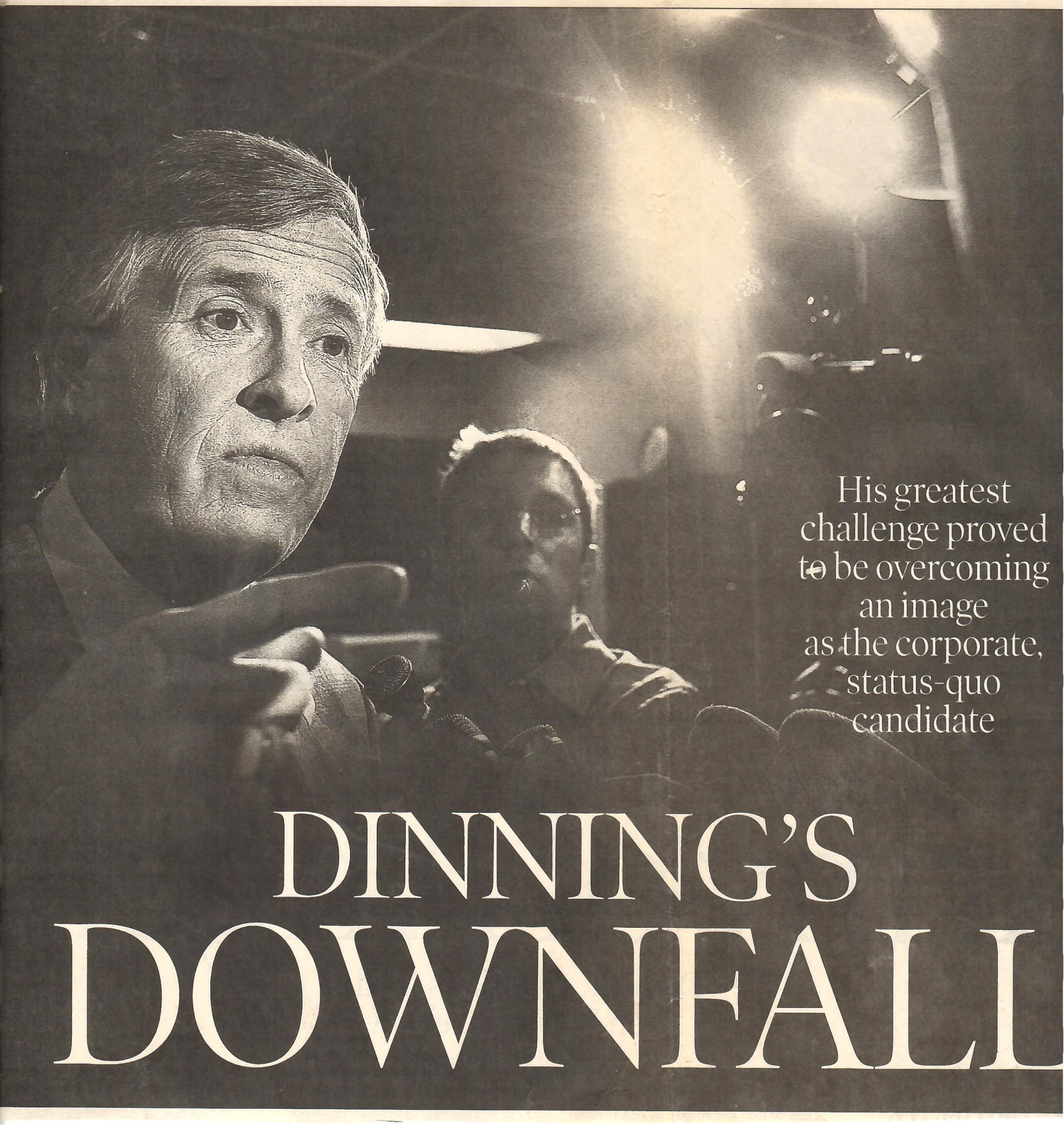


His greatest challenge proved to be overcoming an image as the corporate, status-quo candidate

DINNING'S DOWNFALL

JASON FEKETE
AND TONY SESKUS
CALGARY HERALD
EDMONTON

In the early hours of April Fool's Day 2006, word quickly spread to watering holes on Calgary's Stephen Avenue that Premier Ralph Klein had suffered a crippling leadership review that would seal his fate.

His 55-per-cent backing in a vote earlier that evening was greeted with shock by some Tory MLAs, who hoped the result was a bad joke.

At the trendy Belvedere lounge, melancholy Conservatives questioned whether Klein had been the victim of an orchestrated effort led by some of his would-be successors.

Across the street at the James Joyce pub, the mood was noticeably more jovial.

Organizers and supporters of Jim Dinning — the former provincial treasurer thought to be the heir-apparent to Klein — gathered to celebrate what they believed was the unofficial kick-off to the Progressive Conservative leadership campaign.

Longtime Klein aides Hal Danchilla and Alan Hallman seemed disappointed for their friend but eager the long-awaited race was now on the verge.

Rod Love, Klein's former chief of staff and Dinning strategist, also appeared to be excited at the prospect of another campaign. Hours earlier, he walked out on the premier's speech as Klein pleaded his case for staying on for another 18 months.

"For 26 years, Ralph Klein has said the people are never wrong. The people are not wrong," Love told reporters later that same day.

Fast-forward eight months.

Northern Alberta MLA and farmer Ed Stelmach is set to be sworn in as Alberta's next premier on Dec. 14th, after a stunning victory over Dinning and Ted Morton in the Tory leadership race initiated by Klein's non-confidence vote.

It wasn't supposed to be this way for Dinning, who had long been anointed the wunderkind of Alberta politics and the premier-in-waiting.

Several years of planning and what's believed to be millions of dollars were pumped into the Dinning campaign to make it a juggernaut that would defeat all comers. The press and pundits predicted an easy victory.

Unfortunately for Dinning, his greatest challenge proved to be overcoming an image as the corporate, status-quo candidate. The backroom organizers who helped build his impressive campaign machine were also seen as political baggage.

A post-mortem of Dinning's stinging loss by his senior aides suggests their team didn't fight hard enough to shed the images and aspersions cast by rival candidates. Ironically, the nail in the coffin may have been their team's inability to get out the vote in Dinning's stronghold of Calgary.

"We knew going in that there was going to be a perception that Jim was going to be a tough sell in rural Alberta," said Rod Scarlett, executive director of the Wild Rose Agricultural Producers and one of Dinning's chief organizers in rural Alberta.

"That negative context of being from Calgary, a business background — I don't know if perhaps the campaign itself didn't do a good job in negating that perception."

Indeed, the public's perception of Dinning was crafted over several years.

As provincial treasurer from 1992 to 1997, he was the financial architect of the deficit-slaying Klein Revolution, which garnered him much praise for getting the province's fiscal house in order.

Dinning's contacts and image as a fiscal watchdog were well-received by the private sector. He took a job as an executive with electricity giant TransAlta and later chairman of Western Financial Group.

Dinning was a strong candidate, but with a Calgary premier having ruled for 28 of the last 35 years, there was a sense change was wanted, Taras added.

Making matters worse, Dinning surrounded himself with people that symbolized "the old Calgary political club," he said.

Slowly, as candidates seeking Klein's throne emerged, a potential "anybody-but-Dinning" campaign took shape, formed by five other candidates who threw their hat in the ring: Morton, Stelmach, Lyle Oberg, Dave Hancock and Mark Norris.

It seemed to quickly permeate across Alberta and became a major issue of the campaign.

"There's a lot of animosity from the rest of the province against Calgary. I was surprised how strong it was in some areas," said Brent Shervey, Dinning's campaign co-chairman.

"Quite frankly, there was an anybody-but-Dinning movement in the province. I never understood the anger behind that, but it was there."

As his rivals took aim at his political and business connections, Dinning tried to coast through the race with a safe platform designed to play "no-errors baseball," argued political observers.

Some Dinning organizers mused their man could capture the Tory reins and premiership on the first ballot by claiming a majority in the one-member, one-vote leadership race.

The results of the first ballot were a stunner to the Dinning camp and a sign of things to come.

Dinning captured 30 per cent of 97,690 votes cast, compared to 26 per cent for Morton and 15 per cent for Stelmach. The front-runner, according to his officials, had hoped for at least 40 per cent of the vote.

"We were disappointed with the first-ballot results — no doubt about it," said Shervey from the Dinning camp.

In a press conference that night — and regularly repeated during the week between the two votes — Dinning abandoned his long-held strategy not to assail his challengers or their positions.

He targeted Morton for the infamous 2001 firewall letter that the academic had co-authored with now-Prime Minister Stephen Harper and a handful of other conservative thinkers, which urged the Alberta government to build up safeguards against federal government intervention.

Dinning asked whether voters wanted a leader "who is determined to fight the battles of the past and build firewalls, and not bridges to the rest of Canada."

Ultimately, Alberta Tories decided they wanted the least divisive candidate, and rejected Dinning and Morton for the nice-guy Stelmach, who'd been selling himself as the great unifier for a divided party. Not incidentally, both Morton and Dinning split support in southern Alberta.

Stelmach ran roughshod in the north and toppled Dinning and Morton on the preferential second ballot.

As results rolled into the Alberta Aviation Museum in Edmonton on Dec. 2 — where Tories had gathered for the election festivities — an ashen-faced Dinning emerged out of an upstairs office.

Leaning over to a supporter, he said simply: "I'm sorry things didn't work out — I won't say next time."

Norris, who was eliminated after the first ballot, said Alberta PCs voted against both Dinning and Morton as much as they did for Stelmach.

"This is everybody in the party being (ticked) off that Jim thought he was going to win it on the first ballot with all his money," Norris said on Stelmach's victory night. "It was just a big, big revolt about that."

Dinning dominated Calgary and parts of Edmonton, but struggled in rural Alberta behind Stelmach — who ruled the north — and Morton, who owned the south.

One of Dinning's top organizers suggested Calgary — not rural Alberta — let him down.

"The voter turnout, particularly in urban centres, was . . . rather disappointing," said Scarlett.

"After looking at some of the constituencies some of the other candidates won, like Mr. Oberg and Mr. Hancock and Mr. Stelmach, they were winning with large, large majorities. One would expect Calgary could have done the same thing."

Stelmach snared 4,156 votes in his home riding of Fort Saskatchewan-Vegreville — the highest turnout for a candidate in any of the province's 83 ridings. He also pulled 2,496 votes in Lac la Biche-St. Paul and 1,909 in Edmonton-Whitemud.

Dinning's top count was 1,890 in his home riding of Calgary-Elbow, while Morton topped out at 1,784 in Little Bow.

"Clearly the message came through that Ed won," Dinning said. "He benefitted from huge turnout on the second ballot."

With a massive political hangover and a lot of lingering what ifs, the Dinning team met last Monday at the Joyce on 4th pub in Mission.

The tone was strikingly different than at the downtown location eight months earlier. Gone was the party-like atmosphere, replaced by one more befitting a wake.

An air of disappointment and disbelief filled the room, as did bitterness against Morton. Supporters grumbled that the province missed a huge opportunity to move forward into this century.

"We really didn't see this coming. We can't believe this," said a senior Dinning organizer who was slumped over the bar.

Dinning's campaign co-chairman Shervey was more philosophical, accepting of the defeat when queried on it later in the week. He defended the campaign strategy, saying he wouldn't change a thing.

"The people are never wrong," he said. "The members of the province made a decision."