immediately protested both the cutbacks and the SHRA as fundamentally antagonistic to the very idea of social housing. But it was not until 2003 that voters in Ontario, en masse, began to agree enough with this sentiment (or resentment against the parallel “common sense” reforms put forth in other sectors) to elect a non-Conservative government. In October of that year, voters elected Dalton McGuinty’s Liberals in what was widely seen as a rejection of the CSR of Harris (and his successor Ernie Eves). McGuinty ran on a platform of “cooperation” and rejection of the “divisiveness” that characterized the Harris-Eves years. But for all of the
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hope embodied by this theme, McGuinty’s government has been largely unwilling to claw back any of the social sector assaults waged by Harris. McGuinty, for example, ran on a promise of building 20,000 new affordable housing units, but to date only eight percent of this total has been generated or planned. Moreover, social housing, as a political issue, has taken a back seat to health care, economic development, and the federal-provincial funding relationships. In fact, some argue that McGuinty’s disinclination to act definitively on this election promise, coupled with his ostensible support for social housing in general, has actually exacerbated greatly the situation compared to the Harris-Eves regime. Much of this sentiment is rooted in frustration over recent inaction by the provincial government to utilize federal funds recently allocated to build social housing in the province.

The origin of these funds goes back to the fall of 2005, when the federal NDP party negotiated a Canada-Ontario agreement that would send $2.2 billion to the province for social housing, in exchange for not allowing the Martin Liberal government to fall in a vote of no confidence. The Martin government eventually did fall, but Harper’s Conservatives, elected in January 2006, promised to uphold the commitments made in the agreement. Thus far, $392 million has been allocated by the federal government, but the province argues that this is $1 billion short of the original agreement and is refusing to commit the funds ($392 million) to social housing. Activists decried the move as a cynical ploy by the McGuinty government to exploit a division between the provincial and federal government while at least 122,000 households remain on provincial waiting lists for housing. Some providers and activists worry whether any funds would be forthcoming as the province contemplated using the existing funds for other pressing issues neglected by the federal government, like health care and the environment.

All of this might easily lead one to believe that there is a proverbial uproar in the housing activist community. But activists, many of whom distinctly remember the unapologetically anti-social housing Tory government that ruled for nearly 10 years, are caught in a political quandary. Because the Liberals are not openly hostile to social housing, and have actually made soft promises to improve the situation, activists have generally refrained
from unleashing their efforts on the current government. As the Toronto Star noted recently, “because the [provincial] government has been seen as housing-friendly overall, advocates [have] held back so far on publicly embarrassing the Liberals over being nowhere near their election promise of creating 20,000 units of affordable housing.”

How might we, as critical scholars, understand this political situation? Is this just an isolated example of a cynical political prioritization by the McGuinty government that leaves social housing at the bottom of the heap? Or is there, as Harvey suggests, something larger going on here? Could it be that the architecture of roll-out neoliberalism, in this context and others, is more pervasive and difficult to reverse than previously thought? This paper attempts to address these questions through interviews with social housing providers working in an apparently non-neoliberal context that does not appear to differ much from the one that preceded it. This case study is suggestive rather than definitive, but it does lend support to Harvey’s notion that neoliberalism has become a foundational assumption even among those who are mildly critical of the project.

**Social Housing Management Under Roll-out Neoliberalism** In order to gauge the state of social housing management in the province, I contacted a representative from each of Ontario’s municipal nonprofit housing providers (MNPs). Municipal nonprofits are one of three institutions that manage social housing in the province. Unlike private nonprofits and coops, MNPs are formally affiliated with a local government, so observing changes in their structure can reveal a great deal about how recent neoliberalism has affected local government. Overall, I was able to garner interviews from 37 of the 111 MNPs in Ontario. The interviews were completed in the summer of 2005 — five years after the implementation of SHRA and two years after the ostensibly Centre-Left McGuinty government took power (in part, on a promise to change the social housing situation). Questions were designed to evaluate the extent to which SHRA and the broader neoliberalization of social housing have changed their practices. Particular attention was paid to the issue of autonomy and how this has varied over recent years. Respondents were also encouraged — if able and willing — to reflect on how the initial
Harris-Eves period of neoliberal restructuring has been counteracted, ameliorated, or even affected (if at all) since the McGuinty government was ushered into power in 2003. Many respondents were understandably concerned about openly discussing such matters, so the specific identity of the officials and nonprofits have been concealed here.

What follows is a selective summary of the management environment in municipal nonprofit housing as told by housing managers in a post-SHRA, but ostensibly non-neoliberal, atmosphere. The prevailing finding among nearly all respondents was that while social housing has indeed been placed more prominently and sympathetically in the public realm, virtually nothing has been done to roll back even the most punitive “reforms” of the Harris-Eves period. The net effect has been a quieting (not a silencing) of dissent (compared to the Harris-Eves period) regarding social housing as activists and providers cling to the hope emanating from a government that is not overtly hostile to the project of social housing. Elided in this strategic positioning for potential housing dollars is any serious consideration of rolling back the most obviously ineffective, punitive, or expensive of the reforms. The “common sense” revolt against social housing began as a brazen political assault, but has become an institutionalized way of life.

As mentioned earlier, the primary vehicle for codifying the Harris-Eves neoliberal order in social housing is the SHRA — a complicated, 30 184-page document that spells out the relationship between local providers and formal government in the province. The tone of the Act is fittingly technical but the impetus was markedly political, and its effects on the sector have been pronounced. The overall effect has been to create pressures that force local providers to behave more like for-profit organizations. As one representative from a medium-sized MNP aptly summarized:

Social housing providers are having to become more market-oriented. Under the old program there was less pressure for providers to increase market rents … New benchmarks will mean that providers need to be more attentive to the marketplace so that they don’t place the corporation at financial risk/difficulty. It will be necessary that nonprofit providers take the same market rent increases as (other for-profits providers) in the marketplace.
The sentiment reflects the changed ethos within the sector, but many MNPs (even those with officials who are sympathetic to SHRA) argue that the SHRA is illusory and does not actually allow for a serious increase in entrepreneurialism or independence by providers.

First, the Act institutionalized a much more diffusely organized system than had existed in the past. Instead of one provincial agency responsible for all social housing matters, local providers now deal with a local “service provider” — there are 37 in the province. The ostensible goal of this diffusion was to make social housing less “top down,” more entrepreneurial, and to enhance local autonomy, but most of the nonprofits in my sample complain that the only “autonomy” that has been downloaded to them has been in the form of responsibility — for example, for more vulnerable populations; for expenses previously covered by the province — without any serious downloading of authority (to raise funds of their own, for example). As an official from a small MNP noted:

SHRA has affected new development by placing costs for new development on municipal tax payers who are least able to afford social programs. I feel that downloading/SHRA is a political statement in line with the Harris government. I don’t feel the SHRA was set up to encourage increased local delivery, innovation or to create a new relationship with the private market, but instead was set up to put the costs of social housing at the local level. This choice was made because local government is understood to be more cost-conscious, more hands-on, and having less money to waste. As a result, social programs are hurt by devolution particularly in less affluent municipalities.

The Act has generated skepticism about the delivery level and its true political intentions and fiscal implications, but it has also frustrated local officials who argue that the current system is beset (perhaps by design) with inefficiencies and, in some cases, near incompetence by provincial service managers. Whereas before, one provincial official (and her/his in-house legal staff) could handle inquiries from local providers about everything from eviction policy, waiting list procedures, and financing new construction, now 47 offices exist to deal with matters of this sort. As one official described:
Overall, SHRA has created 47 service managers who are struggling to learn how to develop/administer social housing. Movement from 6 regional offices to 47 offices makes portfolio management more expensive and challenging.

Another official at a small MNP concurred with this sentiment:

The Act resulted in [a] huge learning curve in the rules that must be followed and this has taken a couple of years for service deliverers/administrators/tenants to understand what to do, how to do it, and why it must be done.

In essence, the current system does not lend itself to the accumulation or sharing of knowledge, but rather is more fragmented, uneven, and prone to turnover. Moreover, the matters that service managers must deal with are not just technical abstractions, but specific matters that greatly affect the lives of Ontario’s social housing tenants. As a representative from one medium-sized provider noted, for example:

It has become more difficult for applicants to access housing because of waiting list procedures. Before the SHRA, applicants could get housing within 24 hours and now must wait approximately one month before approval. Before the SHRA, individual MNPs had more flexibility when providing subsidy and reviewing income. Now MNPs must make these decisions according to the SHRA guidelines [which mandate the approval of the service provider].

Much of this is the result of the planned diffusion of the social housing system in the province, but it would be a mistake to assume that the system is composed of 47 equally talented, dedicated, pro-social housing service managers who simply need a few years to learn the details of SHRA. There are, of course, huge differences in ability and political affiliation of service managers and their constituencies from place to place. Some have suggested that this feature of the system is deliberate. As an official from one medium-sized MNP noted:

Downloading has made it easier for those who dislike social housing to complicate and negatively affect social housing administration. For example, a municipal politician has more ability to put a ‘cap’ on or prevent the development of new social housing.
Overall, the majority of respondents indicated that whatever its original intention, the current SHRA-mandated system is confusing, legally contradictory, and rarely conducive to an actual increase in autonomy.

But while the cumbersome operational infrastructure created by the SHRA is a source of frustration for many providers, the looming omnipresence of the funding cutbacks that accompanied these changes is the greatest single source of worry for local providers. By far, the most dominant theme of this survey was the very basic notion of fiscal cutbacks initiated by the neoliberal restructuring under Harris-Eves, and continued to the present day. Officials at virtually every MNP contacted for this project noted that their operating expenses were perilously close to breaching their operating income, and, in most cases, the prospect of new social housing was not even on the table. Some MNPs, particularly smaller rural ones in the northern part of the province, even suggested that this breaching had already taken place, that their budgets were unsustainable, and that they were worried about their future as a provider. This austerity sentiment is hardly surprising given that Harris declared immediately that it was his intention to “get Ontario out of the housing business,” but the ways in which this austerity has been implemented are not as obvious. Though most officials complained about the basic reduction in finances from the province (either in the form of direct operating grants or RGI supplement decreases), many others also noted that the most damaging cutbacks were more subtle; for example, legal changes that require MNPs to take on more vulnerable populations without the requisite funds to care for them; inadequate increases in the inflation index that determines the level of funding that the province will provide for things like utility expenses; and taxing schemes that drain up to half of what even the most entrepreneurial MNPs can acquire through internal fundraising efforts.

One provider in southern Ontario, for example, complained that the “benchmarking” process had not been updated for a decade, thus effectively reducing the level of funding from the province in real dollars and increasing local exposure to swings in operating expenses. The provider lamented that:

The current funding model uses the 1995 operating expenses as a benchmark and applies a yearly inflationary factor to the 1995 amounts. The operating
subsidies given to MNPs are based on this amount. However, although the province inflates these amounts by a certain percentage each year, the inflationary factor does not reflect (falls short of) the real increased costs operating expenses.

The result is a basic reduction in funds that could be used for managing or even expanding clientele. To make fiscal matters worse, the SHRA mandates that MNPs take on more vulnerable populations without a concomitant increase in funding. As one exasperated official from a medium-sized MNP noted:

Now MNPs house more vulnerable populations since they are given priority. However, these individuals do not receive any supportive resources and tend to have a high turnover rate. This increases the expenses for MNPs that house these individuals, especially given the short-term nature of their stay.

The subtle reduction of subsidy through benchmarking, combined with the subtle increase in expense through a mandated expansion of clientele, were worse, some officials argued, than the obvious reduction of subsidy that accompanied Harris’s original push to “get out of the housing business.” The latter cuts by Harris were clearly framed as overt political moves to reduce the size of the sector, while the former (SHRA benchmark and population changes) are more often framed (unfairly) as technical budget matters that local MNPs are expected to solve; the implication being that those who cannot solve them are suffering from a lack of budgetary expertise rather than a lack of funds. Many officials were even willing to go along with the sentiment of local responsibility if there were meaningful opportunities to raise funds locally, but SHRA rules severely restrict this as well. In the rare instance that MNPs are able to find a way to raise funds locally within the system (parking fees, laundry room, commercial space rents etc.), they are required to turn over half to the Social Housing Services Corporation (SHSC) (an entity established during the Harris-Eves years). The SHSC demands half in return for a vague promise to build a fund to help service and even build new housing for the future. As one frustrated official put it:
Our organization does not have autonomy over investment. We are making less money now with replacement reserves than before the SHRA and SHSC. We are mandated to invest money through the SHSC, whereas before MNPs could invest wherever.

An official from a different MNP added:

SHRA legislates that municipal nonprofits cannot encumber the property without approval from the province, and the requirement of ministerial consent makes it difficult to do this. For example, if we have a property worth $10 million and only owe $2 million, we cannot finance a new building with equity out of the old building, nor can we sell the current property and apply the $2 million towards new development. Private developers often leverage equity for new development; however, if an MNP has equity on an existing property, they cannot leverage this equity to place on a second mortgage.

These changes and others function as a form of shadow austerity presented to individual MNPs as technical matters for them to solve locally. They highlight the notion that cutbacks come in more subtle forms than the simple withdrawal of funding (although, to be sure, they come in that form too), and also the fact that the McGuinty government has not shown any interest (or ability) in rolling back such subtle measures despite the importance to individual providers. Instead, the current government has left virtually unscathed the SHRA and all of the measures that reproduce a neoliberal future.

**Conclusion** What are we, as progressive scholars of neoliberalism, to make of scenarios of this sort? The neoliberalism literature has opened important insights but generally has not paid much attention to this issue. The literature has been characterized by an emphasis on the active promoters of the logic: on think tanks, ideologues, and policies that reproduce a neoliberal reality rather than on its passive agents. Understanding the latter is important. As Harvey recently suggested, Centre-Left governments may have as much to do with the rise of neoliberalism as its most brazen promoters. How and why this happens, however, remains largely unexplored.
Much more research is necessary, but this case is suggestive of a few directions. The CSR ushered in a series of changes that were rightly understood at the time as political. Harris (and later Eves) openly sought to downsize and download government in an effort to roll back the socially redistributive elements of past policy, and were very successful in that pursuit. But their efforts did not stop with rolling back past policy. They also sought to roll out a series of measures that would reproduce a neoliberal future: measures that would make social housing governance diffuse and weak; measures that would undermine the status of unions and cooperatives when they were out of office; measures that would support developers, corporations, and high income earners in the future. But while the initial roll-back of past policy was understood as political, the form taken by many of these roll-out measures is technical. In the social housing sector, these political-cum-technical dictates took the form of the SHRA.

None of this should be terribly surprising coming from promoters of neoliberalism. The belief that neoliberalism is the only possible way forward — the only alternative, to paraphrase Thatcher — permeates neoliberal policies in a variety of contexts throughout the world. More surprising is the fact that the successor of Harris-Eves has apparently accepted this premise, despite campaigning on a rejection of their political ideals. Despite being four years since the Harris-Eves period expired and on the eve of another provincial election, social housing managers were deeply frustrated by the system rules under which they operated. Managers complained that the new system demands that they be more entrepreneurial without recognizing the inherent lack of profitability in affordable housing, or giving nonprofits the institutional means of achieving such a direction, even if they wanted to. Others have noted that the system is incoherent, prone to error, and does not lend itself to the accumulation of knowledge over time. Finally, managers have noted how they have been “downloaded” the responsibility to serve more vulnerable populations without the concomitant aid for doing so.

On a superficial level, an opening exists for a basic correction of these inconsistencies and inefficiencies by a Centre-Left government like McGuinty’s. But thus far, the reaction of this government is to treat SHRA as a technical matter. If nonprofits are struggling, it is because they are not
expert enough to work within the system outlined in the Act. The Act itself is never questioned as a political document, but rather as a technical one. The political battles of the 1990s that led to social housing roll-backs have been reduced to technical legal matters for nonprofits to solve. Recently contested political matters regarding social housing have become “common sense” assumptions in the 2000s under McGuinty. It would be easy to conclude that this simply proves that McGuinty is no different than Harris when it comes to social housing, but this, I think, would be hasty and inaccurate. The important difference is that McGuinty has not shown open disdain for social housing. He has, in fact, supported it in principle, and promised new funds for the future of the sector. This willingness to talk about social housing has, however, had an almost paralyzing effect on social justice advocates. With the promise of money “just around the corner,” the government and its policies are much more difficult to contest. Moreover, it is difficult to organize around such things as the scale of the social housing system governance as defined by SHRA, when such matters are simply accepted as the “no alternative” reality rather than debatable items.

How applicable is this case to the larger issue posed at the outset? It is difficult to be definitive, but the case does point to larger issues that are worth considering in the progressive scholarly community. First, while there are unequivocally clear reasons to contest overtly neoliberal governments, Centre-Left governments who simply accept the roll-out neoliberalism of their predecessors can be effective managers, even facilitators, of the ideology. Centre-Left governments are often simply a softer-edged version of the hard policies that incubate in Right-wing think tanks and gain traction with Right-wing politicians like Harris. Activism is muted in such contexts in part because Centre-Left governments are not openly hostile to a social agenda. Organizing against a government that says the “right things” but fails to act on these statements is more difficult than organizing against a government that openly wants to destroy social housing. Ontario is certainly not exceptional in this regard.

So what lesson does a case like this offer for the scholar-activist community? Perhaps most importantly, it highlights the need for critical empirical research that exposes the ways in which mundane technical details of legis-
lation like the SHRA fundamentally undermine the social housing sector and the lives of people who depend upon it. Above all, it is important to highlight that such details, while arcane, are extremely political extensions of the CSR. This matter is not unique to Ontario. In the vast majority of cases where neoliberalism has been rolled out, the legal remnants of the initial (neoliberal) movement are framed as technical rather than political matters. The reproduction of neoliberalism is dependant on the lack of political contest. Such resistance is possible only if institutions and laws that reproduce neoliberalism are reformulated as political and not technical matters. In order to contest roll-out neoliberalism, in Ontario or elsewhere, it is necessary, above all, to reframe such “technical” details as the very political matters that they really are.

Notes

1. The word “neoliberalism” has evolved as a concept and its meaning has become a bit flexible. I am defining it as a very specific political movement, currently promulgated by a range of think tanks, ideologues, and political figures, but selectively drawn from the classical liberalism of the eighteenth and nineteenth centuries. Though it has many variants, three philosophical elements often float to the surface of neoliberal ideas and policy: a) an unwavering focus on the individual; b) a disdain for state-sponsored collectivism that might interfere with the individual; and c) an equally unwavering belief in the “free market” as the most efficient and equitable way to organize society. For a more drawn-out version of my view on this topic, please see, J. Hackworth, *The Neoliberal City: Governance, Ideology, and Development in American Urbanism* (Ithaca: Cornell University Press, 2006).


15. Statistics here were derived from the Ontario Non Profit Housing Association website (<http://www.onpha.on.ca>). These rates do not include subsidies for single family private housing like government-based mortgage insurance.


17. Statistics here were derived from figures published on the city of Toronto website, <http://www.toronto.ca>.

18. Doling, *Comparative Housing Policy*.


21. Bruce Porter makes the interesting point that Martin was warned, in a confidential letter from the IMF, against spending too much on social programs in the mid-1990s — a warning that he and his ruling Liberal party took very seriously by slashing all funding for public housing and significantly reducing it for other social programs: B. Porter, “The Right to Adequate Housing in Canada,” *National Perspectives on Housing Rights*, S. Leckie, (ed.), (New York: Martinus Nijhoff Publishers, 2003).

22. The major exception to these cutbacks was the on-reserve aboriginal housing program.


28. Federal NDP leader Jack Layton — architect of the original agreement with the federal Liberals — has threatened to sue the Ontario provincial government if the funds are used for nonhousing purposes.


30. The Social Housing Reform Act is still a matter of confusion for many nonprofits in the province. The sector’s main policy advocate — The Ontario Non Profit Housing Association — still (fully seven years after its passage) holds yearly seminars and prints informational brochures for providers struggling to comply with its dictates.

31. Hereafter, nonprofits will be described as “small,” “medium,” and “large.” “Small” MNPs are characterized by managing fewer than 40 units (n=39); “medium” MNPs have between 40 and 499 units (n=57); and “large” MNPs have more than 500 units (n=15).

32. “Devolution,” “downloading,” and other forms of diffusing power are not an intrinsically neoliberal phenomenon, but we need only return to Hayek’s iconic *Constitution of Liberty* to understand their importance for ideologues like Harris who were unabashedly trying to implement neoliberalism: “Competition between local authorities or between larger entities within
an area where there is freedom of movement provides in a large measure that opportunity for experimentation with alternative methods which will secure most of the advantages of free growth. Though the majority of residents may never contemplate a change of residence, there will usually be enough people, especially among the young and more enterprising, to make it necessary for the local authorities to provide as good services at as reasonable costs as their competitors” (Hayek, 1960), pp. 263–264.

33. Most MNP officials interviewed were incredulous that the SHSC was actually supportive in any material sense. They saw the independent Ontario Non Profit Housing Association as a more reliable advocate, and more able to assist with legal matters and administrative support.