

## Remembering Canada's Reagan

By: John Fund – April 5, 2013

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It's said that Alberta is Canada's Texas. Residents of both places view themselves as special, are highly individualistic, and sit on top of gobs of energy resources. Both feature booming economies. But it wasn't always so in Alberta's case, and it's worth remembering the man who turned Alberta around and whose record provides valuable lessons for both countries today.

Ralph Klein, the province's premier from 1992 to 2006, died last week at age 70. A memorial service will be held for him in Calgary today. In many respects he is the most Reaganesque political figure Canada ever produced.

When he took office in 1992, Alberta's 2.8 million people were laboring under a crushing burden of debt and spending. He quickly began North America's most radical revolution in budget downsizing. He cut spending by 20 percent in real terms, reduced government jobs by 25 percent, and refused to raise taxes (although he hiked some user fees). The free-market Cato Institute and Canada's Fraser Institute reported that Alberta has the most prudent tax and spending policies of any state or province.

"The most competitive tax regime in Canada has spawned the best economic growth in the country," Klein boasted to me once. He privatized liquor stores and the motor-vehicle offices, allowed private medical clinics, and expanded school choice. In 2005, he presided over the elimination of all of Alberta's public debt. "I'm simply doing what average Albertans tell me makes common sense," Klein told me at the time. "Our critics are easily identifiable as those most comfortable with the failed status quo."

He came to his "commonsense" policies by an unusual route. He worked for the Red Cross and United Way until he became a popular city-hall reporter for Calgary TV. In 1980, he became outraged by a downtown development project and ran for mayor, ousting the incumbent. His down-to-earth, unassuming personality made him the equal of Ronald Reagan in charm and self-deprecation.

But "good old Ralph" had an edge to him. In 1982, when he was Calgary's mayor he called on city police to "kick ass" and get unwanted newcomers out of town. "You're welcome to stay here a couple of weeks at government expense, but if you can't make it after that particular time then don't go out and rob our banks . . . get the hell out of town," Klein told reporters.

Today, the oil sands of Alberta are attracting lots of newcomers — who are filling lots of good-paying jobs. The province's growth rate often is the highest in North America; it was 5.1 percent in 2011 and 3.4 percent last year. While energy plays a large role in Alberta's prosperity, the foundation for its current enviable status was laid by "good old Ralph."

