

THE INNIS TRADITION IN CANADIAN POLITICAL ECONOMY

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Although the name of Harold Innis is not a household word in Canada, it should be. He is without doubt the most distinguished social scientist and historian, and one of the most distinguished intellectuals that Canada has ever produced. Successively he wrote pioneering works in Canadian history and in the history of civilizations, held together by the common thread of an intense, passionate concern for scholarship and for the future of his country; indeed, for Western civilization itself. As an economic historian or economist, writing on Canada, he was the central figure in creating an indigenous Canadian approach to political economy that transcended economic history and economics to embrace history, political science, sociology and anthropology. Yet the legacy of this "old political economy" has been in recent years to facilitate the emergence of a "new political economy", a new synthesis. That, at least, is what this paper will argue.¹ In the process it will seek to answer a number of questions: What was the nature of the old synthesis formed under Innis? How was its formation possible? Why did it fall by the wayside? Why is it now being revived? Why, in terms of creative work, is the new political economy mostly of a left — even Marxist — persuasion, though Innis was certainly not a Marxist and was very much opposed to the politics of his left-leaning colleagues?

Central to my argument, following the historian of science, Thomas Kuhn,² is the power of paradigms to set the questions and to constrain the methods by which answers can be sought to a limited list of questions; that is, the powerful manner in which the disciplines discipline. The phenomenon was familiar to Innis, who opposed monopolies of knowledge and schools. The practitioners of a discipline, as monopolists, set up barriers to the entry of dissenting ideas and so generally impose their will with the consequence, at first evident to the student but soon forgotten, that university departments are as much suppressors of creative thought as they can be its supporters, places of unfreedom as much as places of freedom. In Innis' arresting use of the language of orthodox economic theory to expose the reality of its practice: "Imperfect competition between economic theories hampers the advance of freedom of thought."³ Intellectual modes of production are, in turn, related to real modes of production, so that the dialectic of paradigm change must be related not only to matters internal to the paradigm, following Kuhn, but also to the material reality. Concretely, we must be concerned not only with the hegemonic nature of the paradigm (in our case with the politics of economics) but also with the effect of the economy on economics, including economic history: Carl Berger's history of Canadian history⁴ might thus be better seen as notes toward an economic history of Canadian economic history. As Innis put it: "We need a sociology or a philosophy

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of the social sciences and particularly of economics, an economic history of knowledge or an economic history of economic history".⁵ Following Innis, the recognition of the narrowness of the margin for intellectual manoeuvre, or for creative freedom, can help us understand the bias of a discipline, and so overcome it.

Now Innis was an economic historian which means, in the North American tradition then as now, an economist who works on matters historical. The Innis tradition in economic history can properly be said to be embodied in the so-called staples approach, both in the concrete sense of the study of the great staple trades and industries and in the methodological sense that the study of staple activity broadly conceived was a unifying theme for the general historical experience at the periphery. In a paper written on the occasion of the quarter-century since Innis' death, the economic historian Hugh Aitken reminds us of "the golden age of Canadian economic history that accompanied the statement and elaboration of the staple theme", but he is critical of its legacy:

The fact of the matter is that, in Canadian economic history, Innis still dominates the field...Elsewhere [meaning the United States], the last decade and a half in economic history has been one of the most exciting periods ever experienced in the history of the profession. Not so in Canada...[A] reconstruction of the standard interpretation of Canadian economic history is still a long way off. That standard interpretation, enshrined in monographs and textbooks, is an interpretation of the Innis model. It is no compliment to Canadian scholarship that now twenty-five years after his death, it still monopolizes the field.

Referring to "developments in Canadian economic history over the last decade and a half — or rather, the relative lack of developments", he says "The strength of the Innis tradition may be one explanation."⁶

Aitken's evidence for "exciting" developments in the U.S. is the emergence of the "new economic history" or cliometrics, forgetting Herbert Heaton's 1954 warning (significantly in the *Canadian Journal of Economics and Political Science*) that:

The American cult of quantities is no mere turning tide. It is a tidal wave, on which Clio's little craft seems likely to be sunk by the swarms of vessels manned by statisticians, econometricians, and macro-economists....⁷

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The new economic history now has a track record and not all observers are as impressed as Aitken. Paul Davenport observes that "the 'new' economic historians tend to take the position that if a technique is acceptable to the theorists it is acceptable for economic history." "The new economic history," he writes, "is sometimes described as 'the application of economic theory to economic history'; far too often it becomes... 'the application of history to economic history.'"⁸ And the economic theory at issue is, of course, neo-classical theory. Ian Parker observes that since World War II:

Within economics...the gap between mainstream economic theory and economic history widened, despite Innis' argument that 'Any substantial progress in economic theory must come from a closer synthesis between economic history and economic theory' and despite (and on occasion because of) recent attempts to apply simple neo-classical 'cliometric' models directly to the explanation of complex historical situations.⁹

The American economic historian Donald McCloskey says the theory in question is "especially the theory of price" and insists (properly) that it, and not counting, is "the defining skill of cliometricians, as of other economists." He recognizes that "the cliometric school is characteristically American" and, in a characteristically American way, writes "the frontier of cliometrics is the wide world beyond America."¹⁰

Predictably the technique has, in fact, spread to Canada, where it has been in part devoted to testing the staple theory. In a review of that literature I wrote that

to the extent it poses real questions it has upheld the validity of the staples approach — though making little or no contribution to our theoretical understanding. The staple theory has survived the worst onslaughts of Americanization and for that reason alone must be as hardy and genuinely Canadian.¹¹

Aitken is excessively critical of the lack of developments in Canadian economic history while exaggerating the strength of the Innis tradition, at least in the sense of a holistic approach.

Only three years after Aitken, a new Canadian economic history textbook appeared (*Canada: an Economic History* by Marr and Patterson¹²) which was largely successful in blending the best, or less fanatical, of the new economic history with some of the insights of both the old and the new political economy.

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A new textbook was possible precisely because, as Kenneth Norrie put it in a review: "There has been an explosion of research activity in the field over the last quarter century, from perspectives as diverse as cliometrics to the new political economy." But, as Norrie also points out, the limitations of a text reflect those of existing research. The Marr and Patterson book is "an *economic* history of Canada." It is not based on "a broader synthesis of economic with social and political history" because, writes Norrie, himself of the new economic history persuasion, "so few of us are ourselves involved in such broad interdisciplinary work."¹³

Norrie is here alluding to the nature of the paradigm, and there are deeper flaws in Aitken's argument that result from the superficiality of his analysis of economics as a paradigm and economic history as a field within that paradigm. Traditionally, economic history had been critical of economic theory and, to a considerable extent, prepared to generate its own analytical frameworks, loosely related to the prevailing body of theory. As well, under Innis, economic history was central to economics itself, and had, in turn, been the core for the broader synthesis that constituted the old political economy. Beginning in the '30s with Keynes, and greatly intensifying during the war and postwar period, economics became obsessed with the immediate and the short-run, and hence became ahistorical, falling victim to quantification and the reification of technique. In the United States, the new economics, or the so-called neo-classical synthesis, destroyed the surviving remnants of the institutionalism of Veblen and Commons; in Canada, it destroyed the Innis school as a dominant influence in economics and as the unifying theme for political economy. Innis survived within Canadian economic history because the new economics sees economic history essentially as a ghetto, and because those of the Innis tradition, particularly at Toronto under the influence of V.W. Bladen and W.T. Easterbrook, were able to resist the inroads of the new economic history. In terms of influence over the profession, the successor to Innis was to be Harry Johnson located *outside* Canada at the University of Chicago and the London School of Economics and, as a happy prisoner of the orthodox paradigm, wholly committed to the obliteration of borders as impediments to the free movements of goods, capital and ideas.

Berger argues that Innis foresaw his fate and, in effect in his later work deserting the paradigm of economics, contributed to it:

Innis sensed that excessive specialization in economics, its presentist tendencies, and the desire for disciplinary autonomy implied a breakup of the political-economy tradition that had underlain his economic history of Canada....The staple thesis linked the history of Creighton, the sociology of Clark, and the political economy of Innis. The common approach was weakened in the forties; there were complaints about the subordination of political science to political economy...

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Changing fashions in economics also foreshadowed a very different style...Innis's speculations on communications were partly responses to the conditions that were leading to a splintering of the 'social sciences'. Ironically, they were also his contribution to the dissolution of the political-economy tradition.¹⁴

It is difficult, however, to see how he could have avoided being read out of the paradigm, for quantification and Keynesianism represented everything he was opposed to as an economist. And in practice, Keynesianism — in the sense of state activity to facilitate economic growth so as to maintain full employment — was to mean for Canada in the postwar period a continuing if not increasing commitment to the export of staple products developed by and for foreign capital, that is, economic growth at the expense of deepening dependency. Daniel Drache has argued that there are (even within the liberal paradigm) two versions of the staple theory: Innis' dependency model and W.A. Mackintosh's growth-model;¹⁵ Keynesianism was grafted onto the latter, not the former, version of the staple theory.¹⁶ Hence the influence of Keynes worked to erode the influence of Innis — though Innis' suspiciousness of Keynesianism, given his position within the profession with respect to academic appointments in Canada, tended to weaken Keynesianism in Canada.

The *prima causa* of the fate of Innis, and hence of Canadian political economy, lies with the nature of mainstream orthodox economics from the late '30s onward, its monolithic character and the arrogance of its practitioners, and their intolerance of dissent. At the same time, however, some blame must be attached to those whom Drache calls "the launderers" of Innis.¹⁷ It is, after all, in the nature of colonialism that at least some of the colonials are complicit; the essence of this comprador intellectual role (as we shall see below) consisted of rejecting the dependency-model of the early Innis and the anti-American imperialism of the later Innis.

The power of the neo-classical paradigm to kill reflects, of course, less its external verities as theory and more its deadly consequences as ideology, intensifying yet more powerful realities of global *Realpolitik* in the era of the waxing of the American empire. As I have argued elsewhere,

Innis was able to exploit the already established bias toward economic history at Toronto, the peculiar weakness of economics generally as a discipline in the 1920s — its sterility between Marshall and Keynes... — and the momentary freedom as Canada moved from the British to the American empire. Briefly, novelty was possible.¹⁸

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But the rise of the Toronto school was only followed by its fall as Canada inexorably shifted into the American empire. The era of the Cold War saw the Americanization of the social sciences as an aspect of the Americanization of everything, and the destruction of a unified political economy appropriate to a hinterland status. Canada became, for Canadian social scientists, a "miniature replica" of the U.S., a "peaceable kingdom," America in slow motion with less of both the good and the bad. Economics, with its pretensions to fine-tuning the economy, became relevant with a vengeance when secular prosperity was thought to have been "built-in". Canadian economics became a branch plant of U.S. economics and, increasingly, of the Friedmanite orthodoxy of the University of Chicago. The subtlety and sophistication of Innisian political economy was replaced by the simplicity and banality of the doctrines of free trade and competition, notwithstanding the evident imperfections of competition that inhered in the now-ascendant, transnational corporations. "The success of *laissez-faire* has been paid for by the exploited areas of which we are one" (Innis).¹⁹ "By the nineteen-fifties Innis and those who would have seen the matter as he did were swamped by both the soft money Keynesian group and the continentalist free traders" (Neill).²⁰

The department of political economy at the University of Toronto, once chaired with such distinction by Innis, grew quantitatively but, depending on one's point of view, not necessarily qualitatively. Sociology broke away and its assertion of discipline autonomy was followed, to some extent unavoidably, by pervasive Americanization. Economics and political science held together, but in the face of rising opposition from the economists that seems certain to triumph shortly. (In any event, they already operate as if they were separate departments and political economy as such is hardly taught.) The economists devote themselves to redefining political economy, on the one hand, by reducing politics to the narrowest margins of economic self-interest (for example, politicians exchanging policies for votes; nationalism reduced to a "taste for nationalism", the better to vilify it)²¹ and, on the other hand, by equating political economy with the study of public policy. As the undergraduate Political Economy Course Union recently pointed out: "It is presently possible for a student to gain a four-year specialist degree in Economics at U. of T. without ever having read a word of Harold Innis." The university honoured Innis by naming a new college after him, but I am told that the opening line of the Innis College song is, "Who the hell was Harold Innis?"

If I have dwelt on economics particularly at the University of Toronto, it is because there is the situation I know best, not because I think that situation is unique. Nationally, the old Canadian Political Science Association combining economists and political scientists split in 1967; significantly, when a Political Economy section was created in 1976, it was not within the Canadian Economics Association (CEA) but rather the successor Canadian Political Science Association (CPSA). There is now more economic history, at least in the sense that Innis would have understood, to be found at the meetings of the CPSA than the CEA; the same is true with respect to the Canadian Historical Association and

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even the Canadian Sociology and Anthropology Association relative to the CEA.

Though this is what happened, it must be insisted that there is an important sense in which it did not have to happen that way, namely, that neo-classical theory could have incorporated Innis' staple economics. Innis, after all, was a liberal, albeit a liberal with a difference.²² If he has been ignored, suppressed, and laundered, it has happened more for ideological reasons than from theoretical imperatives *per se*. The latter point is important not only in its own right but because it is suggestive of developments that may in due course take place within the beleaguered orthodox paradigm.

It seems to me that there *are* some ways in which the staple thesis could have been seen as relevant to neo-classical theory. By 1963, the staple theory had been restated as a theory of economic growth,²³ showing that Innis was respectable within the orthodox paradigm.²⁴ Subsequent literature has been mostly devoted to its quantitative testing (as noted) or to theoretical elaboration narrowly focussed and taxonomic in character.²⁵ How might it have been effectively 'modernized'?

There could have been incorporated into the staple theory, as a resource-based theory of growth, the importance of economic rents, as demonstrated by Eric Kierans (and understood by Innis), and of policies directed toward further processing of staples, that is, forward linkage or the "manufacturing condition" as demonstrated by Aitken and H. V. Nelles.²⁶ Thereby, the staple theory would have been further elaborated as a theory of capital formation — the latter being a central concern of Innis and Kenneth Buckley.²⁷ The consideration of rents leads to a concern with the loss thereof: their outward drain through foreign ownership and the consequence, particularly at the regional level, for underdevelopment; alternatively, when the rents are retained but under foreign control the power of foreign capital is entrenched. (Such considerations led, in the real world, to the National Energy Program in 1980.) Attending to the forward linkage potential of the new staple industries would have confronted the reality of the power of the resource-based corporations to resist and subvert the policies of hinterland governments (for example, Inco as documented by Nelles) and the power of the American government with a tariff-structure favouring the import of unprocessed resources. In effect, serious attention to these matters would have confronted the economic historian with Canada's role as a resource hinterland within the American empire, that is, with Canada's dependency, and offered an alternative to the sterility of the new economic history. For the orthodox paradigm, however, what could not be risked was the discovery of neo-colonialism.

The rationale for extending the staple approach to allow for the institutional fact of the transnational corporation transcends the matter of resource-

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processing; at issue is the larger reality of the emergent global economy and polity. The task would have been facilitated by taking advantage of the American literature on the rise of the giant corporation and its transnational spread (for example, the work of Alfred Chandler and Mira Wilkins),²⁸ not to speak of the American revisionist historians. Notwithstanding the failure to do so — except by the historian Stephen Scheinberg — important work was done on foreign ownership, albeit mostly on the contemporary phenomenon (by, for example, Aitken himself, the early Stephen Hymer and Kari Levitt) and on Canadian nationalism as a reaction to it by Abraham Rotstein building on Karl Polanyi.²⁹ Against this, and particularly the latter, the neo-classicists wheeled out their heaviest cannon; it all smacked of economic nationalism, dangerous nonsense by second-rate Canadian academics in bed with second-rate Canadian businessmen.³⁰

The transnational corporations of the centre and the branch plant economy of the periphery were reduced by Canadian economists to the single equation: the Canadian tariff created inefficient industry. What could have been a promising approach was emasculated in the name of the most literal neo-classical orthodoxy; nature should copy art and Canadian secondary manufacturing could sink or swim on the tide of free trade. A less ideological response could have led to the writing of genuine industrial history — something that has still not been done. From the perspective of economic history proper, it would have been the most useful way to build on Innis — by blending the fact of dependent industrialization explicitly into the staple approach — and, by providing critical building blocks that the economist is best equipped to provide, would have given a firm foundation to the work of political, social and labour historians³¹ and led thereby to a new, but still orthodox synthesis. "The surface of the economic history of modern Canada has barely been scratched, and until that task is taken up systematically it will be impossible to write a convincing new synthesis of our past" (Cook).³²

What was above all at risk was the discovery of dependency — a possibility that could not be tolerated, for to do so would risk legitimizing nationalism. The result was to strangle economic history of the Innis variety. This decline of economic history is evidence of the high cost of the evasion and suppression that inheres in the dominant paradigm. The staple theory was at best tolerated only within the context of the Mackintosh version where it could, by quantitative resting, provide work for economic historians deemed appropriate by economists. Nor were the historians proper guiltless; Paul Craven (who calls the Mackintosh version "the whig-staples view") writes with respect to J.B. Brebner's classic *North Atlantic Triangle*:

Brebner's refinement of the whig-staples approach was to make it explicitly continentalist in scope. The staples orientation of the Canadian economy was an expression of natural advantage, and the expansion of the turn of the century

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reflected a continental partnership between a highly industrialized United States running short of natural resources and a newly united Canada rich in them.³³

If the early Innis was laundered, the later Innis was simply beyond the ken. Even those otherwise sympathetic to Innis (like Easterbrook) failed to see any message in Innis' later writings for Canadian economic history, and certainly not his recognition of Canada's increasingly satellitic status (contained in the now often-quoted phrase of "colony to nation to colony") nor his trenchant warnings against the newly intensified economic imperialism of the United States backed by the might of the military and the mass media. The costs of compartmentalizing Innis into the staples phase and the communications phase have been very high for Canadian economic history.

These matters cut deeply, for they tell us much about the colonial intellectual and the colonization of the mind. Writes John Watson:

It is Innis' colonial background which provides an explanation for his intellectual tragedy. It offered him the orientation and subject matter which eventually led, at the height of the Cold War, to his incisive critique of American imperialism. And yet, the same background dictated that his thought, though lauded, would not be fully appreciated and pursued.³⁴

Watson calls this "colonial myopia"; not to admit Canada's colonial situation was a way for the Canadian intellectual to avoid facing his own colonial situation.

A re-stated staple theory of growth in terms of the leading role of exports *and* in the context of an international economy powerfully influenced by transnational corporations was one possibility; another was (and is) the development of an Innisian theory of growth in terms of rigidities, monopolies, imbalances, radical instability, etc. Even a casual reader of Innis quickly becomes aware of his concern with constraints resulting from overhead costs, unused capacity, the burden of debt, and so on. Robin Neill was the first to systematically draw our attention to Innis' emphasis on the cyclonic nature of economic development in Canada. (The contrast with the Mackintosh conception is stark.) Drache has now generalized these themes in Innis' writings into an Innisian theory of Canadian capitalist development.³⁵ Orthodox economics offers an equilibrium model of capitalist growth through markets, linkages, harmonies, etc. Innis offers us, Drache suggests, a disequilibrium model of rigidities; in effect, a special, or limiting, case within the general model, with the further critical feature that, unlike the neo-classical equilibrium model, it is an open-ended, or dialectical, model. In Drache's terms, "rigidities" result in "incomplete development" or dependency. Watson independently makes the

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same point: "In the 'staples' period Innis was primarily concerned with 'cyclonics' or radical instability..."; "By definition, an understanding of the hinterland context revolves around a conception of imbalance, or disequilibrium or dependency."³⁶ Notwithstanding the sharp contrast with the neo-classical model, Drache reminds us that Innis never fully abandoned neo-classical economics. Rather, the neo-classicists abandoned him. They have ignored and suppressed the essence of Innisian theory because it was necessary to do so to avoid facing its implications of inherent tendencies toward hinterland dependency.³⁷ Significantly, Drache shows us how Innis can be understood within the liberal paradigm, though he himself opts for the perspective of the Marxist paradigm.

What actually happened was not the realization of any of these possibilities, but rather the destruction of Innisian economic history; the latter being central to political economy, its destruction contributed to the destruction of political economy. It is useful to imagine what might have been. A central theme for Innis and his school was the notion of "centre-margin"; in fact, I think we should say *the* central theme in that, following Easterbrook, it is a *unifying* theme for historical analysis. The terminology is Innis', from his masterful "Conclusion" to *The Fur Trade in Canada*, where he writes of "the discrepancy between the centre and the margin of western civilization."³⁸ Others have rephrased the theme in the more popular terminology of "metropolis-hinterland."

The theme is indeed pervasive in the writings of the old political economy. Donald Creighton's Laurentian school of Canadian historiography, the counterpart to Innis' staple approach, explored the interaction of economics and politics in the creation of a transcontinental national economy, the empire of the St. Lawrence born and reborn.³⁹ No one has shown as effectively as Creighton the power of this theme to focus on the 'separateness' of northern North America. Canada as 'hinterland' is explicit throughout. The beleaguered St. Lawrence merchants face not only the competition of New York/Albany, but the indifference of the British Colonial Office to their grand (sub-) imperial designs. On the whole, though, the metropolis-hinterland relationship within the British Empire is seen as a mutually beneficial rather than exploitative arrangement, at least in contrast to later experience within the American empire (a similar bias is evident in Innis' writing and is instructive in understanding the nature of his nationalism). The rise of the empire of the St. Lawrence in the British era is followed by its "decline and fall" in the American era⁴⁰ and the successors to Sir John A. Macdonald become little more than puppets that dance to the tune of American imperialism; to read Creighton is never to be in doubt that Canada is now an American dependency.

Where he errs⁴¹ is in exaggerating the nationalism of the National Policy, and in blaming Mackenzie King for a branch plant economy whose origins are to be found in the years immediately after 1879 and which was already fully evident by 1913 in the leading sectors of the Second Industrial Revolution. Macdonald's National Policy politically had an aura of "home rule"⁴² and "American industry in Canada" economically; the basis was fully laid for the "unequal alliance"⁴³ of

hinterland and metropole. Indeed, even the St. Lawrence merchants of the early Creighton limited themselves to searching for a better deal *within* the British Empire; when it failed in the late 1840s, not a few of them sought to move fully into the American empire; they were a most colonial-minded group.⁴⁴ What follows, then, is that Canada has always been *more* of a hinterland or colony (subjected to, and its elites complicit in, metropolitan imperatives) than Creighton tells us — though none of this is to deny that Creighton deserves enormous credit for maintaining the focus on dependency.

In economic history based on the staple approach, the focus on the hinterland status of Canada was less firmly maintained. In part, the problem was the initial difference between Innis and Mackintosh, and their influence. Mackintosh's study for the Rowell-Sirois Commission constituted a general economic history of the years from Confederation to the '30s (the impressive historical overview of Book I of the *Report*); it shows, in conjunction with Creighton on the immediate pre-Confederation period, how a national polity and economy were created but the problem of growing American influence (beyond the re-orientation of Canadian trade patterns) is ignored. To Easterbrook, who clearly worked out of the Innis tradition, Canada is characterized by a centralized, more controlled kind of growth ("a pattern of persistence" appropriate to a "margin"), in contrast to the more vital and diversified development of the United States ("a pattern of transformation" appropriate to a "centre"). The notion of Canada as a satellite of the United States would appear inherent to such a view, but Easterbrook's writing contains little that is explicit on Canadian dependency.⁴⁵

In the centre-margin/metropolis-hinterland framework, there is not only an external dimension, but also an internal dimension of internal metropolis (or sub-metropolis)/internal hinterlands. Innis' writings, notwithstanding his emphasis on the 'naturalness' of Canada in terms of geography (the St. Lawrence River and the Precambrian Shield) and the character of the great staple trades of fur and wheat, always show a firm grasp of this (from the grievances of the Western farmers against the C.P.R. in his first book to those of the Maritime Provinces against Central Canada in *The Cod Fisheries*, and his appendix to the 1951 Royal Commission on Transportation).⁴⁶ In many ways, the most important writing in the Innis tradition has been the development of this theme: for example, S.D. Clark on the Canadian frontier, with its protest movements as controlled margins; A.R.M. Lower on the forest frontier and the 'rip-off' by Toronto and, beyond, New York; W.L. Morton on the West — regional history important in its own right and essential, given the interplay of economic centres and subordinate areas, to the writing of national history; George Britnell on the impact of wheat on the West; Vernon Fowke on the exploitation of the western farmer by the National Policy; C.B. Macpherson on the political protest of Alberta wheat farmers and its limitation (emphasized, in the same series on Social Credit, by J.B. Mallory's study of federalism); A.G. Bailey on the culture of the Maritime Provinces as a marginal area.⁴⁷

The centre/margin or metropolis/hinterland framework is not only

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two-dimensional; what is also critical is the interrelatedness of the two. Again this was clearly understood by Innis, as is evident in the following passage first published in 1937:

The end of the period of expansion based on the St. Lawrence and trade with Great Britain coincided roughly with the achievement of dominion status which followed the Great War and which was marked by the Statute of Westminster. The end of the struggle for control over external policy has been followed by problems of internal policy; and the decline of the St. Lawrence as a factor contributing to the centralization of the Dominion has been accompanied by the increasing importance of regionalism evident in the growth of the powers of the provinces....The extension of the American empire, the decline of its natural resources, and the emergence of metropolitan areas, supported capitalist expansion in Canada and reinforced the trend of regionalism. The pull to the north and south has tended to become stronger in contrast with the pull east and west.⁴⁸

His later writings show a persistent concern with this issue of political disintegration and balkanization in the face of Americanization. Garth Stevenson refers to this as a "thin line of intellectual tradition, which...has... drawn attention to the relatedness of the internal and external threats."⁴⁹ Indeed, not all of Innis' successors have been able to keep their eyes focused to see both threats and their deadly interaction. Creighton powerfully analyses the external threat, but has no sympathy for "regionalism." "In all his works," Berger tells us, "Creighton concentrated on the centre, not on the periphery of the country....He viewed with sarcastic disfavour both the growth of provincial powers and scholarly efforts concentrated on regional history."⁵⁰ Morton, on the other hand, in Berger's elegant phraseology, maintained "the delicate balance of region and nation."

In recent years, the Quebec question has increasingly intruded upon this matter. The issue is not central to Innis — indeed, there is little in his writings about Quebec which speaks to his limitations as an English-Canadian intellectual — but it has much exercised his successors whose responses starkly indicate the limitations, if not of Innis, then of the school. Creighton's rejection of the nationalist aspirations of the Québécois are well known and consistent with his general stand on regionalism, but what may be more significant is the vehemence with which both Morton and Lower have taken the same position on Quebec,⁵¹ despite their general tolerance of regionalism (and Morton's long-standing sympathy with the rights of francophones as well as Lower's for the aspirations of Quebecers). I do not pretend to know where Innis might have stood on the

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matter of Quebec, but it must be insisted upon that he was consistently suspicious of centralization. He wrote of "the lack of unity which has preserved Canadian unity..." and of "the common basis of union (being) one of debt and taxes."⁵² According to Neill: "He exposed the underlying forces both of unity and diversity, for the most part emphasizing the latter",⁵³ and Berger adds: "Innis may have demonstrated the case for Canadian unity, but this dimension of his accomplishment was exaggerated by those who were either oblivious of, or chose to ignore, his own hostility to centralization of power and his concern with staples that had diverse effects on the country."⁵⁴ In the context of the recent use (that is, misuse) of national unity to put down the aspirations of the Québécois, it is essential to insist that appeal to the old political economy need not lock us into a one-Canada, anti-Quebec position.

The discussion may also cast light on the argument by William Christian that Innis was not a nationalist.⁵⁵ It is, to say the least, an original position, the counter-position being held by such diverse people as Creighton, Brebner, Berger, Drache, Neill, Cook, etc. In terms of the above, Christian makes two elementary errors. He fails to distinguish between the nationalism of the centre and the nationalism of the periphery; that is, between aggressive nationalism and defensive nationalism, the first being imperialist and the second anti-imperialist. Secondly, he shows no grasp at all of the two-dimensional character of the centre-margin dialectic and of the need, in the Canadian context, to distinguish between nationalism as "national independence" and nationalism as "national unity" (or what Drache has called, respectively, the nationalism of dependency or self-determination and the nationalism of domination⁵⁶). With a populist-like distrust of the Ottawa establishment, Innis did not relate well to the latter. This is not to deny the subtlety of Innis' position, particularly in his later works, nor the important point made by Watson (hinted at by Berger but which escapes Christian) that "Innis was not an anti-imperialist in the sense of having a prejudice against large-scale empires. On the contrary, he felt the balanced empire represented that which was best in human achievement."⁵⁷ This could have been Christian's strongest argument for the view that Innis was not a nationalist, but it was the fatal flaw — for Christian's argument — that is also explains why Innis *was*, in his later years, a Canadian nationalist. For, to again Watson, Innis "was an anti-imperialist in the modern sense of being committed to opposing the imbalance (in the form of military expansionism) of contemporary empires."⁵⁸ This shows the importance of relating ideas to the understanding of praxis. At the same time, it demonstrates the severe pitfalls inherent to textual criticism *per se*.⁵⁹

Another major theme for Innis and the school was that of "the state and economic life." In the nature of the case, the theme linked economics (or economic history) and political science; it also stood out as a theme for historians (particularly Creighton) and for the sociologist S.D. Clark.⁶⁰ An argument central to Innis was that the hinterland state itself was almost a by-product of the exigencies of staple production as defined by the imperial state. Both the Act of Union and Confederation were essentially dictated by the need to create a larger

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state to provide security for foreign capital to build first the canals and then the railways to facilitate the movement of staples; Creighton's *British North America at Confederation* brilliantly documented the latter. Within economic history proper, Fowke and Aitken showed how "the state and economic life" could be a powerful unifying theme to the long sweep of Canadian history while Alfred Dubuc, in another seminal article, spoke directly of the post-Confederation period and the material basis for the erosion of federal authority.⁶¹ In political science, Drache contrasts the older statist tradition of J.A. Corry (that is, the state actively engaged in the process of creating economic growth) with the new "social democratic" theorists (for example, Frank Scott and Eugene Forsey) and the role of the state as a housekeeper in an advanced capitalist economy. In the latter, dependency tends to drop away in a manner analogous to its fate in the Mackintosh approach (relative to the Innis approach). Political science, like economics, ceases to be political economy.⁶² C.B. Macpherson has described how the search for discipline autonomy, in the context of American influence, worked to sever the link between the state and economic life:

Much ingenuity has been used by American political scientists, in the last twenty or thirty years particularly, in staking out a territory distinct from any other social science. The behaviouralists and systems analysts felt that they had to establish their claims to a 'new' political science. The way to escape from the confines of studying *institutions* was to see politics as an *activity*...Not wishing to work with 'the state' as the central concept, as the older political science had done, a formulation which had at least allowed some interest in the relation between the state and economic life, the new men in effect built walls between the study of the state and the study of the economy.⁶³

A return to a central concern with the state and economy-building is now evident in general and, in particular, in important writings on the provinces. The relevant disciplines are more often political science and history than economics or economic history, and the authors are, to some extent, seen, by themselves and others, as part of the new political economy and not merely as part of the established order of their disciplines.⁶⁴

To return to the opening theme, I have argued that, post-World War II, the dominant paradigm in economics suppressed Innis while paying him little more than lip service. But the larger realities of the world could not be indefinitely suppressed. In the world of ideas, political economy in general and Marxism in particular have revived in the United States and elsewhere, including Canada, in the past ten to fifteen years; for Canada, this should be evident from the bibliographic references presented so far in this paper. This development can be

presumed to reflect the greater contradictions of capitalism that manifest themselves in the new era of economic crisis. The neo-classical paradigm is again in trouble. As the Keynesian consensus broke down — in the face of persistent unemployment *and* permanent inflation, or so-called stagflation — it was met, first and foremost, by a retreat to pre-Keynesianism called monetarism. At the same time, Marxism, dormant since the 30s, experienced a major revival in the context of the antiwar and student radicalism of the late 60s and early 70s, while Keynesianism, in the face of monetarism, transformed itself into a more institutionalist, or Galbraithian, post-Keynesianism. In Canada, because of the central importance of dependency, these developments have been animated by a powerful strand of nationalism inherent to dissent from the orthodox paradigm with its cosmopolitan, or pro-imperialist, bias toward free trade and free mobility of capital. Hence, there has been a revival of interest in Innis precisely *because* of his understanding of Canada's satellitic position, his distrust of orthodox economics and, notwithstanding Christian, his nationalism when it mattered. In the context of the revival of political economy *and* the right-wing bias of the dominant monetarist, or neo-conservative economics, Innis became, by default, the property of the left. This is admittedly ironic given Innis' own unwillingness to have any truck or trade with the intellectual left, particularly as represented by the League for Social Reconstruction in the 1930s.⁶⁵

It is a tribute to the vitality of the new political economy in Canada — albeit more evident in political science, sociology, history and anthropology than in economics proper — that it would necessitate a separate paper to describe it with any justice.⁶⁶ Brief comments must suffice here.

Though I myself am not in doubt as to the legacy of the old political economy of Innis and his school, two qualifications are in order. The first is that there has been increasing interest in Innis by scholars who would, I presume, not wish to be seen as tainted either by the leftish or nationalist biases of the new political economy: The leading case in point would be William Christian, arguably the most productive of Innisian scholars.⁶⁷ One must also include under this heading an interest in Innis within orthodox writing that consists not merely in ignoring and neglecting him but in explicit attacks against him. The most important example here is William Eccles' "belated review" of Innis' *Fur Trade*: it is a tribute to the new political economy that this instantly produced an impressive defense of Innis and rebuttal of Eccles by Hugh Grant.⁶⁸ A recurring theme of this paper is the nature of paradigms; the issue between Eccles and Innis, and Eccles and Grant, then, consists of the contrast between the political economy paradigm of Innis and Grant and the orthodox Canadian history paradigm of Eccles with its enormous distrust of explicit theorizing and its tendency to see economic analysis as inherently deterministic (though it should be borne in mind here that that other distinguished Canadian historian, Carl Berger, is mostly favourable to Innis).

The second qualification is that some within the new political economy who label themselves Marxist political economists the better to distinguish themselves from political economists in general are critical of the Innis legacy,

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holding it to be counter-productive to the development of Marxist political economy. The leading instances here are David McNally's just-published critique both of the staple theory and those of us who have written of the wedding of Innis and Marx.⁶⁹ At the risk of trying the patience of the reader, what is at issue is the nature of paradigms and so we should not be surprised that some new political economists are more rigid or doctrinaire than others. It cannot be denied, however, that what all but the most sectarian would regard as "political economy" has been influenced to some degree (and in some cases — such as my own — decisively so) by Innis and his school. As well, the use of the Innisian strand of political economy has the great virtue of being a protection against the mechanical application of Marxist models of Canada generated outside Canada, what Drache has called "metropolitan Marxism." Significantly, Innis explicitly warned against the limitations of imported theory when he himself set out to create an indigenous Canadian theory.⁷⁰

Let me make two final observations on the Innis tradition that seem, to me, to be relevant to our contemporary situation. The first is that the later Innis deplored the militarism and irrationality he saw gripping the United States at the time of the origins of the Cold War. Once again, in the time of Ronald Reagan and the re-creation of the Cold War, there is surely much to deplore. The second seems to me, from reading Watson, to be Innis' most important message to Canadian intellectuals. It is that we must recognize, but refuse to accept, our lot as colonial intellectuals. This paper has been an attempt to describe the powerful constraints within Canadian scholarship. Innis' achievement is the proof that there is more room for manoeuvre than the orthodox pretend and we are today the stronger for it.

But the last word I will give to the person who is arguably the most distinguished contemporary Canadian intellectual, Northrop Frye (although I do so because his point in this quotation is particularly congenial):

Innis's influence, in Canada as elsewhere, will grow steadily, because with practice in reading him he becomes constantly more suggestive and rewarding. He was a curiously tentative writer, which may account for something of his rather spastic prose rhythm. He saw that every new form or technique generates both a positive impulse to exploit it and a negative impulse, especially strong in universities, to resist it, and that the former always outmanoeuvres the latter. But he had something of what I call the garrison mentality in him, the university being still his garrison for all the obscurantism in it that he comments on so dryly. Perhaps it is not possible to hold a vision of that scope and range steadily in one's mind without a more passionate commitment to society as well as to scholarship.⁷¹

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Notes

1. Earlier versions of this paper have been presented to the Symposium on Harold Innis: Legacy, Context, Direction at Simon Fraser University, March 1978; to the Annual Conference of the Atlantic Provinces Political Studies Association, Charlottetown, P.E.I., 1978; to the Economic History Workshop, University of Toronto, October 1978; and to the University College Lecture Series, University of Toronto, October 1981. I have benefitted from discussions on these occasions. I am particularly indebted to Professor Liora Salter of Simon Fraser University for first suggesting the topic to me. The reader will note that I am discussing the Innis tradition only in Canadian political economy and not in communications as well; this narrowing reflects my interests and competence. For one of the very few writers who is able to discuss both Innises with insight, see A. John Watson, "Harold Innis and Classical Scholarship", *Journal of Canadian Studies*, 12:5 (Winter 1977), pp. 45-61 and *Marginal Man: Harold Innis' Communications Works in Context*, Ph.D. thesis, University of Toronto (1981).
2. Thomas S. Kuhn, *The Structure of Scientific Revolutions*, Chicago, 1962.
3. H.A. Innis, *Political Economy in the Modern State*, Toronto, 1946, p. 100.
4. Carl Berger, *The Writing of Canadian History: Aspects of English-Canadian Historical Writing, 1900-1970*, Toronto, 1976; while Berger's book is most useful, it is the history of history rather than the economic history of history; it describes ideas with little or no reference to material circumstances and *Realpolitik*.
5. Innis, *Political Economy in the Modern State*, p. 83.
6. Hugh G.J. Aitken, "Myth and Measurement: the Innis Tradition in Economic History", *Journal of Canadian Studies* 12:5 (Winter, 1978), pp. 96-105.
7. Herbert Heaton, "Clio's New Overalls", *Canadian Journal of Economics and Political Science* (November, 1954).
8. Paul Davenport, *Capital Accumulation and Economic Growth*, Ph.D. thesis, University of Toronto (1976), pp. 342, 247.
9. Ian Parker, "Harold Innis, Karl Marx and Canadian Political Economy", *Queen's Quarterly* (Winter, 1967), p. 545.
10. Donald N. McCloskey, "The Achievements of the Cliometric School", *Journal of Economic History* (March, 1978), pp. 13-28.
11. Mel Watkins, "The Staple Theory Revisited", *Journal of Canadian Studies* (Winter, 1977) p. 85; reprinted in William H. Melody, Liora R. Salter and Paul Heyer, eds., *Culture, Communication and Dependency: the Tradition of H.A. Innis*, Norwood, N.J., 1981.
12. William L. Marr and Donald G. Paterson, *Canada: an Economic History*, Toronto, 1980.
13. Review by Kenneth H. Norrie, *Canadian Historical Review*, (September, 1981) pp. 339-40.

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14. *The Writing of Canadian History*, p. 191.
15. Daniel Drache, "Rediscovery Canadian Political Economy" in Wallace Clement and Daniel Drache, eds., *A Practical Guide to Canadian Political Economy*, Toronto, 1978, pp. 1-53. For Mackintosh's view, see W.A. Mackintosh, "Economic Factors in Canadian History" in W.T. Easterbrook and M.H. Watkins, eds., *Approaches to Canadian Economic History*, Toronto, 1967, pp. 1-15.
16. See David A. Wolfe, "Economic Growth and Foreign Investment: A Perspective on Canadian Economic Policy, 1945-1957", *Journal of Canadian Studies* 13:1 (Spring, 1978) pp. 3-20.
17. "Rediscovering Canadian Political Economy".
18. Mel Watkins, "The Dismal State of Economics in Canada" in Ian Lumsden, ed., *Close the 49th Parallel, etc.: The Americanization of Canada*, Toronto, 1970, p. 205.
19. Innis, commentary in *The State and Economic Life*, Paris, 1934, p. 289 cited in Robin Neill, *A New Theory of Value: The Canadian Economics of H.A. Innis*, Toronto, 1972, p. 61.
20. *Ibid.*, p. 118.
21. For a critique of the latter, see my "The economics of nationalism and the nationality of economics: a critique of neoclassical theorizing", *Canadian Journal of Economics* (November 1978, supplement), pp. S87-S120.
22. See Daniel Drache, "Harold Innis: a Canadian nationalist", *Journal of Canadian Studies* (May 1979), pp. 7-12.
23. Watkins, "A Staple Theory of Economic Growth", and Gordon W. Bertram, "Economic Growth and Canadian Industry, 1870-1915: the Staple Model and the 'Take-Off Hypothesis,'" (May, 1963), *Canadian Journal of Economics and Political Science*, pp. 141-58 and pp. 162-84; both are reprinted in Easterbrook and Watkins.
24. Watson is critical of those who "use" Innis' work rather than "understanding" it, but it is valid to translate from one paradigm (Innisian) to another (neoclassical or Marxist) as a way of generating insights. As well, while every effort should be made to understand Innis on his own terms (as Watson is doing), the ultimate test of the use of anyone's work, including Innis', is putting it to use; otherwise, scholarship bogs down in textual criticism.
25. With respect to the latter, see Richard E. Caves, " 'Vent for Surplus' Models of Trade and Growth" in *Trade, Growth and the Balance of Payments: Essays in Honour of Gottfried Haberler*, Chicago, 1965.
26. Eric Kierans, *Report on Natural Resource Policy in Manitoba*, Manitoba, 1973; Aitken, "Defensive Expansion: the State and Economic Growth in Canada" in Easterbrook and Watkins, pp. 183-221; Aitken, "The Changing Structure of the Canadian Economy with Particular Reference to the Influence of the United States" in Aitken et.al., *The American Economic Impact on Canada*, Durham, N.C., 1959, pp. 3-35; H.V. Nelles, *The Politics of Development: Forest, Mines and Hydro-electric Power in*

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- Ontario, 1849-1941*, Toronto, 1974. Innis saw the importance of rents and their tendency to manifest themselves as profits; as well as royalties, taxes and license fees as devices to capture rents, he advocated using the tariff on machinery and equipment "to skim off a substantial portion of the cream by taxing equipment, raising costs of production and thereby reducing profits which would otherwise flow off into the hands of foreign investors"; suggested labour legislation "be designed to prevent exploitation of labour"; favoured "the investment of surplus by large companies in Canadian enterprises and the holding of stock by Canadian shareholders"; supported devices for increasing the prices of raw materials; and concluded, cryptically with the note "Government ownership as a means." Innis, "Snarkov Island," Appendix to Neill, pp. 146-9.
27. "Innis himself was keenly aware of the necessity of fixed investment for industrialization. He often stressed the link between staple exports and capital accumulation after Confederation, as in his *Problems of Staple Production in Canada* (Davenport, *op.cit.* 2); Kenneth Buckley, *Capital Formation in Canada, 1896-1930*, Toronto, 1955.
 28. Alfred Chandler, *Strategy and Structure*, Cambridge, Mass., 1966 and *The Visible Hand*, Cambridge, Mass., 1977; Mira Wilkins, *The Emergence of Multinational Enterprise: American Business Abroad from the Colonial Era to 1914*, Cambridge, Mass., 1970 and *The Maturing of Multinational Enterprise: American Business Abroad from 1914 to 1970*, Cambridge, Mass., 1974.
 29. Stephen Scheinberg, "Invitation to Empire: Tariffs and American Economic Expansion in Canada" in Glen Porter and Robert D. Cuff, (eds.), *Enterprise and National Development: Essays in Canadian Business and Economic History*, Toronto, 1973, pp. 80-100; Aitken, *American Capital and Canadian Resources*, Cambridge, Mass., 1961; Stephen Hymer, "Direct Foreign Investment and the National Economic Interest" in Peter Russell, (ed.), *Nationalism in Canada*, Toronto, 1966, pp. 191-202, and *The International Operations of National Firms: A Study in Direct Foreign Investment*, Cambridge, Mass., 1976; Kari Levitt, *Silent Surrender: The Multinational Corporation in Canada*, Toronto, 1970; Abraham Rotstein, *The Precarious Homestead*, Toronto, 1973; Rotstein, "Canada: The New Nationalism," *Foreign Affairs* (October, 1976); Rotstein, "Is There an English-Canadian Nationalism?" *Journal of Canadian Studies* (Summer, 1978).
 30. This is not overwriting on my part; *vide* Harry Johnson's vituperative comment on "the shallow and frequently near-psychotic writings of some Canadians employed in otherwise reputable economics departments, on such subjects as American investment in Canada...": "The current and prospective state of economics in Canada" in T.N. Guinsburg and G.L. Reuber, eds., *Perspectives on the Social Sciences in Canada*, Toronto, 1974.
 31. Labour historians, notably Clare Pentland, Bryan Palmer and Greg Keeley, have had to write industrial history themselves in order to write labour history, and with some tendency to get the former wrong. See H. Clare Pentland, *Labour and Capital in Canada 1650-1860*, edited by Paul Phillips, Toronto, 1981; Bryan D. Palmer, *A Culture in Conflict: Skilled Workers and Industrial Capitalism in Hamilton, Ontario, 1860-1914*; Gregory S. Keeley, *Toronto Workers Respond to Industrial Capitalism 1867-1892*. For a perceptive critique of Palmer and Keeley on this point, see the review by Leo Panitch, *Canadian Journal of Political Science*, XIV:2 (June, 1981), pp. 434-7.

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32. Ramsay Cook, "History: the invertebrate social science", Guinsburg and Reugen, *op.cit.*, p. 144.
33. Paul Craven, *'An Impartial Umpire': Industrial Relations and the Canadian State, 1900-1911*; Ph.D. thesis, University of Toronto, (1975), p. 32; subsequently published in revised form under the same title: Toronto, 1980. It should be noted that Craven's comments on industrial history are not subject to the critique made in note 31.
34. "Harold Innis and Classical Scholarship", p. 32
35. Daniel Drache, "Disequilibrium economics and Canadian capitalist development: The Innis paradigm" (mimeo, 1979).
36. "Harold Innis and Classical Scholarship", pp. 55, 54.
37. I have chosen to focus on the implications for dependency of Innisian theory as adumbrated by Drache for the purposes of this paper, but that is to do less than full justice to either Innis or Drache. In fact, a reading of Drache's paper suggests that Innis can be read as having a theory of capitalist growth and not simply of Canadian capitalist growth, albeit drawing primarily on the Canadian experience. Certainly a "disequilibrium model of rigidities" implies a more general relevance with the rigidities varying with the case. Also, Ian Parker has pointed out to me that the neo-classical theory of growth is, at least from any Marxist perspective, itself a special case of a general theory. In principle, Innisian theory may be at least as much a general theory as neo-classical theory and, since everything depends on where one stands, as Marxist theory. Hence, Parker himself shows (see note 9) that it not only helps our understanding of Innis to know our Marx, it also helps our understanding of Marx to know our Innis.
38. H.A. Innis, *The Fur Trade in Canada: An Introduction to Canadian Economic History*, Revised Edition: Toronto 1956, p. 385.
39. D.G. Creighton, *The Empire of the St. Lawrence*, Toronto, 1956; 2nd ed.
40. Creighton, "The Decline and Fall of the Empire of the St. Lawrence" in *Towards the Discovery of Canada: Selected Essays*, Toronto, 1972.
41. Creighton, *Canada's First Century, 1867-1967*, Toronto, 1970.
42. Drache, "The Canadian bourgeoisie and its national consciousness" in Lumsden, *op. cit.*, p. 10.
43. This is the major theme of Wallace Clement, *Continental Corporate Power: Economic Linkages between Canada and the United States*, Toronto, 1977.
44. Tulchinsky goes so far as to argue that "the high drama of the annexation crisis, which passed so quickly, masks the fact that Montreal merchants had always been continentalists..."; see Gerald J.J. Tulchinsky, *The River Barons: Montreal Business and the Growth of Industry and Transportation 1837-53*, Toronto, 1977, p. 237. He also writes: "The merchants had never been nationalists and never would be — unless it was in their economic interest" (p. 236) but fails to draw the inference that for a capitalist class not to be nationalist is to be colonial-minded.

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45. W.A. Mackintosh, *The Economic Background of Dominion-Provincial Relations*, a study done for the Royal Commission on Dominion-Provincial Relations, Book I, "Canada, 1867-1939", Carleton Library, Toronto, 1963; Creighton, *British North America at Confederation*, a study done for the Royal Commission on Dominion-Provincial Relations, Ottawa, 1940; W.T. Easterbrook, "Long-Period Comparative Study: Some Historical Cases," *Journal of Economic History*, (December, 1957).
46. Innis, *A History of the Canadian Pacific Railway*, 1st ed., 1923; 2nd ed., Toronto, 1971; *The Cod Fisheries: The History of an International Economy*, 1st ed., 1940; 2nd ed., Toronto, 1954; "Memorandum on Transportation" in *Report of the Royal Commission on Transportation*, Ottawa, 1951.
47. See in particular S.D. Clark, *Movements of Political Protest in Canada, 1640-1840* Toronto, 1959; A.R.M. Lower, *The North American Assault on the Canadian Forest*, Toronto, 1938; W.L. Morton, *Manitoba, a History*, Toronto, 1957; George Britnell, *The Wheat Economy*, Toronto, 1939; V.C Fowke, *The National Policy and the Wheat Economy*, Toronto, 1957; C.B. Macpherson, *Democracy in Alberta: the Theory and Practice of a Quasi-Party System*, Toronto, 1953; J.R. Mallory, *Social Credit and the Federal Power in Canada*, Toronto, 1954; A.G. Bailey, *Culture and Nationality*, Carleton Library, Toronto, 1972.
48. Innis, *Essays in Canadian Economic History*, Toronto, 1957, p. 209.
49. Garth Stevenson, "Continental Integration and Canadian Unity" in Andrew Axline et al., (eds.), *Continental Community? Independence and Integration in North America*, Toronto, 1974, p. 195.
50. *Writing of Canadian History*, pp. 235-6.
51. See, for example, Morton, "Quebec in Revolt," *Canadian Forum* (February, 1977), p. 13, and Lower, "The Problem of Quebec," *Journal of Canadian Studies* (July, 1977), pp. 93-97.
52. Innis, *Political Economy in the Modern State*.
53. *New Theory of Value*, p. 46.
54. *Writing of Canadian History*, p. 261.
55. William Christian, "The Inquisition of Nationalism", *Journal of Canadian Studies* (Winter, 1977), pp. 62-72 and Christian's "Preface" to *The Idea File of Harold Adams Innis*, Toronto, 1980.
56. Daniel Drache, "The Enigma of Canadian Nationalism", Symposium on Creative Modes of Nationalism in New Zealand, Canada and Australia, *The Australian and New Zealand Journal of Sociology*, 14:3 (Part Two), (October, 1978), pp. 310-21.
57. "Harold Innis and Classical Scholarship", p. 56.
58. *Ibid.*
59. Christian also argues, even more improbably, that George Grant is not a Canadian

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nationalist "in any commonly understood sense"; see William Christian, "George Grant and the Terrifying Darkness" in Larry Schmidt, ed., *George Grant in Process: Essays and Conversations*, Toronto, 1978. It is difficult not to conclude at some point that what is at issue is not the nationalism of Innis or Grant but the anti-nationalist bias of Christian who respects Innis and Grant but wants to wish away their nationalism. Because the writings of Innis and Grant are undeniably rich and complex, Christian apparently imagines that they cannot believe in anything so 'simple-minded' (to him) as nationalism. A similar kind of (impoverished) reasoning presumably underlies as well John Muggeridge's denial of Grant's nationalism; see Muggeridge, "George Grant's Anguished Conservatism", also in Schmidt, ed., *George Grant in Process*, pp. 40-8.

60. Creighton, *British North America at Confederation*; S.D. Clark, *The Developing Canadian Community*, Toronto, 1962; 2nd ed. 1968.
61. Vernon Fowke, "The National Policy — Old and New" in Easterbrook and Watkins; Aitken, "Defensive Expansion..."; Alfred Dubuc, "The Decline of Confederation and the New Nationalism" in Peter Russell, ed., *Nationalism in Canada*, Toronto, 1966, pp. 112-32.
62. Drache, "Rediscovering Canadian Political Economy". As well as Corry, Drache should have recognized the contribution of Alexander Brady; see his "The State and Economic Life in Canada" (originally published in 1950) in K.J. Rea and J.T. McLeod, eds., *Business and Government in Canada: Selected Readings*, 2nd ed., Toronto, 1976, pp. 28-42, where he writes "The role of the state in the economic life of Canada is really the modern history of Canada" (p. 28).
63. C.B. Macpherson, "After strange gods: Canadian political science 1973" in Guinsburg and Reuber, eds., *Perspectives on the Social Sciences in Canada*, p. 67.
64. See Nelles, *The Politics of Development*; the collection of essays of a Marxist tendency edited by Leo Panitch, *The Canadian State: Political Economy and Political Power*, Toronto, 1977; John Richards and Larry Pratt, *Prairie Capitalism: Power and Influence in the New West*, Toronto, 1979. Also as evidence of the revival of this theme, the University of Toronto Press launched a new series in the late '70s titled "The State and Economic Life", co-edited by Leo Panitch and myself.
65. On the latter, see Michael Horn, "Academics and Canadian Social and Economic Policy in the Depression and War Years", *Journal of Canadian Studies*, (Winter, 1978-79), pp. 3-10.
66. For a bibliographic guide that is already dated see Clement and Drache's *Practical Guide* published in 1978. For a collection of essays on Innis that grew out of a symposium at Simon Fraser University on the occasion of a quarter-century after his death, see William H. Melody, Liora R. Salter and Paul Heyer, eds., *Culture, Communication and Dependency: The Tradition of H.A. Innis*, Norwood, N.J., 1981.
67. As well as Christian's paper on Innis' nationalism and his editing of *The Idea File*, see his "Harold Innis as Political Theorist", *Canadian Journal of Political Science* (March, 1977), pp. 21-42 and *Innis on Russia: The Russian Diary and Other Writings*, edited with a Preface by William Christian, Toronto, 1981.
68. W.J. Eccles, "A Belated Review of Harold Adam Innis, *The Fur Trade in Canada*", *Canadian Historical Review* (December, 1979), pp. 419-41 and Hugh M. Grant, "One

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- Step Forward, Two Steps Back: Innis, Eccles, and the Canadian Fur Trade", *Canadian Historical Review* (September, 1981), pp. 304-322. The latter also includes "A Response to Hugh M. Grant on Innis" by Eccles, pp. 323-29 which, in the customary tradition of academic rejoinders, adds nothing but vituperation to the discussion.
69. David McNally, "Staple Theory as Commodity Fetishism: Marx, Innis and Canadian Political Economy", *Studies in Political Economy* (Autumn, 1981), pp. 35-63. I am presently writing, at the request of the editors of *SPE*, a critique of this paper.
70. Harold Innis, "The Teaching of Economic History in Canada" in his *Essays in Canadian Economic History*, Toronto, 1956; the essay was first published in 1930.
71. Northrop Frye, "Across the River and Out of the Trees" in W.J. Keith and B.-Z. Shek, eds., *The Arts in Canada: The Last Fifty Years*, Toronto, 1980, pp. 1-14.
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