

# Separate but Unequal: The Political Economy of Aboriginal Dependency<sup>1</sup>

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One of the most distressing political problems in Canada today is the continuing dependency of the aboriginal population. It is well documented that aboriginal peoples' participation in the Canadian labour force is far lower than that for the non-aboriginal population.<sup>2</sup> Aboriginals are far more likely to receive social assistance than other Canadians, and when employment is obtained, it is often in the form of seasonal or part-time work.<sup>3</sup> And because native population growth is higher than the Canadian average,<sup>4</sup> this problem will only increase unless drastic measures are implemented. It is estimated that 300,000 jobs will have to be created over the next fifteen years to bring native employment levels up to Canadian standards.<sup>5</sup>

The low level of aboriginal participation in the Canadian workforce has resulted in deplorable living conditions for natives in one of the wealthiest countries in the world.<sup>6</sup> But impoverishment is not the only effect of this dependency. Because of the sense of isolation that comes from not being involved in productive labour, social dysfunction plagues these isolated areas. High rates of violence, suicide and substance abuse are endemic in aboriginal communities across the country,<sup>7</sup> and even with a number of land claims, self-government and economic development agreements being signed, these problems show no signs of abating.<sup>8</sup> In fact, aboriginal dependency persists in the face of concerted efforts to address it.

Despite the serious nature and pervasiveness of aboriginal dependency, the subject has not been an area studied extensively in Canadian political economy. Instead, most of the analysis of aboriginal marginalization and deprivation has occurred outside the discipline, where the expropriation of aboriginal lands by European settlers and the destruction of native traditions by the Canadian state are advanced as the dominant explanations.<sup>9</sup> The focus is on the racist attitudes of Non-Aboriginals, rather than examining how the historical requirements of capitalism have influenced the current circumstances of aboriginal peoples.

This paper will make an initial attempt to address this neglected area in political economy. In the following paragraphs, the different phases of capitalist development, and their interaction with the economic systems and political structures of aboriginal peoples will be explored. It will be argued that in the early mercantilist phase of Canadian development, aboriginal peoples became integral

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<sup>1</sup> My special thanks to Albert Howard for the valuable insights that he contributed to this paper.

<sup>2</sup> *Final Report of the Royal Commission on Aboriginal Peoples [RCAP]*, 2 (1996), 970-1.

<sup>3</sup> Allan Moscovitch and Andrew Webster. "Aboriginal Social Assistance Expenditures", in Susan D. Phillips, (ed) *How Ottawa Spends, 1995-96* (Ottawa: Carleton University Press, 1995).

<sup>4</sup> For a discussion of the demographic trends of the aboriginal population, see, *RCAP*, 1, 11-27.

<sup>5</sup> *RCAP*, 2, 773.

<sup>6</sup> Rand Dyck, *Canadian Politics: Critical Approaches*, 2<sup>nd</sup> Edition (Toronto: Nelson Canada, 1996), 157-9.

<sup>7</sup> J.R. Miller, "Aboriginal Rights, Land Claims, and the Struggle to Survive", in J.R. Miller (ed), *Sweet Promises: A Reader on Indian-White Relations in Canada*, (Toronto: University of Toronto Press, 1991), 405-6; *RCAP*, 3, 1-7.

<sup>8</sup> Pauline Comeau and Aldo Santin, *The First Canadians*, Second Edition (Toronto: James Lorimar, 1995), 91.

<sup>9</sup> See, for example, J. Rick Ponting (ed), *Arduous Journey* (Toronto: McClelland and Stewart, 1991).

participants because their hunting and gathering practices could be easily incorporated into the emerging capitalist system. Industrialization, however, required much more productive, disciplined and organized forms of labour, necessitating a radical transformation of aboriginal cultures. And because the industrial revolution occurred relatively late in Canada, there was more profit in importing surplus skilled European labour than in actively integrating the native population into industrial production. It was more cost effective to subsidize reserves than to devote the resources necessary to incorporate hunting and gathering/horticultural cultures into a more complex economy and society.

The legacy of this neglect continues to this day. Scholars studying aboriginal issues, however, are hopeful that with the settlement of land claims and the implementation of self-government agreements, aboriginal dependency can be overcome. But these initiatives compensate for, rather than address the unproductive character of aboriginal cultures and communities, and so they cannot address aboriginal dependency. In fact, because land claims and self-government promote the continuation of traditional practices and values in isolated and economically unviable areas, aboriginal dependency will continue to increase with the implementation of these initiatives.

## ABORIGINAL DEPENDENCY AND CANADIAN POLITICAL ECONOMY

The intractability of aboriginal dependency and its associated social pathologies have resulted in numerous studies examining the problem. The most extensive has been the Royal Commission on Aboriginal Peoples, which resulted in a six volume *Final Report* and a number of intermediary documents commenting on specific issues.<sup>10</sup> Its main conclusion was that assimilationist government policies in the past had created the aboriginal problems that currently exist.<sup>11</sup> The elimination of aboriginal dependency, in the Commission's view, would not occur by focussing on integrating aboriginal peoples into the Canadian workforce, but through developing aboriginal cultures and economies on their lands.<sup>12</sup> To achieve this, the Commission proposed "honouring treaties and making new ones, implementing the right of Aboriginal peoples to self-determination and self-government, effecting a more just distribution of lands and the wealth those lands generate, and developing economic policies to revitalize Aboriginal nations and communities and enhance their self-reliance".<sup>13</sup>

These conclusions largely stem from the Royal Commission's acceptance of the idealistic and unsystematic "conceptions of history" of aboriginal peoples promoted in its *Final Report*.<sup>14</sup> In this historical analysis, the Commission maintains that aboriginal peoples and Europeans had distinctive cultures and ways of governing themselves before contact because, according to the beliefs of native spokespeople, they were put in different areas by "the Creator" to fulfill their role "in the harmonious operation of nature". This autonomy, according to the Commission, was generally respected during the "contact and cooperation" stage through trade, military alliances, and "mutual cultural adaptation", and it was only with the period of "displacement and assimilation" that "non-Aboriginal society was for the most part no longer willing to respect the distinctiveness of Aboriginal societies". For the Royal Commission, therefore, addressing aboriginal dependency means restoring some sort of divine blueprint by recognizing and respecting aboriginal cultural distinctiveness and autonomy.

Taking these ideas seriously leads the Royal Commission to abstract aboriginal dependency from its historical and material foundations. Since aboriginal peoples became dependent at the same time they

<sup>10</sup> One on aboriginal dependency is *Sharing the Harvest* (Ottawa: Minister of Supply and Services Canada, 1993).

<sup>11</sup> *RCAP*, 1, xxiii-xxvii; 5, 1-4.

<sup>12</sup> Alan Cairns, *Citizens Plus: Aboriginal Peoples and the Canadian State* (Vancouver: UBC Press, 2000), 128-132.

<sup>13</sup> *RCAP*, 3, 2.

<sup>14</sup> The Commission argues history has unfolded in four stages: 1) "Separate Worlds; 2) "Contact and Co-operation", 3) "Displacement and Assimilation"; and 4) "Negotiation and Renewal". For its discussion, see *RCAP*, 1, 31-41.

were displaced from their hunting grounds and attempts were made at assimilating them into Canadian economic and social life, the Royal Commission infers that the reduction of aboriginal peoples' land base and the Canadian state's attempt to "obliterate their cultural and political institutions" must have caused aboriginal marginalization and dysfunction.<sup>15</sup> By the same reasoning, restoring aboriginal "homelands" and revitalizing aboriginal cultures as "sovereign nations" through land claims and self-government agreements are proposed as the mechanisms to end their dependency. It is through land claims and self-government, according to the Royal Commission, that the "interventionist and assimilationist approach" of the past has been recognized as a failure and there is now an attempt to restore the original co-operative relationship that existed in early Canadian history.<sup>16</sup>

Because of the number of scholars involved in researching and writing the Royal Commission's reports,<sup>17</sup> they are expected to play a major role in transforming Canadian perceptions about aboriginal peoples' place in Canada's historical development,<sup>18</sup> and the root causes of aboriginal dependency. The acceptance of the Royal Commission's conclusions about aboriginal circumstances is also indicated by a lack of criticism of its analysis.<sup>19</sup> This is especially surprising with respect to the field of political economy, where one would expect many prominent scholars on the Left to sharply disagree with the religious assumptions and anecdotal methodology used as the basis of its historiography.<sup>20</sup>

The absence of any criticism from political economists concerning the Royal Commission's historical analysis of aboriginal dependency reflects a more pervasive omission in the tradition - a reluctance to develop a general theory of Canada's economic and political development that examines the role played by aboriginal peoples. This is especially true in the case of Marxist political economy,<sup>21</sup> where an explanation of Canada's trajectory as a "rich dependency" depends on an analysis of its specific "historically developed class structures".<sup>22</sup> Since "the starting point for such an analysis rests on the perception that class is a contradictory social relationship between producers and non-producers, entailing mutual dependence but also entailing mutual power",<sup>23</sup> applying a Marxist perspective to native dependency would require understanding aboriginal peoples' historical role in the productive process. Very few works in Canadian political economy, however, examine aboriginal peoples' circumstances in this context.

One exception is the analysis of Ron Bourgeault,<sup>24</sup> where there is an attempt to understand aboriginal peoples' role in the fur trade in terms of Marxist political economy. Bourgeault, however, only

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<sup>15</sup> *RCAP*, 1, xxiv.

<sup>16</sup> *Ibid.*, 39.

<sup>17</sup> For a discussion of the scholars and aboriginal organizations involved see *RCAP*, 5, 300.

<sup>18</sup> Cairns, *Citizens Plus*, 117.

<sup>19</sup> Frances Abele, "The Importance of Consent", in James Bickerton and Alain-G. Gagnon (eds), *Canadian Politics*, 3<sup>rd</sup> Edition (Peterborough: Broadview Press, 1999), 443-462; Frank Cassidy, "The Final Report of the Royal Commission on Aboriginal Peoples", *Policy Options* 18 (March 1997), 3-6; James S. Frideres, "Royal Commission on Aboriginal Peoples", *Canadian Journal of Native Studies*, 16 (1996), 247-66; Peter Russell, "Research Program of the Royal Commission on Aboriginal Peoples", *International Journal of Canadian Studies*, 2 (Autumn 1995), 277-83; and James Tully, "Aboriginal Peoples: Negotiating Reconciliation", in Bickerton and Gagnon (eds), *Canadian Politics*, 3<sup>rd</sup> Edition. The exception is Tom Flanagan's *First Nations? Second Thoughts* (Montreal: McGill-Queen's University Press, 2000) and to a lesser extent, Alan Cairns' *Citizens Plus*.

<sup>20</sup> One exception is Mel Watkins, who enthusiastically applauds the Report as "comprehensive, imaginative, elegantly written and presented". Mel Watkins, "Out of commission: When Ottawa decided to ignore the recommendations of the Royal Commission on Aboriginal Peoples", *This Magazine*, 31 (July-August 1997), 11.

<sup>21</sup> D. Bedford, "Marxism and the Aboriginal Question", *The Canadian Journal of Native Studies*, 14 (1994), 101-117.

<sup>22</sup> Leo Panitch, "Dependency and Class in Canadian Political Economy", *Studies in Political Economy* 6 (Autumn 1981), 13.

<sup>23</sup> *Ibid.*

<sup>24</sup> Bourgeault, Ron. "The Indian, the Métis and the Fur Trade", *Studies in Political Economy*, 12 (Fall 1983), 45-80; "Race and Class Under Mercantilism", in B.S. Bolaria and P.S. Li, (eds), *Racial Oppression in Canada* (Toronto: Garamond

examines one period in Canadian history. Another more dated exception is Stanley Ryerson's historiography,<sup>25</sup> but his work is too general to offer a deep exploration of Aboriginal-European relations. And although there have been a few works that examine class structures within Canada's aboriginal population,<sup>26</sup> the continuation of subsistence practices,<sup>27</sup> and how native peoples have been influenced by global capitalist imperatives,<sup>28</sup> they tend to conceptualize aboriginal marginalization as resulting from the existence of racist ideologies in Canadian society. There has been little effort to understand how natives fit into the struggle between producers and non-producers.<sup>29</sup>

In their overview of the political economy literature, Frances Abele and Daiva Stasiulis claim that the lack of "synthetic works" on aboriginal peoples' role in Canadian development is due to the diversity of aboriginal pre-contact histories, the complexity of their relations with the Canadian state, and the belief that "generalizations tend to conceal more than they expose".<sup>30</sup> However, developing a theoretical framework for understanding historical development always involves unraveling complex social relations and a level of generalization. This has not prevented scholars from attempting to understand the role of different groups in global economic and political developments throughout history, so why should it be the case for attempting to understand the role played by aboriginal peoples in the trajectory of Canada's capitalist development?

My own experience working with aboriginal groups in the Northwest Territories, along with a critical review of the literature, has made it possible for this paper to provide a tentative answer to this question. It is due to the fact that, unlike blacks or the Québécois, who are also struggling against historical injustice, aboriginal peoples cannot be made to fit the Marxist categories of independent commodity producers or wage labourers.<sup>31</sup> Their role in the fur trade was not as exploited labour, as is commonly asserted,<sup>32</sup> but as kinship oriented groups selling goods for exchange on "extremely disadvantageous terms".<sup>33</sup> And because Canadian fur traders were able to use the practices, skills and knowledge that aboriginal peoples already possessed as hunters and gatherers to realize large profits in Europe, it was obviously in the interest of British and French merchants to "co-operate" with the native population. But when the profitability of the fur trade declined, and Canada was making the transition from mercantile to industrial capitalism, aboriginal cultures had not developed sufficiently to facilitate their becoming successful independent farmers, craft producers or labourers.

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Press, 1988), 41-70; and "The Struggle for Class and Nation", R. Bourgeault et al. (eds), *1492-1992: Five Centuries of Imperialism and Resistance* (Winnipeg/Halifax: Society for Socialist Studies/Fernwood, 1992), 153-186.

<sup>25</sup> Stanley Ryerson, *The Founding of Canada* (Toronto: Progress Books, 1960).

<sup>26</sup> Jeremy Hull, *Aboriginal Peoples and Social Classes in Manitoba* (Canadian Centre for Policy Alternatives: 2001); and Terry Wotherspoon and Vic Satzewich. *First Nations* (Scarborough: Nelson Canada, 1993).

<sup>27</sup> Michael Asch, "The Economics of Dene Self-Determination", in David H. Turner and Gavin A. Smith (eds), *Challenging Anthropology* (Toronto: McGraw-Hill Ryerson Limited), 81-89; and "Native Peoples", in Daniel Drache and Wallace Clement (eds), *The New Practical Guide to Canadian Political Economy* (Toronto: James Lorimer and Company, 1985), 152-161; George W. Wenzel, *Animal Rights, Human Rights* (Toronto: University of Toronto Press, 1991); and Peter Usher et al., "Reclaiming the Land", *Applied Geography*, 2 (April 1992), 109-32.

<sup>28</sup> Howard Adams, *Prison of Grass*, Rev. ed (Saskatoon: Firth House Publishers, 1989); and *A Tortured People* (Penticton: Theytus Books, 1995); G. Kellough, "From Colonialism to Economic Imperialism", in J.Harp and J.R. Hofley (eds) *Structured Inequality in Canada* (Scarborough: Prentice-Hall, 1980), 343-377; Deborah Lee Simmons, *Against Capital: The Political Economy of Aboriginal Resistance in Canada* Unpublished PhD Thesis, York University (1995); Mel Watkins (ed), *Dene Nation: the colony within* (Toronto: University of Toronto Press, 1977).

<sup>29</sup> For a discussion of this point, see Steven High, "Native Wage Labour and Independent Production during the 'Era of Irrelevance'", *Labour*, 37 (Spring 1996), 243-64.

<sup>30</sup> Frances Abele and Daiva Stasiulis, "Canada as a 'White Settler Colony'", in Wallace Clement and Glen Williams (eds), *The New Canadian Political Economy* (Montreal: McGill-Queen's University Press, 1989), 244.

<sup>31</sup> Michael Howlett et al., *The Political Economy of Canada* (Don Mills, Ont.: Oxford University Press, 1999), 211.

<sup>32</sup> Bourgeault, "Race and Class Under...", 42; Abele and Stasiulis, "Canada as a 'White Settler Colony'", 252-53.

<sup>33</sup> H. Clare Pentland, *Labour and Capital in Canada* (Toronto: James Lorimer and Company, 1981), 23.

Hunter-gatherers follow the rhythms of nature instead of the abstract conceptions of time developed to enable large numbers of people to coordinate production.<sup>34</sup> They also have much less disciplined forms of accumulating and storing surpluses, since relatively little is produced and all possessions must be carried as the group moves from place to place.<sup>35</sup> Consequently, it was more profitable for the emerging Canadian state to import farmers and craftsmen from Europe, where the skills had been accumulated over a number of generations, than to spend the time and financial resources needed to provide Aboriginals with the cultural prerequisites for participation in more disciplined and coordinated economic activity. The impracticality of plantation agriculture, as well as the sparse populations of aboriginal peoples in early Canadian history, also created conditions where they were "eliminated, assimilated or pushed into distant corners of the hinterland" since the lands that natives occupied, not their labour, was sought in the transition to monopoly capitalism.<sup>36</sup>

These particular circumstances in North America have been identified by Erik Olin Wright when he makes the distinction between exploitative and non-exploitative forms of oppression in his analysis of colonization. Wright notes that in the case of exploitative oppression, the exploiter needs the exploited for their effort (i.e. labour). He points out that this kind of colonization did not occur in the case of North American Indians, and policies of genocide or "displacement" often ensued because aboriginal labour was not required by European conquerors.<sup>37</sup> According to Wright,

life would have been much easier for the European settlers in North America if the continent had been uninhabited by people. Genocide is thus always a potential strategy for nonexploitative oppressors. It is not an option in a situation of economic exploitation because exploiters required the labor of the exploited for their material well-being. It is no accident that culturally we have the abhorrent saying, 'the only good Indian is a dead Indian,' but not the saying 'the only good worker is a dead worker' or 'the only good slave is a dead slave.' It makes sense to say 'the only good worker is an obedient and conscientious worker,' but not 'the only good worker is a dead worker'.<sup>38</sup>

The important question that arises from Wright's distinction, which has not yet been thoroughly explored in Canadian political economy, is *why* aboriginal peoples became marginalized after the fur trade, while the rest of the country developed. Since labour shortages existed in Canada during the 19<sup>th</sup> Century, why weren't the natives proletarianized and integrated into the emerging economy, instead of being sidelined by workers from Europe? And why do they continue to be dependent on government transfers despite significant efforts to increase their numbers in the Canadian labour force? The answer to these questions can be found in the uneven character of Canada's development, where hunting and gathering/horticultural tribes were combined with the different stages of capitalism's trajectory.

## UNEVEN AND COMBINED DEVELOPMENT IN CANADIAN HISTORY

Although the continuing marginalization of the aboriginal population is largely attributed to racism in Canadian society, as well as low educational levels and problems of social dysfunction in the aboriginal population,<sup>39</sup> a neglected explanation is the unevenness in development between hunting and

<sup>34</sup> David Martin Hodson, *Native values in a non-native world*, PhD Dissertation, University of Toronto (1989), 32-5.

<sup>35</sup> Hugh Brody, *The Other Side of Eden* (New York: North Point Press, 2001), 295; Jared Diamond, *Guns, Germs, and Steel: The Fates of Human Societies* (New York: W.W. North, 1999).

<sup>36</sup> P. Ehrensaft and W. Armstrong. "The Formation of Dominion Capitalism", in A. Moscovitch and G. Drover (eds), *Inequality* (Toronto: University of Toronto Press, 1981); and Pentland, *Labour and Capital in Canada*, 3-5.

<sup>37</sup> For similar views see David Bedford and Dan Irving *The Tragedy of Progress* (Halifax: Fernwood Publishing, 2001), 25; Adams, *A Tortured People*, 30, 198; and Ehrensaft and Armstrong, "The Formation of...", 140-4.

<sup>38</sup> Erik Olin Wright, *Class Counts* (New York: Cambridge University Press, 1997), 11

<sup>39</sup> For examples of such explanations see Wotherspoon and Satzewich, *First Nations*, 49-52; Gabrielle Slowey, "Globalization and self-government: impacts and implications for First Nations in Canada", *American Review of Canadian*

gathering/horticultural societies versus those that were beginning to be integrated into the capitalist mode of production. In contrast to European societies, aboriginal productive capacity at the time of contact was severely limited by its Neolithic technology, the development of which was impeded, it has been argued, by an absence of certain plants and animals in the region, as well as the north-south positioning of the American continents.<sup>40</sup> As a result, aboriginal peoples before contact were largely what Morton Fried characterizes as "egalitarian",<sup>41</sup> although the development of basic food production by Iroquoian groups and plentiful resources on the west coast increased population densities in these areas to the point that rank societies appeared.<sup>42</sup> No aboriginal society, however, had become stratified to the point where a state emerged, and all distribution was organized according to kinship.<sup>43</sup> These circumstances were common to all human societies at one time, but they were being rapidly superseded in certain parts of the world five thousand years ago. More favourable environmental and social conditions made it possible for a number of areas in the Old World to achieve levels of production where one class could appropriate the surplus produced by another, necessitating the formation of a state to maintain these exploitative relations.<sup>44</sup>

In contrast to the subsistence economies and kinship-based character of aboriginal tribes in North America, thousands of years of agricultural development meant that emerging European nation-states were making the transition from feudalism to capitalism. And although technological improvement, the increasing productivity of labour and greater degrees of stratification have been constant features in humanity's evolution into class societies,<sup>45</sup> this process became qualitatively different in the capitalist context, when the surplus value obtained from commodified wage labour is transformed into capital. As Ellen Meiksins Wood points out, "the requirements of competition and profit maximization are the fundamental rules of life" in capitalism, which results in a "system uniquely driven to develop the forces of production and to improve the productivity of labor by technical means".<sup>46</sup> The capitalist market's "imperatives of competition, accumulation, profit maximization, and increasing labor productivity" have greatly intensified the unevenness existing throughout the world and the rate at which it is being combined, "regulat[ing] not only all economic transactions but social relations in general".<sup>47</sup>

As a result, the expansion of this mode of production to North America had a tremendous impact on aboriginal societies. An examination of the cultural requirements for the development of farming and labour in the capitalist context, in fact, reveals the historical and material roots of aboriginal dependency. In the case of farming, the pioneers from Europe who settled in Canada had lived in agricultural cultures over several generations. Although some had never farmed before, they had absorbed the developments in social organization and knowledge made possible by agriculture. This gave them the cultural prerequisites to acquire the skills, disciplines and attitudes that were needed to look after animals and raise crops year after year on the same plot of land in a geographically defined farming community based on private property. This "way of life" did not develop overnight; it

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*Studies*, 31(Spring/Summer, 2001), 265-281; J. Loxley, "The 'Great Northern' Plan", *Studies in Political Economy*, 1981, 6(Autumn 1981), 157.

<sup>40</sup> Jared Diamond, *Guns, Germs and Steel*, 93-103, 176-192; George Novack, "The Long View of History", *Understanding History* (New York: Pathfinder Press, 1972), 50-54.

<sup>41</sup> Morton Fried, *The Evolution of Political Society* (New York: Random House, 1967).

<sup>42</sup> Diamond, *Guns, Germs and Steel*, 19; Fried, *The Evolution of Political Society*, 227-42; and Leslie A. White, *The Evolution of Culture*, New York, McGraw-Hill, 1959), 199-203, 315-16.

<sup>43</sup> *RCAP*, 1, 139.

<sup>44</sup> White, *The Evolution of Culture*, 303-328.

<sup>45</sup> Fried, *The Evolution of Political Society*, 185-91; White, *The Evolution of Culture*, 33-57; and Charles Woolfson, *The Labour Theory of Culture* (London: Routledge & Kegan Paul, 1982), 67-78.

<sup>46</sup> Ellen Meiksins Wood, *The Origin of Capitalism* (New York: Monthly Review Press, 1999), 2.

<sup>47</sup> *Ibid*, 6-7.

gradually evolved in the context of technological and political advancements in European feudalism, where agricultural surpluses were appropriated by landowners, and towns developed in relation to long distance trade and the increasing productivity of the countryside.

Such developments had not, of course, occurred in aboriginal societies in what is now Canada. Although it has been noted that horticulture existed in a few cases, this was a much less productive economic form than European agriculture. No animals, except the dog, had been domesticated, and so Iroquoian groups were still largely dependent upon the hunting of wild game to survive. Agriculture was far less intensive, since animal power had not been harnessed to pull ploughs. The main tool that was used was the digging stick - an inefficient tool in comparison to the iron hoe. There were no fertilizers, so villages had to be moved when the soil was depleted. As a result, too little of a surplus was produced for classes to form, resulting in small groups of extended families, or lineages, comprising Iroquois villages.<sup>48</sup>

Increased agricultural productivity in Europe also meant that fewer people were required for food production. This enabled large numbers of peasants to be displaced from the countryside, and they eventually became the industrial proletariat in the towns. Once again, coordinated wage labour did not occur overnight but evolved over hundreds of years.<sup>49</sup> During this time, the development of three cultural characteristics were required for European peasants to make the transition to wage labour and factory production. First, they learned habits of regularity such as working by the clock and showing up for work as was required by capitalist production; secondly, they had to become accustomed to following abstract instructions rather than the customs and routines of the household; and thirdly, they needed to be able to work with, and live among, large numbers of people not related to themselves. All of these factors have made it very difficult for Aborigines to enter into the industrial labour force, especially when it requires migration to urban centres.

The first requirement, regular work habits, which seems so self-evident today, took a lot of getting used to. For the vast majority of humanity's history, labour was directed towards the completion of a task. With wage labour, workers were expected to engage in continual production, regardless of the number of tasks completed, for the amount of time that they had sold their labour. This necessitated a dramatic change in the way people related to the labour process. As the historian Paul Phillips points out, this change, which occurred in the development of the capitalist labour market, "required a remaking of the behaviour and attitudes of the workers themselves, a remaking that constituted a cultural as well as an economic transformation - a replacement of the habits of irregularity, ill-discipline and sloth and a preoccupation with the immediate, with habits of punctuality, regularity and order and a longer-term view, all of which were necessary to the working of an emerging capitalist order with its new scientific technology".<sup>50</sup>

E.P. Thompson, the British labour historian, has described this transformation in England during the 18<sup>th</sup> Century. The competitive, profit-driven character of capitalism demanded that previous work patterns be transformed. A greater division of labour meant that the "task orientation" of the guilds or cottage industries had to be replaced with working by the clock. As Thompson explains, "attention to time in labour depends in large degree upon the need for the synchronization of labour. But in so far as manufacturing industry remained conducted upon a domestic or small workshop scale, without intricate subdivision of processes, the degree of synchronization demanded was slight, and task-orientation was still prevalent".<sup>51</sup> But when labour was paid by the hour, and not by the task (i.e.

<sup>48</sup> Lewis Henry Morgan, *League of the Ho-de-no-sau-nee or Iroquois* (New York: B. Franklin, 1967).

<sup>49</sup> Leo Huberman, *Man's Worldly Goods* (New York: Monthly Review Press, 1963), 118-19.

<sup>50</sup> Paul Phillips, "Introduction", in Pentland, *Labour and Capital in Canada*, xv-xvi.

<sup>51</sup> E.P. Thompson, "Time Work-Discipline, and Industrial Capitalism", *Past and Present*, 38 (1967), 70-1.

piecework), workers' "submission to more exacting labour discipline"<sup>52</sup> was required. According to Thompson, "in mature capitalist society all time must be consumed, marketed, put to *use*; it is offensive for the labour force merely to 'pass the time'".<sup>53</sup> Thompson also points out that working by the clock brought about a separation of "work and life", unlike other labour processes where "social intercourse and labour are intermingled - the working-day lengthens or contracts according to the task - and there is no great sense of conflict between labour and 'passing the time of day'".<sup>54</sup> It also developed alongside the requirement that workers show up for work continuously for a pre-determined number of hours and days per week, which was very different from work in pre-capitalist societies where the "pattern was one of alternate bouts of intense labour and idleness"<sup>55</sup> and "the irregular working rhythm is commonly associated with heavy week-end drinking" and absences because of fairs, wakes and other celebrations.<sup>56</sup>

These problems, encountered by all cultures as they gradually became accustomed to the alienating disciplines of capitalist wage labour, however, have been much more pronounced and long lasting with the indigenous populations in the industrialized world. This is because, unlike other areas, where the transition was being made by the peasantry and craft workers, aboriginal cultures had not progressed into indentured or compensated labour when capitalism was thrust upon them. Working as exploited producers was completely unknown to them. As a result, they have great difficulties adapting to the fundamental principle of participation in a capitalist labour force - the sale of labour as a commodity, which results in workers being alienated from the products that they produce. This is a fundamental transition for people used to making "things" that, for the most part, were possessed, used and consumed by the maker and their kinship relations. When this principle has not been assimilated, Aboriginals are poor producers because they can't see the direct benefit from their efforts. Their participation must occur alongside experienced Non-Aboriginals, since when people immersed in native culture make up the whole crew, very little gets done.

Hunters and gatherers and horticultural societies are also characterized by the fact their crude technology and simple division of labour inhibited the development of the abstract conceptions needed for a more coordinated and productive economy. A lack of surplus means that once a requirement is met, the fruits of that labour are consumed or used, and the effort is repeated only when the need arises and environmental circumstances permit. This is the reason behind anthropological observations that "hunter-gatherers focus on the present. People make decisions based on what they can find, kill, or gather now, not at some later time or as a result of long-term strategic planning".<sup>57</sup>

Carried into the disciplines of the modern workplace, this results in high rates of tardiness and absenteeism. Often referred to as "unreliability", this phenomenon is explained by anthropologist Hugh Brody thusly: "the hunters want to go hunting; gatherers like to gather. Hunter-gatherers tend not to plan and manage surplus. They need food or money now, not in several weeks' time. In the modern world, the hunter-gatherer often appears to be restless as well as poor".<sup>58</sup> Absenteeism is especially a problem immediately after payday, because of the inability to look into the future.<sup>59</sup> Workers who

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<sup>52</sup> *Ibid*, 78.

<sup>53</sup> *Ibid*, 90-1.

<sup>54</sup> *Ibid*, 60.

<sup>55</sup> *Ibid*, 73.

<sup>56</sup> *Ibid*, 76.

<sup>57</sup> Brody, *The Other Side of Eden*, 133.

<sup>58</sup> *Ibid*, 295.

<sup>59</sup> This also has been noted as a problem for aboriginal people in Australia. Paul Albrecht, a retired Lutheran pastor residing there, talks about this problem where aboriginal peoples wouldn't show up for shifts because "they didn't have the social structure to support [a self-directed] economy". For a further discussion of this, see Paul Albrecht, cited in Jonathon Kay, "The Case For Native Assimilation", *National Post* (December 8, 2001), B1.

retain aboriginal cultural characteristics are inclined to remain absent from work until all the money is spent.<sup>60</sup>

Native participation in the labour force is compounded by the kinship orientation of aboriginal culture.<sup>61</sup> Cooperative work with others completely unrelated to their kinship group is difficult for people who place a strong emphasis on the value of tribal loyalties.<sup>62</sup> Aboriginal people with strong kinship ties feel uncomfortable when they must leave their communities to look for work or to get an education, even though there are few opportunities on reserves and modern society requires both mobility and the ability to relate to large numbers of people, most of whom are strangers.<sup>63</sup>

Besides the irregularity and tribal character of a hunting and gathering/horticultural existence, the form of learning in aboriginal societies also impedes their transition to wage labour. Unlike modern cultures, where abstract educational methods have evolved alongside the development of writing and increasing social complexity, aboriginal people learn by watching others in the group.<sup>64</sup> It is considered offensive, in fact, to tell someone else what to do in aboriginal cultures.<sup>65</sup> The result is that many native children growing up in isolated communities live in a completely unstructured environment where waking up and going to sleep at regular hours,<sup>66</sup> having a quiet area to complete homework, or even seeing the presence of books or other reading materials at home is not part of their life experience. Although "looking, listening and learning" worked in the context of small and relatively uncoordinated kinship groups, one can see the difficulties that a resistance to following abstract instructions would have in any work environment today.

All these circumstances also would have affected aboriginal peoples' participation in farming. Although it doesn't require as much discipline and abstraction as wage labour, regularity and planning for the future are essential characteristics of being a successful farmer, especially in the capitalist context. With capitalist agriculture, goods must be produced competitively in relation to other farmers, which involves understanding and coordinating a number of activities. Capitalist agriculture requires not only the appropriate disciplines and skills; farmers must also interrelate with strangers and obey instructions from various impersonal governmental authorities and institutions.<sup>67</sup> This would be difficult for aboriginal peoples brought up in isolated aboriginal communities, who would feel comfortable only when relating to their kin.

By not having had the generational experience of agriculture and craft manufacture in the transition to a capitalist economy, most native people face a perplexing future. While people in many areas of the world were gradually assimilated into larger geographic entities and social systems along with the increasing productivity of their own and other cultures, the unevenness in development between hunting and gathering/horticulture and European societies at the time of contact made it difficult for aboriginal people to participate in the emerging economic and social relations. In addition, the

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<sup>60</sup> This was a problem for the Native Communications Society during the 1990s in Yellowknife, which had to pay workers on Friday afternoons to prevent them from leaving for the day. Personal Communication with Albert Howard, April 2003.

<sup>61</sup> Rolf Knight, *Indians at Work* (Vancouver: New Star Books, 1978), 73. The kinship-oriented character of aboriginal culture is also described as a "cultural barrier to employment" by John Loxley. Loxley, "The Great Northern Plan", 159.

<sup>62</sup> Edward Van Dyke, "Families in Other Cultures" (Calgary: Bear-Spike Holdings Ltd., May 1988), 2.

<sup>63</sup> For a discussion of this difficulty, see comments by Daniel Ashini of the Innu Nation cited in Janet Somerville, "The Innu, the Inuit and Inco: can their cultures co-exist?", *Catholic New Times*, 21 (June 29, 1997), 1,10.

<sup>64</sup> Margaret Mead, *Continuities in Cultural Evolution* (New Haven: Yale University Press, 1964); J.R. Miller, *Singwauk's Vision* (Toronto: U of T Press, 1996); Carl Sagan, *The Dragons of Eden* (New York: Ballantine Books, 1977), 202.

<sup>65</sup> C.C. Brant, a Mohawk psychologist, refers to this as the "ethic of non-interference". For a further discussion see Brant, "Native Ethics and rules of behaviour", *Canadian Journal of Psychiatry* 35 (August 1990), 534-47.

<sup>66</sup> "Time is a culture thing", *Northern News Services*, September 4, 2000.

<sup>67</sup> For discussions of some problems concerning complicated regulations, see *RCAP*, 1, 472-5; 2, 785.

economic processes that were occurring in Europe had already produced a peasantry and workers who "were the finished products of the most advanced school of industrial capitalism in the world" where "the pain of transition had all been suffered, and the cost of training had all been paid for, in another country".<sup>68</sup> This made the Canadian state reluctant to devote the resources necessary to develop the aboriginal population or to coercively proletarianize them (although this was done, to some extent, with the young vis-à-vis residential schools). Instead, it was easier and cheaper in the short-term to warehouse aboriginal people on reserves and offload the responsibility for them onto the churches.<sup>69</sup>

Throughout the history of what is now Canada, therefore, the relationship between aboriginal peoples and Europeans has changed dramatically. These changes, however, were not driven by abstract European attitudes or some kind of supernatural plan, but by the requirements of capitalism in its different stages. As will be shown below, the mercantilist period of capitalist development had requirements that were consistent with aboriginal peoples' hunting and gathering mode of production, and a period of "co-operation" ensued. As industrialization progressed, however, more productive labour was required, which necessitated the supercession of kinship-based cultures and subsistence economies. But since little assistance was provided to the native population, the developmental gap between hunting and gathering and capitalism could not be successfully bridged, resulting in the dependency that continues today.

#### ABORIGINAL PARTICIPATION DURING THE MERCANTILIST FUR TRADE

In attempting to understand the role played by aboriginal peoples in the development of the Canadian economy, the fur trade is the most studied area.<sup>70</sup> This is because the fur trade was the dominant economic activity in Canada's formative years, and consequently it played a substantial role in shaping further economic and political developments. Both a large supply of quality furs and the fact that short growing seasons made agricultural development difficult enabled the fur trade to be a profitable activity in Canada until the 19<sup>th</sup> Century.<sup>71</sup> As well, the fur trade was compatible with the hunting and gathering practices of aboriginal tribes, and so they were easily integrated into this new economic activity as suppliers of furs and middlemen during this period. The result was a relationship of mutual dependency that lasted until wildlife resources declined and the development of capitalism necessitated increased productivity in the form of industrialization and agricultural development.

In Canadian political economy, studies of the fur trade originated with the "staples thesis" of Harold Adams Innis, and debates about aboriginal peoples' participation in this activity have largely been a response to his work.<sup>72</sup> Essentially, the debate concerns whether aboriginal peoples were largely motivated by factors such as the need to acquire European trade goods, or "political" considerations like maintaining alliances with other native tribes.<sup>73</sup> There also has been a convincing challenge to the claim that the relations between aboriginal peoples and European traders were "feudal",<sup>74</sup> because

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<sup>68</sup> Pentland, *Labour and Capital in Canada*, 179.

<sup>69</sup> The Royal Commission correctly notes that this attitude originated in perceptions of the poor more generally, where people were considered to be "undeserving" even if the means to work were absent. *RCAP*, 2, 973-4.

<sup>70</sup> Abele and Stasiulis, "Canada as a 'White Settler Colony'", 246-50; Bruce G. Trigger, "The Historians' Indian", *Canadian Historical Review*, LXVII (1986), 315-342.

<sup>71</sup> C. Heidenreich and A. Ray, *The Early Fur Trade: A Study in Cultural Interaction* (Toronto: McClelland&Stewart, 1976).

<sup>72</sup> Bruce Alden Cox, "Natives and the Development of Mercantile Capitalism", in John H. Moore (ed), *The Political Economy of North American Indians* (Norman: University of Oklahoma Press, 1993), 60-86; H.A. Innis, *The Fur Trade in Canada*. Rev. Ed. (Toronto: University of Toronto Press, 1970); Deborah Lee Simmons, *Against Capital: The Political Economy of Aboriginal Resistance in Canada*, PhD Dissertation, York University (1995).

<sup>73</sup> For an overview of such studies see Arthur J. Ray and Donald B. Freeman, *Give us Good Measure* (Toronto: University of Toronto Press, 1978), 3-9.

<sup>74</sup> Pentland, *Labour and Capital in Canada*, 23.

aboriginal peoples traded furs voluntarily in order to obtain more technologically advanced European goods and were not obligated to work the land and provide surpluses to landowners as peasants/serfs were in Europe.

Aboriginal participation in the fur trade, in fact, needs to be understood in terms of the process of uneven and combined development that was brought about by the transition to capitalism. Although Bourgeault does characterize the fur trade in terms of the confrontation of different modes of production, caused by the need for expansion created by the speeding up of capital accumulation in Europe,<sup>75</sup> his analysis does not clearly distinguish between the developments in mercantilism in comparison to those of industrial capitalism. As has been explained previously, mercantilism was a transitional form, and so it differed from fully-fledged capitalism in a number of important respects. Most importantly, mercantilism is system that acquired profits not through the productive process, but in the circulation of commodities - by buying goods cheaply and the selling them dear. As Rennie Warburton and Stephen Scott explain,

merchant and industrial capital are distinguished from each other by the unique means by which each form acquires surplus value. Industrial capital creates and retains its' [sic] own surplus in the production process as wage labourers produce more new value in the form of commodities than they consume in wage goods... Merchant capital acquires surplus in the circulation process by means of the exchange of commodities. This surplus is created during a production process which precedes circulation: merchant capital is by definition not productive. It does not involve itself in the process through which value is created. Its sole purpose is to facilitate the exchange of commodities. The merchant buys commodities not for his own use but in order to sell them again. His goal is to increase his monetary wealth through a process of unequal exchange.<sup>76</sup>

Although trade is an important aspect of both industrial capitalism and mercantilism, therefore, trade in the latter is qualitatively different in that it consists largely of long distance or "carrying" trade, which is more "complementary" than "competitive". Instead of being used to provide cheaper goods within an integrated market, it "move[s] goods from one market to another".<sup>77</sup> This led merchants to concentrate on providing luxury goods to the wealthy or "scarce goods for which substitutes could not be found", so that they could "hold a monopoly position from which they profit".<sup>78</sup> Monopolies were also maintained by government regulations and other mechanisms for limiting the competitiveness of trade.<sup>79</sup>

The fur trade was a quintessential example of this kind of economic activity. It only developed after beaver felt top hats - a luxury good demanded by the wealthy - became popular in Europe. And because beaver could only be obtained from North America, the French who colonized the area originally had a monopoly on this trade, and they, as well as the British merchants who arrived later, tried to maintain this monopoly through various "extra-economic" conditions. Aboriginal groups, on the other hand, could only obtain iron products such as guns and traps from Europeans. In this way, mercantilism acted to connect two separate markets in the fur trade - one in Europe and the other in what is now Canada

At the same time as acting to "carry" goods from one market to another, the fur trade also linked different modes of production. Warburton and Scott point out that this is a feature of merchant capital in "less developed contexts". In such contexts, it "operate[s] in conjunction with...pre-capitalist modes

<sup>75</sup> Bourgeault, "Race and Class Under Mercantilism", 42.

<sup>76</sup> Rennie Warburton and Stephen Scott, "The Fur Trade and Early Capitalist Development in British Columbia", *Canadian Journal of Native Studies*, 5 (1985), 28.

<sup>77</sup> Wood, *The Origin of Capitalism*, 21.

<sup>78</sup> *Ibid*, 72; Samir Amin, *Unequal Development* (New York: Monthly Review Press, 1976), 17-18.

<sup>79</sup> Wood, *The Origin of Capitalism*, 72-3.

of production generating the exchange of commodities no matter how they are produced. In those regions where such modes persist...merchant capital serves as a bridge or link between different modes of production".<sup>80</sup> This means that unlike industrial capitalism, which requires a radical reorganization of society to extract surplus by increasing the efficiency of the labour process, mercantilism does not destroy less developed modes of production. Profits are extracted through extensive development, rather than increasing the coordination and productivity of human labour.

In the case of the fur trade in British Columbia, for example, Warburton and Scott explain that aboriginal economies and societies were kept relatively intact. Despite producing for exchange rather than for use, as they had before contact, and the fact that this exchange was unequal, "the impact of the fur trade...involved minimal disruption because the indigenous modes of production were easily articulated with mercantile capitalism".<sup>81</sup> This was because "European traders, as agents of merchant capital, had no direct interest in the territories occupied by the native population, nor did they seek to directly organize their production. In general they made no attempt either to seize these lands or to change native culture". It also occurred because "commodities were produced in the traditional ways...new techniques were introduced but the organization of production remained the same. Access to resources continued to be allocated through the kinship system. Power and authority remained vested in the leading families of native groups".<sup>82</sup> More specifically, aboriginal groups did not need to be separated from the means of production in mercantilism, and therefore they could retain a certain amount of control over the labour process.<sup>83</sup> The fur trade also existed alongside production for subsistence needs and so aboriginal peoples lived relatively autonomously. They "were not compelled to enter into exchange in order to acquire the necessities of life" and could "restrict commodity production if they felt that the terms of trade offered by the fur traders were disadvantageous to them".<sup>84</sup>

But while the fur trade did not break up the kinship relations upon which aboriginal groups were based, increases in productivity and production for exchange did necessitate a quantitative change. Referred to as "strengthen[ing] pre-existing forms of social organization",<sup>85</sup> increasing specialization, differentiation and stratification ensued. This consisted of the development of a number of chiefs who "controlled extensive trading networks and derived considerable wealth as middlemen in the fur trade". Such stratification was often encouraged by the fur trading companies because middlemen were needed to transport the furs. And although "the favours and special treatment accorded chiefs by the fur traders led to increased jealousy among other Indians...the wealth which the leaders accumulated helped them to ward off challenges to their leadership".<sup>86</sup>

The "strengthening" of aboriginal kinship groupings that occurred during the fur trade, however, did not continue as Canada industrialized. This was because industrialization, unlike mercantilism, did not consist primarily of "carrying trade" where separate markets and unevenly developed modes of production were "bridged". Instead, "the old network of local markets and the 'carrying' trade between them were giving way to an integrated market...which would replace 'the infinite succession of arbitrage operations between separate, distinct, and discrete markets that had previously constituted foreign trade'".<sup>87</sup> In such a system, trade was "competitive" rather than "complementary", necessitating

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<sup>80</sup> Warburton and Scott, "The Fur Trade and Early Capitalist Development in British Columbia", 29.

<sup>81</sup> *Ibid.*, 27, 29.

<sup>82</sup> *Ibid.*, 40-1.

<sup>83</sup> *Ibid.*, 28-9.

<sup>84</sup> *Ibid.*, 37.

<sup>85</sup> *Ibid.*, 32.

<sup>86</sup> *Ibid.*, 33-4.

<sup>87</sup> Wood, *The Origin of Capitalism*, 100.

"cost-effective production". As a result, much more control was being asserted over the productive process, necessitating pre-capitalist modes of production be transformed into capitalist ones.

Warburton and Scott also discuss how industrialization in Canada emerged in response to "the problems and contradictions faced by mercantilism".<sup>88</sup> According to Warburton and Scott, "low profits due to the expensive costs of transportation and to competition from American and Russian traders" made it necessary for the Hudson's Bay Company to "increase profits through diversification" and introduce the capitalist mode of production.<sup>89</sup> They maintain that "agricultural goods were produced to lower the cost of provisioning its labour force, transportation routes were constructed in order to lower costs, and export markets were development [sic] for a number of resources. All of these ventures required wage-labour".<sup>90</sup> This made it necessary to transform aboriginal cultures, since native control over land and production "presented a barrier to the development of...industrial capitalis[m]...based on the full commodification of labour and resources and accompanied by a European-derived culture, social organization and political system". They maintain that in the fur trade "the strength of external commercial influence was not sufficient to transform pre-capitalist modes of production, because of the resistance offered by domestic economic activity and the 'internal solidarity' of the pre-capitalist mode of production...But the transition to industrial capitalism, particularly the employment of wage labour, overcame these barriers". The result, in the view of Warburton and Scott, was a "disastrous decline in the well-being of Native peoples" in British Columbia.<sup>91</sup>

Interestingly, Warburton and Scott do not elaborate upon one of the most significant factors in the decline of the fur trade - the depletion of wildlife. One of the essential contradictions in the fur trade was that this economic activity required expansion to ensure profitability, yet the yields of fur production could not be increased. Such a problem meant that the fur trade would eventually be superseded by industrialization and commercial agriculture in the trajectory of Canadian capitalist development, since only these activities had the capacity to substantially increase profits.

Although the emergence of industrialism out of mercantilism undoubtedly had a negative impact on the "well-being of Native peoples" across Canada, as well as in British Columbia, the important question that needs to be answered is why this was the case. Why were aboriginal peoples able to participate in the mercantilist period of Canada's history during the fur trade, but suffered a "disastrous decline" in their social circumstances as industrialization proceeded? The answer to this question can be found in the different requirements of industrial capitalism, and the consequence that this had for relatively undeveloped aboriginal cultures with their less productive modes of production and kinship social relations.

## THE FAILURE OF ABORIGINAL FARMING

As the fur trade declined, agricultural and industrial development became increasingly important sectors of the Canadian economy as they became more profitable,<sup>92</sup> and Canada began to make the transition from colony to nation. During this period, aboriginal peoples were often removed from their traditional territories and placed on reserves. These reserves were meant to be a temporary measure, so that aboriginal peoples could be "protected" while learning the habits of civilization.<sup>93</sup> As aboriginal

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<sup>88</sup> Warburton and Scott, "The Fur Trade and Early Capitalist Development in British Columbia", 28.

<sup>89</sup> *Ibid*, 28, 35-6.

<sup>90</sup> *Ibid*, 41.

<sup>91</sup> *Ibid*, 27-9.

<sup>92</sup> *RCAP*, 2, 467-84.

<sup>93</sup> John L. Tobias, "Protection, Civilization, Assimilation", in J.R. Miller (ed), *Sweet Promises*, 127-144.

peoples learned the skills, values and attitudes to participate in the wider society, it was thought, they would be gradually "enfranchised" and assume the rights and responsibilities of citizenship.

It is largely recognized, however, that these policies were a failure, and the assimilation of the aboriginal population did not occur. Instead of gradually becoming integrated in the wider Canadian economy and society, they remained in isolated areas and became increasingly dependent upon government transfers. As the Royal Commission explains, "historically, many Aboriginal communities did not follow the mainstream pattern of transformation from an agricultural to industrial economy. Rather, they continued as subsistence communities involved in some trading long into the twentieth century. However, both the subsistence and the trading economy have been replaced to a large extent - and not by a market economy, as elsewhere in Canada, but by welfare".<sup>94</sup>

Most of the analysis of the reasons for the emergence of aboriginal dependency during this period have focused on the Canadian state's avoidance of its avoidance of "nation-to-nation" treaty relationships with the native population, its confiscation of aboriginal lands for settlement and resource development, and the resulting disruption of aboriginal peoples' hunting and gathering activities.<sup>95</sup> It is explained that a foreign legal and political system was imposed on aboriginal tribes, missionaries attempted to inculcate European values and religious beliefs so as to destroy the cultures of the native population, and, more generally, "aboriginal contributions to the fur trade and the larger economy were largely forgotten".<sup>96</sup>

Although the significant economic, political and demographic factors that led to aboriginal displacement and attempts at their assimilation have been extensively discussed in a number of scholarly works, what is missing is an analysis of the material basis of these circumstances. There has been little effort to explain *why* Canada used large numbers of imported Europeans instead of relying on the aboriginal population. Instead, the focus has been on the seemingly arbitrary attitudes of European employers and Canadian officials, who because of irrational prejudices, abstractly preferred "white" labour. Also, because they dogmatically believed in their "superiority", it is argued that they were intent on destroying aboriginal cultures and assimilating them into the mainstream. There is no real examination of the economic and political reasons *why* these attitudes existed.

These attitudes, however, can be explained by the imperatives of the capitalist system - to maximize profit. This required more intensive agriculture and efficient production, rather than the extensive (i.e. quantitative) developments that occurred in mercantilism. In this radically new system, the economies and political structures of aboriginal hunters and gatherers had to be completely transformed, rather than merely having their existing practices integrated into "carrying" trade networks.

Although it is hypothetically possible for subsistence practices to exist independently alongside capitalist ones if a lower standard of living is retained in the case of the former (as did occur, to some extent, in the case of the Arctic relocations during the 1950s), interaction between the two economic forms makes this circumstance impossible in practice. Cultural osmosis occurs whenever two groups interact, and in cases where the productivity gap is very wide, as has occurred during Canada's history, most of the cultural features of the simpler society will be "lost" and replaced with ones that are more developed. The process is not entirely one way, as is shown by the continued use of kayaks, canoes and snowshoes, but these cultural forms are used only in quaint leisurely activities at the periphery of Canadian life. Much more pertinent is the modern infrastructure and technology that has been

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<sup>94</sup> *RCAP*, 2, 972.

<sup>95</sup> *Ibid.*, 485-513.

<sup>96</sup> *RCAP*, 1, 686.

incorporated into aboriginal "traditional lifestyles" - the powerboats, snowmobiles and rifles that could only have been produced with a significant amount of agricultural and industrial development.

The most concerted attempts to develop aboriginal agriculture during Canada's history occurred with respect to those groups inhabiting the Plains - the Blackfoot, Blood, Peigan, Gros Ventre, Assiniboine, Plains Cree, Saulteaux, and Métis.<sup>97</sup> This is because these aboriginal peoples inhabited the area where the Canadian government was trying to facilitate the development of the wheat staple. As well, the government was responding to the rapid depletion of wildlife resources upon which these groups depended. For the last few hundred years, the tribes inhabiting the Plains sustained themselves through the Buffalo hunt and by supplying the Hudson's Bay Company forts with provisions and furs in exchange for trade goods. With the depletion of buffalo herds and the decline of the fur trade, federal government policies assumed that involving aboriginal communities in farming was the solution to their increasing dependency and reliance on relief payments. The Royal Commission notes, however, that these efforts to develop aboriginal agriculture were largely a failure.<sup>98</sup>

Until the 1960s, it was assumed that this failure was due to the fact that hunting and gathering cultures had difficulties adapting to the requirements of agriculture in comparison to non-aboriginal settlers.<sup>99</sup> Today, however, this view has been challenged by a number of scholars.<sup>100</sup> The most extensive refutation has come from Sarah Carter, who maintains that the failure of aboriginal farming was not due to a lack of interest from aboriginal peoples or the fact that "the sustained labour required of them was alien to their culture", but because they were "subject to government policies that tended to aggravate rather than ameliorate a situation that was dismal for all farmers".<sup>101</sup> In his analysis of the Dakota (Sioux) of northwestern Manitoba, Peter Douglas Elias goes even further than Carter. He claims that the Dakota's culture was actually suited to farming since "they were able and willing to incorporate...new ideas, techniques and technology", they readily engaged in experimentation and valued education, and "their cultural flexibility allowed them to operate simultaneously in several distinct economic fields - domestic production for subsistence, production of surpluses for market sale, and the sale of wage labour".<sup>102</sup> In addition, another, more qualified, revision of history has been recently put forward by Helen Buckley. Extensively using the works of Carter and Elias, Buckley argues that "officials in a position to observe the operations [of aboriginal farmers] judged that setbacks were due not to want of character or training, as many believe to this day, but to the economic and climatic conditions that made it a high-risk enterprise for Indians and settlers alike".<sup>103</sup>

It is now asserted, in fact, that many aboriginal groups were initially making a successful transition to agriculture, both on the prairies and elsewhere in Canada, but that these early successes were destroyed by misguided policies and government duplicity.<sup>104</sup> The current consensus is that the government policies at this time were fundamentally flawed because they depleted aboriginal territories and

<sup>97</sup> RCAP, 1, 294-5; 2, 786-7, 867-869.

<sup>98</sup> *Ibid.*, 786-7.

<sup>99</sup> Historians such as John Hawkes and G.F.G. Stanley maintained that "Indians failed to adapt to agriculture because they lacked initiative and diligence, and reverted to 'primitive' behaviour patterns ruled by superstition", and that other historians studying reserve agriculture have mostly agreed with this interpretation. For a discussion of this point see Sarah Carter, *Lost Harvests* (Montreal: McGill-Queen's University Press, 1990), 3-5.

<sup>100</sup> Carter, *Lost Harvests*, 12. Carter provides examples of John Tobias and Noel Dyck, who maintain that it was not cultural obstacles, but "restrictive government regulations" and a "coercive system of administration", that led Aboriginals to be unsuccessful in comparison to non-aboriginal settlers.

<sup>101</sup> Carter, *Lost Harvests*, 13.

<sup>102</sup> Peter Douglas Elias, *The Dakota of the Canadian Northwest* (Winnipeg: University of Manitoba Press, 1988), 73.

<sup>103</sup> Helen Buckley, *From Wooden Ploughs to Welfare* (Montreal: McGill-Queen's University Press, 1992), 51-2. To support this point, Buckley cites Carter and Elias.

<sup>104</sup> Buckley, *From Wooden Ploughs...*, 52; Elias, cited in RCAP, 2, 488-9; RCAP, 1, 148-155, 167-171; 2, 487, 867.

undermined their political structures.<sup>105</sup> It is also argued that many regulations designed to institute wardship over the native population had a negative impact on native farming because, among other things, they restricted aboriginal mobility and property ownership, hampering economic development. This thwarted aboriginal initiative, the result of which was "to hinder Indian farmers and to make them appear less efficient or even to drive them from farming".<sup>106</sup>

The most significant government initiative that led to the failure of aboriginal agriculture on the prairies, according to the current consensus, was the policy of "peasant farming".<sup>107</sup> This policy consisted of preventing aboriginal peoples from acquiring labour saving machinery, encouraging them to use hand tools on small plots of land instead,<sup>108</sup> making it impossible for native groups to succeed because they could not compete with the larger and more productive farms of non-aboriginal settlers. This then justified the alienation of lands from aboriginal peoples, enabling Non-Aboriginals to benefit from these acquisitions through the application of more advanced technology.<sup>109</sup> It is even argued that restrictions on aboriginal farming were put in place largely because of "conflict with non-Indian farmers, who often persuaded the government to sell off productive Indian lands, place restrictions on the sale of produce, and limit Indian use of new technologies to increase productivity".<sup>110</sup> The settlers responded thusly, according to this view, because agricultural programs for aboriginal peoples were seen by non-aboriginal farmers as creating unfair competition.<sup>111</sup>

Although it is beyond the scope of this paper to carry out a detailed evaluation of the selection and interpretation of the archival sources used to make the assertions summarized above, there are two glaring inconsistencies that can be discerned from an overview of these arguments. The first, and most obvious, is the question of why the government would have funded farming at all on reserves if its real agenda was to pave the way for the non-aboriginal takeover of aboriginal lands, as is implied. The second concerns the fact that farming instructors and all sorts of subsidies were provided to aboriginal farmers. If aboriginal farmers were initially so "successful" and experiencing little difficulty in making the transition to agriculture, why was it necessary for the government to provide Aboriginals with this additional assistance?

Carter, Buckley and Elias, in fact, all periodically document government expenditures on farm implements, livestock and seed, and farming instructors.<sup>112</sup> Carter, for example, refers to an estimation made by David Mills, an Opposition MP, that in the 1880s "the cost of maintaining [aboriginal] farms in the Territories had reached ninety thousand dollars, with no results to warrant this expenditure". She also points out that "the resident supervisory staff on the Treaty Four reserves was greatly increased after 1885", where up to nine people were employed. The overall costs for these employees is not mentioned, but Carter does document that farm instructors earned up to \$600/year before the Laurier Liberals assumed power in 1896, at which time this was reduced to \$300-\$480 "to keep expenses at an absolute minimum".<sup>113</sup> And although Elias makes the claim that "[the Dakota] were largely permitted to succeed or fail by their own abilities" and downplays the amount of government

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<sup>105</sup> *Ibid*, 786.

<sup>106</sup> Elias, cited in *RCAP*, 2, 488-9; *RCAP*, 1, 295.

<sup>107</sup> Buckley, *From Wooden Ploughs to Welfare*, 52; Sarah Carter, "Two Acres and a Cow; 'Peasant' Farming for the Indians of the Northwest, 1889-1897", in J.R. Miller (ed), *Sweet Promises*, 352-377.

<sup>108</sup> Elias, cited in *RCAP*, 2, 488-9; and *RCAP*, 1, 298

<sup>109</sup> *RCAP*, 2, 488, 867-879.

<sup>110</sup> Elias, cited in *RCAP*, 2, 488-9; and *RCAP*, 2, 787.

<sup>111</sup> Carter, "Two Acres and a Cow", 360; and *RCAP*, 1, 294.

<sup>112</sup> In the case of Buckley, see, for example, *From Wooden Ploughs to Welfare*, 64-6.

<sup>113</sup> Carter, *Lost Harvests*, 105, 162, 267.

assistance provided,<sup>114</sup> a number of instances of subsidization and the funding of farm instructors are mentioned.<sup>115</sup>

While some of this assistance can be explained by the legal obligations dictated by the treaties, this does not apply to either to the expenditures for farm instructors or all the subsidies provided to the Dakota (since they had immigrated from the United States and were not considered treaty Indians).<sup>116</sup> To understand the reasons for these expenditures, one must view government actions in the context of the economic and political imperatives of the day. At this point in history, Canadian officials were trying to accelerate profitability through agricultural and industrial development. This led them to have two major concerns: increasing productivity of the land to spur economic growth and decreasing the subsidization of the aboriginal population.<sup>117</sup> With aboriginal farming initiatives, it was hoped that by providing aboriginal peoples with farmland, implements, livestock, seed and instruction, they would produce enough food for subsistence and no longer require relief payments. Furthermore, the government assumed that as aboriginal peoples' understanding of farming increased, they would be able to produce a surplus to sell, thus acquiring the capital necessary to fund future expenditures.

Decisions with respect to aboriginal agriculture would have been largely shaped by these two goals. Lands would be allocated most readily to those who increased agricultural productivity with the least amount of subsidization. This is why lands for settlers would have received greater priority than maintaining a "land base" for Aborigines, since greater productivity could be achieved and less subsidization was required. Non-aboriginal farmers often arrived with some savings or could acquire private financing, and they had already developed the skills, knowledge and values for agricultural production. The government would also have been reluctant to purchase machinery for aboriginal people if it was not convinced that the expenditure would result in a corresponding increase in productivity and aboriginal "self-reliance". It is somewhat misleading, therefore, for Carter, Elias and Buckley to imply that government officials tried to "prevent" Aborigines from acquiring machinery.<sup>118</sup> What they were actually opposed to was government funds being spent on machinery if they believed that these subsidies were unlikely to be offset with productivity gains. This was why, as Buckley points out, the government tended to focus their efforts on the aboriginal people they felt "had the capacity to be farmers and to act like white men" and "those who got loans were usually sons of chiefs, young men who had done well at school or who had shown other evidence of acculturation".<sup>119</sup> And even then, officials were reluctant to spend scarce resources on labour-saving devices when many members of the reserves were receiving relief and considered "idle".

Furthermore, the government became increasingly reluctant to outlay resources for aboriginal agriculture as capitalism developed and farming became more capital intensive. Immigration into the region meant that agriculture could progress with far less investment from the government, since settlers could often purchase what they needed without government subsidization. Many settlers in the latter part of the 19<sup>th</sup> Century were wealthy and "experienced farmers who came fully equipped to establish their operations and go into immediate production", and "the pressure to increase farm size drove the price of lands up until they could be purchased only by well-established and extensively capitalized operators".<sup>120</sup> And as the wealth of the settlers increased, they asserted more control over the government. They began to argue that it was their earnings that enabled the land to be purchased

<sup>114</sup> Elias, *The Dakota of the Canadian Northwest*, 18, 82-3.

<sup>115</sup> *Ibid.*, 57-59, 78.

<sup>116</sup> See, for example, the comments by A.E. Forget, in Elias, *The Dakota of the Canadian Northwest*, 108.

<sup>117</sup> See A.E. Forget, cited in Elias, *The Dakota of the Canadian Northwest*, 108; Buckley, *From Wooden...*, 35.

<sup>118</sup> See, for example, Elias, *The Dakota of the Canadian Northwest*, 90.

<sup>119</sup> Buckley, *From Wooden Ploughs to Welfare*, 54.

<sup>120</sup> Elias, *The Dakota of the Canadian Northwest*, 109.

from the Indians, and therefore it was the government's "right and duty" to look after the settlers' interests regardless of the impact on the native population.<sup>121</sup>

These economic and political factors made the government more and more hesitant to devote resources to aboriginal agriculture. This reluctance was intensified further when native groups did not immediately become self-sufficient after receiving inadequate assistance. As Carter, Elias and Buckley correctly point out, many government officials and settlers mistakenly thought that aboriginal peoples did not have the capacity to become farmers, regardless of resources that were devoted to native agriculture. A vicious circle developed where insufficient aid resulted in failed harvests, which, in turn, reinforced erroneous racist assumptions that Aboriginals could not become farmers.

But even though these failures were often interpreted in racist terms, it does not make sense for Carter, Elias and Buckley to downplay, and sometimes deny, the cultural obstacles to farming that existed within the native population. Although some aboriginal groups were more successful than others depending on their level of development and the economic and political circumstances to which they had to adapt,<sup>122</sup> it is obvious that all native tribes would be disadvantaged in relation to European settlers who had lived in agricultural societies for numerous generations.

This denial is made possible by the confusion of aboriginal peoples' *desire* to farm and their *capacity* to do so in comparison with non-aboriginal settlers. It is assumed, especially by Carter, that since aboriginal people *demand*ed government assistance to begin farming that this is somehow synonymous with their *ability*, at that time, to become successful farmers in the capitalist context. But this could be due to the fact that various native groups observed the relative affluence of non-aboriginal settlers in comparison to themselves and thought that receiving implements and instruction would be a panacea for their problems. Wanting and doing, however, are often completely different things.

Contrary to the assertions of Carter et al., there is plenty of evidence that there were difficulties in attempting to encourage aboriginal peoples to adopt a settled existence and become more productive in agriculture.<sup>123</sup> There are many documented instances of hunting excursions and traditional gatherings resulting in poor yields or the neglect of harvesting altogether. Also, the fact that aboriginal peoples had no historical experience of saving meant that it was difficult for aboriginal farmers to purchase livestock and farm implements. These problems are briefly acknowledged by Buckley when she states that "...certain aspects of [a hunting and gathering] culture worked against adjustment [to agricultural settlement]" because the "values and practices by which they had always lived and which defined their identity and ordered their society...could not easily be put by to fit the white man's plan, still less so when the people did not understand the plan". Some of the cultural factors that "worked against adjustment" to which Buckley refers include a "deeply ingrained practice of sharing", "a weak sense of the future", and a lack of farming knowledge.<sup>124</sup>

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<sup>121</sup> See, for example, *Bulletin*, January 17, 1881, cited in Carter, *Lost Harvests*, 189.

<sup>122</sup> Some groups like the Dakota had been horticulturalists at one time, which perhaps explains why Alexander Morris saw the Dakota as "display[ing] a greater aptitude for farming operations than any other of our Indians". Morris, cited in Elias, *The Dakota of the Canadian...*, 61. A historical experience with horticulture also might explain why, as the Royal Commission recognizes, some of the most successful efforts occurred amongst those aboriginal groups, like the Iroquois and Chippewa (Ojibwa) in southwestern Ontario. *RCAP*, 2, 487.

<sup>123</sup> For discussions of these problems see Leland W. Clark, "The Place of the Metis within the Agricultural Economy of the Red River During the 1840's and 1850's", *Canadian Journal of Native Studies*, 3(1983), 71-3; Olive Patricia Dickason, *Canada's First Nations* (Toronto: McClelland and Stewart, 1992), 377; I.M. Spry, "The Transition from a Nomadic to a Settled Economy in Western Canada, 1856-96", *Selections of the Royal Society of Canada*, 6 (June 1968), 195-197; Arthur J. Ray, *Indians in the Fur Trade* (Toronto: University of Toronto Press, 1974), 217-229.

<sup>124</sup> Buckley, *From Wooden Ploughs to Welfare*, 26, 39-40.

The difficulties that hunting and gathering cultures faced in making the transition to farming also explains the coercive and paternalistic regulations imposed upon the aboriginal population. Because Carter, Elias, and to some extent Buckley, are inclined to deny that there were cultural obstacles to aboriginal farming, the government restrictions applied to Natives appear arbitrary, prejudicial and even vindictive.<sup>125</sup> It is assumed that since farming failed for Aboriginals and not for settlers, and because Aboriginals were subjected to restrictions while the settlers were not, it *must* have been the restrictions that caused the failure. But this view fails to properly consider the government's rationale for putting these restrictions in place, and what the consequences would have been if they had *not* been imposed.

According to government sources at the time, these restrictions were necessary to protect aboriginal peoples from being taken advantage of by non-Aboriginal settlers, and to speed up the civilizing process so that Aboriginals could be more easily assimilated into the developing capitalist economy and society.<sup>126</sup> And this was not due to government benevolence, of course, but was rooted in the imperative of increasing profitability. In attempting to accomplish this, the government imposed two kinds of restrictions. The first was oriented towards increasing the agricultural productivity of the native population, while the second attempted to encourage aboriginal peoples to save and accumulate wealth (so that government subsidies could be decreased). The former was manifested most clearly in the use of the pass system and restrictions on aboriginal ceremonies, which attempted to stop "idleness" and prevent aboriginal peoples from abandoning their crops for extended periods of time; the latter can be observed in the development of the permit and chit systems that stopped expenditures on unnecessary items such as alcohol. As well, regulations for restricting the sale of reserve lands were imposed to prevent aboriginal lands from being lost to unscrupulous speculators, so that the native population would not become completely indigent and more dependent upon relief.

Therefore, although understandably criticized because they were coercive, inadequately funded, and poorly thought out, policies asserting wardship over the native population were not implemented to cause aboriginal farming to fail; they were rooted in the problems of attempting to instill capitalist principles within hunting and gathering societies. It should be stressed, however, that this analysis of why these restrictions were imposed is not intended to absolve the government of responsibility, or to lay blame at the feet of Aboriginals. It is merely to explain the historical and materialist basis for these restrictions, and how they were rooted in the requirements of the developing capitalist economy in Canada. At this period in capitalist development, there was no welfare state, or ideas that all human beings should be given the necessary assistance to enable them to become contributors to society; when it became apparent that it was more cost effective to warehouse aboriginal peoples than to provide the resources necessary for their development, they were largely forgotten and terribly neglected. Helen Buckley is quite right to point out that the government did not supply aboriginal peoples with the resources that they needed since the actions of officials were "shaped more by a wish to cut costs than by any real concern for the people or for what it might take to get them established in an occupation that only a few of them had practised".<sup>127</sup>

At the same time, however, denying the cultural obstacles that prevented native groups from assimilating into modern society without the proper government assistance does not help political economists to understand the roots of aboriginal dependency. The analysis of Carter et al., in fact,

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<sup>125</sup> Elias implies that it was simply a way for the government to abstractly "control" aboriginal peoples. *The Dakota of the Canadian Northwest*, 68-9. He does not see the need to search for a material explanation for this control.

<sup>126</sup> These sources are often referred to by Carter et al., but it is maintained that the prejudicial attitudes and duplicity of government officials make the truthfulness of their statements questionable. See Carter, *Lost Harvests*, 18-25 for an example of her interpretation of such sources.

<sup>127</sup> Buckley, *From Wooden Ploughs to Welfare*, 35-6.

refuses to accept that a gap in productivity and complexity existed between aboriginal hunter-gatherers and European settlers. As a result, these authors maintain that it was the destruction of aboriginal culture that caused aboriginal dependency, not the retention of hunting and gathering cultural characteristics in the capitalist context. Buckley, for example, maintains that "any approach based on character and cultural transformation is entirely discredited", since aboriginal culture and traditional social structures were "just as necessary to them in the new life as it had been in the old".<sup>128</sup> This statement denies that certain cultural features and social structures were inhibiting aboriginal peoples' success in capitalist agriculture, problems that also arose in attempts to proletarianize the aboriginal population.

## ABORIGINAL CULTURAL RESISTANCE TO PROLETARIANIZATION

Besides agricultural development, the transition from mercantilist to industrial capitalism also necessitated the integration of the native population into the industrial workforce. Recent studies are similar to those of aboriginal farming in that they attempt to deny that certain aboriginal cultural features were impeding native proletarianization. In fact, entities like the Royal Commission maintain that Aboriginals *were* making a successful transition, but that evidence showing this has been often overlooked.<sup>129</sup> It argues that aboriginal participation was largely "on the margins and generally in manual occupations", but that "Aboriginal people coped with the changes occurring around them and again developed a measure of self-sufficiency, although at quite low levels of income".<sup>130</sup>

After 1930, however, the Royal Commission argues that aboriginal peoples became increasingly dependent. According to the Royal Commission, the roots of native dependency "were in the dislocation and dispossession created by the settler economy, which left Aboriginal people in a decidedly marginal and vulnerable economic position. It was entrenched further by the great depression of the 1930s and by federal and provincial policies adopted in response to economic distress and economic opportunity". It notes that this dependency was reduced to some extent during the Second World War because of labour shortages, but that "the end of the war and the return of the veterans again displaced Aboriginal people".<sup>131</sup>

Although very few works have analyzed aboriginal participation in the industrial development of Canada as a whole,<sup>132</sup> the most studied area is aboriginal involvement in the first resource industries of British Columbia, both as wage labourers and commodity producers.<sup>133</sup> Aboriginal participation in the British Columbia economy is also specifically mentioned by the Royal Commission, when it asserts

<sup>128</sup> *Ibid.*, 45.

<sup>129</sup> *RCAP*, 2, 788.

<sup>130</sup> *Ibid.*, 787-8.

<sup>131</sup> *Ibid.*, 788.

<sup>132</sup> J.S. Frideres, "The Quest for Indian Development in Canada", in John H. Moore (ed), *The Political Economy of North American Indians*, 161-83; High, "Native Wage Labour...", 243-64; M. Nagler, "Minority Values and Economic Achievement", in M. Nagler, (ed) *Perspectives on the North American Indian* (Toronto: McLelland and Stewart, 1972), pp. 131-141; *Indians in the City* (Ottawa: Canadian Research Centre for Anthropology, 1973); *Natives Without a Home* (Don Mills: Longman Canada, 1975); Wotherspoon and Satzewich, *First Nations*.

<sup>133</sup> James K. Burrows, "A Much Needed Class of Labour", *BC Studies*, 71 (Autumn 1986); Percy Gladstone, "Native Indians and the Fishing Industry of British Columbia", in Mark Nagler (ed), *Perspectives...*; Stuart Jamieson, "Native Indians and the Trade Union Movement", in Mark Nagler (ed) *Perspectives...*; M. Kew, "Making Indians", in R. Warburton and D. Coburn (eds) *Workers, Capital and the State in British Columbia* (Vancouver: UBC Press, 1988); Rolf Knight, *Indians at Work*, 1978; 1996; John Lutz, "After the Fur Trade: the Aboriginal Labouring Class of British Columbia, 1849-90", *Journal of the Canadian Historical Association*, 1992; James A. McDonald, "Images of the Nineteenth-Century Economy of the Tsimshian", in Margaret Seguin (ed) *The Tsimshian* (Vancouver: UBC Press, 1984); Alicja Muszynski, *Cheap Wage Labour* (Montreal: McGill-Queen's University Press, 1996). Dianne Newell, *Tangled Webs of History: Indians and the Law in Canada's Pacific Coast Fisheries* (Toronto: University of Toronto Press, 1993).

that "Aboriginal men...worked in commercial fishing, canning, road construction, logging, milling, mining, railroad construction, longshoring, and coastal shipping" and "Aboriginal women...worked as domestic servants, cannery workers and seasonal agricultural labourers" until 1930.<sup>134</sup> This focus on British Columbia is probably due to the fact that B.C., unlike the Prairies, "was never primarily based upon farming" and "leapt from a region sustaining a monopoly trading company extracting furs to one based on the industrial extraction of primary resources for export".<sup>135</sup> The rapid development of these sectors, in conjunction with a scarcity of non-aboriginal settlers, required the integration of aboriginal peoples into the emerging capitalist economy, providing one of the most extensively documented cases of native participation in the early stages of industrialization.

In attempting to understand aboriginal involvement in British Columbia's labour force, it is necessary to examine the qualitative and quantitative differences in aboriginal peoples' participation rates from their non-aboriginal counterparts. These specific factors are glossed over by many accounts, which seem to assume that *any* participation by aboriginal peoples, no matter how marginal, is an indication that they were making a successful transition from hunting and gathering to capitalism. Such a circumstance, of course, could be due to a few exceptional cases. Also, aboriginal participation could be concentrated in those occupations that had characteristics resembling the native population's traditions, while their integration into more developed areas of Canada's economy was being made less successfully.

Determining the participation rates of aboriginal peoples in British Columbia's early history is difficult because records are fragmented and incomplete. Although there is a major work by Rolf Knight that has attempted to document this participation from 1858 to 1930, his assertions about the significance of native labour tend to be anecdotal, often resulting in unsupported generalizations or questionable inferences. He writes whole chapters describing the extensive character of aboriginal participation with hardly any documentation.<sup>136</sup> Comparisons between aboriginal and non-aboriginal workers are few and far between, sole examples are used to make far-reaching claims<sup>137</sup> and indefinite articles such as "some", "many", and "most" describe native participation in lieu of any kind of quantitative analysis. Another far less vague and speculative overview of aboriginal participation in British Columbia's economy has been recently undertaken by John Lutz,<sup>138</sup> but inexplicably this work is not even mentioned by Knight despite being published three years previously.

According to Lutz, aboriginal peoples were central to the development of industrial capitalism in British Columbia's early history. In his view, their involvement was essential to capitalist development until about 1884, when increasing settlement meant that aboriginal peoples had become a minority in the province.<sup>139</sup> In contrast to Lutz, Knight, like the Royal Commission, identifies 1930 as the point when aboriginal participation precipitously declined.<sup>140</sup> This occurred, in Knight's opinion, when the

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<sup>134</sup> *RCAP*, 2, 787.

<sup>135</sup> Knight, *Indians at Work* (1996), 122.

<sup>136</sup> This is most noticeable in his first chapter, where extensive generalizations are made without any references. In fact, only eleven footnotes are provided for the whole chapter.

<sup>137</sup> To support his argument that "reserve enterprises and local Indian businesses were not uncommon 80 to 100 years ago", for instance, Knight gives the example of "one village in the 1870s [that] had its own sawmill, trading schooner, tannery and cobbler shop, spinning and weaving shop, glass works and brick kiln, blacksmith and hardware shop, trading post, and other enterprises". Knight, *Indians at Work* (1996), 13.

<sup>138</sup> John Lutz, "After the Fur Trade: the Aboriginal Labouring Class of British Columbia, 1849-90".

<sup>139</sup> *Ibid*, 92-3.

<sup>140</sup> Most analysts of aboriginal participation in British Columbia's economy maintain that the 1920s and 1930s were the period during which aboriginal participation in the fishing and canning industries declined. For a discussion of this point see High, "Native Wage Labour...", 252, 261-2.

depression brought an end to the local and small-scale ventures Natives had developed during the 1800s.<sup>141</sup>

As well as having a high rate of participation in British Columbia's early economic development, Knight and Lutz maintain that aboriginal peoples worked in a wide range of occupations, including coal mining, sawmilling, fishing, and canning.<sup>142</sup> Other forms of labour documented include aboriginal peoples' service to settlers and Hudson's Bay Company posts, and their employment as guides, freighters and porters,<sup>143</sup> loggers, longshoremen and railway maintenance workers. Knight also devotes chapters to aboriginal farming/ranching and the production of ethnographic pieces for museums and private collections in the nineteenth century.<sup>144</sup> By 1891, however, Lutz concludes that native participation was largely confined to fishing, canning and agriculture.<sup>145</sup>

After World War II, aboriginal participation became limited to even fewer occupations, and it is estimated that more than two-thirds of the aboriginal workforce was in only two industries - fishing and logging/sawmilling, while farming, trapping, longshoring, railway maintenance and construction made up the remainder of their employment. At this point in time, Aboriginals were also dependent on welfare and other subsidies from the Indian Affairs branch and other government agencies. It is maintained that by far the most significant industry of all, however, was the processing and catching of fish, and in the 1950s it was estimated that "perhaps as many as 10,000 [Aboriginals] derive their livelihood from fishing and allied occupations, and they have become a vital and necessary part of the labour force in that industry".<sup>146</sup>

As well as working in fewer industries than Non-Aboriginals, aboriginal employment in the post-war era in British Columbia also differed in that it tended to concentrated in primary, rather than secondary or tertiary, sectors of production and that Natives were being increasingly displaced from these industries. In the forest industry during the 1950s, for example, few aboriginal peoples were employed except in logging and seasonal "rough" sawmilling, and none had jobs in the pulp and paper industry, even though some of the mills were close to large native communities.<sup>147</sup> Aboriginals also tended to be employed in work that was mostly periodic and seasonal,<sup>148</sup> and they were becoming a marginal part of the labour force confined to reserves, dependent upon government relief, and employed only in unskilled jobs avoided by Non-Aboriginals.<sup>149</sup> These circumstances led Mark Nagler to comment in the 1970s about the "interest and concern...[that Aboriginals] are not moving into the American economic system in the same way or on equal terms as other citizens...". He observed that this increasing displacement and marginalization had created a "culture of poverty" within the aboriginal population, where they were "not integrated with the major institutions of society", leading them to have feelings of powerlessness and to be hostile towards non-aboriginal authorities.<sup>150</sup>

The high rates of economic deprivation and dependency within the aboriginal population, especially in the twentieth century, have been attributed both to increasing competition from non-aboriginal labour and developments within the capitalist economy itself. Competition from Non-Aboriginals has been

<sup>141</sup> Knight, *Indians at Work* (1996), 4; see also High, "Native Wage Labour", 254 for a discussion of this point.

<sup>142</sup> Lutz, "After the Fur Trade", 92. McDonald and Burrows also maintain this for particular groups and regions.

<sup>143</sup> McDonald, "Images of the Nineteenth Century Economy of the Tsimshian", 44-5.

<sup>144</sup> Knight, *Indians at Work*, (1996), 135-166-178.

<sup>145</sup> Lutz, "After the Fur Trade", 92.

<sup>146</sup> Gladstone, "Native Indians...",158-9; see also Jamieson, "Native Indians...", 144, 146.

<sup>147</sup> Jamieson, "Native Indians and the Trade Union Movement",144-45, 151.

<sup>148</sup> Nagler, "Minority Values and Economic Achievement: the Case of the North American Indian", 135.

<sup>149</sup> Gladstone, "Native Indians and the Fishing Industry of British Columbia", 157.

<sup>150</sup> Nagler, "Minority Values and Economic Achievement", 137-8, 141. Nagler's point about the "poverty cycle" was also made by H.B. Hawthorn et al, *Indians of British Columbia* (Vancouver, 1955), 242-3.

shown to have an effect in that aboriginal peoples' position in the labour force was most prominent in periods when there was a shortage of labour - i.e. before 1884 and during the first and second world wars.<sup>151</sup> During World War II, for example, the Japanese were interned, removing them from the fishing industry. This, along with the transfer of a number of confiscated Japanese fishing boats to aboriginal fisherman, enabled them to increase their prominence in the fishing industry during this period.<sup>152</sup>

In addition to increasing competition from Non-Aboriginals, developments within the capitalist economy itself also had a negative impact on native participation in British Columbia's labour force. As has been explained before, the competitive market pressures in capitalism make it necessary to constantly revolutionize the forces of production and increase labour productivity. In British Columbia, this was shown by larger, more capital intensive and mechanized plants, as well as the movement of processing facilities to urban areas.<sup>153</sup> Early on, resource industries tended to be "both labour extensive and able to utilize labour without much formal training".<sup>154</sup> With mechanization, centralization and increasing capital intensity, however, came the requirement for higher skill levels and a preference for stable, year round work, rather than employment using casual migrants.<sup>155</sup>

Although increasing labour market competitiveness and industrial development undoubtedly is related to decreasing aboriginal participation in British Columbia's workforce, acknowledging these factors does not explain *why* aboriginal peoples were impacted disproportionately in relationship to other groups. In other words, what was it about aboriginal circumstances that specifically led to native dependency and marginalization in the later stages of capitalism? Why were aboriginal peoples unable to compete with non-aboriginal workers and what made them less able to adapt to capitalist demands for increasing productivity? In works examining the history of aboriginal labour in British Columbia, essentially three explanations are offered - racist attitudes of employers, restrictive government policies, and cultural factors.<sup>156</sup>

Both the explanations of racist attitudes and faulty government policies are inadequate because they do not explain why other groups, who were also victims of racism and discriminatory government actions, did not become similarly dependent and marginalized. Asiatic and black workers in British Columbia, for example, were also looked down upon and often prevented from living in certain areas or participating in political activities. The Japanese, for example, were segregated from Canadian society in internment camps and had their property confiscated, but after World War II they assimilated into mainstream Canadian society even though it is claimed that the Japanese were located below Aboriginals in the racial hierarchy.<sup>157</sup>

Focusing on racist attitudes and flawed government policies also does not examine the extent to which both are often a response to cultural factors. Nagler, for example, points to the fact that native people lack values such as "punctuality, saving, future orientation, and the work ethic", and that "these factors

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<sup>151</sup> Lutz, "After the Fur Trade"; Gladstone, "Native Indians and the Fishing Industry of British Columbia, 167, 169.

<sup>152</sup> Ibid, 173.

<sup>153</sup> Jamieson, "Native Indians and the Trade Union Movement", 143.

<sup>154</sup> Knight, *Indians at Work* (1996), 124; for a similar point see McDonald, "Images...", 49.

<sup>155</sup> Nagler, "Minority Values and Economic Achievement", 132; Jamieson, "Native Indians...", 143.

<sup>156</sup> For arguments about restrictive government policies, see Michael Kew, "Making Indians"; See also Lutz, *The White Problem*, Paper presented to the 1994 Canadian Historical Association meeting, 5, cited in High, "Native Wage Labour ...", 258. Gladstone adopts all three explanations when he maintains that aboriginal dependency and marginalization occurred "because of racial discrimination, lack of training, and inability to break family and community ties, they find it difficult to enter other occupations". Gladstone, "Native Indians...", 160-1. For examples of these explanations see Nagler, "Minority Values and Economic Achievement", 132-3.

<sup>157</sup> Newell, *Tangled Webs of History*, 120.

combined with prejudice have been instrumental in effecting their low socio-economic position". But the prejudice to which Nagler refers is inseparable from the cultural values that he claims act to "maintain a vast separation between Indians and the rest of North American society".<sup>158</sup> The relationship between prejudicial attitudes and the cultural characteristics of aboriginal peoples can be seen in an employer survey cited by Nagler on the "negative characteristics of Indian workers". Although some comments clearly indicated the existence of racist attitudes towards Aboriginals, many others referred to cultural problems such as unreliability, communication difficulties, and a lack of initiative to go beyond a defined job.<sup>159</sup>

A similar relationship to cultural factors can be seen in the restrictions that the government imposed. As with its efforts to increase agricultural productivity in aboriginal communities, the government also restricted a number of native activities to more easily integrate Aboriginals into the industrial workforce. Missionaries, for example, were encouraged to settle in aboriginal communities so as to civilize and make them more productive.<sup>160</sup> It is for this reason that the missions were most prominent between 1890 and the First World War.<sup>161</sup> Improving "industriousness" (i.e. productivity) was also one of the reasons why the potlatch was banned. As Lutz explains, the potlatch "was inconsistent with the 'stable' habits of industry that both missionaries and government agents saw as essential to the development of a Christian capitalist society". He points out that "since the seasonal cycle kept them mobile and away from schools and churches, missionaries and the Indian agents argued that it kept aboriginal people poor and mitigated against the accumulation of individual dwellings, land holdings, and private property".<sup>162</sup> It was no accident, according to Lutz, that restrictions on the potlatch were imposed in 1884. He argues that at this time the potlatch was interfering with capitalist development since the economy was increasingly demanding year-round employment.<sup>163</sup>

It is an examination of the cultural features of hunting and gathering societies, and how they conflict with capitalist processes aimed at increasing the productivity of labour, in fact, that is the most able to explain the increasing dependency and impoverishment of the native population throughout the twentieth century. Essentially, there are two capitalist developments that led to native marginalization from commodity production and wage labour. The first concerns the increasing capital intensity of the economy, while the second relates to the necessity to construct a stable labour force to improve productivity.

Increasing capital intensity displaced native commodity producers because they were unable to afford the more technologically advanced machinery needed to compete with other enterprises.<sup>164</sup> This has been attributed in part to the cultural features that discourage native cultures from saving. One factor that is referred to in the literature is that hunter gatherers tend to work until they receive enough money to live on for a while, and then quit until the money is spent.<sup>165</sup> Another is that any money that was accumulated often would be distributed in "giveaways". Lutz, for example, documents the huge increases in the number of blankets that were distributed in potlatches over a 100-year period.<sup>166</sup> He

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<sup>158</sup> Nagler, "Minority Values and Economic Achievement", 134.

<sup>159</sup> *Ibid*, 139.

<sup>160</sup> Robin Fisher, *Contact and Conflict* (Vancouver: University of British Columbia Press, 1977), 68-9.

<sup>161</sup> Knight, *Indians at Work* (1996), 90.

<sup>162</sup> Lutz, "After the Fur Trade", 91.

<sup>163</sup> *Ibid*, 91-2.

<sup>164</sup> For an example of this with respect to the fishing industry, see Nagler, "Minority Values...", 149; and Jamieson, "Native Indians...", 154. James McDonald also notes that a similar process occurred in the freighting industry, when heavily capitalized forms of transport put labour-intensive aboriginal operations out of business. McDonald, "Images of the Nineteenth Century Economy of the Tsimshian", 45.

<sup>165</sup> George Grant, cited in Lutz, "After the Fur Trade", 89.

<sup>166</sup> He notes that 320 were given away between 1829 and 1848 and 33,000 in 1930-49. *Ibid*, 90.

also quotes an Indian Agent for the Fraser Valley who remarks that "the Indians generally have views peculiar to the country as to the value of money" because one band had applied for assistance when they had just held a potlatch where \$700 "of their earnings as labourers, fishermen and hunters" had been used to distribute gifts to their friends.<sup>167</sup>

These cultural obstacles to saving are only part of the problem, however. This can be illustrated by the case of the fishing industry in British Columbia. Although fishing was influenced by the same capitalist imperatives that resulted in greater capital intensity and technical improvements,<sup>168</sup> it has been noted previously that this was one of the industries in which aboriginal peoples were the *most* successful. This has been attributed to the fact that it was more consistent with the traditional knowledge, customs and techniques of aboriginal peoples, enabling them to adjust more easily to an industry that was also experiencing rapid technological change.<sup>169</sup>

But how did fishing accommodate these traditions? Although it is true that aboriginal peoples engaged in fishing before contact, this activity was very different from that which was required by capitalism. Knight explains that early commercial fishing largely involved gillnetting on river estuaries, rather than the indigenous methods "involving weirs and fish traps, dip nets and drag nets, and spearing". He also points out that "the gear, the methods, the knowledge and the context of commercial fishing were novel" and fishing vessels had changed dramatically, from dugout canoes to planked cannery boats with gas engines.<sup>170</sup>

The compatibility of commercial fishing, therefore, was not so much due to its continuity with pre-contact knowledge or technology, but in its ability to mesh with the wider patterns of hunting and gathering cultures. The dispersal and migratory nature of fish meant that aboriginal fishermen could continue to live in their villages no matter how mechanized the industry. As a result, fishing avoided one of the main "cultural barriers to industrialization among [aboriginal peoples]" identified by Jamieson - "emotional ties to village and kinship groups", as well as "customary or traditional participation in tribal ceremonies and social activities..."<sup>171</sup>

The aboriginal preference for staying in their traditional territories and retaining kinship ties reflects the difficulties of integrating subsistence based tribal cultures into a more complex capitalist nation-state, where strangers must consider one another "citizens" within a geographical area. Capitalism in its early stages tended to be paternalistic, where employers provided the necessities of survival to their employees and organized their daily lives.<sup>172</sup> The various groups - Europeans, Chinese, Japanese, and Natives, were also segregated into different accommodations, making cross-cultural interaction less of a necessity.<sup>173</sup> As capitalism progressed and larger urban centres formed, however, employers would come to be concerned with their workers only during their time on the shop floor; workers were now responsible for obtaining what they needed for sustenance themselves. More formal educational systems and familiarity with the English language would also be increasingly necessary at this point, so that large numbers of people could relate to one another, coordinate their activities, and live under

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<sup>167</sup> Lenihan, cited in *Ibid*, 88.

<sup>168</sup> Gladstone, "Native Indians and the Fishing Industry of British Columbia", 174.

<sup>169</sup> Knight, *Indians at Work* (1996), 10; and Jamieson, "Native Indians...", 146; Gladstone, "Native Indians...", 157.

<sup>170</sup> Knight, *Indians at Work* (1996), 9.

<sup>171</sup> Jamieson, "Native Indians...", 145. The reluctance to leave their traditional territories and kinship relations is also noted in Nagler, "Minority Values...", 138 and by the aboriginal leader George Manuel, cited in *RCAP*, 2, 487.

<sup>172</sup> See Knight, *Indians at Work* (1996), 10 for a discussion of this with respect to the canning industry.

<sup>173</sup> Muszynski, *Cheap Wage Labour*, 7.

one law.<sup>174</sup> This was very different from the 1800s, when it is reported that Chinook - a mixture of aboriginal languages, French and English - was the lingua franca of isolated outposts, and laws and regulations were just beginning to be established and enforced.<sup>175</sup>

As well as the transition of economic activity from outlying areas to urban centres, the development of capitalism required a regularization of work that was foreign to hunting and gathering societies. This was not too much of a problem during the beginning of industrialization, since early resource industries tended to be seasonal and aboriginal groups could incorporate employment with their hunting, gathering and ceremonial activities.<sup>176</sup> In the case of coal mining, in fact, production was regularly interrupted during the 1850s because of seasonal fishing, potlatches or illness, which led the Governor of British Columbia of the time to argue that miners must become independent of Aboriginals to prevent their work from being "subject to continual stoppage".<sup>177</sup> With the development of capitalism, however, a stable, year-round supply of labour was required, resulting in the increasing marginalization of those native groups that continued with their traditional practices.<sup>178</sup>

In addition to the requirement for year-round, regular employment, later stages of capitalist development also imposed more regimented work routines.<sup>179</sup> As has been discussed earlier, such routines are inconsistent with the values, attitudes and practices of hunting and gathering societies, which tend to be task and present oriented, resulting in difficulties "working by the clock".<sup>180</sup> As a result, it is common to hear claims about aboriginal peoples' "lacking industriousness" or being "notoriously undependable and exasperating".<sup>181</sup> This also explains aboriginal peoples' apparent "preference...for seasonal outdoor work rather than indoor jobs in factories, stores or offices".<sup>182</sup> As Lutz points out, "the fact that aboriginal people...chose when they would both enter and leave the labour force was a source of constant frustration to white employers" and "probably accounts for the schizophrenic comments of white employers who spoke about them as 'indispensable' while condemning their 'unreliability' and 'laziness'".<sup>183</sup>

All of these factors made labour and commodity production after the 1930s more alienating and difficult for natives still immersed in a subsistence and tribal culture, leading them to become more marginal during this period than in earlier and less productive stages of capitalism. It is not surprising, therefore, that aboriginal participation would be affected by the increasing population of settlers,

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<sup>174</sup> Gladstone notes, for example, that fishing regulations posed difficulties for aboriginal peoples. He points out that "they were confronted with a maze of conservation laws and regulations that were difficult to understand, let alone obey". Gladstone, "Native Indians and the Fishing Industry of British Columbia", 159.

<sup>175</sup> Lutz, "After the Fur Trade", 82. Robin Fisher points out that in the early history of what became British Columbia, the first Governor (Douglas) made it a policy not to "interfere in conflicts between Indians", including the massacre of the Koskimo Indians by another tribe. Fisher, *Contact and Conflict*, 56-7.

<sup>176</sup> Knight, *Indians at Work* (1996), 124-5; Lutz, "After the Fur Trade", 74.

<sup>177</sup> *Ibid*, 76.

<sup>178</sup> *Ibid*, 91.

<sup>179</sup> Lutz, "After the Fur Trade", 83; Nagler, "Minority Values and Educational Achievement", 138.

<sup>180</sup> These problems were not as prevalent in the early stages of B.C.'s industrialization because piecework, not working by the clock, was the dominant form of remuneration in many industries. In the case of early coal mining, see Lutz, "After the Fur Trade", 76 and canneries and logging, Knight, *Indians at Work* (1996), 341, note 8.

<sup>181</sup> Governor Douglas, cited in Lutz, "After the Fur Trade", 73; see also D.D. Calvin, *A Saga of the St. Lawrence* (Toronto, 1945):77-82, in Pentland, *Labour and Capital in Canada*, 34. Lutz also documents a case of a mill being shut down for several days because of a poker game. Lutz, "After the Fur Trade", 79.

<sup>182</sup> Jamieson, "Native Indians...", 145; see also Pentland, *Labour and Capital in Canada*, 178-9 for a discussion of this point with respect to the particular requirements of early natural resource industries..

<sup>183</sup> Lutz, "After the Fur Trade", 91.

whose cultural prerequisites and greater experience in commercial pursuits would lead them to compete more effectively than native producers.<sup>184</sup>

In its attempts to integrate aboriginal peoples into industrial production, as was the case for aboriginal farming, the focus of the government during this period was not, as sources like the Royal Commission argue, on "destroying" aboriginal cultures. This was a *consequence* of achieving its actual goal - to integrate aboriginal peoples into the agricultural and industrial economy and the emerging Canadian nation state. Although it is correct to claim that policies to achieve this end were insensitive and authoritarian, this does not refute the fact that aboriginal cultures needed to be transformed if aboriginal peoples were to become participants in Canadian life. Industrial capitalism, unlike mercantilism, requires an increase in the productivity of labour and a radical transformation of pre-capitalist modes of production.

Arguments that it was government intervention that caused aboriginal dependency and marginalization should consider what would have happened if the government had *not* intervened. The Royal Commission assumes that some kind of "harmonious...middle ground" could have been achieved by allowing "Aboriginal nations...to continue living in their own communities and evolving in accordance with their own traditions, laws and aspirations".<sup>185</sup> This view, however, implies that capitalism is quantitatively, rather than qualitatively, different from hunting and gathering "traditions". It is not based on an understanding of the vastly different requirements that separate them, and the fact that the latter emerged out of a long evolutionary process that began with former. As a result, the continuance of "traditions, laws and aspirations" associated with hunting and gathering would not have facilitated aboriginal participation in the capitalist system in the past, nor can it today.

Today, in fact, the incompatibility of certain aboriginal cultural features with participation in a capitalist nation-state is even more pronounced than in the late 19<sup>th</sup> and early 20<sup>th</sup> Centuries. Currently, most Canadians live in urban centres close to the American border because this is where most of the jobs are being created. The economies of scale of these areas and their close proximity to global markets means that they are able to produce commodities more competitively than is possible in other areas of Canada. Furthermore, many of the jobs are being created in what is called the "knowledge" or "information" sector, requiring much higher educational and skill levels than was the case 100 years ago. Work routines are also more alienating now than they were in the past because of a more "flexible" regime of accumulation, where "lean production" and other increasingly exacting forms of workplace control are being put in place.

This means that the retention of hunting and gathering traditions today will have even greater consequences for aboriginal peoples than was the case during the attempts to develop native agriculture on the Prairies or to proletarianize Aboriginals in British Columbia's early history. Instead of acknowledging this problem, however, it is now maintained that addressing aboriginal dependency must occur by "enhancing [aboriginal] cultural identities".<sup>186</sup> Attempting to "build" economies exclusively for aboriginal peoples in their isolated and unviable "homelands", as well as preserving unscientific beliefs, pre-literate languages and kinship bonds, are perceived as part of the solution to aboriginal dependency. These initiatives, however, will do nothing to help the native population contribute to the wider and more developed Canadian economy and society. In fact, they serve to reinforce aboriginal dependency and marginalization since tribal and subsistence cultures are inconsistent with, and a hindrance to, participation in the modern world.

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<sup>184</sup> Gladstone, "Native Indians...", 159; Lutz, "After the Fur Trade", 77.

<sup>185</sup> *RCAP*, 1, 189-90.

<sup>186</sup> *RCAP*, 4, 530-37.

## DENYING THE CULTURAL ROOTS OF ABORIGINAL DEPENDENCY

Despite the capacity of the previous historical and materialist analysis to explain the origins of aboriginal dependency, as well as the continuing marginalization and deprivation of the native population today, these views are absent from the literature. This, in my opinion, does not reflect the fact that this analysis cannot be supported, but is due to its inconsistency with the political climate in which aboriginal issues are currently studied. Being an academic on the Left today presumes support for land claims and self-government. This is not because these initiatives have been shown to be effective in addressing aboriginal dependency; rather, such support is in response to circumstances whereby those who do not unconditionally support the demands of aboriginal organizations are accused of racism, colonialism, or being unconcerned about the deplorable circumstances in which Aboriginals currently live.

What has yet to be understood, however, is that the difficulties that aboriginal peoples continue to experience in participating in the wider Canadian society are due to cultural, not racial, features. "Culture" refers to the collection of extrasomatic or learned attributes that are determined by the material conditions of existence,<sup>187</sup> not innate or genetic characteristics. This means that with the appropriate socialization processes, all aboriginal peoples have the capacity to develop and become full participants in modern life. Envisioning aboriginal culture as being tied to race, however, has made it difficult for political economists to apply the same materialist logic to the circumstances of aboriginal peoples as they do when they analyze global economic and political processes. Fearing accusations of "racism" and "colonialism", they largely remain silent in discussions about aboriginal peoples, enabling an entity like the Royal Commission to claim that, because aboriginal cultural identity is "in the blood", native traditions will be retained even when the historical and material circumstances from which they arose no longer exist.<sup>188</sup>

The semantic confusions that lie behind the promotion of hunting and gathering/horticultural practices, values and forms of social organization in the modern context are also related to another obstacle facing any political economist who is attempting to develop a historical and materialist understanding of aboriginal dependency. This is the extent to which self-serving advocacy has entered into the scholarship pertaining to the relationship between aboriginal peoples and the Canadian state, distorting research pertaining to native culture and politics.<sup>189</sup> Since the 1960s, there has been an increasing amount of government funding provided to aboriginal organizations, consultants and lawyers to pursue land claims and self-government initiatives,<sup>190</sup> and part of the justification for these initiatives is the assumption that aboriginal peoples have unique "cultural insights" and "ways of life" that are beneficial to all Canadians.<sup>191</sup> It also relies on the notion that the preservation of a number of aboriginal cultural features, rooted in hunting and gathering/horticultural traditions, will facilitate aboriginal participation in late capitalism.<sup>192</sup> Therefore, theorizing "aboriginal economies" as

<sup>187</sup> V. Gordon Childe, *Man Makes Himself* (London: Mentor Books, 1951), 20-36; Fried, *The Evolution of Political Society*, 5-9; 32; Thomas G. Harding et al. *Evolution and Culture* (Ann Arbor: The University of Michigan Press, 1960), 8-9; White, *The Evolution of Culture*, 3-32.

<sup>188</sup> *RCAP*, 4, 612; 1:xxiv.

<sup>189</sup> James Burke, *Paper Tomahawks* (Winnipeg: Queenston House, 1976); James A. Clifton, "Introduction", in James A. Clifton (ed), *The Invented Indian* (New Jersey: Transaction Publishers, 1990), 1-27; Noel Dyck, "'Telling it like it is'", in Noel Dyck and J.B. Waldram (eds), *Anthropology, Public Policy and Native Peoples in Canada*, (Montreal: McGill-Queen's University Press, 1993), 194-7.

<sup>190</sup> Frances Abele, "Understanding What Happened Here", in *Understanding Canada* (McGill-Queen's University Press, 1997), 126-7. J.R. Miller, *Skyscrapers Hide the Heavens* (Toronto: University of Toronto Press, 1991), 232-233.

<sup>191</sup> *RCAP*, 1, xxiii; 2, 778-79.

<sup>192</sup> See David R. Newhouse, "Modern Aboriginal Economies", *Sharing the Harvest*, 90-100.

inherently dependent on the wider Canadian society in which they are embedded threatens the interests of these aboriginal organizations and the academic and legal advocates that are associated with them.

This opportunistic justification of land claims and self-government has been extended by the analysis of a number of academics whose work loosely depends upon a relativistic, or "postmodern", rejection of conclusive reasoning. These scholars maintain that a universal understanding of historical development cannot be developed because research findings are shaped by the "ethnocentric" perceptions of the theorist. Therefore, no agreement about the historical and material basis of the relationship between Aboriginals and "Westerners" can be found since they have "different" yet "equally valid" understandings of their circumstances.<sup>193</sup> Aboriginal creation myths and romanticized accounts of the socialistic and "sophisticated" character of aboriginal cultures must be enthusiastically promoted because this is what aboriginal peoples supposedly believe is true. This, of course, makes all debate meaningless, undermining claims that is necessary to develop a common understanding of the roots of aboriginal dependency in order for it to be addressed.

But it is these paradoxical assertions about the "different world view" of aboriginal peoples that will inevitably lead to another objection that is likely to be levelled against this paper: what if aboriginal peoples do not *want* to become part of the Canadian workforce and the progressive struggles that arise from it? After all, aboriginal peoples were "here first", and so why should the standards of "white society" or "Europeans" prevail? It is these sentiments that have even led scholars with Marxist sympathies to comment that aboriginal peoples "may attempt to resist modernity because the price (alienated labour) seems too high. The offer of being liberated in the revolutionary overthrow of capitalism at the cost of becoming proletarianized is not necessarily appealing".<sup>194</sup>

The main focus of this paper, however, is determining the source of aboriginal dependency, so that that it can eventually be overcome. This, in fact, is what all discussions of aboriginal dependency claim that they are trying to do. In the opening address of the Royal Commission's Round Table on Aboriginal Economic Development and Resources, for example, the Chairman, Ron Jamieson, states that "the Royal Commission seeks solutions to the problems of poverty, underdevelopment in Aboriginal communities, unemployment at rates often reaching 80% to 90%. The problems are known; what is needed now are solutions".<sup>195</sup>

Statements about whether or not aboriginal peoples "want" to enter into the Canadian workforce, therefore, are merely attempts to obfuscate an understanding of aboriginal dependency. Because of the political circumstances mentioned above, there is resistance to recognizing that aboriginal dependency is related to the retention of certain hunting and gathering/horticultural traditions in the modern context, and overcoming dependency requires that the majority of the native population enter into the Canadian workforce and join with other workers in struggle for improvements in their social circumstances. To address aboriginal dependency, in fact, two things are necessary: first, aboriginal peoples must acquire the education, skills and attitudes to participate across the full spectrum of wage labour; and secondly, there must be a gradual depopulation of those communities that are unviable, so that aboriginal peoples can work in occupations that are necessary for the functioning of the wider society. Both of these requirements are antithetical to the pursuit of current segregationist initiatives such as land claims and self-government.

<sup>193</sup> This view can be seen in the Royal Commission's "Conceptions of History" and throughout its *Final Report*. This view, however, has also intruded into Canadian political economy in the latest overview of the literature pertaining to aboriginal peoples, where mythologies and unsubstantiated aboriginal opinions are being entertained as "history". For a further discussion of this, see Abele, "Understanding What Happened Here", 124-5.

<sup>194</sup> Bedford and Irving, *The Tragedy of Progress*, 96.

<sup>195</sup> Ron Jamieson, "Chairman's Opening Address", *Sharing the Harvest*, 5-6.

It is true when the Royal Commission states that the current problems facing aboriginal peoples can only be understood through an examination of history and that "strategies for change must be rooted in an understanding of the forces that created economic marginalization in the first place".<sup>196</sup> The most important aspect of this history, however, is not the various treaties that were signed and violated, or the fact that "inherent rights" based on original occupancy and spiritual beliefs have been infringed upon. Rather, it is aboriginal peoples' relationship to production. With the exception of the fur trade, the native population has consumed more than it produced, occupying a marginal place in Canada's economic development. This situation cannot be changed with monetary transfers or legal agreements, but only by ensuring that aboriginal peoples have the skills, values and knowledge to become part of the producing class. To achieve this end, a coherent strategy aimed at helping aboriginal peoples make the transition to the modern world must be developed, instead of policies intended to hide or provide compensation in support of the native dependency that exists in Canada.

With previous policies like relocations, residential schools and the White Paper's attempt to remove aboriginal peoples' "special status", the difficulties with addressing this huge productivity gap between hunter-gatherers and those living in modern nation-states like Canada were never understood. These policies assumed that solutions to the "aboriginal problem" could be found by making simple changes to legal or bureaucratic procedures, or, failing this, by coercively assimilating aboriginal peoples into Canadian society.<sup>197</sup> Because of their shortsightedness and simplistic character, as well as being preoccupied with reducing costs more than improving aboriginal circumstances, they were doomed from the start. Forcing people to enter into social relations that they do not understand and for which they are not yet prepared obviously will be disastrous for those concerned.

European nations made the transition from feudalism to capitalism in a period spanning hundreds of years, yet Canadians expect the aboriginal population to make a much larger developmental leap in decades. How such a large gap can be bridged requires careful thought and a great deal of sensitivity; it is even possible that the process will take a number of generations. While questions about addressing the unevenness of cultural development in Canada is beyond the scope of this paper, it is definitely a matter for public debate and policy development in the years to come. First, however, we must recognize that there is a developmental gap between the traditions of aboriginal peoples and modern requirements. The postmodern and non-materialist assumptions that fill current analyses of aboriginal problems, like those found in the *Report of the Royal Commission on Aboriginal Peoples*, are intent on denying evolutionary processes, preventing all Canadians from taking the first step in coming to terms with aboriginal dependency and social dysfunction.

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<sup>196</sup> *RCAP*, 1, 31-2; 2, 776.

<sup>197</sup> While the latter approach has been largely abandoned, the former is still advocated by classical liberals. See, for example, Melvin H Smith, *Our Home or Native Land?* (Victoria: Crown Western, 1995), 1-7. It is also present, to some extent, in Tom Flanagan's *First Nations? Second Thoughts* and Jonathan Kay's "The Case for Native Assimilation".