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CLASS IN ETHNIC NATIONALISM:
QUEBEC NATIONALISM IN COMPARATIVE PERSPECTIVE

by

MARY BETH MONTCALM, M.A.

A dissertation submitted to the Faculty of Graduate Studies and Research in partial fulfillment of the requirements for the degree of Doctor of Philosophy

Carleton University
Ottawa, Ontario
January 4, 1983
The undersigned recommend to the Faculty of Graduate Studies acceptance of the thesis

CLASS IN ETHNIC NATIONALISM:
QUEBEC NATIONALISM IN COMPARATIVE PERSPECTIVE

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in partial fulfilment of the requirements for the degree of Doctor of Philosophy.

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ABSTRACT

This dissertation examines the question of the postwar escalation of ethnic nationalism in western industrial states. The original focus of the study was an attempt to better understand the postwar escalation in Quebec nationalism. While the dissertation places particular emphasis on Québécois nationalism, consideration of the forces contributing to this movement are incorporated in a comparative approach which also assesses the settings which have led to an escalation in Scottish, Welsh, Breton, Basque, Flemish and Walloon nationalism. A comparative approach is adopted for two major reasons. First, the coincident postwar escalation in these movements suggests that their increasing strength may be influenced by commonly-experienced forces. Secondly, the contribution of generally-facilitating influences can always be assessed more rigorously within a comparative approach.

A review of literature on the postwar escalation of ethnic nationalism in western industrial states reveals several factors or trends widely considered to fuel ethnic resurgence. Among the most prominent of suggested trends are modernization, growing international economic interdependence, uneven economic development, centralization of
state policy-making and institutional decentralization and systematic discrimination.

A preliminary assessment of these trends, however, suggests that they alone cannot adequately explain postwar ethnic resurgence, since even the limited number of cases selected for consideration in this study vary considerably in the degree to which these trends are evident.

The dissertation therefore adopts the view that, while these isolated trends might be generally facilitating ethnic resurgence, some societal dimension particular to the states in question might well be mediating or filtering the general trends and thus contributing to the differential strength of the various ethnic nationalist movements assessed in this study.

Since consideration of ethnic resurgence is in essence a consideration of political change, a factor suggested since the time of Aristotle as integral to political stability and change, namely class structure, is hypothesized to be exerting this mediating or filtering influence on the general trends hypothesized as contributing to the overall escalation in postwar ethnic nationalism.

Chapters four through eight examine the generally-facilitating trends of modernization (chapter four), growing
international economic interdependence (chapter five), uneven economic development (chapter six), centralization of state policy-making and institutional decentralization (chapter seven) and systematic discrimination (chapter eight). In the consideration of these trends widely assumed to be generally facilitating ethnic resurgence, the role played by class structure is scrutinized.

The dissertation argues that class structure does indeed play a key role in influencing the varying strength of postwar ethnic resurgence in particular settings. In particular, the dissertation argues that understanding the varying strength of postwar ethnic nationalism requires an assessment of the role of a "new middle class" within these settings since this class, which has been vastly expanded by macroeconomic trends influencing western industrial states, is at the heart of these movements.
ACKNOWLEDGEMENTS

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CHAPTER ONE

RESURGENT ETHNIC NATIONALISM SINCE WORLD WAR II
CHAPTER ONE

The proliferation of ethnic nationalist movements in western societies has been one of the most surprising dimensions of postwar politics. Unlike persistent ethnic political mobilization in the "less developed" systems of Asia and Africa, the postwar resurgence of movements like Quebec nationalism in Canada challenges the expectations of most social scientists. Contrary to the prediction that ethnic attachment would decline with increasing structural differentiation and instrumental values, ethnic nationalisms seem to have become corollary to such developments.¹ As the 1980s begin to unfold, cases such as Welsh and Scottish nationalism in Great Britain, the Basque movement in Spain, Breton agitation in France, political stalemate between Flemish and Walloons in Belgium, as well as the Quebec separatist movement, pose critical questions for social science.

Although ethnically-based conflict is now almost as prevalent in western industrial systems as conflict based overtly on class, the theoretical and analytical treatment of this phenomenon is remarkably undeveloped.² All too often, social scientists simply describe ethnic conflict in terms of cultural cleavages and leave unasked difficult analytical questions such as why ethnically-
based conflict has displayed such resurgent strength both when social science anticipated its imminent demise and when cultural differences per se were either stable or, more frequently, in decline. Since it is not cultural differences but political mobilization focussed around cultural differences which has increased, it is obviously the latter which requires the attention of social scientists.

Nevertheless, analysis of ethnic resurgence in western systems is faced with formidable obstacles. One of the most serious of these is that both Marxist and liberal theories are ill-adapted for the study of this phenomenon. Neither Marx, nor liberal sociologists such as Parsons, was particularly interested in the conflict-potential of ethnicity since it was regarded as likely to wane. Marxists have tended to dismiss ethnically-based conflict as simply "mystification" and liberal sociologists, who have been more ready to accept ethnicity as a legitimate category of analysis, have conversely almost ignored material factors in their investigations. While this has done much to preserve the unblemished character of liberal and Marxist theorizing, it also has impeded understanding of a seemingly intractable political problem.

This dissertation is an attempt to isolate factors which have facilitated the resurgence of Quebec
nationalism since World War II. The study does not focus on the detailed description of postwar Québécois nationalism nor does it investigate ethnic differences per se. Rather, it questions why Québécois nationalism should currently threaten the integrity of the Canadian state to a greater degree than at any time since Confederation. The following analysis thus attempts to isolate factors facilitating political change in the direction of escalated nationalism. In order to address this question, a methodological premise has been adopted, namely, that the simultaneous postwar resurgence of ethnic nationalisms in several western states indicates that an understanding of any one of them, in this case Québécois nationalism, is likely to be enhanced by attention to the comparative context. While in some sense every historical and social setting, and indeed every political movement, is unique, the simultaneity of these movements suggests exploration of links between their escalation and postwar social, political and economic factors commonly experienced in western states.

In this chapter, terminological ambiguities will be clarified. Secondly, certain European ethnic nationalisms will be briefly overviewed: Scottish and Welsh nationalism in Great Britain, Breton nationalism in France, Basque nationalism in Spain and nationalism among both
In chapter two, the state of literature on ethnic nationalism will be examined and critically assessed, and a paradigm for the assessment of factors fostering Québécois nationalism will be delineated.

Perhaps because ethnic nationalism has been investigated by a number of disciplines, it has received a variety of identifications. The phenomenon here termed "ethnic nationalism" has also been called "ethnoregionalism", "ethnic separatism", "minority nationalism", "autonomist separatist movement", "secessionist movement", "peripheral nationalism", and simply "ethnicity". Due to the conceptual problems posed by terminological inconsistency within the comparative literature, usage of certain key terms such as "ethnic nationalism", "state", "nation" and "Québécois" will be specified.

In this study ethnic nationalism is taken to be the movement by which a common ethnic group (or group leaders on the group's behalf) seeks independent statehood in the name of ethnic self-determination or alternatively, and usually temporally prior, voices demands which, if met, would involve an effective devolution of state power to the ethnic group or its representatives. Since no rigid distinction between them seems analytically justifiable,
movements demanding total separation and those aiming for limited jurisdictional autonomy are considered part of the same continuum. They tend to share common rhetoric and justifications. Generally, both contain varying tendencies within them and frequently follow stages in which they move from demands for limited autonomy to those for outright separatism. Ethnic nationalism is, however, distinct from simple regionalism although it may incorporate certain elements of regionalism which bases claims upon geographic particularities within a given state. While in many cases ethnic nationalism and regional movements share certain demands and rhetoric, ethnic nationalisms, since they fundamentally rest on the argument of a distinct nation, contain a far more volatile threat to any state system.

A specific area of terminological ambiguity involves the terms "state" and "nation". While these are frequently used interchangeably, a consideration of ethnic nationalism requires a distinction between them. The term "state" denotes a geographical area in which a political authority can command legal obedience. According to the International Encyclopedia of the Social Sciences

The state is a geographically delimited segment of human society united by common obedience to a single sovereign. The term may
refer either to the society as a whole or, more specifically, to the sovereign authority that controls it. 15

When using the term "state", key words might be "authority", "legitimacy" and "coercion". In other words, a legal structure is specified. "Nation", on the other hand, identifies a culturally-based collectivity. In *A Dictionary of the Social Sciences*, a nation is defined as

... the largest society (q.v.) of people united by a common culture and consciousness. While a nation occupies a common territory so that its members have common interests of place and land, the vital binding force of the nation is variously derived from a strong sense of its own history, its special religion, or its unique culture, including language. A nation may exist as an historical community and a cultural nexus without political autonomy or statehood. 16

When adopting the term "nation", key words might be "community", "common sympathies" and "common culture". Thus, notwithstanding the frequency with which these terms are used interchangeably, even in scholarly circles, a distinction between them is crucial.

It is furthermore noteworthy that the geographical delimitation of a state and a nation do not necessarily coincide; in fact, within this study claims that the two do not coincide are elements of the subject being explored.
The terms state and nation identify social realities which are dynamic rather than static. Both are embedded in social processes and thus their definition and examination must be nuanced by an awareness of their processual character. Moreover, internal to any multinational state two processes are occurring simultaneously: nation-building and state-building. Social, economic and political forces may be conducive to increasing correspondence (or at least compatibility) between these two processes; alternatively, the nation-building and state-building processes may not only be in tension but actually quite divergent. In systems where ethnic nationalisms pose a threat to state integrity, the two processes are evidently divergent. As Juan Linz says of Spain: "Spain today is a state for all Spaniards, a nation-state for a large part of the population, and only a state but not a nation for important minorities." Throughout the subsequent discussion it will be useful to keep these distinctions in mind.

A final terminological point which needs clarification is the term "Quebec nationalism" or "Québécois nationalism". One of the difficulties of analyzing the Canadian case has been confusion over whether Canada is a nation as well as a state, whether English and French Canadians constitute separate nations or whether only
French Canadians (and not English Canadians or Canadians in general) can be considered a nation. In fact, it is difficult to specify unambiguously who is included within the umbrella of Québécois nationalism. The term might be used to include French-Canadians outside Quebec, only French-speaking Québécois or all residents of the province of Quebec.

Unfortunately, the amorphous character of culturally-based groups, such as an ethnic group or a nation, resists the degree of definitional clarity social scientists rightly consider desirable. There are shades of grey at either end of the continuum identifying common nationhood, and resolution of this ambiguity is beyond the scope of this study. Nevertheless, among the criteria which might be adopted to classify individuals as members or non-members of the Québécois nation would be: residence in the province of Quebec, incorporation into the Quebec culture, degree of francophone origin and especially facility in the French language, and attitude toward the role of the Quebec government. Perhaps arbitrarily, French-Canadians outside Quebec will not be considered part of the Quebec nation. The inclusion or exclusion of non-francophone Quebecers is somewhat more thorny. Some have sufficiently identified themselves with the Québécois
culture that they should probably be included in the term Québécois. Others clearly should not be so classified since they reject most elements of Québécois culture. Given that Quebec nationalists and the Parti Québécois itself are uncertain about the relationship of non-francophones to the proposed nation, it is perhaps legitimate for this study to proceed without fully resolving this point.

Despite increasing evidence of ethnic nationalism in the postwar era, little systematic cross-national research has been conducted on this phenomenon. Often, cases are regarded as unique and unprecedented and thus ill-suited to comparative analysis. One example of this is the amount of attention paid to Quebec nationalism in Canada relative to the dearth of comparative discussions of this movement. Yet it is increasingly evident that an analysis of Quebec nationalism, as well as of nationalist movements in other systems, would benefit from attention to a comparative context.

Ethnic nationalism currently threatens state integrity in several western systems. It is of some concern in Great Britain and has led to chronic governmental instability in Belgium. In 1979 the Wall Street Journal spoke of Basque separatism in Spain as "the biggest problem facing Spain and the greatest threat to its delicate
democracy",19 a view substantiated by the chain of events leading to the abortive coup in February, 1981. By sorting out variations among comparable movements, it is possible to isolate common elements and, drawing upon patterns evident in the comparative context, develop a paradigm for the study of Quebec nationalism. First, however, these movements will be briefly described.

I. SPAIN

The incidence of ethnic nationalism in Spain is particularly interesting for a comparative analysis of ethnic nationalism in western systems. The Basque "nation" can be found in four provinces in northern Spain (Alava, Guipuzcoa, Vizcaya and Navarre) and the three adjacent provinces in southwestern France (Labourd, Basse-Navarre and Soule).20 While it is often assumed that ethnic nationalisms invariably emerge in modernizing areas which have traditionally been economically and socially backward, the Basque (as well as the Catalan) areas have long been among the most industrialized, modern and wealthy parts of Spain. Economic and social transformation within Spain have emanated from rather than spread into these regions.21 Nevertheless, the Basque provinces have never been "provinces comme les autres".22 Long existent in the
Basque region was a tradition of "fueros" dating back to the Middle Ages whereby the Basque minority traded tithes and military service for political autonomy. While only 2.1 million of Spain's 37.3 million people inhabit the Basque area, most observers agree that they have their own unique language (Euskera), culture and history.

Although Basque nationalism was evident as early as the 1890s, the roots of the current strength of Basque nationalism may well lie in the events of the 1930s civil war and the ensuing centralist regime of the Franco era. In the civil war the Basques sided with the Republicans probably in exchange for a grant of autonomy which turned out to be short-lived. The Basque territory was overrun by Franco's forces in June 1937 (the autonomous government had only been established in 1936), and Basque autonomy was subsequently fiercely repressed. After its victory in 1939, the Franco regime stripped the provinces of Guipuzcoa and Vizcaya of their traditional autonomies (although Navarre and Alava were left with some tax privileges), occupied the Basque region militarily, imposed the Castilian language, and repressed any association such as political parties that would even indirectly foster nationalist sentiment. In addition, throughout the Franco era the Spanish government "returned in the form of public services only a
fraction of the tax money the Basques sent to Madrid.\textsuperscript{27}

Even in 1980 the \textit{U.S. News and World Report} could observe that

Bitterness persists toward the central government, which was headed for four decades by ... Franco. The vengeful dictator used Draconian economic measures, nighttime raids and torture to crush Basque nationalism -- practices that had not ended completely even four years after his death.\textsuperscript{28}

Perhaps due to the violent repression of even the non-violent Basque nationalist party, the PNV (Partido Nacionalista Vasco, founded in 1894\textsuperscript{29} but banned during the Franco era), a new and violently leftist nationalist group, commonly referred to as ETA (Euskadi ta Askatasuna or Basque Nation and Liberty) appeared in the 1960s.\textsuperscript{30} Political violence on the part of the Marxist-oriented ETA, and frequently brutal and indiscriminate retaliation on the part of Spanish central authorities, escalated during the 1960s and 1970s. Yet, while ETA has probably done more than any other organization to keep Basque nationalism prominent in Spanish politics,\textsuperscript{31} the majority of nationalists in the Basque territory have remained loyal to the PNV. According to Stanley Payne, the hard-core membership of ETA has probably never been more than a few hundred.\textsuperscript{32} Despite this fact, the role of ETA in the Basque nationalist
movement cannot be overlooked. The government's relative ineffectiveness against ETA no doubt fosters a willingness on the part of the state to meet some of the demands of more moderate nationalists. It is obviously hoped that in doing so momentum will be taken away from ETA's violent orientation.

In the 1970s Spain underwent rapid democratization. While the degree of liberalization was not unlimited, it did include an increasing willingness on the part of central Spanish authorities to listen to advocates of greater regional autonomy within Spain. With the political backdrop of both mounting violence in the Basque region and obvious support for regionalist sentiment in Catalonia and the Basque country (as well as heightened, though less significant, demands from other regions of Spain), steps were taken toward regional autonomy. While these involved a complicated process and considerable foot-dragging on the part of central authorities, on January 11, 1980 the Basque country and Catalonia formally became autonomous regions within Spain. In referenda held in October 1979 constitutional statutes were approved in the two regions which gave them power to elect their own parliaments, to control taxation, police, education and broadcasting.
It is still too early to tell how fully promised steps toward autonomy will materialize. There is evidence to suggest that central Spanish authorities intend to give away only powers they are forced to relinquish. However, these authorities are in a very delicate position since all procrastination on their part leads to an escalation in ETA violence. The current Spanish regime cannot really afford to foster this since to do so risks retaliation from the right.

Overall, it is evident that in its Basque region Spain has a significant threat to its state integrity. In the 1970s it was forced to grant increasing regional autonomy to autonomist and even separatist elements. It has been quite ineffectual in containing rampant political violence on the part of ETA. Moreover, there is every indication that insofar as Basque regional autonomy is concerned the current momentum is toward its increase.

II. GREAT BRITAIN: Scotland and Wales

Like the Basques, the Scots have a long history of at least partially separate political institutions and a long-standing sentiment of distinctiveness. Also similar is the fact that nationalism in Scotland has become more mobilized since the 1960s. However, unlike Basque
nationalism, Scottish nationalism has largely been expressed through institutional political processes and has not been marked by political violence, perhaps due to the more democratic political institutions in Great Britain.

There is no doubt that Scots have long perceived themselves as distinct. As Jack Brand observes:

Scottish nationalism ... does not base itself seriously on language, race, national culture or character. What does seem important is that national feeling has been present for a very long time. 37

Not surprisingly, many observers have linked the maintenance of the sense of Scottish distinctiveness to the tradition of independent Scottish institutions. Until 1603 Scotland was an independent kingdom; at that time James VI of Scotland became king of England as well. Until 1707 Scotland had its own Parliament and political institutions. Even after the 1707 Act of Union, Scotland was left with substantial institutional independence. The Scottish established church (Presbyterian) as well as Scottish legal and educational institutions remained distinctive. 38 Moreover, the scope of institutional distinctiveness has gradually increased. According to Keith Webb:

... since the middle of the nineteenth century there has been considerable institutional growth and administrative
devolution to Scotland, even though there also existed strong centralizing tendencies. This has meant that within the political framework of the United Kingdom a specifically Scottish interest has been delineated, partly because such developments have acted to stimulate and focus Scottish national consciousness. 39

Although relations between Englishmen and Scots should not be viewed as hostile, there has been a longstanding tradition of support for Home Rule within Scotland. While the Home Rule movement originated in the 1880s 40 it was only in the 1920s and 30s that it evolved from a pressure group to an active party organization.

In 1928 the National Party of Scotland was formed; this was followed by the formation of the Scottish Party in 1932 and in 1934 their merger to form the Scottish National Party.

Despite some limited electoral success in by-elections in the 1940s 41 the period up until the 1960s gave the nationalists little cause for rejoicing. During this time there was substantial disagreement within nationalist ranks over both goals and tactics. 42 However, beneath the surface acrimony, a process of clarification was occurring. Keith Webb says of this period:
The "fundamentalists" i.e. [more separatist] and the home rulers after 1939 came more and more into conflict within the SNP. The period between 1939 and 1950 can be seen as a time when the two sides separated out, each to go its own way. Increasingly the fundamentalists won control, and the home rulers had to seek a means of expression outside the SNP. 43

In the 1950s the SNP reached a low ebb. 44 Since the 1960s, SNP fortunes have generally increased although they have also proven somewhat unstable. In the October 1974 election, eleven SNP candidates were elected only to have this number drop to two in the 1979 election. 45

Nevertheless, in the assessment of ethnic nationalism it is important to distinguish between a nationalist movement per se and the fortunes of any particular nationalist party. While the two are undoubtedly related, the relationship between them is clearly not unilinear. 46 According to Jack Brand, a close examination of the data over time reveals that support for the issue of Scottish independence does not rise and fall with support for the Scottish National Party. 47 Among others, Brand notes that since 1970 there has been a core of about 20 per cent of the Scottish people who would choose complete independence. 48 Thus, while voting patterns in Scotland have been notably
unstable, there seems to have been a secular growth of nationalist sentiment in the postwar period.

Although Wales is often included in discussions of ethnic nationalist movements in western systems, it does not exhibit a high degree of ethnic mobilization.49 The Welsh movement is substantially weaker than its Scottish counterpart and, like the Breton movement, is interesting primarily because it adds variance to a comparative study; that is, an explanation of the weakness of the Welsh and Breton movements may provide useful clues for the analysis of nationalist movements in the post-war period.

Unlike Scotland, Wales has historically been highly integrated with England. Although the Church contributed to the maintenance of a sense of distinctiveness in both Scotland and Wales, there has been less institutional autonomy in Wales than in Scotland.50 In fact until as late as 1974 Wales was administered in the same way as England; at that time some administrative devolution of public services was undertaken in response to pressure from Welsh nationalists.51
A Welsh Home Rule movement began in the 1880s and in 1925 the Welsh Nationalist Party, (later to be called Plaid Cymru—the Party of Wales) was founded. Yet the Welsh nationalist movement achieved little success until the 1960s. From the outset Welsh nationalism was culturally and linguistically-based with minimal emphasis upon Welsh economic underdevelopment. In the post-war period there has been increasing tension, within the nationalist movement in general, and within Plaid Cymru in particular, over the almost exclusive emphasis upon cultural and linguistic matters, and by the late 1960s, Plaid Cymru began placing increasing emphasis upon the economy. Since in South Wales only 13 per cent of the population speaks Welsh fluently and in the country as a whole only 13 per cent of those under 30 speak it, this shift is not surprising.

It is nevertheless still fair to regard Welsh nationalism as primarily cultural and linguistic in orientation. While once again no unilinear correspondence should be assumed to exist between Plaid Cymru's electoral fortunes and the overall strength of Welsh nationalism, the facts that Plaid Cymru has never received more than 11.5 per cent of the Welsh popular vote and that the
devolution proposal in the 1979 referendum was overwhelm-
ingly defeated in Wales (80% voted against it). Suggest that it is not politically significant except in a nascent sense.

III. FRANCE

The Breton nationalist movement has been regarded as weak by most European observers. Krejci goes so far as to suggest that in Wales and Brittany communal consciousness may well have been superseded by an attachment to Great Britain and France respectively. While there is undeniably a sense of common ethnic identity among both the Welsh and the Bretons, there has not been a significant political mobilization on the basis of ethnicity in either of these cases. In Brittany, the political mobilization that has occurred has usually been more regionalist than nationalist in emphasis.

The area known as Brittany, which contains approximately five per cent of France's population, lies on the extreme western peninsula of France. Populated around the sixth century by Britons (mainly from Devon and Cornwall) it was attached to France in 1532 as a result of a royal marriage. Since 1789, however, the Breton fact has been largely denied by French centralist tendencies.
Not only have the Breton language and customs been actively repressed\textsuperscript{63} but the Breton economy has been allowed to languish.\textsuperscript{64} Today Brittany exhibits small and uneconomical farms, small and medium-sized traditional industries, rural subsistence living\textsuperscript{65} and a high level of emigration of youth from the region.\textsuperscript{66}

The roots of the modern Breton movement can be traced to the latter part of the nineteenth century. From the outset the Breton movement was alternately dominated by regionalists and overt nationalists. And while the movement might be regarded as predominantly regionalist in character, the failure of regionalists to obtain concessions of a regional nature from Paris has probably contributed to periodic shifts to a dominance of nationalist expression.

By the end of the 1930s the nationalists were predominant; however, since several of them collaborated with the German forces during World War II, the nationalist cause was left in relative disgrace at the end of the war, and, in the 1950s and 1960s, the Breton movement was dominated by regional rather than national interests. Yet this was a significant period in the history of the Breton movement because of the sophistication with which Breton regionalism was expressed. For the first time there was a
shift from cultural and linguistic matters to an emphasis on the state of the Breton economy. In fact in the 1950s Brittany led the way in the revolt of the regions. In 1950 the Comité d'études et de liaison des intérêts breton (more commonly referred to as CELIB) was established. Essentially an economic pressure group which predominantly reflected the interests of the locally-ascendant but backward-looking Breton elite, CELIB acted largely as a parliamentary pressure group. However, despite declining economic conditions in the late 1950s which had a serious impact on Brittany's agricultural sector, CELIB was not able to marshall peasant discontent in the name of regionalism or to influence French policymakers. In fact, the latter were quite skilful at undercutting the effectiveness of the Breton regionalist movement. As the 1960s progressed, and in the face of its lack of political success, CELIB was increasingly plagued by internal divisions.

With the combination of internal dissension and lack of success in political mobilization at the electoral level the momentum shifted in the late 1960s to a more radically nationalist orientation. Among the nationalist organizations established in the late 1950s and 60s was the Front de Libération de la Bretagne (FLB). This
movement, while less extreme in its violence than the Spanish ETA, did much to keep the cause of Breton nationalism in the public eye throughout the 1970s. Little FLB violence was directed at persons; their favoured targets seemed to be structures epitomizing French state control such as tax offices and electrical installations. Police investigation usually revealed youthful offenders. Their legal prosecution drew widespread sympathy on the Breton peninsula and indirectly drew the sympathies of the Breton populace to nationalist activities.73

Despite the numerous organizations which have taken up the cause of Breton regionalism or Breton nationalism over the years, the movement has been plagued both by serious internal divisions and an inability to mobilize the Breton masses. While there is undeniably both latent and overt political discontent in Brittany, there is also a multiplicity of internal divisions which seem to deter the effective mobilization of this discontent in a cohesive way.74

In a sense then, while Brittany exhibits a distinctive ethnic group and many of the characteristics of an "internal colony", it does not seem to possess a nationalist movement which effectively threatens the integrity of the French state. As Gourevitch notes, Brittany is one
of the areas where nationalism has remained largely at the level of folklore.

IV. BELGIUM

Although Belgium, as one of the smaller European states, receives little comparative attention, it is salient for a comparative study of ethnic nationalisms. Not only does Belgium exhibit ethnic conflict to a greater degree than other western states, it also presents the unique situation of a nationalist movement on the part of both of its constituent ethnic groups. Since World War II there has been considerable separatist sentiment in Wallonia and most observers would concede that the movement is even more "integral, enduring and powerful on the Flemish side".

The country's major ethnic groups have historically been approximately equal in number and geographically separated within the country. The Flemish (Dutch-speaking) live in the north of the country (the provinces of West Flanders, East Flanders, Anvers, Limbourg) and the Walloons (French-speaking) are found primarily in the south (in the provinces of Hainaut, Namur, Liège, Luxembourg). In the center of the country the province of Brabant, which is predominantly Flemish-speaking, contains the
national capital of Brussels which is effectively French-speaking. Today approximately 55% of the population is Flemish and 44% Walloon (approximately .6% are German-speakers living in the east). The Walloons, though now numerically inferior, have historically held disproportionate political power in Belgium. The Flemish language and culture were traditionally regarded as inferior by both Flemings and Walloons.

Toward the end of the nineteenth and throughout the twentieth century the Flemish population has awakened and, "[t]he emergence of Flanders from semi-colonial status is a striking fact of the twentieth century." Since World War II, conflict between the Flemish and Walloons has escalated so markedly that it now jeopardizes Belgium's integrity as a unified state. Regional and cultural conflict between these two groups has undoubtedly been Belgium's major political problem.

In the 1960s and 70s this conflict grew rapidly with increasing polarization between the north and south, and the problem of Brussels has taken on an aura of intractability. As Val Lorwin among others predicted, during this period there has been a trend "toward federalism on language and regional lines in ... government, politics.
and society.\(^80\) Just one indicator of the pervasiveness of this trend is the fact that by 1978 all the major political parties were organized along ethnic lines.\(^81\)

Significantly, the trend toward devolution has brought the downfall of several Belgian governments, particularly as a consequence of what seems to be the unmanageable problem of Brussels. For example, in 1977, in what has come to be known as the Egmont Pact, a cabinet proposal to establish a federal Belgium, comprising three political and economic regions (Flanders, Wallonia and Brussels) caused a major political furor. While there is widespread sympathy in both Flanders and Wallonia for regional devolution, the area of Brussels constitutes a peculiarly thorny aspect of the devolution problem. The Bruxellois want to be a third region in any devolution scheme; yet the Flemish are adamantly opposed to this since it would effectively give the French-speaking Walloons, who are numerically inferior, control over two out of three regions. However, Brussels can hardly be lumped in with the Flemish region in which it is situated.

In August 1980, after much ferment, the Belgian parliament approved legislation giving more autonomy to Belgium's two principal linguistic regions. Regional assemblies and executives in Flanders and Wallonia were
given authority over cultural affairs, public health, roads and city projects and were granted control of 10% of the national budget. The central government retained control over major questions of finance, defense, justice and education. The status of Brussels was deferred until 1982. 82

Although it is too early to evaluate the success of the devolution measures, continued governmental instability in Belgium suggests that the problem of ethnic nationalism is far from resolved, and that conflict between Flemings and Walloons will continue to be "the fundamental problem of the Belgian state." 83

While comparative cases in Great Britain, France, Spain and Belgium by no means exhaust the possible choices for a comparative context, they serve to cast theoretical speculation about resurgent nationalisms in a broad context and, since they vary on so many points of detail, provide a useful test of any theorizing about factors facilitating the generalized resurgence of ethnic nationalism since World War II. On many issues, the comparative cases range widely. Included among them are strong movements (Flanders, Wallonia) and weak movements (Wales, Brittany), peaceful movements (Scotland) and violent movements (the Basque ETA). Moreover, on almost any structural factor hypothesized to fuel ethnic resurgence, the states just examined vary
considerably. While Wales and Brittany, for example, might be considered "internal colonies", the Basque area has traditionally been well-to-do, and in Belgium ethnic nationalism exists in both a currently improving economic region (Flanders) and in an economically declining but previously prosperous one (Wallonia). In some cases there is a language difference but in others the differences are either insignificant or nonexistent (Scotland, Wales, the Basque area). Overall then, the comparative cases selected for this study prove challenging for any attempt at general theory-building.

In chapter two, this study examines previous attempts at theory-building about ethnic nationalism and, noting lacunae in theorizing about this phenomenon, proposes an alternative which facilitates greater understanding of the postwar resurgence of ethnic nationalism.
NOTES


5. While other examples might have been chosen, these vary sufficiently to test theorizing about the post-war resurgence of ethnic nationalism in western states.


8. A.H. Birch, "Minority Nationalist Movements and Theories of Political Integration," World Politics, 30, No. 3 (1975), e.g., p.332.


13. This would include limited (at least pro tempore) demands for home rule and other demands for areas of autonomy.


20. There is disagreement as to this classification. Some consider Navarre a separate region. See e.g., Juan Linz, "Opposition In and Under an Authoritarian Regime: the Case of Spain," in Regimes and Oppositions, ed. Robert A. Dahl (New Haven: Yale University Press, 1973), Table 6.2, p.240 for such a distinction. This is probably due to the fact that only about half of Navarre's population is Basque.


24. Not all observers are agreed on this point. Milton da Silva, p.237 argues that cultural differences between Basques and surrounding populations are virtually non-existent. It is true that the Basque language has been in decline for centuries and currently no more than 12 per cent of Basques are able to write Euskera, only about half speak it and the modernized areas of the Basque region are characterized by linguistic assimilation. See e.g., Stanley G. Payne, "Regional Nationalism," pp.85 and 86, especially Table 6.10.

25. da Silva, p.231.


29. da Silva, p.231.


33. One of the contributing factors in this respect is no doubt the ease with which ETA members escaped from Spanish authorities across the border into French Basque territory where they were immune. It is only in the last few years that the French government has actively cooperated with the Spanish in this area, probably due to the increasing restiveness of its own Basque populace and French fears that autonomist sentiment might escalate on the French side of the border as well.

34. John F. Coverdale offers a very readable account of this period in The Political Transformation of Spain after France (Toronto: Praeger, 1979).


36. For example, in 1979 ETA claimed responsibility for 114 political deaths in Spain. Facts on File, November 2, 1979, p.837.


40. Drucker and Brown, p.9; Webb, p.47.

41. See e.g., Webb, p.61ff.

42. Webb, p.48ff.
43. Webb, p.64; see Brand for concurrence.
44. Webb, p.68.
46. Brand, pp.155-6; Drucker and Brown, p.50.
47. Brand, p.164.
52. Drucker and Brown, p.9.
55. Birch, Political Integration, p.113; Davies, p.324; Rawkins, p.526; Drucker and Brown, p.10.
56. Davies, p.326.

58. Drucker and Brown, pp.5-6.

59. Craig, Table 7.08, p.89; Europa Year Book 1980, vol. 1, p.1354.


63. See e.g., Krejci, p.166.


65. Reece, p.277.


68. For an analytic treatment of the nature and role of CELIB, see Renaud Dulong, La Question Bretonne (Paris: Fondation nationale des Sciences Politiques, 1975), p.20ff. and chapter 5, p.98ff.; see also Hayward, passim.

69. Dulong, p.45 and chapter 5 passim.

71. In addition to the Mouvement pour l'Organisation de la Bretagne (M.O.B.) and from its left-wing faction the Union Démocratique Bretonne (U.D.B.).

72. For a discussion of this see Dulong, p.27ff.


74. As Suzanne Berger has said, "Bretagne is uniform in the ensemble and infinitely divided in its parts." S. Berger, Peasants Against Politics (Cambridge: Harvard University Press, 1972), p.19; re. the internal divisions within Brittany see e.g., Dulong, pp.14,18,20 and 64ff.

75. Gourevitch, p.304.


77. Kelly, p.358.


83. Claes, p.52.
CHAPTER TWO

ATTEMPTS AT THEORY-BUILDING
CHAPTER TWO

Despite the significance and prevalence of ethnic nationalism in the postwar west, the state of theorizing about it, and about the social factors which foster it, is relatively primitive. In this chapter, efforts at dealing systematically with this phenomenon will be critically assessed and an alternative paradigm for analyzing the postwar escalation in ethnic nationalism will be offered.

Perhaps due to the conceptual problems posed by the rather shapeless character of ethnic nationalism, the subject remains unfashionable within social science circles. An examination of political science or political sociology literature, in almost any national or international context, reveals an abundance of studies on political parties, public opinion, elections, legislatures and pressure groups. Ethnic nationalism, on the other hand, has received scant attention. Moreover, as Tom Nairn has observed, studies which do focus on this problem consistently reveal two major weaknesses. First, they tend to treat the subject in a one-nation or one-state frame of reference; secondly, they tend to take what nationalists say about themselves too seriously.¹

The consistent emphasis on one-country studies has resulted in a preponderance of literature which is
descriptive rather than analytical. Some, such as Jack E. Reece's *The Bretons Against France*² are nevertheless useful since they provide historical information which is not otherwise accessible. Even in relatively erudite studies, however, the one-country context tends to sidetrack authors away from analysis. While such studies often isolate factors which are suggested as contributing to an increase in the nationalist movement, without the encouragement provided by a comparative approach to focus on analytical variables, these studies usually then drop the isolated factors without systematically examining them, and return instead to an often chronological description of the nationalist movement. Examples of this pattern so pervade the literature that one hesitates to focus a critique of this trend on particular authors. However, at least a couple of examples may serve to illustrate this generalized tendency.

In *The Politics of Nationalism and Devolution*, which is one of the most insightful accounts of nationalism in Great Britain, Drucker and Brown focus briefly on the role of class in the Scottish and Welsh movements. They say:

> On the face of it Nationalist support at successive elections has appeared evenly spread among social classes and income groupings. On closer analysis, however, two features
are noticeable. First, Nationalist support is greatest among the most socially mobile sections of the population. Those who have benefitted most by the changes in Scottish and Welsh society are, in effect, voting for more of the same kind of change. Secondly, certain other groups in society, noticeably the poorest, have been resistant to the charms of Nationalism. 3

With the isolation of as crucial a feature as the strata supporting the nationalist cause, one might reasonably expect considerable documentation of this assertion, examination of changing patterns of stratification and discussion of the implications of this for the nationalist movement. Instead, only a few lines are devoted to supporting data and the description moves on to other topics. The role of class is only briefly and rarely referred to elsewhere in the text, 4 and no sustained evaluation of the role of social classes in Scottish and Welsh nationalism is offered.

Milton da Silva's article, "Modernization and Ethnic Conflict: the Case of the Basques" 5 is one of very few articles published on Basque nationalism. It provides substantial descriptive information on the Basque region and on the course of Basque nationalism; the setting and context of the movement are examined in some detail. At
the outset, the article ascribes to an analytical purpose, namely the examination of the Basque case in order to illustrate some of the "weaknesses found in the literature on political integration". One of these "weaknesses" is "the widely held assumption that ethnic conflict can be explained in terms of economic inequality or class structure".

After devoting more than ten pages of his twenty-four-page article to introductory remarks and historical overview, da Silva begins his assessment of the five "weaknesses" in integration theory which he claims are disputed by the Basque case. Among these, he devotes the greatest attention to the role of economic inequality and class factors. Even to these, however, he devotes only five pages (one of which is mostly tables). The consistently suggested "uneven development" hypothesis is examined and dismissed in one paragraph.

Da Silva's assessment of economic factors and his consideration of the role of class is simplistic and unsystematic. For example, the essence of his case against economic variables is that the Basque economy has been superior to that of the Spanish economy. He observes that Basque nationalist activities in the 1960s have been accompanied by a developing Spanish economy and that the Basques rank higher than the national average in disposable income.
No diachronic analysis of trends is offered, and no note at all is taken of the fact that by 1960 the Basque area was well into a steep economic decline relative to the rest of the Spanish economy, a decline which has continued to the present. 11

On the question of class, da Silva notes that while detailed public opinion data on nationalist attitudes is unavailable, existent evidence suggests "that both past and present support for Basque nationalism has come from three segments of the population: the middle class, the peasants, and the lower clergy." 12 Yet he curiously seems to think that opposition to the nationalist cause by elements of the bourgeoisie 13 and the weakness of leftist Basque nationalist parties 14 refutes links between class structure and ethnic nationalism. By his own evidence, the Basque middle class supports the nationalist movement whereas other strata are either opposed or less supportive. That would seem to be a corroboration of a link between class and ethnicity, not its refutation as da Silva concludes.

Despite the consistent analytical weakness of this article it is neither without merit nor remarkably worse than most literature on ethnic nationalism. The article provides considerable empirical information which
is otherwise unavailable. Anthony Birch's *Political Integration and Disintegration in the British Isles*, for example, manages to combine equally haphazard analysis with even less empirical information. 15

The second weakness identified by Nairn, the tendency to succumb to nationalist rhetoric, has led to literature which is polemical in character. Unfortunately, one of the very few works which attempts more than a one-country approach, Patricia E. Mayo's *The Roots of Identity: Three National Movements in Contemporary European Politics* combines this flaw with an entirely random methodology. In addition to an uncritical sympathy for the movements it purports to be assessing, this work pervasively lacks rigour, even to the extent of ignoring minimally-acceptable standards of documentation. 16 Yet this is all too typical of literature on ethnic nationalism. Without exaggeration, Hechter and Levi have commented:

> Not only is there an absence of systematic comparative studies of ethnoregionalism, but in fact, there are few serious comparative studies of it at all. 17

The unsystematic character of many individual works on ethnic nationalism is also evident in the literature as a whole. Students of ethnic nationalism have been slow to develop an analytical consensus about a framework
for its study, and to date, the building of testable paradigms has lagged behind research in many other aspects of social science. Scholars seem reluctant to accord serious attention and analysis to hypotheses proposed by their colleagues. For example, while Anthony Smith can correctly comment that the most popular theory of ethnic resurgence is that of regional underdevelopment, many reputable students of ethnic nationalism choose to ignore this fact. Most consociational theorists, for example, neither acknowledge nor challenge the hypothesized role of regional underdevelopment in ethnic conflict; they simply ignore it. In *Democracy in Plural Societies*, Arend Lijphart appears oblivious to the possible influence of economic factors in explaining ethnically-based conflict. Other scholars, who at least indicate an awareness of this argument, frequently dismiss it after only the most cursory of examinations. Yet, without systematic assessment of hypotheses, there can be no real development in research on this topic. And as a consequence of the discipline's haphazard approach, much remains unexplained about the reasons for the resurgence of ethnic nationalism in the postwar era.

Hechter and Levi in "The comparative analysis of ethnoregional movements" recommend three key questions for future investigation:
1) What are the social bases of ethnoregional movements? Why are they sometimes based on class and at other times cultural criteria?

2) How can the varying intensity of ethnoregionalism in different countries be explained?

3) What accounts for the timing of ethnoregional political mobilization? 21

Despite the predominant lack of sophistication in the literature on ethnic nationalism, in recent years there have been tentative efforts toward the building of testable paradigms which respond to these questions. Among the most useful of these are Anthony Smith, "Towards a theory of ethnic separatism", 22 Donald Horowitz, "Patterns of Ethnic Separatism" 23 and Peter Gourevitch, "The Reemergence of Peripheral Nationalism" 24

Anthony Smith's article "Towards a theory of ethnic separatism" requires consideration if only because it is relatively recent theorizing by a highly respected student of nationalism. 25 After noting that ethnic separatism is a "vitally important subtype" of nationalism 26 and critiquing the utility of theories of ethnic separatism based upon concepts of regional underdevelopment and enforced underdevelopment, Smith proceeds to offer his own explanation for current ethnic separatisms.
In his treatment, Smith accords considerable attention to "the appearance of a historicist outlook" which he regards as a cultural precondition for the rise of nationalism. He says:

The effect of historicism everywhere is to thrust forward those latent ethnic ties which it tends to elevate, where before men had only been conscious of dynastic, religious or family ties. History now replaces religion as the major explanatory mode for the intellectuals, and they in turn encourage the professionals and allied strata to reinterpret their situations in terms of the new historical vision and its ethnic categories.

He also stresses the rise of scientific bureaucracies and secular education as crucial dimensions of ethnic separatism since, as he asserts, they spur a wave of elite mobility, blocked mobility, and conditions of underemployment of the intelligentsia which, in turn, lead to problems of legitimation.

Unfortunately, after considerable theorizing about factors which he concedes are "the social and cultural background of the ethnic revival" (emphasis added), Smith provides only a truncated analysis of "factors which tend to accentuate the political consciousness of an ethnic community and to make it turn to political action for a solution to identity problems". He tersely notes that:
Of these factors, the most important would appear to be: the cycle of economic and social expansion and contraction, the associated political cycle, the changing social composition of the intelligentsia and the specific governmental policies of the dominant ethnic elites. 31

Arguing that the above features form a constellation, Smith examines them together in the final four pages of his article. While some of his observations on these are suggestive, his discussion of them is too brief and un-systematic to result in a serious consideration of any of them. 32 Finally, he posits that there is a "threefold framework of stages, and underlying interplay of bureaucracy and ethnicity" which form a general pattern for separatist movements in both developed and developing countries. The three stages he cites are:

1) the introduction of a scientific and centralized bureaucracy and the growth of rationalist, critical education, which undermine the hold of traditional, religious conceptions and institutions. This in turn leads to:

-- the emergence of a secular intelligentsia
-- the crisis of legitimacy of the old social order
-- the growth of discontent among a threatened but mobile intelligentsia.
2) the new historical understanding becomes the basis for ethnic political claims. "The ethnic revival quickly assumes a political shape in global conditions of economic closure, growing state regulation and intense political competition between nation-states."

3) Governmental policies in such a situation provide the main determinant of the specific direction of political action on the part of ethnic communities. 33

While Smith's examination contains many insights and identifies features common to various nationalist movements, his preoccupation with what he himself admits is merely "the social and cultural background of the ethnic revival" 34 precludes the sustained examination of factors more central to the current politicization of ethnicity. Consequently, although Smith's theorizing purports to incorporate resurgent nationalism in western states, his framework sheds little light on the difficult questions regarding the varying timing and strength of these movements. 35 He remains focused on features which he himself does not view as integral dimensions of ethnic political mobilization and which, it could be argued, are simply the cultural consequences of more fundamental changes in the economic sphere, a sphere to which Smith pays limited attention. Even if one accepts, as Smith at least implicitly does,
that a historical and literary revival, the rise of scientific bureaucracies and increasing critical education occur in a historical vacuum, it seems theoretically unjustifiable to devote the bulk of attention to what is simply "background".

When Smith finally addresses himself to what fuels ethnic separatisms he offers a mélange of factors which he asserts are central to the increasing politicization of ethnicity but, which he examines in a merely cursory and superficial way. Despite his use of examples from widely varying historical and geographical settings, Smith's analysis remains pervasively ahistorical. Little attention is given to the economic changes which precede and shape factors such as a new historical understanding, the growth of scientific bureaucracies and critical education. Influential economic changes are hinted at or, at most, mentioned by Smith; they are neither explored nor accorded prominence in his unduly descriptive and epiphenomenal account of separatist nationalisms. Consequently, while the steps toward a theory of ethnic separatism offered by Smith correctly locate certain common patterns in nationalist movements, they fail to identify fundamental agents of political change in the direction of escalated ethnic
nationalism and they prove too general and undeveloped to answer the more thorny questions about resurgent ethnic nationalism in western states.

In "Patterns of Ethnic Separatism", Donald Horowitz poses, and attempts to answer, the key analytic questions more directly than does Smith. The questions to which Horowitz addresses himself are:

1) what forces are responsible for the general upsurge in secessionist movements?

2) what moves certain territorially discrete ethnic groups to attempt to leave the state of which they are a part ... whereas other groups, also regionally concentrated, make no such attempts? 38

In dealing with these questions, Horowitz draws examples from, and is obviously attempting to elucidate, cases of ethnic separatism found primarily in the African and Asian setting. Nevertheless, since Horowitz posits general patterns which he does not restrict to these settings, and since his insight on ethnic conflict has been considerable, the article is worthy of scrutiny in this study. 39

Horowitz disagrees with those who attempt to explain secessionist movements by reference only to economic disparities and argues that, in addition to economic variables, relative group position requires examination. 40
According to him, potential secessionists can be classified according to group position and regional position and he posits four distinct paths to secession (see Table 2.1) which are, moreover, influenced by the interaction between group position and regional economic position. He says:

The interplay of relative group position and relative regional position determines the emergence of separatism. In stressing this interplay, I mean to reject direct causal relationships between regional economic disparity and ethnic secession.

Table 2.1

<table>
<thead>
<tr>
<th>BACKWARD GROUP</th>
<th>ADVANCED GROUP</th>
</tr>
</thead>
<tbody>
<tr>
<td>BACKWARD REGIONAL ECONOMY</td>
<td></td>
</tr>
<tr>
<td>ADVANCED REGIONAL ECONOMY</td>
<td></td>
</tr>
</tbody>
</table>

In his investigation (in which he includes the Basques), Horowitz examines potential and actual secessionist movements in each cell and concludes that patterns
exist which both differentiate the cells from each other and condition the likelihood of a secessionist movement in each. For example, Horowitz concludes that backward groups in backward regions are most likely to attempt secession and that they are likely to attempt secession early rather than late in a state's history. In examining each cell, Horowitz concludes that there are consistent patterns within each which influence the probability of a secessionist movement, namely: a) the demands or political claims on the part of the potentially secessionist group; b) patterns which, if present, precipitate a secessionist attempt; c) common considerations of the costs and benefits of attempted secession and a common rationale for choosing to attempt or not attempt secession; and d) common patterns as to timing and frequency of attempted secession. These considerations are summarized in Horowitz' Table 2 (see Table 2.2).

As is evident in Table 2.2, Horowitz regards the salient features influencing the likelihood of a secessionist attempt to be factors such as proportionality in the civil service, governmental taxation and expenditure patterns, various evidence of discrimination and intrastate migration patterns.
Table 2.46
THE DISPOSITION TO SECede, BY GROUP AND REGIONAL POSITION

<table>
<thead>
<tr>
<th>Group and Region</th>
<th>Political Claims</th>
<th>Precipitants</th>
<th>Calculations</th>
<th>Timing and Relative Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Backward group in backward region</td>
<td>Proportionality in civil service, also in revenues</td>
<td>Denial of proportionality in civil service; changes involving symbolic issues like language and religion; influx of advanced group civil servants</td>
<td>Secede despite economic costs</td>
<td>Early, frequent</td>
</tr>
<tr>
<td>Advanced group in backward region</td>
<td>Nondiscrimination; no revenue issue</td>
<td>Severe discrimination; repeated violence; migration back to home region</td>
<td>Secede only if economic costs are low</td>
<td>Late, somewhat frequent</td>
</tr>
<tr>
<td>Advanced group in advanced region</td>
<td>Nondiscrimination; spend revenue where generated</td>
<td>Severe discrimination; violence and migration back to home region if population exporter</td>
<td>Secede only if economic costs are low</td>
<td>Late, rare</td>
</tr>
<tr>
<td>Backward group in advanced region</td>
<td>Proportionality in civil service, spend revenue where generated</td>
<td>Denial of proportionality; political claims made by immigrant strangers in the region</td>
<td>Secede regardless of economic benefits or costs</td>
<td>Early, rare</td>
</tr>
</tbody>
</table>
Since no claim is made here to extensive familiarity with the Asian or African setting, serious consideration of most of the empirical examples utilized by Horowitz will not be undertaken. It is nevertheless possible to assess, at least in a general way, the degree to which Horowitz' theorizing satisfies the questions he poses for himself at the outset and, more specifically, the degree to which the patterns suggested actually shed light on the Basque movement.

The questions which Horowitz poses at the outset of his article center upon the isolation of elements facilitating political change. He speaks of "forces... responsible for the general upsurge in secessionist movements" and "what moves... groups" to secede.\(^{47}\) [emphasis added] Presumably, in order to identify such forces it is necessary to observe a period in which ethnic separatism was weak or absent, one in which the separatist movement became stronger, and the salient differences between these two periods. In other words, it would seem logical to inquire about what caused alterations in the political attitudes of the potentially secessionist group. Thus, a dynamic model is called for. Horowitz, on the other hand, offers a static model involving consistent patterns. He does not focus so much on conditions facilitating political
change as upon those promoting a sense of grievance within a potentially secessionist group. Somewhat like Smith, Horowitz appears most interested in factors which reflect long-standing problems rather than the crucial dynamic in the ethnic conflict paradigm. A subsequent examination of the Basque case will illustrate this.

A second limitation in Horowitz' methodology, and one which probably contributes to the first, is the degree to which he appears satisfied with a heuristic approach which stops at an unduly aggregate level. Within most secessionist movements, there are individuals or classes who benefit from secession more than do other groups. In several cases, Horowitz suggests the embarkation upon a secessionist course despite economic costs to the group. Yet, if Horowitz probed deeper than the aggregate regional or group level, he might well locate not only strata which stand to gain by a secessionist movement (notwithstanding that the net group or regional effect might be negative) but that such a stratum is central to political change toward increasing secession. Instead of extending his analysis to this level, Horowitz stops at identifying patterns which appear unduly static and aggregate.

Although a full evaluation of the patterns proposed by Horowitz cannot be undertaken here, their
appropriateness in the Basque case is worth exploring. According to the schema outlined in Table 2.1, the Basques constitute an "advanced group in an advanced region". Horowitz correctly notes that Basque businessmen and those with far-flung interests oppose Basque secession and that the Basque movement is consequently "strong but far from unanimous in its goals". He then explains Basque ethnic separatism by reference to the central government's greater taxation than expenditure in the Basque region, to immigration patterns which have resulted in few Basques living outside the region and an influx of immigrants from various parts of Spain into the Basque region, and to the underrepresentation of Basques in the Spanish public service and in the civil guard which has been an instrument of Basque repression.

Horowitz correctly identifies salient elements of Basque disaffection for the Spanish state. However, he does not appear to be locating elements central to the upsurge in Basque nationalism since the 1960s. Since outside of recent immigration into the Basque region, the conditions identified by Horowitz have long existed, it is difficult to understand how a framework relying almost exclusively upon them can isolate dynamic elements within the Basque secessionist movement. Moreover, it is
arguable that attention to factors such as the Basque region's relative decline within the Spanish economy and the effect of this and of growing free trade with the European Economic Community upon various classes of Basque society might well provide the dynamic link absent in Horowitz' framework. As Horowitz himself notes: "Some 90 per cent of the production of the Basque provinces... is purchased within Spain under a protectionist economic policy in aid of Basque products that would not be competitive on the international market." Since the Basque bourgeoisie has strong links to the broader Spanish economy, it appears feasible that the impact of trade liberalization upon the Basque region, and in particular its impact upon the middle and working class (the former in particular being the well-spring of Basque nationalism), explains some of the upsurge in Basque nationalism. In short, while Horowitz' patterns appear, like Smith's theorizing, to identify dimensions within the nationalist movement, one wonders if he has gone as far as he might in locating centrally dynamic elements in the nationalist upsurge. Thus, Horowitz appears to be posing the right questions but attempting to answer them with too blunt an instrument.

In "The Reemergence of Peripheral Nationalisms", Peter Gourewich examines nationalisms of particular
interest within this study and, like Horowitz, poses con-
cretely the significant analytical question:

Among those regions of Europe and
North America which have retained
an ethnic distinctiveness into
the present, how can we account
for the much greater strength of
nationalist movements in some of
these regions than in others? 54

In answering this question, Gourevitch focusses
on "the relationship between ethnicity and the geographical
congruence, or its absence, between two functions of the
modern state: political leadership and economic develope-
ment". 55 He argues that the differing strength of nation-
alist movements can be accounted for primarily by reference
to three variables:

1) political leadership
2) economic growth and development
3) ethnic potential or the degree
   of differentiation of distinctive
   characteristics 56

Noting that some areas with ethnic potential have
in recent years demonstrated ethnic nationalist movements
while others have not, Gourevitch offers three propositions
to explain these differences:

1) where both political leadership
    and economic dynamism take place
    in the same region (i.e. where
    the two types of "core" coincide),
    peripheral nationalism is weak,
2) where the above activities take place in different regions, one of which has ethnic potential, the latter region is likely to develop strong, politically relevant, nationalism.

3) if there is no "ethnic potential" in the region, even noncongruence of this type will not produce ethnically based politics, though it may produce regional politics. 57

Within the framework of these propositions, he proceeds to examine countries such as the United Kingdom, Spain, France, Italy, Germany, Belgium and Canada, and concludes that several conditions serve to increase or decrease the effects of congruence or noncongruence:

1) the more severe the political core's weakness, the stronger is the peripheral nationalism

2) the more valuable the economic trumps available to the peripheral region the stronger is the nationalism there

3) the stronger the ethnic potential or the sense of ethnic grievance the weaker the economic tension between core and periphery needs to be to produce nationalism

4) an open international economy, one with low tariff barriers and free movement of capital and labour, reduces the part in economic functions of the existing state, thereby encouraging peripheral nationalism

5) the decreasing salience of the defense function of the traditional national state encourages peripheral nationalism. 58
Of the three efforts at theorizing scrutinized here, Gourevitch's work appears the most theoretically insightful. Not only is his framework dynamic but it encompasses consideration of changing economic conditions, a feature insufficiently integrated in Smith and Horowitz' articles. Perhaps due to these elements, Gourevitch's model is both more sophisticated and contains more explanatory appeal than the works previously examined. Yet, as Gourevitch himself observes:

The argument is not perfectly worked out nor is it exhaustive; its value lies in systematizing a set of questions about certain relationships. Without such an effort, errors cannot be detected. 59

Despite the sophistication and overall rigour of Gourevitch's theorizing, his work is systematically undercut by the methodology he adopts at the outset. As he clearly notes: "The argument... anthropomorphizes regions. That is, it abstracts from their internal diversity and imputes characteristics to the units as a whole."60 Like Horowitz, he opts for a monolithic approach. Yet, he has already observed the major reason for not adopting such an approach:

Regions are not actors; their inhabitants are. If a particular territory becomes nationalistic, we must explain why some
of its residents find nationalism attractive, and if the nationalism is new or suddenly much stronger politically, why they have abandoned old appeals for new ones. 61

By abstracting from the internal diversity of regions, Gourevitch precludes the incorporation of crucial social dynamics into his analysis. The analytical straightjacket implied by a monolithic approach is well-illustrated by the Canadian case.

As Gourevitch himself concedes, the model he offers really does not fit the Canadian context. 62 However, rather than revising his theory to include the Canadian case, Gourevitch first makes a tentative effort to include resurgent Quebec nationalism, then effectively abandons his framework and instead explains the "reemergence" of Quebec nationalism in terms of English-French relations in Quebec and the shift in the continental economy to centers outside Quebec. 63 In even the brief application of his categories to the Canadian case, Gourevitch is inconsistent and confusing. For example, in his Table 4 he offers the following classification:
### Table 2.3

**Regional Location of Economic and Political Leadership Functions**

<table>
<thead>
<tr>
<th>Political Leadership</th>
<th>Quebec</th>
<th>Ontario</th>
</tr>
</thead>
<tbody>
<tr>
<td>State-building, pre-1945</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Present</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Economic Leadership</th>
<th>Quebec</th>
<th>Ontario</th>
<th>Alberta</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original industrialization</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Present</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Elsewhere in his article, Gourevitch states:

"Canada is perhaps the most difficult case to subsume under the models proposed here because her core and periphery occupied the same territory, lower Canada or Quebec." Just which periphery, political or economic, Gourevitch means is left unclear, particularly since in his Table 4 (see Table 2.3), only in "present political leadership" is Quebec dropped from the core classification. Not only is the classification schema obscure but the evidence
Gourevitch offers does not support his classifications. For example, in the "présent" category, he removes Quebec as a core of political leadership yet offers only evidence to support the view that it is in the area of economic leadership that the Quebec situation has changed. Overall, Gourevitch's classification of the Canadian case is open to dispute in almost every aspect. One could probably also question the applicability of his model to the Belgian case. Walloon nationalism, which Gourevitch chooses to ignore, appears at least initially, to complicate his inclusion of Flemish nationalism in Belgium as illustrative of his argument.

Toward the end of his article, Gourevitch apparently realizes the difficulties implied for his theorizing by the anthropomorphizing of regions and he wisely begins to extricate himself from the restrictions implied by this methodological assumption. In the final two pages of his article, he accords considerable attention to the role of elites and classes in "reemergent" nationalisms. That Gourevitch does not then revise his model to incorporate the role of classes leaves it the weaker. However, notwithstanding that Gourevitch's theorizing is open to criticism (indeed, toward the end of the article he begins the
critique himself) his article is both insightful and suggestive of broad structural patterns underlying nationalist resurgence.

The reliance by Horowitz and Gourevitch on structural variables and monolithic regions illustrates the limitations of this approach. Structural variables can only respond to the first question posed by Horowitz (what forces are responsible for the general upsurge in ethnic nationalist movements). No doubt, there are broad social, economic and political trends evident in the postwar period which have fuelled ethnic nationalism in a number of states. Yet each case is also unique. In order to deal with not only the broad patterns but also the peculiarities of each case, dynamics which mediate the impact of the broad structural variables must be identified. Horowitz attempts to answer his second question (what moves certain territorially discrete ethnic groups to attempt to leave the states of which they are a part... whereas other groups, also regionally concentrated, make no such attempts) by identifying the interplay between group position and relative regional position. This is both cumbersome and subject to the same weakness as Gourevitch's anthropomorphizing of regions.
In order to understand more fully what generates any given ethnic nationalism, in addition to isolating broad structural patterns fostering the general resurgence of ethnic nationalisms, it is essential to identify societal particularities through which the impact of general trends are filtered. Clearly, the impact of general trends will be different in inherently different societies. In other words, broad structural trends will always be filtered through and mediated by a given society's social structure.

Observers of nationalist movements have frequently suggested that a society's class structure plays a crucial role in nationalist mobilization. Nationalist sentiment is rarely found equally in the various social strata, and students of nationalism repeatedly identify middle classes as playing a key role in nationalist movements. As Smith observes:

In the great majority of cases, nationalism is an urban movement of the 'middle classes' .... The occupational groups that are most frequently represented in the nationalist movement are civil servants and officers, lawyers and journalists, teachers and other professionals, some of the entrepreneurs and the lower and middle clergy. 68

Tom Nairn further argues that whether nationalist movements appear to be from the ideological right or left they
are never independent of the class structure. It thus seems logical to accord the role of class a place of importance in any theorizing about ethnic nationalism.

In this study, the way broad trends affect a society's class structure is hypothesized to provide the crucial link between trends fostering a general resurgence in ethnic nationalism and the actual emergence of ethnic nationalism in a particular historical setting. Thus, class structure will be examined as a possible intervening variable between broad trends fostering a general resurgence in ethnic nationalism and any given ethnic nationalist movement. Diagrammatically, one might illustrate this hypothesis as being:

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BROAD SOCIAL, ECONOMIC, POLITICAL TRENDS \rightarrow CLASS STRUCTURE \rightarrow ETHNIC NATIONALISM
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While the theoretical framework for evaluating the role of class structure will be developed more fully in the next chapter, it is useful at this point to isolate the broad trends which will form part of the analytic paradigm for examining Quebec's resurgent nationalism.

In comparative literature, or in studies of particular nationalist movements, authors frequently note
broad social, political and economic patterns which their analysis leads them to evaluate as fuelling ethnic resurgence. As the discussion of the theoretical formulations of Smith, Horowitz and Gourevitch illustrates, although authors use different terminology, certain trends recur in these identifications. For example, Horowitz' isolation of the importance of group position and regional economic position resembles Gourevitch's isolation of the importance of political and economic cores. Notwithstanding the growing frequency with which certain factors have been identified as facilitating the general upsurge in ethnic nationalisms, there has been limited systematic evaluation of the explanatory power of these factors in various settings.

In this study, certain social, political and economic factors widely suggested as fostering resurgent nationalisms will be assessed for their explanatory power in the Quebec case. While a large number of factors might have been selected for this evaluation, those chosen are unquestionably among the most frequently identified within the comparative literature. The structural trends to be examined here are: modernization, growing international economic interdependence, uneven economic development, state centralization and structural decentralization, and
systematic discrimination. Although the conceptualization and the specific context from which each of these variables has emerged will be more fully explored in chapters four through eight, it is useful to examine them briefly before moving on to a consideration of the relationship between ethnicity and class in resurgent nationalism.

Although modernization is one of social science's most nebulous concepts, it is generally agreed to denote the obvious societal changes brought about by increasing economic development. Often measured in terms of growing secularization, urbanization, and literacy, modernization appears closely related to alterations in societal class relations. The path which modernization takes in a particular society will substantially affect its class structure. Moreover, in the process of modernization, traditional social ties are loosened and "people become available for new patterns of social behaviour". Several authors have regarded modernization as a key element in the democratization and politicization of an ethnic community, and integral in the mobilization of demands for statehood on the part of subordinate ethnic groups.

Another postwar trend frequently regarded as fostering ethnic resurgence is the degree to which state economies have become increasingly integrated in the
postwar period. Economic activity is now regarded as taking place on a scale which transcends the state unit to such a degree that many observers, of both Marxist and liberal persuasion, are inclined to believe that the intermeshing of state economies has lessened the jurisdictional sovereignty of state units as economic regulators and reduced the cost of ethnic nationalism on the part of ethnic minorities. Phillip Rawkins observes:

... the upsurge of contemporary minority nationalist movements in the major European states may be seen as manifestations of political responses to a new phase in economic development: specifically, the escalation of the trend towards the creation of supranational economies. 

The pattern which has probably been most frequently cited as underlying postwar ethnic nationalist movements is uneven economic development. Variously termed uneven economic development, economic peripheralization, regional underdevelopment or internal colonialism, authors essentially identify the degree to which the interaction of regional ethnic concentration and regional disparities have contributed to ethnic resurgence. Anthony Smith states:

Indeed, today's 'autonomist' separatist movements in Britain, France, Spain and Canada may be seen as the latest expression of this revolt of the neglected periphery.
Yet, the dynamic between uneven economic development and ethnic resurgence is obviously both complex and, to date, unclear. The comparative cases in this study range from the backward Breton region to the historically prosperous Basque region and include economically improving Flanders and economically declining Wallonia. Thus, despite the frequency with which uneven economic development is cited as a contributor to ethnic nationalism, assessment of its role in resurgent Quebec nationalism may contribute to its theoretical treatment in comparative contexts.

One of the most noteworthy postwar patterns has been the degree to which macroeconomic trends have apparently required both increasingly centralized policy-making at the state level and a shift in actual policy-making from the parliamentary to the bureaucratic sphere. The centralization of policy-making and its implications have been regarded as contributing to ethnic resurgence by observers in various settings. Greenwood argues that increasing Spanish centralization is fuelling Basque nationalism, Berger claims that the shift in French decision-making to the bureaucratic level contributes to ethnic resurgence in France, and Smith proposes the development of scientific and centralized bureaucracy as a crucial dimension in the
development of ethnic nationalism. Observers of the Canadian scene will be readily aware of the arguments put forward by Quebec politicians as to how growing centralization at the federal level has left them no recourse but political separation.

Somewhat ironically, the existence of structural decentralization, such as a federal system or other form of institutional autonomy, has also been identified as contributing to ethnic nationalism. The historically greater institutional autonomy of Scotland as contrasted with Wales has been cited as one reason for the more intense nature of Scottish nationalism. Hechter and Levi have argued that a consideration of existent structural autonomy is central to any explanation of the intensity of ethnic nationalism: "Ethnoregionalism is likely to exist to the extent that the central state tolerates cultural and political diversity." Finally, one of the factors frequently regarded as fostering ethnic nationalism is what might be termed systematic discrimination. This pertains to the political relationship between groups as units. One can discuss systematic discrimination in terms of "overlapping versus cross-cutting cleavages", in terms of the degree of societal coincidence between cultural boundaries and the division of labour or as a distinction between vertical and
horizontal differentiation. Whatever the terminology adopted, it involves the degree to which an ethnic hierarchy circumscribes individual opportunities in a multi-ethnic state. When it becomes clear that individuals of differing ethnic groups do not compete equally for scarce resources, attempts to redress the disadvantage on the basis of group rather than individual action can be anticipated.

As the preceding review of literature on ethnic nationalism illustrates, theorizing about factors hypothetically conducive to ethnic resurgence is at a surprisingly primitive stage. Speculation about the effect of major postwar trends of modernization, international economic interdependence, uneven economic development, state centralization, structural decentralization and systematic discrimination remains unsophisticated. Evaluation of the role played by these and other factors varies widely among social scientists. For example, uneven economic development is regarded by some as the major source of ethnic resurgence and by others as of no explanatory utility whatever.

The systematic evaluation of factors facilitating the resurgence of ethnic nationalism is undoubtedly one of the most socially useful, if intellectually demanding,
tasks currently facing social science. This dissertation will offer an analysis of trends which have been widely cited as fostering ethnic resurgence. Through a consideration of their role in the comparative and Canadian contexts, and with examination of their impact on class structure in various settings, steps can hopefully be taken toward a more theoretically satisfying explanation of the well-spring of ethnic resurgence within developed western states in general, and within Canada in particular.

In undertaking this task however, it appears prudent to proceed within the limitations imposed by the primitive state of current theory. Many useful aspects of ethnic nationalism cannot be fully addressed in this dissertation. For example, although the trends to be examined here are clearly contingent upon one another, the development of a sophisticated interactive model is beyond the scope of this study. The disorderly state of comparative research on ethnic nationalism renders the discrete consideration of each of these factors a prior task to the formulation of a more sophisticated model. The latter task, obviously highly desirable, will hopefully be facilitated by some of the "brush-clearing" contained in this study.84

In chapters four through eight the selected factors will be defined and the extent to which each has
been regarded as facilitating ethnic resurgence will be illustrated; secondly, the impact of the trend in the comparative sample will be examined. Drawing upon patterns evident in the comparative cases, their role in the Quebec case will be extensively analyzed.

Throughout this evaluation, the specific impact these factors have had upon class structure and class interests will be closely scrutinized and the degree to which class structure has mediated their impact on ethnic nationalism will be assessed. However, before proceeding to the evaluation of each of these factors, the relationship between ethnicity and class in an ethnically-based movement will be examined in chapter three. Chapter nine will summarize the findings of this study and propose areas for further research.
NOTES


4. For example on p.38.


6. da Silva, p.228.

7. da Silva, p.228.

8. da Silva, p.228.


10. da Silva, pp.239-40.

11. Data on this is provided in chapter three.


16. Patricia E. Mayo, The Roots of Identity: Three National Movements in Contemporary European Politics (London: Allen Lane, 1974). In chapters three and four, for example, she manages to deal with a period ranging from the sixth century up to the present without offering one source of documentation, even for the statistical data she provides on emigration.


22. Smith, passim.


32. For example, Smith's consideration of the "contraction" of political power in western states, while, in many ways, insightful, lacks development. See pp. 31-32.


34. Smith, "Towards a theory," p. 31.

35. Smith, "Towards a theory," p. 33. Smith tends to regard government centralization as facilitating ethnic resurgence but cites, to prove his point, France, Scotland and Wales where the movements are weak when compared with other cases.


37. Smith ranges widely in his use of examples but he rarely examines the historical setting from which his examples are drawn.


41. According to Horowitz, an advanced group "... has benefitted from opportunities in education and non-agricultural employment". A backward group is "... less favorably situated on the average in terms of educational attainment, high-salaried employment, and per capita income..." Horowitz, "Patterns," p. 170.

42. "Separatist regions are characterized as backward or advanced according to the relative economic position of the particular region, as measured by regional income per capita excluding remittances from other regions..." Horowitz, "Patterns," p. 171.


44. Horowitz, "Patterns," p. 171.
46. Horowitz, "Patterns," Table 2, p.192.
48. See pp.184ff.
52. On this see chapter three, e.g., Table 3.1.
55. Gourevitch, p.304. "Political leadership. Constructs and maintains strong central institutions common to the whole country... and formulates common policies in key areas... The historical dimension of this activity may be called state-building." "Economic growth and development. Constructs and maintains an industrial economy... The historical dimension of this activity may be called industrialization." "Ethnic potential. The existence of some distinctive characteristic(s) among the people living in a region, such as language, institutions and/or historical traditions, in that order of importance."
56. Gourevitch, p.305.
60. Gourevitch, p.304.
62. See his comments pp.316 and 319.


64. Gourevitch, p.308, Table 4. This table has been revised to include only Canada.

65. Gourevitch, p.316.


68. Smith, Nationalism in the Twentieth Century, p.25.

69. Tom Nairn, The Break-Up of Britain, p.44.


76. Smith, Nationalism in the Twentieth Century, p.21.

78. Rawkins, p.524.


82. Hechter, Internal Colonialism, passim.


CHAPTER THREE

CLASS AND ETHNIC NATIONALISM
CHAPTER THREE

The poverty of classical social theories as they pertain to ethnic nationalism is demonstrated by the almost unquestioned assumption that ethnicity (or other status group affiliation) and class are alternative and mutually exclusive categories of political mobilization. A predominant view among social scientists seems to be that a group may mobilize on the basis of ethnicity or on the basis of class but that the two categories do not link. Movements are usually regarded as monolithically class-based or ethnically-based. The possibility that ethnic factors might form a connecting link within an overtly class-based movement or that class factors might be interposed in a process leading to an overtly ethnic movement is rarely entertained. Anthony Smith, for example, remarks of separatism in Corsica:

As in Scotland and Wales, support for separatism is closely correlated with the ability of party democracy to override the purely administrative regionalisation favoured by many central bureaucrats, and recognize the political claims of ethnic communities in their own right. And that in turn entails the acknowledgement of ethnicity as a rival of class and an alternative basis of political organization in plural states.

Reasons for this dichotomization are not difficult to find. As indicated in the preceding chapter, major
Theorists in the Marxist and liberal schools of analysis have accorded little importance to ethnic and economic factors respectively, and have constructed alternative and competing paradigms of social analysis upon this basis. Furthermore, these alternative paradigms have so dominated social science research that they have set the boundaries of investigation to a perhaps excessive degree. Significant social questions, such as ethnic resurgence, have remained insufficiently explored largely because of the limitations imposed by a rigid adherence to either of these paradigms. Attempts to link ethnicity and class, for example, pose problems for these divergent schools. Yet, since the conceptual utility of class in explaining political stability or change has been claimed since the time of Aristotle, a framework incorporating the concepts of ethnicity and class may well facilitate greater understanding of the etiology of ethnic resurgence.

In this chapter, which will examine the role of class in an ethnic nationalist movement, "ethnic group" and "class" will be defined and the conceptual utility of class in analyzing political change will be discussed. Secondly, alternative analyses of the relationship between ethnicity and class will be reviewed. Thirdly, the role of class structure in the comparative sample will be examined.
Finally, the perspective adopted in this study will be outlined.

The term "ethnic group" can be defined only somewhat imprecisely. It is generally used in anthropological literature to designate a population which:

1. is largely biologically self-perpetuating
2. shares fundamental cultural values, realized in overt unity in cultural forms
3. makes up a field of communication and interaction
4. has a membership which identifies itself, and is identified by others, as constituting a category distinguishable from other categories of the same order.

Despite the imprecise definition of ethnic group, discussion of the concept of class ranges even more widely within the social sciences and a commonly accepted definition of class remains elusive. Modern sociological use of class largely derives from theorists such as Marx, Weber and Durkheim. Most recent writing on the subject can be divided into the Marxist, Weberian or functionalist schools of analysis. According to a Marxist approach, class is defined on the basis of relationship to the means of production. Common membership in a class exists for a group of people who share a common role in the production
mechanism. Weberians or functionalists, on the other hand, tend to combine objective criteria for the definition of class with ascriptive or subjective criteria and subsequently base their analyses more on the concept of stratification than that of class.

The utility of these approaches for sociological analysis varies according to differing tasks. It is arguable that the Weberian approach, with its use of concepts of stratification and closure, is most useful in describing the patterns of societal power. Yet Weberian (or neo-Weberian) or functionalist approaches have less to say about the sources of political power than an analysis which adopts a definition of class based on objective criteria. Once an analysis moves away from an objective definition of class, such as relationship to the means of production, it is difficult to ascertain what societal factors lead to either the exercise of political power or to alterations in societal power relationships. For example, Ralf Dahrendorf's *Class and Class Conflict in Industrial Society* proposes a definition of class based upon the notion of "authority". Yet, since he remains ambiguous about the sources of this authority, his approach does not facilitate any understanding of why political change might occur. It can identify or describe political power but it does not isolate dynamics
Which lead to alterations in political power. A dominant class is a dominant class because it has authority. Left unaddressed is the question of how it gets and maintains this authority or what might lead to its decline.

For Marx, political change can best be explained by reference to class structure. As Dahrendorf observes, in Marxist analysis conflicts are not viewed as random but rather are regarded as a systematic product of the structure of society itself. The Marxist notion of class and of the economic base as the major source of political change has received considerable criticism. A prominent charge is that Marxist analysis is deterministic, that it posits economic factors as all-encompassing in their explanatory power. Ralph Miliband counters this by arguing that the Marxist perspective rather stresses the primacy of the economic base as explanatory; that economic factors are a starting point and first reference in any explanation of political change. As Denis Monière observes when discussing the development of ideologies in Quebec:

There is no question here of trying to explain everything by economic factors alone, but simply by realizing that in the final analysis these form the basis of concrete existence and the social whole; and that as a result of this, ideological
development occurs in the wake of the development of the relations of production in a given society; that the ideas cannot generate their own change, but are formed and developed out of practice. 6

Despite the utility of an objective definition of class for an analysis of political change (such as political change in the direction of escalated ethnic nationalism), Marxist theory has been unsuccessful in explaining ethnic resurgence. As John Saul recently commented: "can anyone doubt that Marxists have barely begun the kind of analysis of ethnicity which is required?" 7 Marx himself was weak in his analysis of nationalism, 8 and the widespread growth in "new middle classes", increasingly hypothesized as integral to ethnic resurgence, poses a challenge for Marxist analysis. Some Marxists have facilely dismissed the concept of nation as simply a mystification and ideological tool of the bourgeoisie. 9 Reductionism on this scale does little to assist an understanding of ethnic resurgence.

In addition to the Marxist tendency to dismiss nation as a real category of analysis, liberal social scientists have tended all too readily to view ethnic resurgence as an indication of the lessening salience of class structure in political life and thus as an alternative to mobilization on the basis of class. Glazer and Moynihan in
Ethnicity: Theory and Experience seem to hail current ethnic resurgence as evidence that ethnicity may well have replaced class as a basis for political organization. ¹⁰

Other social scientists, whose analyses are more sophisticated than that of Glazer and Moynihan, also tend to underestimate the role of class in an ethnic nationalist movement. Michael Hechter in Internal Colonialism, for example, notes the coincidence between economic cores and peripheries and ethnic differentiation, and proceeds to explain "ethnic change" without examining internal diversity within regions. ¹¹ His theory relies predominantly upon an analysis of ethnic groups as monolithic entities. The analysis of Dofny and Rioux in the Canadian context, which adopts the notion of "ethnic class", also stops short at an unduly aggregate level. ¹² Yet, as Gourevitch among others has noted, regions do not become nationalistic, people do. In order to locate the dynamic element within resurgent ethnic nationalism, it is necessary to probe beyond long-standing cultural divisions of labour.

One of the more sophisticated approaches to the relationship between class and ethnicity in ethnic movements is Frank Parkin's Marxism and Class Theory: A Bourgeois Critique in which he merges the concepts of class and ethnicity. ¹³ Parkin, who rightly criticizes Marxist
theorists for their tendency to dismiss ethnicity as a category of analysis, argues that, since communal lines almost always cut across class divisions, the two sets of phenomena should be closely integrated at the conceptual level. He then drops an objective definition of class and adopts an essentially Weberian approach which relies on concepts of stratification, closure and exclusion. He regards the criterion of property ownership as including both productive capital and cultural capital and suggests that social classes be defined "by reference to their mode of collective action" (emphasis added) rather than their place in the productive process or the division of labour. For example, Parkin says of his approach to class:

It is not a group's position in the division of labour or the productive process that determines its class location but the character of its primary mode of social closure.

Thus, although he takes issue with Dahrendorf's approach, Parkin adopts a position which is not all that different. And like Dahrendorf, he offers a framework more suited to description of political power than isolation of fundamental sources of political power or identification of sources of political change as they related to ethnic resurgence.

While it is tempting to dismiss either nation or class as a fundamental social reality, or to be attracted
by attempts to merge class and ethnicity conceptually, neither of these approaches appears satisfactory. Studies which disregard one or both of these concepts have made little progress in explaining ethnic resurgence. Studies based upon a merging of the two concepts, while they are descriptively useful, likewise do not facilitate isolation of fundamental sources of ethnic resurgence. Before proceeding to a discussion of the approach to class and ethnicity adopted in this study, the comparative sample will be returned to briefly.

Despite the difficulty of isolating the dynamic social element which mediates the impact of structural factors, an examination of the comparative sample corroborates the view that structural factors alone cannot account for the varying strength of ethnic resurgence in different states. For example, on the basis of uneven economic development alone, it is impossible to explain the weakness of Breton and Welsh nationalism or the strength of Basque nationalism. In fact, one could reasonably expect stronger nationalism in Brittany and Wales than in the Basque territory. Furthermore, movements comparable to Quebec nationalism span the spectrum of most of the structural variables usually cited as facilitating the general upsurge in ethnic nationalisms. An examination of the comparative cases
suggests that class factors may well be mediating between factors such as modernization, growing international economic interdependence, uneven economic development, state centralization and structural decentralization, systematic discrimination and emergent nationalisms. The impact these factors have had upon the class structure of Scotland, Wales, Brittany, the Basque area, Flanders and Wallonia is suggestive of the mediating role of class in emergent nationalisms.

The Belgian state system was long maintained by the integration of the Flemish bourgeoisie with the Walloon culture. The French language, used by the Flemish urban bourgeoisie as well as the Walloons, was an effective barrier to the upward mobility of the Flemish lower classes, thus serving the interests of both the Walloons and the Flemish upper class. Postwar trends, however, have led to both the economic resurgence of Flanders and a strong Flemish "new middle class". The postwar pattern of investment in the Flemish as opposed to the traditionally industrial Walloon region has simultaneously expanded the Flemish middle class which would benefit from autonomy or regional state expansion and been instrumental in Wallonia's economic decline. Thus, broad postwar trends would
appear to have altered the class structure which maintained asymmetric relations between the Walloons and Flemish.

The case of the Basques, always the litmus test of any theorizing about ethnic nationalism, also suggests that class structure may be playing a significant role in escalated Basque nationalism. However, data on the Spanish economy is so difficult to obtain that one can only speculate about this within the framework of available information. The Basque bourgeoisie has always been well-integrated into the overall Spanish bourgeoisie. In recent years there has been a relative decline in the Basque economy. While this region is frequently cited as economically affluent, it would appear to be in relative economic decline. The pinnacle of Basque supremacy was probably reached in the late 1940s and early 1950s when the system of autarchy was fully in effect. Since that time, however, and particularly with the trade liberalization which was undertaken from the 1960s onward, their lead has diminished as Table 3.1 indicates. Moreover, if current per capita income is now only 25% higher than the rest of the country as The Economist claims, the Basque economy has declined considerably relative to the rest of the Spanish economy.
Table 3.1: Evolution of Regional Per Capita Income Compared to the Spanish Average, 1949-67 (average individual income = 100)

<table>
<thead>
<tr>
<th>Region</th>
<th>1949</th>
<th>1960</th>
<th>1967</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basque Country</td>
<td>180</td>
<td>165</td>
<td>148</td>
</tr>
<tr>
<td>Barcelona</td>
<td>133</td>
<td>154</td>
<td>142</td>
</tr>
<tr>
<td>Madrid</td>
<td>133</td>
<td>151</td>
<td>153</td>
</tr>
<tr>
<td>Asturias</td>
<td>148</td>
<td>116</td>
<td>96</td>
</tr>
<tr>
<td>The rest of Catalonia</td>
<td>122</td>
<td>116</td>
<td>122</td>
</tr>
<tr>
<td>The Balearics</td>
<td>111</td>
<td>108</td>
<td>128</td>
</tr>
<tr>
<td>Navarre</td>
<td>116</td>
<td>117</td>
<td>125</td>
</tr>
<tr>
<td>The Levant</td>
<td>101</td>
<td>116</td>
<td>96</td>
</tr>
<tr>
<td>Inner Galicia</td>
<td>79</td>
<td>58</td>
<td>64</td>
</tr>
</tbody>
</table>


The impact of this regional decline is unlikely to have fallen on the Basque bourgeoisie since it is essentially linked to the broader Spanish economy. Instead, it is likely to have been disproportionately borne by the Basque middle and working class, traditionally the strata from which Basque nationalism has sprung. Moreover, it is most likely to have been felt in Guipuzcoa and Vizcaya, both the most industrialized Basque provinces and the provinces where Basque nationalism has been strongest. Thus, in worsening conditions of the Basque middle and working classes, broad trends may well be giving an impetus to
Basque nationalism which has always resided in these classes. This may also be the case in Wallonia.

Examinations of ethnic nationalism in Scotland and Wales reinforce the view that consideration of class structure may facilitate greater understanding of the strength of ethnic resurgence in various settings. Scotland has, in recent years, displayed a strong "new middle class" which thinks it stands to benefit from the devolution of political power.²⁵ Ethnic nationalism in Scotland is concentrated in this class which has linked its aspirations to dynamic economic trends from which it stands to benefit. Wales on the contrary, displays a weak middle class and Welsh nationalism continues to possess ambivalent orientations probably due to internal fragmentation of class interests.²⁶ Drucker and Brown observe:

... while in Wales the social structure had not yet been radically transformed, the Scottish social structure looked very much like that of England-- the south of England. By the mid-1970s a stronger middle class stratum was noticeable and the skilled working class had lost much of its importance. ... Twice as many young people in Scotland entered white collar jobs in 1971 as in 1961, and by 1975 one in every four white-collar jobs was filled by someone whose parents had been manual workers. ²⁷
In Brittany, the impact of the general trends cited as fostering ethnic resurgence has not facilitated the emergence of a large "new middle class". While as chapter four indicates, Breton nationalism does appear to be strongest in this class, Brittany is still largely a rural and agricultural society. Its middle class is predominantly conservative and backward-looking, and the class structure is such that any Breton movement is fought with internal class divisions. Indeed, internal class divisions within the Breton movement are often cited as the major reason for its weakness.

From the even limited information available in the comparative sample, it seems unjustified to dismiss out of hand the possible role of class factors in emergent nationalisms. And while the precise role of class obviously requires further investigation, the comparative data suggests that ethnic nationalisms may be stronger only where the broad trends generally facilitating ethnic resurgence have altered the class structures which have maintained ethnic stability within a given state. Thus, class structure apparently requires further consideration as a crucial intervening variable between factors generally facilitating resurgent nationalism and any specific movement.
In this study, both nation and class are regarded as social realities, neither of which is simply ephemeral. This does not imply complete satisfaction with either of these concepts. Obviously, much remains unexplained about the genesis and nature of what is referred to as a nation. As Max Weber noted, the concept of "nation" cannot be stated in terms of empirical qualities and belongs to the sphere of values. As well, much more has been promised of the explanatory power of Marxist tools of analysis than probably can be delivered. Despite this, the concepts of class and nation, as unsophisticated as they are, offer more heuristic merit than any alternative categories of analysis currently on the theoretical horizon. This study will both maintain a conceptual distinction between them and attempt to elucidate the underlying dynamic of ethnic resurgence by stressing the mediating role of class factors.

Comparative analyses suggest that, in any multi-ethnic society, there are elements within each group which disproportionately benefit from any asymmetrical power relationship between ethnic groups. Thus, rather than viewing ethnic resurgence as replacing class, one can view class factors as conditioning or mediating this resurgence. And, instead of assuming concurrence between ethnic and class differentiation, as do those who approach ethnic
conflict from the "ethnic class" or "internal colony" perspective, it appears essential to examine the role of class in either maintaining ethnic stability or leading to increasing instability between groups which previously exhibited a stable asymmetric pattern. Kenneth McRoberts' assessment of the applicability of the "internal colonialism" model as an explanation of Quebec nationalism insightfully notes:

However well the core-periphery distinction may characterize the aggregate relations between regions, it cannot fully define the position of individuals within each of the regions. There will also be divisions among individuals within each region; the interplay of these divisions will greatly influence the strength of secessionist movements and the likelihood of their success. 33

Where one ethnic group is dominant and another subordinate, the benefits and costs of this relationship are never homogeneously distributed through each ethnic group, especially the subordinate group. Invariably, there is a class (or classes) in the subordinate group which derives benefits from, and whose dominant status within that group is maintained by, the subservient position of their ethnic group. Indeed, it is in the interests of this class to maintain the subservient relationship.
When internal and external pressures (which are usually fundamentally economic) alter the circumstances which have underpinned the subservient group's dominant class, political change may be expected. More specifically, when broad social, political and economic trends (to be examined in the remainder of this study), a) alter the class composition of the subservient ethnic group in such a way as to erode the position of classes which have traditionally maintained the subservient relationship; and b) foster the dominance of a class which stands to lose from the maintenance of this subservience, an escalation in ethnic nationalism can be anticipated.

The mediating role of class structure appears crucial. Indeed, it may be in overlooking this that otherwise useful structural analyses, such as the one offered by Gporevitch, break down. No matter how strong the influence of broad social, political and economic trends which foster the general resurgence of ethnic nationalism (Horowitz' first question), in each particular case the emergence and strength of ethnic nationalism is crucially influenced by the impact of these trends upon the society's class structure (Horowitz' second question). If these trends do not influence a multiethnic state in such a way as to alter the class linkages which have maintained ethnic subservience,
a resurgent ethnic nationalism is not likely. Only where their impact fosters the dominance of a "new class" whose interests are served by an alteration of this subservience does ethnic nationalism appear to have any real strength.

This study will explore the degree to which class structure is a necessary element of an etiological framework of postwar ethnic resurgence in western states. In particular, it will investigate: a) the degree to which factors regarded as generally facilitating ethnic resurgence are explanatory in the case of Québécois nationalism; and b) the role class structure plays in mediating the impact of these general trends in the Canadian and Quebec contexts.

Once again diagrammatically, the study will examine:

1. modernization
2. international economic interdependence
3. uneven economic development
4. state centralization and structural decentralization
5. systematic discrimination

Canadian and Quebec class structure
Québécois Nationalism

Chapter four will deal with the role of modernization in fostering ethnic resurgence generally and will specifically examine its role in the Canadian context in fostering Quebec nationalism. In particular, the role of modernization in altering class structure so as to facilitate an escalation in Quebec nationalism will be assessed.
NOTES


4. Dahrendorf, p.27.


14. Parkin, pp.41-42.
17. Parkin, p.94.
23. Payne, pp.92-93.
24. Payne, e.g., p.94-98.
27. Drucker and Brown, p.38.
29. Reece, pp.78, 201-6. See also Renaud Dulong, "La question bretonne" (Paris: Presses de la Fondation nationale des sciences politiques, 1975), e.g., pp.64-7.

31. As noted in Hechter, p. 60.


CHAPTER FOUR

MODERNIZATION, CLASS STRUCTURE

AND

ETHNIC CONFLICT
CHAPTER FOUR

Modernization is one of the most common concepts in social science. Yet, there is limited agreement among social scientists as to the definition of modernization or the specification of what is implied in the process. Despite this, modernization is one of the factors most frequently identified as contributing to escalation in ethnic nationalism and clearly is a major element of changing class structure. As such, modernization is integral not only to an examination of escalation in postwar ethnic nationalism per se, but also to any consideration of the way alterations in traditional class structures play a key role in fostering this escalation. The links between modernization, changing class structure and growing nationalism thus require analysis. However, prior to focussing on such links, the term modernization itself requires some examination.

Many social scientists regard the concept of modernization as ideologically-laden, ethnocentric, and essentially teleological, and are consequently critical of its use as an analytical tool. While much of modernization theory reflects ideological overtones, the concept remains useful for social analysis if some of the tendencies evident in modernization literature are avoided. Nevertheless,
those who do utilize the concept tend to adopt differing definitions of what they mean by modernization. For purposes of this study, modernization is regarded as denoting the obvious social changes brought about by, and required for, economic development (as measured by increasing industrialization and technological innovation). Characteristic features of modernization are secularization, urbanization, the spread of education, the growing influence of the mass media and shifts away from traditional and ascriptive norms to those of bureaucracy and achievement.

The processes involved in modernization are particularly noteworthy for any analysis of political change since they denote alterations in social structure. As Karl Deutsch has observed, in the process of modernization, previously entrenched patterns of social, economic and political activity are weakened or eliminated and "people become available for new patterns of social behaviour". The modernization process generally includes both increasing demands on governmental capacity for policy-making and accelerated social mobility. In an urban, industrial society demands on government far exceed those evident in a traditional society. Accelerated social mobility both directly challenges the traditional class structure and
leads to involvement in the political process by strata which, in a traditional society, had been largely apolitical.

The impact of modernization on previously traditional societies is widely regarded as fostering nationalist movements. This is true in both newly-independent states in Asia and Africa and in western industrial societies which, though often relatively long-established as states, may encompass ethnic diversity. In the countries selected for comparative analysis in this study, modernization is generally regarded as facilitating ethnic nationalism. In most, links have been suggested between the impact of modernization on a previously traditional and relatively apolitical ethnic group, and increasing ethnic conflict. Where once traditional societies were willing to accept domination, modernization has produced highly politicized groups competing for the same resources as the dominant group, and both aggressively pursuing and jealously guarding what they consider their fair share of societal political power and economic benefits. As a consequence, the legitimacy accorded traditional arrangements can no longer be assumed. Moreover, observers have frequently suggested that challenges to the political status quo from the formerly traditional society are led by strata which have been most affected by the modernization process.
The contribution of modernization to ethnic resurgence is supported by the pattern of nationalist strength found in Wales and Scotland. In Wales, where the impact of modernization has not been as significant as elsewhere in Britain, nationalism is not as salient as it is in Scotland. Nevertheless, Welsh nationalism is closely correlated with growth in modernization. Charles Ragin, for example, has documented that nationalist sentiment is strongest in the most modernized sectors of the Welsh populace and in areas where there has been considerable growth in the tertiary sector, a sector whose growth is indicative of the modernization process. Thus, while Welsh nationalism is weaker than most other nationalisms in this study, this appears to be at least partially due to the lesser degree of modernization experienced in Wales. Where modernization has had the greatest impact, however, Welsh nationalism is commensurately stronger than elsewhere in the region. Like Wales, Scotland exhibited a weak middle class up until 1960. Since that time, however, it has rapidly modernized. For example, Scotland has witnessed a consumer boom unparalleled elsewhere in Britain. As Drucker and Brown note:

Ownership of cars, washing machines, telephones, central heating and colour televisions increased faster in Scotland -- in most cases doubling from
the mid-1960s onwards — than in the rest of Britain, and half of Scots families were enjoying to the full benefits of the consumer society denied most often before the 1960s. There was in short, a revolution of rising expectations in the country. 5

Nationalist sentiment in Scotland is predominantly found in precisely the "new middle class" which has been created by the impact of modernization.6 As Jack Brand argues: "It is possible to see parallels between the growth of nationalism in the modernized parts of the Scottish economy and the growth of nationalism after the 'Quiet Revolution' in Quebec."7 The degree to which modernization has altered class structure in Scotland appears related to nationalist sentiment. In Wales, on the other hand, modernization has not affected the region in such a way as to substantially alter traditional class structure. Thus, in Britain the existence of nationalist sentiment corresponds to the differential impact of modernization in ethnically distinct regions of that state. In Scotland where modernization is more evident, nationalist sentiment is stronger than in Wales. In both, however, nationalism is disproportionately located in the classes which have been most influenced by modernization.
Brittany, which like Wales has not been markedly affected by modernization, similarly displays a weak nationalist movement and one which has remained largely at the level of folklore. Despite the weakness of the Breton movement, however, the limited evidence which is available supports the hypothesized link between the impact of modernization and nationalist attitudes. William R. Beer, in a 1978 article, reports the findings of a mailed survey conducted among members of nationalist organizations in Brittany as well as other areas of France. Table 4.1 indicates the percentage breakdown of his sample (i.e., active nationalists) and of the French populace as a whole according to occupational distribution. Table 4.2 illustrates the breakdowns for the Breton region. Both illustrate the degree to which the middle class is the strength of the nationalist movement in Brittany as well as in other regions of France.

Table 4.1 9
Occupational Distribution of Sample and Actively Employed Population in France (as %)

<table>
<thead>
<tr>
<th></th>
<th>Farmers</th>
<th>Business</th>
<th>Professionals</th>
<th>White Collar</th>
<th>Blue Collar</th>
<th>Service</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Sample*</td>
<td>1.9</td>
<td>8.6</td>
<td>52.7</td>
<td>24.7</td>
<td>3.9</td>
<td>0.0</td>
<td>8.2</td>
</tr>
<tr>
<td>N=256</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Active Population **</td>
<td>14.9</td>
<td>9.6</td>
<td>4.9</td>
<td>24.5</td>
<td>37.8</td>
<td>5.7</td>
<td>2.6</td>
</tr>
<tr>
<td>N=20,398,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
* Excludes retired people, students and one housewife
** Source: INSEE (1975)
From his survey, Beer concluded that the leaders of the nationalist movements were predominantly white collar and professional workers, especially teachers, and that these leaders are much more upwardly mobile than the population at large. Thus, while Brittany remains a relatively traditional society, nationalist leaders are located in the new middle class which has been created by modernization.

As previously noted, modernization in Spain has, in many ways, emanated from the Basque region into other parts of the country. The two most modernized provinces within the Basque region, Guipuzcoa and Vizcaya, have long been the hotbeds of Basque nationalist agitation. In recent years, much of the massive immigration into the Basque region has been to these two provinces and, since they have traditionally been the most industrialized, it is probable that the downturn in Basque prosperity has been disproportionately felt in these provinces. The economic shift in
economic activity away from the Basque region, in many ways pursued by Madrid, has been seriously felt by the Basque working class. Thus, while nationalism in the region continues to be led by the Basque middle class, the Basque working class has been increasingly subjected to conditions which make it amenable to political mobilization in a cause opposed to rule from Madrid. Robert P. Clark notes:

... the Basque working class has felt the full brunt of a rampant industrialization process. ... While the Basque professional classes and middle strata could be preoccupied with such symbolic issues as language, flag, and political expression, the working class came increasingly to define the issue of Basque autonomy in concrete economic and "quality of life" terms. 12

Thus, while Basque nationalism is led by the Basque professional middle class and the Basque nationalist party is solidly middle class, the impact of modernization on the region has affected circumstances of the Basque working class so as to leave it receptive to the nationalist cause.

In Belgium, modernization has had a historically differential impact on the two major regions of the country. From the nineteenth century until approximately 1960 Wallonia was simultaneously more industrialized, modern and politically powerful than Flanders. Since World War II,
economic trends have progressively reversed this pattern and rapid industrialization and modernization have been far more evident in the formerly economically-backward and traditional Flemish region. According to most observers, Flanders had established its industrial supremacy by 1961 and this shift was accompanied by the societal changes associated with modernization.¹⁴

In many ways, Belgium is fraught with "communal" or nationalist tension. Nevertheless, certain patterns regarding the concentration of nationalist sentiment are evident. While ethnic nationalism is apparent in both the more recently modernized Flemish region and the long-modern, but now economically-declining Walloon area, it is obviously stronger in Flanders where modernization has most recently had a substantial impact.¹⁵ Equally noteworthy is the fact that nationalist sentiment once again appears to be concentrated in the "new middle class" within the country. Both Anthony Mughan and François Nielsen document significant correspondence between the growth of the tertiary sector in Flanders and support for the Volksunie (the Flemish nationalist party).¹⁶ Other research similarly documents the disproportionate participation in the Flemish nationalist movement by the modernized Flemish middle class. In a 1978 article, Ter Hoeven reported the findings
of a series of 105 interviews with members of the Volksunie in a Flemish town near the language border. In providing the demographic breakdown illustrated in Table 4.3 he notes that it is the "by now familiar picture". According to him, voting research indicates that Volksunie voters "tend to be young, male, urban middle class and better educated".17

Table 4.318

<table>
<thead>
<tr>
<th>Sex</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>65</td>
<td>35</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>20-39</th>
<th>40-59</th>
<th>60+</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>43</td>
<td>44</td>
<td>13</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Education</th>
<th>Elementary School</th>
<th>Elementary/Lower Middle</th>
<th>Higher Middle</th>
<th>Higher Studies/University</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>19</td>
<td>30</td>
<td>33</td>
<td>18</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Profession</th>
<th>Manual Workers</th>
<th>White collar</th>
<th>Independent</th>
<th>Academic Professions</th>
<th>No Occupation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>26</td>
<td>25</td>
<td>14</td>
<td>11</td>
<td>24</td>
</tr>
</tbody>
</table>


In Wallonia, where the postwar impact of the dramatic social change implied by modernization has been less evident, the nationalist movement is weaker than it
is in Flanders. Yet, while the Walloon nationalist movement is weaker than it is in Flanders (indeed, it is frequently overlooked in discussions of resurgent nationalism), it displays characteristics common to the other movements assessed here. For one, participation by the "new middle class" in this movement appears substantial, and from the mid-1970s Walloon nationalism was also apparently increasingly correlated with growth in the regional tertiary sector.

The Belgian case further corroborates the assertion that nationalist sentiment is most concentrated in the upwardly mobile professional strata. In the Brussels area, where there is a concentration of the technocratic middle class, ethnic tension is consistently high and the "communal" or nationalist party centered there, the Front democratique des Francophones (FD), receives proportionally even more electoral support than does the Volksunie (Flanders) or the Rassemblement Wallon (Wallonia). Thus, in Belgium not only is the nationalist movement strongest in the region which has recently experienced modernization and a substantial alteration in its class structure, but throughout the country, nationalist sentiment is strongest in the professional middle class which has largely been created by the impact of modernization.
Within the comparative sample then, available evidence supports the hypothesized link between modernization and an escalation in ethnic nationalism. In Scotland, where the postwar impact of modernization has been considerable, the nationalist movement is stronger than it is in Wales where modernization has had less effect. In Brittany and Wales, where modernization has been less substantial, the nationalist movements are correspondingly weak but nevertheless concentrated in the more modernized middle class. In Flanders, where evidence of recent modernization is clear, the nationalist movement has increased significantly since the war and, throughout Belgium, ethnic sentiment appears strongest in the middle class segments of the population. In Spain as well, the nationalist movement is both strongest in the more modernized provinces and led by the Basque middle class.

The impact of modernization on traditional class structure would appear worthy of further exploration. In the comparative sample, considerable evidence of links between alterations in class structure and increased ethnic nationalism have been uncovered. In particular, the comparative cases suggest that the role of a "new middle class", which is created by the impact of modernization, may in some cases be a crucial feature in the escalation of
ethnic conflict since World War II. Thus, the relationship between modernization, altered class structure and the post-war escalation of Québécois nationalism is worth exploring.

Post-Conquest Quebec was characterized by dual societies embodying class structures which were simultaneously symbiotic and asymmetrical. The colonial economy, predominantly reliant upon the export of staples to Great Britain, was dominated by an anglophone commercial bourgeoisie centered in Montreal. While there is considerable debate among historians of French-Canada regarding class structure prior to the Conquest, after the Conquest political relations in Quebec were clearly characterized by the ascendancy of the Montreal anglophone bourgeoisie and domination of the francophone populace by the Church and a francophone petite bourgeoisie composed primarily of lawyers, notaries and doctors. Most French-Canadians were peasants engaged in self-subsistent farming or petty commodity production. To the extent that a francophone bourgeoisie existed, it was weak and thoroughly ancillary to its anglophone counterpart.

The political and social institutions of French Canada were essentially dominated by the Roman Catholic Church. This dominance served the interests of the anglophone bourgeoisie as well as those of the Church and the
francophone petite bourgeoisie. The Church and the anglophone authorities accommodated each other. The Church extolled the virtues of agricultural self-subsistence, maintenance of the French language, avoidance of commerce, and the spiritual and civilizing mission of the French-Canadian race in North America. Commerce was left to the Montreal anglophone bourgeoisie and French Canadians were reciprocally allowed to maintain their Roman Catholicism, francophone character and distinct social structure.

Maurice Tremblay observes of this period:

Respectful of established power, the French-Canadian Church was prepared for accommodation. Moreover, the English authorities, concerned about unrest in the colony to the south and convinced that the Church, with its strong influence and authority, could assure the loyalty of French-Canadians, also opted for this approach. 24

The dominance of the Church within French Canadian society and the overall ascendency of the anglophone bourgeoisie continued not only throughout the post-Conquest colonial and Confederation periods, but into the second half of the twentieth century. As many historians have noted, Confederation was partly a response to the needs of Canadian capitalism, and the Montreal bourgeoisie was an integral element of this capitalism. Stanley Ryerson
says in part of the engineering of the federal union: "Macdonald with Galt represented the general interest of the leading English-Canadian business community, closely tied with London and the Grand Trunk, and having Montreal as its main headquarters." 25

Despite the accommodative arrangements which maintained stability in traditional French Canada, modernizing processes, which would erode the balance between English and French in Quebec, began in the nineteenth and progressed throughout the twentieth century. The impossibility of the continued coexistence of rural self-subsistence and the French-Canadian's traditionally high birth rate became evident as early as 1820. By that time most of the fertile land had been exploited and the process of emigration from the countryside, which would become "massive" in the latter part of the century, had begun. 26 While anglophones formed the majority in Montreal as late as the 1850s, by the 1871 census francophones were the majority in Quebec's urban metropolis, a trend which has progressed throughout the twentieth century. 27 As well, after 1910 massive emigration to the United States slowed, and movement from the Quebec countryside was predominantly to Quebec's urban centers. Vallerand contends that from this date one can speak of the "proletarianization of French Canada". 28
Economic change progressed rapidly in the early part of the twentieth century. While Quebec was still dominated by agriculture at the outset of the century, this sector soon declined in importance. The rapid pace of industrialization as Quebec emerged from the Second World War is illustrated by the fact that between 1939 and 1950 employment in manufacturing doubled within the province.29

During the first half of this century, the economic growth which took place was not at the initiative of French Canadian entrepreneurs, who were weak and few in number, but under the aegis of anglophones. Denis Monière says of Quebec's class structure during this period:

The bourgeoisie of industry and high finance was made up chiefly of Americans and Anglo-Saxons, with a small minority of French-Canadian capitalists. Its political representatives were the Liberals of Taschereau. Another bourgeois group, that of the owners of the means of production, was clustered in small and medium-sized enterprises. It was typified by weak capital concentration, location in small towns, and intensive employment of a largely unqualified work force. Closely connected with the petty bourgeoisie of the professions, it would express its class interests politically in support of Duplessis. Meanwhile, the traditional Quebec petty bourgeoisie, represented by
the politicians, continued to manage the state apparatus and serve two masters, the church and capital. The church represented by the clergy, maintained its starring role of intermediary between the people and the various levels of power. Quebec’s working class developed with industry. 30

As industrialization increased in Quebec, it spurred urbanization. These two processes in turn led to the eventual spread of secularization, education and the growth of the mass media. As Table 4.4 indicates, during the twentieth century Quebec has changed from a rural to an urban society.

Table 4.4 Quebec, Rural and Urban Population (various years, in percentage)

<table>
<thead>
<tr>
<th>YEAR</th>
<th>RURAL POPULATION</th>
<th>URBAN POPULATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1891</td>
<td>70.8</td>
<td>29.2</td>
</tr>
<tr>
<td>1921</td>
<td>44.0</td>
<td>56.0</td>
</tr>
<tr>
<td>1951</td>
<td>33.5</td>
<td>66.5</td>
</tr>
<tr>
<td>1971</td>
<td>19.4</td>
<td>80.6</td>
</tr>
</tbody>
</table>


Secularization has also been evident within Quebec in the past twenty years. 31 Yet, despite the undeniable impact of secularization in social and political
spheres, its evaluation requires some care. While Stanley Ryerson, citing La Presse data, claims that “religious practice is in a free fall”32 Québécois still tend to regard themselves as Roman Catholics. In the 1971 census, fully 86.7% of Québécois considered themselves Roman Catholics, a percentage slightly higher than indicated in the 1931 census.33 Nevertheless, in the postwar period, Church attendance has markedly declined and Québécois have become rapidly secularized in their outlook on social and political issues. The power of the Church to “deliver” the French Canadian populace simply no longer exists. Evidence of the decline in the Church’s power to dictate all facets of social life is not difficult to find. The numbers joining Church orders in Quebec has fallen off dramatically and the official Church teaching on birth control is apparently ignored by large sectors of the populace.34 As early as the mid-1960s, Claude Ryan commented:

The sphere of influence of religious leaders, even among Churchgoers, is much more circumscribed than before. A priest who intervenes in a question of a non-religious nature is more and more considered to be a citizen equal to others. 35

The spread of education in Quebec also has undergone a dramatic change in the postwar period and particularly since the 1960s. In 1964 a Department of Education independent


of Church structures was finally established in the province. Until that time education was primarily under the auspices of the Church-related orders. Teacher-training and the provision of services had been uneven, and the inability of Quebec's educational system to meet the demands of an urbanizing and industrializing society became blatant in the 1940s and 1950s. Quebec's confessional system emphasizing classical and liberal training was unable to provide graduates with the scientific and technological training required by a modern industrial society. In 1961, only 50% of Quebec youth in the 15-19 age category attended school; in 1951 the figure was only 30%. In 1961, 86% of farmers and farm workers in Quebec had received less than nine years of education.

Since the 1960s, there has been considerable change in Quebec's educational picture. McRoberts and Posgate note:

More Quebeois are attending school and are staying in school for longer periods. Post-secondary enrollments have gone from 58,162 in 1960-61 to 136,489 in 1970-71. At the secondary level the rates of school attendance have risen over the decade from 75 per cent to 94 per cent for fifteen-year olds, 51 per cent to 84 per cent for sixteen-year olds, 31
per cent to 63 per cent for seventeen-year olds. Such expansion means very high social mobility within a single generation. As early as 1962 a survey of students at the French universities found that half had fathers who went no further than grade eight. It also means high expectations about careers and salaries. 38

Communication has also markedly increased within Quebec and Canada as a whole during the postwar period. This has contributed to heightened ethnic conflict in at least two ways. With the spread of television among the Quebec populace from the 1950s onward the stage was set for greater "popular" involvement in the political process. The possibilities offered by television for mobilization of the popular level was illustrated by the Créditiste electoral upset in the 1950s. Television has also contributed in no small way to the success of the Parti Québécois. René Levesque, a former television journalist, who is the founder and leader of this party, makes superb use of the mass media to popularize nationalist positions. As well, with increasing exposure to the mass media in both Quebec and other regions of Canada, the differences between the Québécois and English Canada cannot be politely confined to elite bargaining as they could in a more traditional period.
By the postwar period, the stage was set in Quebec for fundamental political changes. Rapid industrialization and urbanization in the first half of the century had created societal pressures which normally dictate governmental intervention to cushion the social dislocation involved in economic development and urbanization. In the 1950s, the impact of urbanization began to be seen in secularizing tendencies, a change which would significantly alter the basis of the francophone social structure. It was also evident in growing demands for an educational system which would equip the Québécois for life in an industrial society. With secularization, the power of the Church to guarantee social harmony was eroded and with demands for government intervention in spheres such as education and welfare, the traditional petit-bourgeois government of Maurice Duplessis was pressed to adopt attitudes of "modern" government.

Despite the widespread evidence of the social problems which attend modernization, the Union Nationale government headed by Maurice Duplessis remained adamantly anti-étatiste. It defended laissez-faire economic policies welcoming foreign and English-Canadian capital without restrictions. In the labour disputes, which are inevitable in an industrial society, the petit-bourgeois politicians maintained their symbiotic ties with anglophone capital
and actively opposed francophone workers' struggle for labour rights. Moreover, the traditionally-oriented U.N. refused to implement what Ramsay Cook has aptly described as "... the kind of social welfare policies that make a modern industrial society acceptable to the great mass of the people who live in it without owning much of it."^39

Despite a "nationalist" stance,^40 Maurice Duplessis, and the U.N. government he headed, systematically pursued policies which worked against the full participation of the Québécois people in the industrial society which Quebec had become since the war. McRoberts and Posgate say of Duplessis himself:

"Despite his professed attachment to French-Canadian interests, Duplessis was clearly resigned to Anglo-Saxon dominance of the Quebec economy. He appears to have seen it as normal, or at least beyond redress; that the economic initiative should lie with Anglo-Saxons--they were inherently better suited for business."^41

By its very passivity and resistance to inevitable social and political change, the U.N. government under Duplessis probably contributed, at least indirectly, to the intensity of étatisme after 1960. In the 1950s, the implications of modernization were unavoidably clear. By that time, urbanization had created needs for secular and
scientific education which only an interventionist government could provide. It had additionally created unremitting pressures for governmental intervention in health and welfare fields as well as education.

Even more significant for the purposes of this study, was the impact of modernization on the class alliances which had characterized Quebec society since the time of the Conquest. With progressive secularization, the social power of the Church was eroded; with continued pressures for intervention caused by urbanization and growing educational needs, the adamant anti-étatisme of Quebec's traditional petit-bourgeois government became increasingly intolerable to Quebec society. Moreover, as the effects of modernization mounted throughout Quebec society in the 1950s, the Church-run educational and social institutions increasingly had resort to personnel from what has been called a "new middle class". This white-collar, technocratic middle class, which possessed the technical and scientific competence suited to bureaucratic and activist government, not only chafed at the anti-étatisme of the traditional petit-bourgeois Union Nationale government, but found its upward mobility constrained by the constellation of power relations characteristic of Quebec society until that time.
The course of modernization in Quebec simultaneously contributed to trends which both upset the class alliances which had maintained political stability in Quebec and, even more crucially, fostered the growth of a new class which was not only to become dominant within the francophone populace but whose interests would not be served by the symbiotic and asymmetrical class structures which had characterized traditional Quebec. The position of the Church and the traditional petite-bourgeoisie had not been threatened by anglophone dominance of the Quebec economy; indeed in some ways exclusion of the Québécois from this sector had enhanced the position of the Church and traditional petite-bourgeoisie. However, the "new middle class", which had been created by the impact of modernization, found its upward mobility unduly confined in an economy which excluded it from full participation in the industrial and financial sectors. Thus, modernization introduced changes to Quebec society which would fundamentally alter the course of Québécois nationalism.

The growth of the "new middle class" in the 1950s and the blockage of its upward mobility by the constellation of class relations dominated by an anglophone bourgeoisie, the Church and the traditional petite-bourgeoisie, are crucial for an understanding of the "take-off" of Québécois
nationalism after 1960. This class, which was building in size and importance in the Québécois economy throughout the 1950s, fully emerged on the political scene with the defeat of the Union Nationale by the Liberals under Jean Lesage in 1960.

The impact of the Quiet Revolution, which includes the period from the election of the provincial Liberal party in 1960 to its electoral defeat in 1966, has received considerable attention from Canadian social scientists. This upheaval dramatically illustrated the shift in ascendancy from the Church and the traditional petite-bourgeoisie to the new technocratic middle class among francophone Québécois. The struggles over Bill 60, which established a Ministry of Education in the face of considerable opposition from the Church hierarchy), the nationalization of hydro-electric facilities and the emergence of various forms of public economic enterprises signalled the fundamental shift away from Church and traditional petit-bourgeois domination, passive acceptance of anglophone domination of the economy, and tolerance of a laissez-faire government surrounded by massive social problems demanding governmental attention. The shift was to an étatiste orientation to politics, the challenging of anglophone capital for a "bigger piece of the pie" and dominance by the new technocratic middle class.
While the purpose of this analysis is not an extensive discussion of the various events which occurred during the turmoil of the Quiet Revolution, certain key facets of the change which it signified are noteworthy. First, the period spoken of as the Quiet Revolution did not occur in a historical vacuum. Clearly reflecting the growing importance of the technocratic middle class in Quebec's political economy, it flowed directly from the ferment of the 1950s and set the stage for developments in the 1970s and 80s. The emergence of avowedly separatist parties in the 1960s and the election of the Parti Québécois in 1976, rather than a discontinuity with the shift from the U.N. of the 1950s to the Liberals of the 1960s, were the logical extensions of the change symbolized by the election of the Liberals under Jean Lesage in 1960. Both the Liberals of the 1960s and the current Parti Québécois predominantly reflect the interests of the "new middle class" created by the impact of modernization on Quebec's once tradition-bound francophone populace. Moreover, evidence that it is from this class that support resides for nationalism and the nationalist Parti Québécois is overwhelming. Régis Pelletier insightfully locates the link between the blocked mobility of the "new middle class" in the 1950s and the étatisme evident in the 1960s and 70s.
The new middle class found itself confronted in the fifties with three "institutions" of blockage which occupied the entire social terrain: the Catholic Church, which largely controlled social affairs and education; the anglophone bourgeoisie (Canadian and continental), which dominated the economic system and finally the federal government, which largely controlled the political sphere due to the centralization of power and resources in Ottawa and as a result of the rejection of the Duplessis government by a large part of the new middle class.

To counter the action of these "institutions" the new middle class which came to power in 1960, proceeded to use the Quebec state as an instrument of collective action and to define a new ideology, neo-nationalism, which at the same time served to justify its actions. This explains the state interventions at the same time in the sectors of activity traditionally controlled by the Church, in the economic realm, through the creation of public enterprises managed by francophones, and in the political sphere, in opposition to the presence of the federal government in certain sectors. 45

There is considerable evidence of the central role played by the new technocratic middle class in the change which has occurred within Quebec politics since 1960. The general orientation of Quebec policy since that
time has both reflected and facilitated the growing importance of this class and its interests. The massive expansion of the state sector during the Quiet Revolution provided employment opportunities to its members who found their upward mobility blocked by anglophone domination of the private sector. The scope of this expansion is noted by McRoberts and Posgate:

During the early 1960's, there was a rapid expansion of the Quebec civil service. Between 1960 and 1966, six new ministries, nine consultative councils, three regulatory bodies, eight public enterprises, and one administrative tribunal were created. The total number of such institutions rose from 39 to 64. The personnel employed in the civil service (i.e., excluding public enterprises) grew by 42.6 per cent during 1960-1965, rising from 29,298 to 41,847. The personnel employed in public enterprises (excluding Hydro-Quebec and the Société des Alcools) grew by 93 per cent over these five years, rising from 7,468 to 14,411.

As Gow notes, total spending by the Quebec government (including investment) in the years 1959-60 to 1969-70 went from $600 million to $3200 million. That is, during this period while per capita income increased 1.9 times, governmental per capita expenditures increased 4.5 times. According to his calculations, during this period the
number of bureaucrats and employees in ministries and related organizations went from 32,000 to 70,000. By 1970, the public sector contained 40 per cent of the unionized workers of Quebec. A 1973 survey found that 53.8% of francophone university graduates worked for the Quebec state; among younger university graduates the rate was even higher, fully 65.3% were employed by the Quebec state. By 1982 it was possible for the Quebec Minister of Finance to observe that in Quebec the ratio of employees per student in its schools, per patient in its hospitals and per citizen was higher than anywhere else in North America.

Not only did the Quebec public sector become the major employer of the "new middle class" created by modernization but it governed in such a way as to disproportionately benefit this class. Albert Breton, in a trenchant and persuasive examination of the nationalization of private power companies to form Hydro-Québec and the creation of the Société Générale de Financement (or General Investment Corporation), which took place in the early 1960s, convincingly demonstrated that rather than being generally beneficial to all sectors of Quebec society they involved the expenditure of public monies essentially to provide jobs for Quebec's francophone middle class. McRoberts and Posgate further question the degree to which many
public sector activities involved neutrally-distributed benefits. They say:

... to the extent that new economic opportunities were created through these measures, they acted primarily at the white-collar and professional levels. Similarly, the greatest beneficiaries of reform of the educational, health and welfare institutions were the members of the bureaucratic middle class who were now freed from clerical domination. 53

While the challenge of the technocratic middle class to the power of the Church and the traditional petite-bourgeoisie were relatively effective, its challenge to the powers of the federal state and in particular to the power of the anglophone bourgeoisie proved more problematic. At least initially, the Pearson government appeared prepared to acquiesce to Quebec's demands for greater decentralization of political and economic power to the provincial level. After the 1968 election of Pierre Trudeau, however, this predisposition entirely disappeared. Faced with a work world in which the dominant patterns continued to disadvantage francophones, Quebec governments eventually resorted to progressively coercive language legislation in their effort to provide greater opportunities for francophone mobility within the private sector.
Ever-escalating demands on the part of Quebec
governments for greater jurisdictional scope and increasing
restrictions on the use of the English language, particular-
ly as it pertains to the world of work, are best understood
as attempts by Quebec's new middle class to expand its base
of power. This is particularly so since, by the late 70s
the growth of the provincial public sector had neared its
limits. In order to provide for the rising expectations
of Quebec's new middle class, Quebec governments require
wider jurisdictional spheres and commensurately expanded
powers of taxation. This is particularly true in the face
of resistance to francization on the part of the still
anglophone-dominated private sector and, even more, the
continuing economic peripheralization of Quebec within the
continental economy, a trend which will be examined in
chapter six. It remains clear, however, that modernization
has affected Quebec's traditional class structure in such
a way as to fuel ethnic nationalism.

The impact of modernization on Quebec has vastly
expanded sectors of the economy which characteristically
employ what has been regarded in many settings as a "new
middle class". This class, whose ranks have been swelled
by the impact of modernization, incorporates, for example,
academics, bureaucrats and members of the media, and is characterized by high levels of education, professional occupational status, relative youth and relatively high incomes. 55

As is the case in other settings, classification of members of this strata according to a class framework has engendered considerable debate among Quebec intellectuals. Not only is there general debate as to where to place members of what has been identified in this study as the "new middle class" within the constellation of class relations in Quebec, but there is also little agreement about the relationship of the nationalist Parti Québécois government to the overall pattern of class relations evident in Quebec. Some, such as Gilles Bourque and Pierre Fournier view the péquistes as a tool of the Quebec bourgeoisie. 56 Others, such as Henry Milner, Denis Monière and Jorge Niosi argue instead that the Parti Québécois is closely linked to the interests of the new middle class, a perspective adopted in this study. 57

To a certain extent this disagreement stems from the difficulties posed to Marxist analysis by the "new middle class", a problem noted in chapter three and one which will be returned to in chapter nine. The dispute between Bourque and Niosi, for example, is in part due to
this more general problem of Marxist analysis. In this study, members of the professional strata, whose ranks have been swelled by the process of modernization, are regarded as a distinct class, one which has previously been termed a "new middle class". Others who agree with this categorization, such as Niosi, similarly consider civil servants, teachers, artists, writers and members of the liberal professions such as lawyers and notaries -- i.e., "wage earners and independent producers of services who live by the word",58 to be essentially middle class. This is consistent both with previous delineations of the Quebec scene by, for example, Guindon and Breton and more general treatments of class in contemporary society as those proposed by Miliband.59 The overwhelming majority of members of the co-operative movement must also be considered essentially petit-bourgeois. While, as is the case with the higher echelons of certain public corporations, there are individuals who are closely associated with, or perhaps even members of, the bourgeoisie, it does not seem reasonable to consider either the broad mass of the public sector or those involved in the co-operatives as members of the bourgeoisie.

Some observers, such as Bourque and Fournier, tend to regard the Parti Québécois government as governing
largely in the interests of the bourgeoisie and they essentially view members of what are regarded in this study as the "new middle class" as an integral element of the Quebec bourgeoisie.

"In this study it is contended that the "new middle class" is distinct from what has traditionally been regarded as the bourgeoisie (i.e., those who own and control private capital), and that Quebec's nationalist movement (and for that matter nationalist movements elsewhere) is better understood when such a distinction is drawn. While the differences between the political interests of the "new middle class" and the bourgeoisie will be developed more fully in chapter nine, it is noteworthy at this point that only by classifying the professional strata identified here as "new middle class" as bourgeois, can the assertion of a strong bourgeoisie in the Quebec milieu be sustained.

Bourque and Fournier's argument, that a Quebec bourgeoisie sufficiently large and powerful to control the Quebec government actually exists in the Quebec setting, essentially rests upon acceptance of classification of the public sector and the co-operative movement as members of the bourgeoisie. Yet, neither they nor Niosi, who discusses the existence of a French-Canadian bourgeoisie,
nor independent commentators such as Arnaud Sales and André Saint-Germain offer evidence of an extensive Quebec-based private sector bourgeoisie.\textsuperscript{62} Indeed, the overwhelming evidence offered by all these observers documents the existence of only a weak indigenous bourgeoisie located within Quebec's private sector.

Not only is Quebec's bourgeoisie weak but it exhibits only limited links to the pan-Canadian or continental economy. According to a study conducted by André Raynauld, French-Canadian establishments sell only 22\% of their production outside of Quebec while English-Canadians sell 49\% and foreigners 60\%; in the total of exports from Quebec, French-Canadian establishments represent only 4.5\% against 44\% for English-Canadians and 55.5\% for foreigners.\textsuperscript{63} McRoberts and Posgate also refute the existence of a strong Québécois bourgeoisie.\textsuperscript{64} They say:

Only twenty-six of the 165 enterprises in the province with an annual production worth over $10 million are owned by French-Canadians. The export-oriented, resource-based corporations tend to be under American or multinational control; modern light industries (electronics, etc.) tend to be owned by Anglo-Canadians; French-Canadians predominate in the labour-intensive, lower productivity industries such as textiles, leather products, and food processing. The institutions which supply and
service investment capital -- the stock-market, bond and securities underwriters, banks, trusts, life insurance companies -- are also predominantly Anglo-Canadian-owned, and Saint James Street in Montreal has been as much a stereotypical preserve of English commerce as Westmount was of English social life. 65

Quebec's current class structure reveals an anglophone bourgeoisie which, for reasons which will be explored in chapter six, is increasingly leaving Quebec, and both a weak indigenous bourgeoisie (located largely in P.M.E. -- small and medium enterprises), a petite bourgeoisie located in part in the co-operatives and a large "new middle class" located predominantly in the public sector. Both the weak indigenous bourgeoisie and the co-operatives are dependent upon protection from the Quebec state for their base of accumulation. Thus, the kind of class linkages which traditionally tied the Quebecois into the pan-Canadian class structure and the Canadian political economy have weakened. The symbiotic ties between the Church, traditional petite bourgeoisie and the anglophone commercial bourgeoisie depended upon the viability of an east-west Canadian economy dominated by Montreal's commercial bourgeoisie and continued ascendancy within the francophone populace of the Church and the traditional petite bourgeoisie.
Fundamental economic changes have altered Quebec's economic landscape and, in modernization, have drastically altered the traditional class structure evident in Quebec, with little variation, since the Conquest. The impact of modernization upon Quebec has removed the power base of the Church and the traditional petite-bourgeoisie, and facilitated the growth and now relative dominance of a technocratic middle class which stands to benefit disproportionately from the decentralization of political and economic power from the federal to the provincial state.

In addition to leading to the replacement of the Church and the traditional petite-bourgeoisie by this new middle class, postwar economic trends have contributed to problems of policy-making for the Canadian state and, as well, led to the economic peripheralization of the Quebec economy within North America. These in turn, also appear to have facilitated an escalation of ethnic nationalism in Quebec as elsewhere in the postwar era. We turn now to a more direct examination of these postwar trends of international economic integration (chapter five) and uneven economic development (chapter six).
NOTES


5. Drucker and Brown, p.39.

6. Drucker and Brown, p.33.


9. Beer, p.52, Table 1.
10. Beer, p.54, Table 3.


18. The large proportion in the category "no occupation" may be due to the lack of a student category.


24. M. Tremblay, "Orientations de la Pensée Sociale," in Durocher and Linteau, p.78. This has been translated from the original French by the present author.


34. In contrast to its once remarkably high birth rate, Quebec's rate has declined considerably since 1960, and since 1967 has been lower than the Canadian average. Maurice Saint-Germain, *Une Économie à Libérer* (Montréal: Les Presses de l'Université de Montréal, 1973), pp.95-6.

35. C. Ryan, "Pouvoirs Religieux et Sécularisation," in Durocher and Linteau, p.101. This has been translated from the original French by the present author.

36. For an account of the struggle this involved see Léon Dion, *Le Bill 60 et le Public* (Montréal: L'Institut Canadien des Adultes, 1966), and *Le Bill 60 et la Société Québécoise* (Montréal: L'Institut Canadien des Adultes, 1967).


38. McRoberts and Posgate, p.56.


41. McRoberts and Posgate, p.76.


43. The literature on this includes, for example, David Kwavnick, "The Roots of French-Canadian Discontent," *Canadian Journal of Economics and Political Science*, 31, No. 4 (1965); Charles Taylor, "Nationalism and the Political Intelligentsia: A Case Study," *Queen's Quarterly*, 72, 1965. For a comprehensive treatment of this period see McRoberts and Posgate, chapter six: "The 'Quiet Revolution': The New Ideology of the Quebec State," pp.94-123.

45. Réjean Pelletier, "Les partis politiques et l'Etat," in Bergeron and Pelletier, p.243. This has been translated from the original French by the present author.


49. McRoberts and Posgate, p.139.


54. Pelletier, pp.251-2.


60. Bourque, "Class, Nation," pp. 135, 143; Fournier, e.g., p. 71.

61. Niosi tends to confuse a "French-Canadian bourgeoisie", that is, members of the Canadian bourgeoisie who are of francophone origin, with members of this class whose origin and base of accumulation is in Quebec. In fact, many members of Niosi's "French-Canadian bourgeoisie" are from outside Quebec. Niosi does not appear to consider this dimension as seriously as he might.

62. Saint-Germain; Arnaud Sales, La Bourgeoisie Industrielle au Québec (Montréal: Les Presses de l'Université de Montréal, 1979).

63. As cited in Saint-Germain; p. 124.

64. McRoberts and Posgate, e.g., p. 10.

65. McRoberts and Posgate, p. 47.
CHAPTER FIVE

ECONOMIC CONTINENTALIZATION

AND THE

WEAKENED CANADIAN STATE
CHAPTER FIVE

One of the most noteworthy changes in the post-war environment has been increasing economic interdependence between states. Among the consequences of this trend are the creation, or the expanded roles of organizations such as the European Economic Community, the World Bank and the International Monetary Fund, and increasing use of international economic tools such as Special Drawing Rights. Currently all states, including those in the west, must plan economic policy in an essentially international context. Monetary and fiscal policies adopted by one state, particularly an economically powerful one, have a substantial impact upon smaller or weaker economies. Policymakers in the latter are regularly required to respond to policies or trends which are extraterritorial in origin. Therefore, as economies have become increasingly open to each other, the fundamental framework within which economic policymaking occurs has become inherently international.

While the question of economic interdependence may initially seem removed from the question of ethnic nationalism there has been increasing speculation by economists, as well as political scientists, about the implications of this trend for the state system. In fact, there is a mounting body of scholarly opinion arguing that the
patterns involved in international economic interdependence fundamentally threaten states as they presently exist. As Bergsten has noted: "International integration often seems to threaten national disintegration."

Moreover, while the discussion contained in this chapter at first glance may seem only remotely connected to growth in ethnic nationalism, it is useful to recall that what ethnic nationalism entails is essentially a challenge to the legitimacy and effectiveness of the historically-constituted state. Thus, the actual performance and relative strength of an ostensibly sovereign state are closely related to the question of challenges to its authority from various sources. Ethnic nationalism is currently the most obvious and widespread, but not the only, source of such a challenge. What this chapter will hopefully illustrate, however, is the degree to which international economic trends pave the way for various sub-state challenges to the state system by weakening the position of states as viable units. Thus, it is closely related to the upsurge in ethnic nationalism, and no etiology of ethnic resurgence would be complete without an evaluation of this trend.

In recent years, links between the supposedly declining capacity of states caused by economic interdependence and resurgent ethnic nationalism have been argued
by numerous scholars attempting to explain the dramatic
escalation of ethnic mobilization in established western
states. Observers have suggested that the current state
system "made sense" in a prior socioeconomic context but
that due to alterations in that context, challenges to es-
tablished states are not surprising. Jack Reece, for one,
says:

Perhaps the real significance of
the emergence of ethnic national-
ism among the minority popula-
tions of twentieth-century Europe
is that it reflects the loosening
hold of existing nation-states on
the imaginations of contemporary
Europeans. ... In any event it
seems likely that Europe's in-
creasingly outmoded nation-states,
the characteristic political units
of a socioeconomic order that is
rapidly passing away, will one-day
disappear as well. 3

Despite the frequency with which international
economic interdependence is linked to the erosion of state
power and the postwar escalation in ethnic nationalism
there have been surprisingly limited empirical investiga-
tions of this relationship.

The role of economic interdependence in fostering
ethnic nationalism in western states is a rather complex
one. On the one hand, to the extent that economic inter-
dependence has eroded the effectiveness of states as they
presently exist it sets the stage for challenges to state
legitimacy from a variety of sources. One notable source of such challenges is an ethnic minority which can claim to be a distinct "nation" within the established state. Of course, challenges may also come from other sources such as a region which does not constitute an ethnically-different group or even from sectors of the populace which, while they do not seek to challenge the legitimacy of the state in an overt manner, strive to elude state regulation which is deleterious to their interests. In this study, however, we are particularly interested in the way international economic interdependence has fuelled challenges to existing western states from ethnic minorities. In addition to contributing to an escalation in ethnic nationalism through the erosion of state legitimacy and effectiveness, there is considerable evidence that economic interdependence has, by the specific pattern which it has taken in various states, exacerbated uneven economic development and consequently fuelled ethnic conflict in that way as well.

Although weakened state effectiveness and the impact of economic integration on uneven economic growth are closely related, for the purpose of consideration in this study the two will be analytically distinguished. In this chapter, the postwar growth of international economic
interdependence and the implications of this trend for existent states will be delineated. Limitations posed by economic interdependence for state policy-making, and especially those posed by direct foreign investment, will be evaluated. In addition to examining the general impact of economic interdependence on states, the chapter will examine the broad impact of economic interdependence in the Canadian setting and its effect on the viability of the Canadian state. Chapter six will examine uneven economic development, a trend which has been exacerbated by the impact of international economic interdependence, and the way this trend has altered class structure so as to fuel ethnic nationalism. In a sense then, in the present and subsequent chapter we shall be examining two sides of the same coin. Here the impact of international economic trends in weakening existent states will be evaluated; in chapter six the contribution of economic interdependence to the escalation of demands for an alternative state structure will be considered.

In many respects the world economy has long been international. Enterprises such as the East India Company, and the Hudson's Bay Company were international in scope long before the twentieth century. As early as 1914 the value of United States foreign investment alone was
estimated at more than $2.6 billion. 6 Since World War II the international dimension of the world economy has changed both quantitatively and qualitatively.

In the postwar era, economic interdependence has grown even more rapidly than economic growth. 7 Despite a relative economic slowdown in the 1970s (largely as a result of the increasing cost of fuels), the world economy has continued to be highly interdependent. 8 International capital flows have continued to grow and now rival trade flows in their international importance. 9 Two aspects of economic interdependence, namely the growth in exports and imports and in foreign exchange are illustrated in Tables 5.1 and 5.2.

Table 5.1

<table>
<thead>
<tr>
<th>Year</th>
<th>World Exports/Imports for Selected Years</th>
<th>($ billions U.S.)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>IMPORTS</td>
<td>59.6</td>
</tr>
</tbody>
</table>

Adapted from:

International Financial Statistics Yearbook 1980
(Note: this data includes only IMF members)
### Table 5.2

<table>
<thead>
<tr>
<th>YEAR</th>
<th>FOREIGN EXCHANGE (IN MILLIONS OF SDRs)</th>
<th>% INCREASE FROM PREVIOUS SELECTED YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>13,333</td>
<td>---</td>
</tr>
<tr>
<td>1955</td>
<td>16,730</td>
<td>25.5</td>
</tr>
<tr>
<td>1960</td>
<td>18,494</td>
<td>10.5</td>
</tr>
<tr>
<td>1965</td>
<td>24,015</td>
<td>29.9</td>
</tr>
<tr>
<td>1970</td>
<td>45,434</td>
<td>89.2</td>
</tr>
<tr>
<td>1975</td>
<td>137,347</td>
<td>202.3</td>
</tr>
<tr>
<td>1979</td>
<td>246,105</td>
<td>79.2</td>
</tr>
</tbody>
</table>

Adapted from:

*International Financial Statistics Yearbook 1980*

*International Monetary Fund pp.36-7.*

The postwar growth in economic interdependence has had significant political ramifications for the relationship between state's territories and their economies. International economic trends have crucially altered the territorial coincidence of economies and the state. This has led some commentators, such as Charles Kindleberger to argue that, since "economic areas" are now much larger than geographically delimited states, the current state system
has become essentially ineffective and obsolete. He goes so far as to say: "If the scale of political efficiency changes why should not the nation state follow the county not into oblivion but into the museum of antiquarian interest with the city-state."\textsuperscript{10}

The noted economist Assar Lindbeck, in "The Changing Role of the National State" considers the political implications for states of an increasingly interdependent world economy. In his extremely lucid analysis he notes that while domestic economies are coinciding less and less with the geographically delimited state, economic policy-making continues to be conducted mainly on a state level. The fact that the domain of firms no longer coincides with the domain of the political and economic regulators has, as Lindbeck illustrates, resulted in obvious difficulties for state policy-making.\textsuperscript{11}

While observing that there has been considerable controversy among historians as to the major factors leading to the creation of states, Lindbeck examines the degree to which this creation was at least partly "a method of reducing costs and troubles for the mobility of commodities, factors of production (labour as well as physical capital), entrepreneurship, technology, and financial capital within a given geographic area."\textsuperscript{12} In tracing the
relationship between economic trends and trends in state development, he notes that in the postwar period we have witnessed "a drastic liberalization of economic policy". Moreover, Lindbeck says of the postwar divergence in political and economic trends:

[The] economic system tends to be more and more international in character, at the same time as the political system has largely continued to be national. Many national and international problems can in fact fruitfully be seen in the perspective of the tensions between a more and more internationalized economic system and still mainly nationally based political systems. (emphasis in original)

What would appear to be key in the divergent economic and political trends is that the market system has become increasingly international while political policy-making has not kept pace. Although Lindbeck notes that specifically political initiatives facilitated trade liberalization, he argues that the latter has gone beyond the control of individual political units.

The problems posed for state policy-making by the quantitative growth of economic interdependence have been exacerbated by a qualitative change in the nature of this interdependence. In fact, this qualitative shift in economic interdependence from portfolio to direct investment
as a means of foreign economic penetration in a host economy, probably poses even more serious challenges for state economic sovereignty than economic interdependence per se. Although it is difficult to assess the consequences of direct foreign investment as embodied in the growth of multinational corporations and the location of subsidiaries in host countries, there is mounting evidence that the long-term costs for host countries may be far more extensive than had been foreseen.

One of the major objections heard in host countries against direct foreign investment is that multinationals' vertical structure, which by definition crosses state boundaries, facilitates the evasion of "unpopular" regulation and thus substantially undercuts the effectiveness of political control over private economic agents.

Because of their international character, multinationals have the power to avoid many state regulations which they regard unfavorably. Thus, they render state economic policy instruments such as monetary restraints or industrial policy less effective. The tools available to multinational corporations for eluding national regulation are numerous. The potential arsenal includes transfer pricing, intra-company loans, leads and lags in trading payments of fees and royalties to parent companies.
the increasingly pervasive state of oligopolistic competition, multinationals are able to set prices in a manner that arms-length dealings would preclude. Implicit in their capacity to escape regulation is a severe weakening of individual state's capacities to exercise monetary and fiscal levers within their jurisdictions. For example, multinationals are largely able to elude state regulation of capital flows. Some observers argue that by strategically altering the timing of various decisions, multinationals are able to control major governmental economic decisions.

A second debilitating effect of multinational domination for host economies is the subtle but no less real effect it has upon the host country's industrial structure. There is increasing evidence both that multinationals concentrate research and development (R. and D.) near the home head office and that R. and D. is engaged in the host countries only to the extent that their markets are both distinctive and crucial. Vernon says rather categorically:

When developing and introducing major new products... multinationals have had to make a series of locational decisions -- where to do the development work, where to manufacture the first runs of the new product, and where to market the product -- which have been of consuming interest to governments. The basic
disposition of multinational enterprises in all these decisions has been clear-cut: to use the home market, if at all possible, for all these operations. Numerous qualifications and exceptions exist, but the underlying tendency survives. 22

Additionally, there is increasing evidence that multinationals engage in a follow-the-leader approach of setting up facilities in a state market which are often not only duplicative but which exceed the capacities of that market. 23 Moreover, by their dominance, multinationals inhibit the growth of local entrepreneurship.

While the effect of economic interdependence is evident in the comparative sample, it is most clearly illustrated by the Canadian case. Foreign ownership of the Canadian economy far exceeds the existence of this trend in states such as Great Britain, France, Belgium and Spain. Indeed, by 1971 foreign ownership in Canada had surpassed that of western Europe and Japan combined. It is therefore not surprising that the implications of reliance on foreign direct investment as a generator of economic growth should be particularly evident in Canada.

The impact of international economic interdependence upon Canada in the postwar era has been primarily revealed in what is frequently referred to as the
"continentalization" of the Canadian economy: that is, the growing interdependence between the Canadian and the United States economies. The trend of asymmetrical interdependence, in which Canada plays a peripheral role in a continental economy based largely in the United States, was well underway early in this century but by the postwar era it had reached unparalleled proportions. By the 1970s Canada exhibited a degree of foreign ownership unequalled elsewhere in the "developed" world. The political and economic effect of the relationship of the Canadian economy vis-à-vis that of the United States has been substantial.

As a consequence of its peripheral character, Canada lacks a healthy indigenous industrial sector (its manufacturing is dominated by American subsidiaries) and its exports are dominated by relatively unprocessed natural resources. Multinational subsidiaries locate in Canada in part to elude Canadian tariff barriers and primarily produce mature products which are replicas of American products. Manufacturing undertaken by foreign multinationals is almost solely aimed at the Canadian domestic market and little or no interest is shown in production for export. Of course, this severely curtails the Canadian manufacturing sector and implies a loss of possible employment since it is from the secondary sector that major economic spin-offs and
momentum derive. In addition, provincial economies display a boom-and-bust character -- thriving when their raw materials are in demand for processing elsewhere and declining, when these resources can be found more cheaply elsewhere or when their supply is diminished. Current Canadian trade patterns (one economist writing in the Globe and Mail says it well, "basically Canada exports raw materials and imports finished goods") mask Canada's balance-of-payments problems but reveal an economy which has experienced economic growth but not economic development, a condition related to high levels of multinational investment.

The significance of growing economic interdependence between the Canadian and U.S. economies for the Canadian state is partially illuminated by the fact that, from the outset, the formation of the Canadian state was based upon the possibility of economic linkages running predominantly in an east-west direction in the country. Dominated by an alliance between Montreal and Toronto capital, the formation of the Canadian state was integrally related to the possibility of a "Canadian" economy. The National Policy enunciated in 1879 attempted to set in place an economy characterized by manufacturing based in central Canada behind tariff walls with products sold in the east and west, and the extraction of staple commodities,
primarily from the west, which would be exported via a railway system which linked the east and west of the country. Despite efforts to secure an economy based on east-west ties and one which would be linked to the British economy, trade links with the United States have grown and those with Great Britain have declined in the twentieth century, especially since World War II (see Table 5.3). American branch plants established themselves behind the Canadian tariff barriers early in this century. Since World War II, however, the penetration of the Canadian economy by American subsidiaries has been little short of phenomenal. Manufacturing and mining, in particular, have come under increasing American control since the war.

The degree of economic interdependence between the Canadian and American economies in the postwar era is illustrated by a wide variety of indicators. Trade patterns, for example, clearly reveal the strong economic links between the Canadian economy and that of the United States (see Table 5.3). As well, data on the degree of ownership of the Canadian economy by foreign sources, particularly American, support the view that the Canadian economy has become highly dependent upon initiatives taken external to the country. In 1979 Hurtig observed:
Today, non-Canadians control more than $110 billion in Canadian assets at book value. The real market value is of course considerably higher. They control 65% of all our combined manufacturing, mining, petroleum and natural gas; 98% of our rubber industry; 82% of chemicals; 46% of pulp and paper; 61% of agricultural machinery; 74% of the electrical apparatus industry; 59% of transportation equipment; 96% of the automobile and parts industry; and annually increasing percentages of wholesale and retail business, food processing and agricultural distribution, grain handling, forest products and fishing.

Table 5.3 Canadian Commercial Exchanges (in percentages)

<table>
<thead>
<tr>
<th>Year</th>
<th>Exports to Great Britain</th>
<th>U.S.</th>
<th>Others</th>
<th>Imports from Great Britain</th>
<th>U.S.</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>1870</td>
<td>38.1</td>
<td>51.4</td>
<td>10.5</td>
<td>56.1</td>
<td>32.4</td>
<td>11.5</td>
</tr>
<tr>
<td>1880</td>
<td>48.3</td>
<td>40.6</td>
<td>11.1</td>
<td>48.3</td>
<td>40.3</td>
<td>11.4</td>
</tr>
<tr>
<td>1890</td>
<td>48.7</td>
<td>42.5</td>
<td>8.8</td>
<td>38.8</td>
<td>46.0</td>
<td>15.2</td>
</tr>
<tr>
<td>1900</td>
<td>57.1</td>
<td>34.2</td>
<td>8.7</td>
<td>25.7</td>
<td>59.2</td>
<td>15.1</td>
</tr>
<tr>
<td>1910</td>
<td>50.0</td>
<td>37.3</td>
<td>12.7</td>
<td>25.8</td>
<td>58.9</td>
<td>15.3</td>
</tr>
<tr>
<td>1920</td>
<td>39.5</td>
<td>37.4</td>
<td>23.1</td>
<td>11.9</td>
<td>75.3</td>
<td>12.8</td>
</tr>
<tr>
<td>1930</td>
<td>25.1</td>
<td>46.0</td>
<td>28.9</td>
<td>15.2</td>
<td>67.9</td>
<td>16.9</td>
</tr>
<tr>
<td>1940</td>
<td>43.1</td>
<td>37.6</td>
<td>19.3</td>
<td>14.9</td>
<td>68.8</td>
<td>16.3</td>
</tr>
<tr>
<td>1950</td>
<td>15.1</td>
<td>64.8</td>
<td>20.1</td>
<td>12.7</td>
<td>67.1</td>
<td>20.2</td>
</tr>
<tr>
<td>1960</td>
<td>17.4</td>
<td>55.7</td>
<td>26.9</td>
<td>10.7</td>
<td>67.2</td>
<td>22.1</td>
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<tr>
<td>1970</td>
<td>8.9</td>
<td>64.7</td>
<td>26.4</td>
<td>5.3</td>
<td>71.1</td>
<td>23.5</td>
</tr>
<tr>
<td>1973</td>
<td>6.6</td>
<td>67.8</td>
<td>25.5</td>
<td>4.2</td>
<td>68.5</td>
<td>27.3</td>
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<tr>
<td>1974</td>
<td>5.9</td>
<td>66.3</td>
<td>27.8</td>
<td>3.5</td>
<td>67.3</td>
<td>29.2</td>
</tr>
<tr>
<td>1975</td>
<td>5.4</td>
<td>65.3</td>
<td>26.3</td>
<td>3.5</td>
<td>68.1</td>
<td>28.4</td>
</tr>
<tr>
<td>1976</td>
<td>4.9</td>
<td>67.6</td>
<td>27.5</td>
<td>3.1</td>
<td>68.7</td>
<td>28.2</td>
</tr>
<tr>
<td>1977</td>
<td>4.4</td>
<td>69.9</td>
<td>25.7</td>
<td>3.0</td>
<td>70.2</td>
<td>26.8</td>
</tr>
</tbody>
</table>

Source: Canada Year Books
"Economic continentalization", which is essentially the Canadian variant of growing international economic interdependence, has had considerable ramifications for the Canadian economy as a whole and has contributed directly to at least three major problem areas which, in turn, have affected the viability of the Canadian state deleteriously. First, the growth of economic linkages with the U.S. has led to an essentially balkanized Canadian economy characterized by provincial economies which are competitive rather than complementary. This "regionalization" of the Canadian economy indicates the relative failure of a National Policy in which provincial economies would be highly interdependent with those of other Canadian provinces. Secondly, the high degree of ownership of the Canadian economy by multinationals, largely based in the United States, has led to a highly truncated industrial sector in Canada which, according to a Science Council of Canada study, is "deindustrializing", and also to the exacerbation of regional disparities in the Canadian system (see chapter six). A third problem posed for the viability of the Canadian state by the high degree of foreign penetration via direct foreign investment, is the direct threat this poses to effectively-sovereign economic policy-making in such a host country.
As the Canadian economy has become highly interdependent with that of its southern neighbour, it has evolved away from a pan-Canadian economic strategy towards economic policies substantially directed by individual provinces. As Garth Stevenson argues, the collapse of the National Policy set the stage for the linking of the western provinces with U.S. economic interests through the oil and gas industries. The Columbia River Treaty and the auto pact similarly served to strengthen economic ties between British Columbia, Ontario and adjacent American states. Manitoba and Quebec have become increasingly interdependent with their U.S. neighbours through the export of power to them. British Columbia relies heavily on the export of lumber and natural gas to the Pacific states, and imports food and manufactured goods from them. Alberta's trade, reliant upon the export of oil and gas, is similarly linked to the American midwest and western interior. The Ontario economy is highly integrated with those of New York and Michigan, and Quebec and the Maritime provinces have close economic ties with the New England states. In addition to trade links, other economic and cultural ties between Canadian provinces and geographically contiguous American states are considerable. The degree of dependence of Canadian provincial economies on American economic interests and
the degree of economic balkanization it indicates within Canada is suggested by Stevenson's observation:

Provinces borrow American money to build power dams for American consumers, while Canadian consumers in other provinces are forced to generate electricity by burning scarce and expensive oil or by running the environmental risks of reliance on nuclear reactors. 30

The battle between Newfoundland and Quebec over the highly-profitable exportation to the United States by Quebec of cheap Newfoundland resources and Brian Peckford's near-apoplectic threats to "turn off the taps" reveal the simultaneously tragic and comic proportions of economic competition between Canadian provinces and the extent of economic disintegration within Canada. Moreover, as the Canadian economy has become increasingly balkanized and provincial economies increasingly competitive, the economic policy-making role of the federal government has come to be perceived as simultaneously less effective and less legitimate. Provincial governments have increasingly become the spokesmen for the now regionally diverse and uncomplementary economies.

In addition to ties between "economic continentalization" and regionalism in Canada, the degree of foreign ownership of the Canadian economy is closely associated with severe problems in that economy. Although in its first one
hundred and fifteen years Canada has grown to the point of being considered a developed and industrialized country. A second glance at the underpinnings of the Canadian economy casts such a view in doubt. In fact, by many of the criteria of economic development Canada must be deemed underdeveloped. According to Schumpeter, for example, an essential criterion of economic development is that growth in economic indicators be generated by forces within the society in question. Where an economy is reliant upon external factors for its economic health, and is simply dragged along by forces external to it, one really does not have economic development per se.

There is considerable evidence that Canada's "industrial initiative has been sustained by external forces" and reliance upon direct foreign investment appears to have led to economic growth but not economic development. Even the traditionally strong financial sector in Canada seems removed from economic growth within the Canadian context. Instead, New York functions as a financial intermediary for the Canadian economy and Canadian capitalists seem to participate fairly fully in the flight of capital out of the country whenever investment conditions are more lucrative in the United States as they are under the Reagan administration.
Several consequences of this pattern are evident in Canada. Among them are the serious difficulties which Canada seems to have in economic management and as well the fact while Canada is widely regarded as a "developed" economy, it paradoxically displays numerous characteristics commonly associated with underdevelopment such as a high degree of reliance upon the export of unprocessed natural resources.

In an 1980 review of the 1970s in Canada, the influential Financial Post commented

Less robust and more competitive international trade and severe price instability have currently reduced the growth of the Canadian economy below its potential. Now, Canada is faced with a relatively slow-growing economy, high unemployment, rapid inflation, and problems on both government and trade balances. 36

Furthermore, Canada's structural underdevelopment seems to be worsening. 37 It possesses a rapidly escalating trade deficit in fully manufactured goods -- according to Hurtig $3 billion in 1970 and $11.5 billion in 1978. 38 The current pattern in Canada is toward a relative decline in the proportion of both jobs and exports emanating from the manufacturing sector. 39 Nearly one-third of all goods purchased by Canadians now come from abroad 40 and, as Molot
and Williams note, "Canada has for many years held the unenviable distinction of being the world's largest importer of manufactured goods on a per capita basis". Instead of self-generated manufacturing Canada has, like many underdeveloped countries, engaged heavily in the export of unprocessed mineral resources. In fact, a larger proportion of its minerals are shipped abroad in crude form today than in 1928-9.

While Canada seemingly has an insatiable appetite for capital, it exports short-term capital to the United States and is locked into a complex continental financial network through which Canadians appear to be financing the expansion of foreign ownership of their own economy. According to Hurtig, over 80% of the expansion of foreign ownership in Canada during the 1970s was financed with funds obtained in Canada, and Wilkinson observes that "[s]ince 1963 -- with the exception of 1966 -- undistributed profits have been a larger source of increased foreign control of the Canadian economy than have new capital direct inflows.

As predicted by critics of multinational behaviour in host countries generally, the massive inroads into the Canadian economy by oligopolistic multinationals has coincided with decreasing investment in the maximum growth-
producing manufacturing sector. Instead, foreign investment has been concentrated in the capital-intensive (and low employment-producing) primary sector and in distributional aspects of the tertiary sector. Multinationals exhibit very low rates of research and development in Canada, by some estimates half what comparable Canadian-owned firms engage in. And although the question of uneven development will be addressed more fully in the next chapter it is noteworthy that American investment in Quebec has been heavily concentrated in the extraction of natural resources, that of all economic regions in Canada Quebec has had the lowest rate of private investment in the past decade, that very little research and development has been conducted by multinationals in Quebec and that there is a significant lack of ties between foreign investors in the Quebec economy and French-speaking businessmen.

As numerous scholars have suggested, Canada's relatively weak economic performance, its pattern of deindustrialization -- masked only by massive exports of unprocessed raw materials, -- can be linked to its peripheral position within the continental economy and to its openness to international economic trends. As Wallace Clement notes,
The experience of inflation, layoffs, unemployment and rising state expenditures are related directly to the kind of economy Canada has and to its relationship with broader continental and world forces. In addition to being closely related to Canada's weak industrial position, the extent of foreign ownership of the Canadian economy directly jeopardizes the possibility of effective economic regulation by the federal government in precisely the manner delineated by theorists such as Lindbeck. In Economic Realities of Contemporary Confederation Maxwell and Pestieau point out some of the dimensions of Canada's problems of economic management.

Because of openness to external economic relationships and the relatively small size of the Canadian economy compared with the U.S. economy, Canadian economic-policy decisions are determined to a large extent by external events; Canadian monetary policy, in particular, has been heavily influenced by external forces in recent years, reacting to day-to-day pressures on the Canadian dollar and attempting to restore a better price performance within Canada in order to maintain the long-range competitiveness of Canadian goods and services.

Similar forces affect credit conditions between Toronto and New York, despite the existence of an international border between them. Consequently, the Bank of
Canada is frequently faced with the choice of setting Canadian interest rates according to trends in New York or accepting large shifts in capital flows that can have a pronounced effect on the exchange value of the Canadian dollar. It is this unavoidable interdependence in credit conditions between Canada and the United States that has led some observers to call Canada the thirteenth district of the U.S. Federal Reserve system. 52

In fact, the very ability of the Canadian government to regulate the Canadian economy is open to dispute. As Galbraith, among others, has pointed out, countercyclical policies have little effect on oligopolistic corporations with stable market shares which generate their capital from profits. Given that Canada is so dominated by foreign multinationals operating in oligopolistic markets, difficulty in economic regulation is not surprising. Trade is particularly difficult to regulate when approximately 60% of foreign subsidiaries' exports and about 75-80% of their imports involve the parent or affiliates. 53

Within the framework provided by external control of the Canadian economy, overall economic regulation has appeared understandably inept. Wilkinson, for example, notes "Canada's propensity to look for the course of action that is easiest in the short-run, regardless of adverse long-run implications". 54 and adds that
... Canada's massive international borrowing in recent years (Canada has been the world's largest long-term borrower the past few years) has resulted in the country's net international indebtedness, at book value, growing to over $65 billion, or about $2,700 per capita. Canada is thus the leading debtor of the industrialized world. 55

Evidence abounds that Canada's balance-of-payments problems as well as its cumulative pattern of economic balkanization and its truncated and economically-inefficient manufacturing sector can be traced, in substantial part, to the pattern that international economic interdependence has taken in the Canadian setting. The impact of international economic interdependence upon Canada has directly contributed to strains of a regional and economic nature which are highly volatile.

Even more crucially, the growing economic interdependence of the Canadian economy with that of the United States coincided with two trends which further jeopardize the viability and legitimacy of the Canadian state. First, since World War II, Canada, like other states, has expanded its ambitions in terms of economic regulation and has fostered increasing expectations that it could ensure relatively full-employment and extensive social welfare programmes. However, just as it was fostering expectations for governmental initiatives, broad economic trends,
epitomized by international economic interdependence, were underway which would render it less and less capable of fulfilling these expectations. Secondly, since World War II the core of the continental economy has shifted to the south and west. While this trend, and its implications for Quebec nationalism will be examined in chapter six, it is noteworthy that it poses particular problems for the effectiveness of the Canadian state. Moreover, continental integration has led to the increasing peripheralization of Quebec within the North American economy. Given the historic importance of the Toronto-Montreal axis within the Canadian state, the implications of such a peripheralization can be expected to be considerable. As Stevenson argues:

Because of the nature and extent of its economic ties with the United States, Canada is exposed to the impact of these continental shifts in wealth and power, which are far greater in magnitude than those which a self-contained Canada would have experienced by itself. Yet the Canadian political system is far less resilient in the face of these changes than the American. The collapse of the old metropolis-hinterland relationship between northeast and southwest is traumatic, but manageable, for the United States. The collapse of the Montreal-Toronto hegemony over Canada, on the other hand, may mean the disintegration of the federal system itself. 56
In chapter six we turn to an examination of the effects of uneven economic development, facilitated by continental economic trends, upon the relationship of Quebec to the Canadian economy. In particular, attention will be given to the degree to which economic continentalization has altered the class linkages which were crucial to the integration of Quebec within the Canadian state. As we will see, Canada is not the only state in which the impact of international economic interdependence has both upset class ties which maintained ethnic stability and fostered the growth of classes which are no longer served by the political status quo of existent states. Just as international economic interdependence has directly eroded the effectiveness of states like Canada, it has indirectly unleashed class forces which threaten its continued existence.
NOTES


3. Reece, p.231.

4. In some cases the group under discussion may not, in fact, be a numerical minority. The Flemish for example form more than half the Belgian population.

5. The consistent criticism from Canadian business sectors with strong continental ties toward the National Energy Policy is one example of this.


12. Lindbeck, "The Changing Role," p.23. For evidence corroborating this from the Canadian system see e.g., Tom Naylor, The History of Canadian Business (Toronto: Lorimer, 1975), volumes 1 and 2.


15. See e.g., Vernon, Storm, p.116 regarding the problems of formulating alternate scenarios and Steven Globerman, U.S. Ownership of Firms in Canada (Montreal: C.D. Howe Research Institute, 1979), for an example of the convolutions of such an attempt.


21. Vernon, Storm, pp. 43-44.


23. Vernon, pp. 67-68.


30. Stevenson, p. 22.

31. See Levitt, p. 25ff. on this.


34. Levitt, p. 107.


41. Molot and Williams, p.73.

42. Wilkinson, p.82.

43. Dunn, passim.

44. Hurtig, p.36; Wilkinson, p.49; Molot and Williams, p.71.


47. Wilkinson, pp.74-75.


49. Tremblay, p.9.


52. Judith Maxwell and Caroline Pestieau, Economic Realities of Contemporary Confederation (Montreal: C.D. Howe Research Institute, 1980), pp.43-44. For corroboration see Dunn, e.g., pp.33 and 116.

53. Wilkinson, p.84; Clement, pp.86-87.


56. Stevenson, p.22.
CHAPTER SIX
UNEVEN ECONOMIC DEVELOPMENT
AND
CHANGING CLASS STRUCTURE
CHAPTER SIX

In chapter five the postwar trend toward an increasingly interdependent world economy was delineated and its implications for state sovereignty, and in particular for the viability of the Canadian state, were examined. Restrictions placed upon effective state economic regulation by economic interdependence and the specific role of direct investment in this, were discussed. Links were established between the impact of international economic interdependence upon Canada and the weakened position of the Canadian state. As we saw, the specific impact of this trend, as manifested in "economic continentalization", has eroded the control which the Canadian state can effectively exercise over its own economy.

In this chapter, the discussion begun in chapter five will be continued. While the focus was previously upon the manner in which international economic interdependence weakens existent states, here the question of the specific internal impact of these trends will be scrutinized somewhat more closely. With a particular focus on "uneven economic development", this chapter will continue consideration of the overall relationship between broad trends in capitalist economies and the incidence of ethnic nationalism. The existence and salience for state sovereignty
of economic interdependence have already been examined. Here the degree to which its specific effect has facilitated challenges to state sovereignty from groups which consider themselves distinct "nations" will be evaluated. In particular, the impact of international economic interdependence in altering class links which have maintained ethnic harmony will be considered. As noted earlier, the discussions of chapter five and six are closely related; this chapter will extend the assessment of links between the interdependence of economies, state governments' inability or unwillingness to alter market forces, uneven economic development and ethnic nationalism.

Many scholars investigating ethnic nationalist movements suggest links between their mobilization and the incidence of uneven economic development. In fact, the latter is surely one of the phenomena most frequently cited in attempts to explain the rapid escalation of ethnic conflict in western states. In virtually all of the countries under consideration here, reputable observers have posited ties between uneven economic growth and ethnic nationalism. Some claim that the incidence of uneven economic development is crucial in explaining ethnic nationalism in the recent past. Others counter this view, arguing that the "uneven economic development" argument is at best partial in explaining the current wave of "separatist" movements.
Despite frequent allusions to a hypothetical relationship between uneven economic development and ethnic nationalism, an empirical delineation of such a relationship is lacking. Thus, while it is frequently assumed that ethnic nationalisms occur in areas which are economically backward relative to a reference group, there is evidence to the contrary. As previously noted, even in the limited cases selected for this study, ethnic movements are evident in areas which vary widely in their economic circumstances, relative to other areas within their state system. While in Wales and Brittany, which are economically deprived, there is only a weak ethnic nationalism, one finds ethnic nationalism in the Basque and Catalan regions of Spain which, though politically peripheral, have traditionally been prosperous regions within that state. To muddy the waters further, in Belgium there is strong ethnic sentiment in both Flanders and Wallonia as well as in the capital region surrounding Brussels. The Flemish region, traditionally impoverished and backward, has in recent years experienced an economic resurgence; Wallonia, historically dominant both economically and politically, has in recent years sustained serious economic reversal. In fact, ethnic nationalisms apparently span the continuum of relative economic development, a fact which makes evaluation of the
relationship between uneven economic development and ethnic nationalism worthy of further scrutiny.

In one sense, much of the speculation about the relationship between uneven economic development and ethnic mobilization has its roots in "dependency" or "underdevelopment" literature although this theoretical approach was not originally formulated to explain ethnic domination. Somewhat crudely stated, this perspective ties the existence of economic growth in one region to the exploitation and maintenance of "underdevelopment" in another. Thus, economic "peripheries" are viewed as integral elements of capitalist relations, and economic "development" and economic "underdevelopment" are two sides of the same coin. Directly opposing traditional liberal assumptions about the "trickling down" or "diffusion" of economic growth from cores to peripheries, the "dependencia" literature posits a structural relationship which is essentially parasitic. Within this view, capitalist economic development is regarded as inherently uneven, simultaneously producing economic cores or centres and economic hinterlands or peripheries. Thus, one dynamic fuelled by the economic needs of the core structurally determines the existence of impoverished areas.
Refinements and elaborations upon this basic model propose that there are not only cores and peripheries within the world economy but also that there are intermediate stages within the overall structure. Galtung, for example, argues that there are states which play a mixed role within the overall economic system. These function as a periphery for major cores while themselves often acting as a core for states which are even more peripheral. In addition, states are often viewed as having within them a core and peripheries where the essential dynamic described by the dependencia literature exists.5

Canada may be viewed as a state which fits into the intermediate stage of being simultaneously a core and a periphery. For example, in its relations with the United States, Canada manifests many of the characteristics of a peripheral economy. Yet in its relations with many third world countries, the Canadian scene displays features of an intermediate core.

There are elements of the Canadian bourgeoisie which are thoroughly integrated in the dominant echelons of international capital. The role of the Canadian banks and corporations such as Inco, Massey-Ferguson and Northern Telecom, for example, is one of extensive participation in the overall economic patterns which are fostering the status of the Canadian economy as increasingly peripheral.
to that of the United States. In other words, there are elements of the Canadian bourgeoisie which participate fully in the dominant trends in the world economy. And although the benefits of this role may be marginal for the overall Canadian economy, many corporations, including the five major Canadian banks, do quite well by the present system.

However, the internal dimension of the Canadian economy, which is itself largely dictated by the peripheral nature of the Canadian economy vis-à-vis the United States, is of greater relevance in this study. Although Wallerstein is probably correct in speaking of the one world economy, analysis of major dynamics within Canada is facilitated by a perspective which examines the interaction of two determinant features of its economy, namely that it is capitalist and secondly that since the war it has become increasingly part of a continental economic framework within which it is largely peripheral. Many current weaknesses of the Canadian economy can be related to economic continentalization. Among these are its continuing industrial under-development, increasing balkanization into competitive provincial economies and the corollary decline in east-west economic linkages within Canada, as chapter five illustrated. Several observers have also noted links between "economic continentalization" and core-periphery relations within Canada. Wallace Clement, for example, says:
... the penetration of the Canadian market by U.S. branch plants to avoid the tariff "barriers" served to draw even more economic power into the centre, further distorting the economy and failing to build a national economy since it was immediately drawn into a continental one where the United States dominated. 8

Yet, despite the general utility of the concept of "uneven economic development" or a core-periphery framework for the analysis of a variety of political trends, the strict application of these approaches proves too crude and aggregate to isolate the fundamental dynamic between economic trends and ethnic resurgence. As our comparative overview indicates, ethnic nationalist movements under consideration here span the "uneven economic development" continuum. And while this does not dictate the rejection of any role played by uneven economic development in ethnic resurgence, it does imply that the role this factor plays is significantly mediated by another variable. In previous chapters we have argued that class structure plays a crucial intervening role between broad trends such as uneven economic development and an escalation in ethnic nationalism.

An examination of the comparative and Canadian cases lends credibility to the argument that it is not uneven economic development per se which has fostered ethnic
nationalism in the postwar period but rather the degree to which uneven economic development fundamentally alters class alliances which have maintained the ethnic status quo. Where the uneven impact of capitalist growth, which is now predominantly influenced by international economic trends, has dramatically altered the economic base upon which stable class alliances rested, it has fuelled ethnic nationalism. Thus, what is crucial to isolate is not simply the unqualified incidence of uneven economic development but the effect this trend has had upon the traditional class structure which maintained political stability in states containing more than one "nation".

Among the cases selected for comparative study there is a wide spectrum with respect to uneven economic development and it does not appear that the strength of ethnic nationalist movements within them can be unambiguously explained by uneven economic development. In fact, in the two cases most resembling the economic deprivation posited by the internal colonialism model, namely Wales and Brittany, there exist the two weakest movements within our comparative sample. Brittany is undoubtedly economically deprived yet its nationalist movement has been more characterized by sporadic and isolated outbursts of violence than by concerted strength and popular support. As—
The Economist observed in 1979:

Breton nationalists do not enjoy... [much] home support. The great majority of Brittany's population of 2.5 m. scorns the determined bombers in its midst. If those bombers cannot convince their own people, they have even less chance of convincing the Paris people.

A number of factors might be drawn upon to explain the weakness of the Breton movement in the face of evident "internal colonialism." The early and thorough penetration of the French state, and skillful manoeuvring on the part of recent French governments which effectively undercut the regionalist movement, the largely conservative and backward-looking character of the Breton middle class and the internal class divisions within the Breton regionalist movement may also offer clues to its weakness.

What can be stated clearly is that in the case of Brittany one does have uneven economic development (per capita income, at 81% of the national average, is the lowest in the country), but weak ethnic nationalism, a fact which undercuts attempts to generalize links between uneven economic development per se and ethnic nationalism.

Significantly, there is little evidence that international investment has been substantially located in Brittany. The "economic backwardness" of Brittany relative
to France as a whole, is a long-existent pattern. Postwar economic trends do not appear to have altered the Breton class structure in such a way as to foster the dominance of a "new middle class". And while nationalist support in Brittany is disproportionately located in the elements of the new professional class which do exist, the economic base of this class is obviously not sufficiently strong in the Breton region to lead to its ascendancy. Thus, international economic trends do not appear to have affected Brittany in such a way as to remove the economic basis for the continued dominance of the traditional and backward-looking middle class.

In terms of economic deprivation and the uneven economic development argument, Wales resembles Brittany. It has been termed an "internal colony" yet exhibits what can only be considered a weak ethnic nationalism. Phillip Rawkins, among others, argues that ethnic mobilization in Wales (as in Scotland) is related to the impact of international capitalist trends and uneven economic development which are beyond the control of the state. A recent OECD (Organization for Economic Co-operation and Development) report lends support to this view.

The changing pattern of United Kingdom trade, in particular the growth of trade with Europe, enhances the Southern portion of
the country relatively to the peripheral regions. The freer movement of investment funds in Europe also increases the pull of competing areas outside the United Kingdom for such investment resources as are available. 17

By all available evidence, Wales has remained something of a "backwater" in British trends of economic development. Thus, it seems reasonable to infer that international economic trends have not affected Wales in such a way as to create a large "new middle class" from which one might expect a strong nationalist movement to emerge.

Scottish nationalism, although stronger than its Welsh counterpart, appears weak when compared with the problems of ethnic nationalism in Canada, Belgium and Spain. It is nevertheless somewhat deceiving in its persistence despite swings in SNP support. Moreover, the limited data that does exist suggests certain parallels with the Canadian and Quebec situations. Scotland displays a high degree of foreign ownership. Jack Brand cites a study indicating that in the 1970s only 13.5 per cent of the five fastest growing sectors of the Scottish economy were under native control. The amount of foreign investment in Scotland is described by Brand as "enormous". 18 Like Canada, Scotland seems to be experiencing "deindustrialization" 19 and may, as well, display some of the patterns described in chapter
five of financing foreign ownership which eventually results in significant export of capital. Yet, fundamental changes in the Scottish political economy have created a "new middle class" with rising material aspirations, as was discussed in chapter four.

In the face of deindustrialization in Scotland and persistent regionalism in Great Britain as a whole, (see Table 6.1), the central government has appeared ineffective in the face of market forces contributing to Scottish economic backwardness. Juxtaposed with the general pattern of deindustrialization, which in part can be linked to multinationals' investment decisions, and the existence of the "new middle class", is the role that North Sea oil has played in Scottish nationalism. While postwar Scottish nationalism cannot be explained by the North Sea oil phenomenon, it is worth noting that nationalist support is not only located disproportionately in the "new middle class" but that, according to Brand, most of the constituencies which returned a Nationalist M.P. in 1974 were on the "oil" side of Scotland.

There is thus support for the hypothesis that the interweaving of international economic trends, uneven economic development and the interests of the "new middle class" has contributed to the support for Scottish nationalism. The hope of upward mobility which Scottish control
over North Sea oil development would give to Scotland's "new middle class" may well be a significant impetus to Scottish nationalist demands. Very clearly, they would benefit directly from a scheme of devolution which would place the profits from North Sea oil development in Scottish hands. However, while a piecing-together of the patterns of international economic trends, uneven economic development, alterations in class structure and Scottish nationalism lends credence to the mediating role of class structure in this chain, full investigation of these links in explaining Scottish nationalism remains to be conducted.

Table 6.1: *Percentage Unemployment (excluding temporarily stopped)*

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<tr>
<th>Region</th>
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<th>1974</th>
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<td>United Kingdom</td>
<td>3.5</td>
<td>2.7</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>8.0</td>
<td>6.1</td>
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<td>5.9</td>
<td>4.1</td>
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<td>Wales</td>
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<td>3.8</td>
</tr>
<tr>
<td>North</td>
<td>5.8</td>
<td>4.7</td>
</tr>
<tr>
<td>North West</td>
<td>3.9</td>
<td>3.5</td>
</tr>
<tr>
<td>Yorkshire and Humberside</td>
<td>3.9</td>
<td>2.8</td>
</tr>
<tr>
<td>South East</td>
<td>2.1</td>
<td>1.6</td>
</tr>
</tbody>
</table>

*(Note: Some regional boundaries changed between 1971 and 1974.)*

The increasing strength of Basque ethnic nationalism since World War II, challenges any simple association between economic deprivation and the mobilization of ethnically-based conflict. Despite Basque nationalism's long history, the fact that the Basque region (along with Catalonia and Madrid) displays incomes approximately 25% higher than the national average would seem to refute the uneven economic development hypothesis. Yet a closer analysis of the interplay between the international economy and uneven economic development suggests that this may well be a factor which has contributed to the current virulence of Basque nationalism after all.

The Basque territory has traditionally been one of the wealthier areas of Spain. Despite political repression, especially under Franco, the Basque provinces of Vizcaya and Guipuzcoa were especially strong economically. The pinnacle of their supremacy was probably reached in the late 1940s and early 1950s when the system of autarchy was fully in effect. Since that time, however, and particularly with the trade liberalization which was undertaken from the 1960s onward, their lead has diminished considerably as table 3.1 indicated. With per capita income now only 25% higher than the rest of the country, the Basque economy has obviously experienced a steep decline.
After 1960 the import of foreign capital was freely allowed in Spain and the net inflow of medium-and long-term capital increased rapidly only to leave in the 1970s. During the 1960s, Spain experienced rapid economic growth but since that time there is evidence of serious social problems as a result of Spain's rapid growth rate. Many people left the agricultural sector buoyed by rapidly rising material aspirations. With the economic downturn of the 1970s, many formerly dynamic cities have been left industrial slums. The Economist noted: "In parts of the Basque country and Catalonia some towns are now little more than industrial dormitories packed with migrants from Andalusia, Murcia and Extremadura." In addition, the high unemployment rate has disproportionately affected youth. An OECD economic survey of Spain published in 1980 reported: "Unemployment in the age group under 24 accounted for 59% of total unemployment. There has been a strong upward trend in the duration of unemployment in general and for new job seekers in particular, around 90% of whom are under 24 years old. Nearly 30% of the new job seekers have been without jobs for over one year." Moreover, at least one student of Basque nationalism, Robert P. Clark, has noted that recent economic trends in Spain have resulted in the Basque country displaying "... a skyrocketing unemployment figure more than double Spain's average, a
sharp increase in business failures, and the opening stages of capital flight, sure signs of a drop in corporate confidence in what was once one of Spain's most powerful economic regions. That a concentration of unemployed youths in the traditionally affluent Basque territories would contribute to ETA strength seems highly probable.

Although evidence of multinational investment patterns is unavailable, there is some information which suggests the behaviour of multinationals in Spain may not differ markedly from that discussed with respect to Canada. While 50% of Spain's biggest industries are owned or controlled by foreign companies, 70% of Spain's exports in recent years have come from small-to-medium enterprises. And, The Economist notes: "... most big firms operating in Spain are heavily dependent on imported ideas and methods -- pre-tested and convenient, but not exactly stimulating."

Once again the limited data available forces the piecing together of bits of evidence to allow an assessment of the relationship between international economic interdependence, uneven economic development, altercations in class alliances and an escalation in ethnic nationalism. The chronological coincidence of Spain's increasing openness to the international economy and the steep decline in the fortunes of the Basque region is unmistakeable. Precisely
as Spain has adopted a more liberal trade policy the Basque area has experienced increasing economic difficulties. Links between these two trends are corroborated by the fact, noted previously, that approximately 90 per cent of Basque production consists of products which have been highly protected and which are uncompetitive on an open international market. 31

While the legitimacy of the Spanish state has never been great in the Basque territory, it is logical to assume that the severe economic conditions which are now pervasive in Spain would lessen allegiance on the part of the Basques (and, of course, others) to that state. And as chapter seven will discuss, the regional dispersion of economic growth in Spain, which has directly contributed to the Basque area's relative economic decline, has been consciously pursued by the Spanish state. Whereas relative affluence may have appeased the Basques within the Spanish state, a relationship between declining economic conditions and an escalation in ethnic conflict is both suggested by available data and logically consistent with the always tenuous relationship between Basques and the Spanish state.

While it diverges from the Canadian situation on many key points, the Belgian case also displays parallels which are of interest in this study. Thus, despite the
fact that a nationalist movement exists in two regions and that the Brussels area poses political problems not replicated in Canada, in many respects the Belgian experience is analytically useful.

Belgium poses particular challenges to any attempt to link an escalation in ethnic nationalism to solely economic conditions. As has been noted, both Flemish and Walloons display considerable ethnic mobilization. This is exhibited not only in support of parties advocating federalism but in continuing regional jealousies over most aspects of government policies and the relative popularity of a federalist solution in both regions. Any theoretical formulation which attempts to account for the incidence of ethnic nationalism within each of these areas must encompass greater suppleness than that afforded by any kind of rigid application of an "internal colonialism" model.

Despite the divergent economic experiences of Flanders and Wallonia, Belgium appears to be an apt illustration of the manner in which uneven economic development, facilitated by Belgium's openness to the international economy, has altered traditional class structure so as to facilitate ethnic resurgence. As has been illustrated in chapter three, Flemish nationalism is predominantly
located in areas of Flanders where the tertiary sector has increased since the war, and in the upwardly mobile middle class.

Walloon nationalism, in many ways appears to be a somewhat intransigent response to the demands increasingly voiced by Flemish nationalists. Nevertheless, the post-war economic decline of the Walloon region as a consequence of overall market trends has undoubtedly exacerbated the level of nationalist conflict. Many Walloons, who have traditionally been more responsive to socialist parties and policies than the Flemish, seem to favour political decentralization because they think a socialist-governed Wallonia would take more effective steps to counteract that region's continuing economic peripheralization than will any Belgian government which is now numerically dominated by the Flemish.

Like Canada, since World War II Belgium has had one of the western world's most open economies and has been markedly affected by international economic interdependence. In 1975, exports represented 45% of GDP, a higher proportion than in any other OECD country. Moreover, several Belgian patterns closely resemble the Canadian experience: since World War II Belgium has relied heavily on foreign investment as a motor of economic growth (for example,
between 1959 and 1972 foreign investment in new factories was twice that made by Belgian enterprises; the location of this investment dramatically altered the traditional geographical distribution of economic growth in the country; it destabilized the status quo of class structure in Belgium; and, the political and economic problems now facing the Belgian state are compounded by the kind of de-industrialization evident in Canada.

Since World War II, Belgium has strongly encouraged foreign investment with generous policies regarding taxation, repatriation of profits and government-assisted financing. The foreign investment which ensued, largely American, encountered minimal government intervention or regulation. According to Riley: "More than any other country in the European Economic Community, Belgium is an example of industry operating very largely within the framework of the free play of market forces." Significantly, reliance on market criteria such as locational advantage led to a postwar shift in investment by international corporations to the Flemish north rather than the traditionally industrial Walloon south of the country.

The postwar economic improvement of the Flemish north and the economic decline of the Walloon region has been fuelled by the pattern of foreign investment since
World War II. Writing in 1972, Stephenson observed: "Foreign investors have made a large contribution to the dynamic growth of the north. Some 81 per cent of American investment in the last eight years has gone into the Brussels area and into Flanders, only 19 per cent into Wallonia."

Between 1950 and 1960 Wallonia did not receive a single American factory. Wallonia's economic decline was as steep as Flanders' improvement. Economic growth in Flanders in the 1966 to 1974 period is described by one government document as "spectacular".

In a series of regional economic policies contained in laws passed in 1959, 1966 and 1970, the Belgian government attempted to steer investment to lagging regions. These seem to have been largely ineffectual. Rather than seriously countering the economic peripheralization of Wallonia, they seem simply to have facilitated grants to corporations which then located according to locational advantage anyway. Under the 1959 law, for example, foreign corporations were able to obtain government grants to build factories within twelve miles of Antwerp, precisely where private sector investment has disproportionately located since the war. The area surrounding the port of Antwerp, in the province of Anvers, has both received the bulk of private investment in the postwar era and, ironically, the
largest share of government aid to investment. In the 1959 to 1980 period, for example, fully 21 per cent of total government assistance under the regional plans went to Anvers. In 1978, 26.1 per cent of foreign investment was located in this province, a far higher proportion than in any other Belgian province.

The altered economic picture within Belgium, which has resulted from the location of foreign investment, has dramatically influenced Belgium's class structure. Massive foreign investment in Anvers has fostered growth of the tertiary sector in that province. The tertiary sector in Belgium is now heavily located in the Antwerp region (which is in Anvers) and Brabant. Moreover, as illustrated in chapter four tertiarization is highly correlated with Flemish ethnic nationalism. Wallonia's decline must also be attributed in large part to the locational decisions of foreign corporations.

The uneven impact of international economic interdependence can thus be directly related to alterations in Belgium's class structure and the facilitation of the growth of classes in which ethnic nationalism is disproportionately located. The new Flemish middle class combines upward mobility with long-standing grievances against the Belgian state resulting from the historically-inferior
role played by the Flemish within that state. Moreover, they now view the Belgian state as propping up the inefficient Walloon industries at Flanders' expense and believe that they stand to benefit from the decentralization of political and economic power to the Flemish area. The Walloons, once residing in the dominant region of the country, blame the Belgian government, in which the Flemish form the numerical majority, for its economic decline. To pour oil on the flames, since 1975 the entire Belgian economy has been experiencing severe economic problems such as deindustrialization and difficulties in economic management, trends which may well be due to the role of foreign investment in that country. The parallels with the Canadian situation are indeed striking.

The comparative cases indicate certain patterns regarding the relationship between international economic interdependence, uneven economic growth, class structure and ethnic nationalism. In some cases, postwar international economic interdependence has both dramatically altered existent economic patterns within the country and destabilized the traditional class structure. This would seem to be the case in Flanders, the Basque territory and to some extent Scotland. In Wales and Brittany, where traditional class structures do not appear to have been
substantially altered by the impact of international economic interdependence, ethnic nationalism remains weak despite continued uneven economic development. In Flanders and Scotland, international economic trends have apparently facilitated growth of a "new middle class" in regions which have traditionally been economically backward. In both Flanders and Scotland, moreover, these upwardly mobile middle classes combine long-standing sentiments of exploitation by their state governments and the expectation that decentralized economic and political power would directly benefit their class. Of course, although it is a reasonable assumption, the class basis of these expectations regarding the benefit of decentralization is not overtly stated. In Wallonia and the Basque country, the pattern is one in which the impact of international economic interdependence has facilitated the decline of once industrially-thriving regions. The impact of this on a working class increasingly exposed to the vagaries of capitalist fluctuations has, not surprisingly, eroded allegiance to their state systems. In the Basque area where this allegiance was never particularly secure to begin with, separatist agitation is especially virulent.

In this comparative overview, considerable support has been offered for the argued salient links
between international economic interdependence, uneven economic growth, class structure and ethnic nationalism. The case for these links is, admittedly, not overwhelming. However, the weakness of the evidence offered regarding the hypothesized relationship between these factors is due to the lack of data available on this question. Nothing has been encountered which refutes the hypothesized intervening role of class structure. What evidence has been found supports the hypothesis. And while considerable further research is required before any definitive conclusions can be drawn, there is reason to accord credence to the argument that class structure has significantly mediated the impact of international economic interdependence and uneven economic development in ethnic nationalist movements. The Canadian case offers further support for this argument.

The political integration of Quebec in the Canadian system has historically relied on the role of the Montreal anglophone bourgeoisie in an east-west Canadian economy based upon staple extraction. With the failure of the National Policy and increasing "economic continentalization", the economic base of the Montreal anglophone bourgeoisie was increasingly jeopardized. Since World War II especially, the Canadian economy has been largely interdependent with that of the United States. In the
postwar era, moreover, the dynamic core of the American economy has shifted to the south and west of the United States. In the Canadian economy this has involved, among other things, growing peripheralization of the Quebec economy within the continental economy, and movement of the Montreal anglophone bourgeoisie out of Quebec. The peripheralization of Quebec and the movement of private capital out of that province, which is related to the impact of Canada's considerable economic interdependence with the United States have, in turn, directly contributed to the dramatic alteration of Quebec's class structure so as to fuel an escalation of Quebecois nationalism.

Since 1945 the dynamic core of the American economy has shifted to the west. According to Garth Stevenson, this shift was a result of a number of factors including the disproportionate location of U.S. military expenditures from the 1950s onwards in the south west, the shift in economic importance from coal to oil and gas, from wheat to fruits and vegetables and from railways to airlines. He notes: "New centres of economic power have emerged in Florida, Texas, California, Colorado and other hinterland states to challenge traditional northeastern dominance."45

Quebec's major U.S. economic linkages are with the north-east. More than 80% of Quebec's exports to the
United States are to the Atlantic-Centre, the Northeast-Centre, and the New England States. However, as the core of the American economy has increasingly shifted westward in recent years this area has become much less dynamic. And as Fernand Martin notes:

> [i]t should not be forgotten that Montreal is at the eastern end of the Quebec-Windsor corridor. Stagnation in U.S. regions near Montreal has therefore worked against Montreal’s growth and to Toronto’s advantage in that Toronto stands in an intermediary position in Montreal’s relations with the new centers of U.S. economic activity, casting what geographers call an “urban shadow” on Montreal.

In fact, despite the frequent observation that the escalation of ethnic tension in Quebec has been the cause of the movement of capital, business headquarters, etc. out of that province, it would appear equally cogent to view Quebec’s ethnic nationalism as being fuelled by long-term structural changes in the continental economy which increasingly relegate Quebec to a predominance of relatively slow-growth sectors and foster economic activity either in southern Ontario, or increasingly, in Canada’s resource-rich western provinces, particularly Alberta.

While the frequent comparison of the Quebec economy with that of Ontario is probably somewhat myopic
(since Ontario is also experiencing structural problems) it is arguable that changes in the continental economy, increasingly evident since 1945, have jeopardized the economic links between Quebec and the Canadian common market.50 While "economic continentalization" itself favours the Toronto metropolis over Montreal, the impact of the westward and southern shift of the U.S. economic core has exacerbated Quebec's economic peripheralization.

An indication of the shift away from Montreal as a dynamic economic centre is found in the degree of relocation of company headquarters out of Montreal and to Toronto. One study revealed that whereas in 1952 Montreal had 124 company headquarters for each 100 in Toronto, in 1972 it had only 62.51 By 1960, as well, 70 per cent of American subsidiaries were located in southern Ontario and the Toronto vicinity, only 12 per cent in the Montreal region.52 The satellization of Montreal vis-a-vis Toronto, which was apparent as early as the 1930s53 has continued since the war. As Table 6.2 illustrates, although even at the end of World War II the Toronto Stock Exchange was more important than that of Montreal, the M.S.E. has declined relative to the T.S.E. throughout the postwar period. And while this decline has been particularly marked since the 1976 P.Q. accession to power, the decline of Montreal's
private sector relative to that of Toronto was obviously well underway long before the P.Q. came to office and before restrictive language legislation such as Bills 22 and 101.

Quebec's economic peripheralization within continental capitalism is particularly salient for an analysis of increased Quebecois nationalism since World War II. It crucially coincided with the increasing social modernization of Quebec, discussed in chapter four. Just as the "new middle class", became prominent, capitalist trends which would shrink the private sector in that province reached full stride. Moreover, not only did the private sector become less important within Quebec but unilingual Francophones remained disadvantaged within it. Private sector trends inhibited utilization of this sector for the upward mobility of Quebec's new middle class. The shift in employment was therefore to the public sector, not only as a source of employment and upward mobility for the francophone professional class but also in an effort to cushion the peripheralization of the Quebec economy within continental capitalist trends. No government which remained passive in the face of the implications of economic peripheralization was likely to remain in office very long. The remarkable growth in Quebec's public sector, including
<table>
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<th>Year</th>
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<th>MSE/TSE</th>
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<td>284,347,970</td>
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**Sources:**
Toronto Stock Exchange, data provided by T.S.E., statistical services; Montreal Stock Exchange and Montreal Curb Market, Monthly Review, various years; Montreal Stock Exchange and Canadian Stock Exchange, Monthly Review, various years; Bourse de Montréal/Montreal Stock Exchange, Monthly Review, various years.
the proliferation of provincial crown corporations acting as surrogates within the Quebec private sector, was a response to the uneven impact of international economic interdependence in Canada and, since so many of Quebec's "new middle class" became employed within this sector, furthered the escalation of Quebecois nationalism since any widening of provincial scope coincided with the interests of this class.

Expansion of the state-dependent middle class in Quebec has significantly altered the constellation of class relations within the province and, furthermore, paved the way for the dramatic escalation in nationalist demands emanating from Quebec. The state-related "new middle class" is conscious of the problems entailed for Quebec in a Canada which is increasingly vulnerable in the international economic system. Even more crucially, however, this class stands to benefit directly from every expansion of the Quebec state sector. It thus tends to view relations between Ottawa and Quebec as largely a competition for government jurisdictions. This is not surprising since its class interests are closely served by expansion of the Quebec state. Conversely, its interests are not only directly threatened by Ottawa's "encroachments", but it sees consistent evidence that policy-makers in Ottawa are
apparently oblivious to the economic peripheralization of Quebec which, in the long run, is a serious threat to all Québécois. Thus, demands for decentralization of political and economic power to the Quebec state apparatus both coincide with the interests of Quebec's "new middle class" and are in some ways supported by objective evidence of the growing structural problems of the Quebec economy while it is, at least ostensibly, under Ottawa's economic management.

Declining private investment in the Quebec economy is readily apparent. As Table 6.3 illustrates, private sector investment in Quebec in the 1963 to 1979 period lagged behind the growth of private sector investment in both the Ontario economy and the Canadian economy as a whole. Whereas private investment grew 462 per cent in the country as a whole and 425 per cent in Ontario, in Quebec, once a dynamic centre of Canadian commerce, it grew only 309 per cent. Public sector investment during this period was substantially higher in Quebec than either Ontario or the Canadian economy as a whole. (See Table 6.3).
Table 6.3: Public and Private Investment in Quebec, Ontario and Canada, 1963-1979
(percentage increases in non-residential investment)

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<th>Ontario</th>
<th>Canada</th>
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<td>445</td>
</tr>
<tr>
<td>Private</td>
<td>309</td>
<td>425</td>
<td>462</td>
</tr>
<tr>
<td>Public &amp; Private</td>
<td>427</td>
<td>379</td>
<td>455</td>
</tr>
</tbody>
</table>

*Public includes public enterprise, government departments, and institutions.


Although data on the geographic distribution of investment is difficult to obtain in analytically useful forms, the evidence, which is available corroborates the argument that Quebec's economy is peripheral to the interests of foreign-based multinationals and has come to rely disproportionately upon public sector investment. One source for data on investment patterns is an annual survey conducted since 1977 among some 300 large corporations by the federal Department of Industry, Trade and Commerce. Although too recent to indicate chronological trends, the findings of this survey support the argument that the Quebec economy is now disproportionately underpinned by the public sector and that foreign-based corporations, in particular, exhibit a
disinclination to invest in the Quebec economy to a degree which might ensure continued strong links between Quebec's private economic sector and the rest of the Canadian and continental economy. Data provided by this survey on 1979 investment by the surveyed corporations is both representative of data from other years and illustrative of these tendencies. Table 6.4 offers data indicating that foreign firms constitute a much lower proportion of total provincial investment in Quebec than in any other Canadian province. Of the companies surveyed only 12 per cent of the investment within Quebec was to come from foreign firms. And, as Table 6.5 illustrates, foreign multinational investment is heavily concentrated in the west.

Table 6.4: Distribution of Capital Investment by Domestic and Foreign Firms Within Regions, 1979

<table>
<thead>
<tr>
<th>Region</th>
<th>Domestic (%)</th>
<th>Foreign (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlantic</td>
<td>73</td>
<td>27</td>
</tr>
<tr>
<td>Quebec</td>
<td>88</td>
<td>12</td>
</tr>
<tr>
<td>Ontario</td>
<td>74</td>
<td>26</td>
</tr>
<tr>
<td>Prairies</td>
<td>42</td>
<td>58</td>
</tr>
<tr>
<td>B.C. &amp; Northern</td>
<td>51</td>
<td>49</td>
</tr>
<tr>
<td>Canada</td>
<td>65</td>
<td>35</td>
</tr>
</tbody>
</table>

Source: Table 8 p. 22. Report of the I.T. and C. Capital Investment Intentions Survey Conducted in April, 1980
Table 6.5: Capital Expenditures of Selected Large Companies, (current $million)
Domestic Owned Companies/Foreign Owned Companies
All Industries (1979)

<table>
<thead>
<tr>
<th>Region</th>
<th>Domestic</th>
<th>Foreign</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlantic</td>
<td>1,023</td>
<td>367</td>
</tr>
<tr>
<td>Quebec</td>
<td>3,991</td>
<td>491</td>
</tr>
<tr>
<td>Ontario</td>
<td>3,973</td>
<td>1,297</td>
</tr>
<tr>
<td>Prairies</td>
<td>2,553</td>
<td>3,108</td>
</tr>
<tr>
<td>B.C. and Northern</td>
<td>1,516</td>
<td>1,111</td>
</tr>
<tr>
<td>Canada</td>
<td>14,031</td>
<td>7,701</td>
</tr>
</tbody>
</table>


In the face of the increasingly peripheral role of the Quebec economy in a Canadian economy which is heavily reliant upon foreign multinational investment, it is not surprising that public sector economic involvement in Quebec now far exceeds that in other Canadian provinces. Table 6.6 illustrates the breakdown of public and private investment revealed by the I.T. and C. survey.
Table 6.6: Distribution of Capital Investment by Public and Private Firms Within Regions, 1979

<table>
<thead>
<tr>
<th>Region</th>
<th>Public (%)</th>
<th>Private (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlantic</td>
<td>51</td>
<td>49</td>
</tr>
<tr>
<td>Quebec</td>
<td>65</td>
<td>35</td>
</tr>
<tr>
<td>Ontario</td>
<td>36</td>
<td>64</td>
</tr>
<tr>
<td>Prairies</td>
<td>19</td>
<td>81</td>
</tr>
<tr>
<td>B.C. &amp; Northern</td>
<td>26</td>
<td>74</td>
</tr>
<tr>
<td>Canada</td>
<td>36</td>
<td>64</td>
</tr>
</tbody>
</table>


Taken together, Tables 6.4, 6.5, and 6.6 illustrate both the concentration of private investment in other parts of the country (primarily the resource-rich provinces, e.g., Alberta) and the minimal investment by multinationals in Quebec. This has not only exacerbated many of Quebec's structural economic problems but, as public investment has moved to fill the void left by private capital, the pattern of class relations and the internal Quebec power structure have been dramatically altered. With the economic and political decline of private economic interests, particularly those with strong ties outside the province, and the shift to Quebec's public sector as the major economic impetus, the state-related "new middle class" has acquired
a relative dominance in Quebec's political and economic life. The altered comparative advantage which has moved the core of continental economic activity westward, contributed to declining private-sector investment in Quebec and relegated Montreal, Quebec's economic heartland, to a role as a mere "regional city" has, in a sense, required the massive expansion of Quebec's public sector and consequently strengthened the stratum which is the well-spring of Quebec nationalism.  

In addition to altering Quebec's class structure so as to facilitate the emergence of Quebec nationalism, trends within the continental and capitalist economy have provided fertile ground for some form of social protest. Although by some relative indicators Quebec's economy has improved, its structural problems are becoming increasingly evident.  

While in 1979, its average per capita income was estimated to be 94% of the Canadian average by most indicators it has experienced economic decline within almost all of its sectors (see table 6.7) and it has a chronically high unemployment rate, above the national average (see table 6.8). Moreover, while the unemployment "rate" may be higher in Atlantic Canada, it is noteworthy that the Quebec rate is derived from fully a quarter of the Canadian population; thus in sheer numbers of unemployed, Quebec far exceeds the Atlantic region.
Table 6.7: Representation of Quebec and Ontario in Canadian Industry 1961 and 1974

<table>
<thead>
<tr>
<th>Major Sector</th>
<th>Value Added</th>
<th>Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Food &amp; Drink</td>
<td>27.4 25.0</td>
<td>44.0 44.6</td>
</tr>
<tr>
<td>Tobacco products</td>
<td>69.1 55.4</td>
<td>30.9 44.8</td>
</tr>
<tr>
<td>Rubber</td>
<td>24.9 22.7</td>
<td>70.8 69.0</td>
</tr>
<tr>
<td>Leather</td>
<td>49.8 46.3</td>
<td>46.5 47.1</td>
</tr>
<tr>
<td>Textiles</td>
<td>56.0 48.9</td>
<td>39.7 45.8</td>
</tr>
<tr>
<td>Hosiery</td>
<td>51.4 64.6</td>
<td>41.6 27.7</td>
</tr>
<tr>
<td>Clothing</td>
<td>69.3 65.3</td>
<td>26.8 22.8</td>
</tr>
<tr>
<td>Wood Products</td>
<td>18.8 21.0</td>
<td>18.6 19.0</td>
</tr>
<tr>
<td>Furniture &amp; Accessories</td>
<td>36.1 37.0</td>
<td>48.9 49.9</td>
</tr>
<tr>
<td>Pulp &amp; Paper</td>
<td>35.9 30.0</td>
<td>33.5 30.9</td>
</tr>
<tr>
<td>Printing</td>
<td>26.5 29.0</td>
<td>53.8 50.6</td>
</tr>
<tr>
<td>Primary Metals</td>
<td>24.5 26.0</td>
<td>60.8 58.3</td>
</tr>
<tr>
<td>Metal Products</td>
<td>26.4 23.4</td>
<td>58.6 59.4</td>
</tr>
<tr>
<td>Machinery</td>
<td>19.2 17.8</td>
<td>73.2 65.7</td>
</tr>
<tr>
<td>Transport Materials</td>
<td>21.5 13.7</td>
<td>68.1 74.5</td>
</tr>
<tr>
<td>Electrical Equipment</td>
<td>27.4 24.9</td>
<td>68.5 68.9</td>
</tr>
<tr>
<td>Non-metallic Metal Products</td>
<td>29.3 26.2</td>
<td>48.0 49.8</td>
</tr>
<tr>
<td>Petroleum and Coal Products</td>
<td>28.6 35.5</td>
<td>31.2 31.6</td>
</tr>
<tr>
<td>Chemicals</td>
<td>29.4 27.8</td>
<td>58.4 59.8</td>
</tr>
<tr>
<td>Diverse Industrial</td>
<td>27.9 25.2</td>
<td>65.2 67.2</td>
</tr>
<tr>
<td>Total</td>
<td>30.6 27.5</td>
<td>50.3 51.5</td>
</tr>
</tbody>
</table>

Table 6.8: Unemployment Rate, Canada and Quebec
(Average %)

<table>
<thead>
<tr>
<th>Year</th>
<th>Canada</th>
<th>Quebec</th>
</tr>
</thead>
<tbody>
<tr>
<td>1966</td>
<td>3.4</td>
<td>4.1</td>
</tr>
<tr>
<td>1967</td>
<td>3.8</td>
<td>4.6</td>
</tr>
<tr>
<td>1968</td>
<td>4.5</td>
<td>5.6</td>
</tr>
<tr>
<td>1969</td>
<td>4.4</td>
<td>6.1</td>
</tr>
<tr>
<td>1970</td>
<td>5.7</td>
<td>7.0</td>
</tr>
<tr>
<td>1971</td>
<td>6.2</td>
<td>7.3</td>
</tr>
<tr>
<td>1972</td>
<td>6.2</td>
<td>7.5</td>
</tr>
<tr>
<td>1973</td>
<td>5.5</td>
<td>6.8</td>
</tr>
<tr>
<td>1974</td>
<td>5.3</td>
<td>6.6</td>
</tr>
<tr>
<td>1975</td>
<td>6.9</td>
<td>8.1</td>
</tr>
<tr>
<td>1976</td>
<td>7.1</td>
<td>8.7</td>
</tr>
<tr>
<td>1977</td>
<td>8.1</td>
<td>10.3</td>
</tr>
<tr>
<td>1978</td>
<td>8.4</td>
<td>10.9</td>
</tr>
</tbody>
</table>


Yet, to fully understand the links between shifts in the continental economy and the mobilization of Quebec nationalism, it is necessary to juxtapose Quebec's objective economic difficulties with the crucial fact that the federal government is held by many Québécois to be responsible for these difficulties: that, as Pierre Fortin puts it, "... from an economic viewpoint, federal institutions are far from operating as well as they could." Indeed, the view that much of Quebec's economic difficulties stems from "a bad deal" within Canadian federalism is extremely popular among Quebec intellectuals and this view has been actively
and successfully propagated by Quebec nationalists, including the current Quebec government.

Although some arguments made from this perspective are probably little more than nationalist propaganda, the federal government has done little to alter the trends which are contributing to Quebec's growing economic peripheralization. Of course, within an overall acceptance of market forces, the Canadian government is relatively powerless to do otherwise. Yet, when private capital's search for comparative advantage leaves a particular region such as Quebec behind, the federal government (rather than the capitalist economic system, which is so well legitimated) is usually held responsible. The interplay between the popular view of the federal government as responsible for overall economic well-being and its incapacity to do much more than fine-tune an economy which is essentially beyond its control has been an invaluable political resource for interests which stand to profit from decentralization of institutional power to the Quebec government.

In fact, a very good case can be made to illustrate that federal stabilization and distributive policies have worked to Quebec's disadvantage. To the limited extent that Ottawa has been able to regulate the Canadian economy, its actions seem to have resulted in major
stabilization policies which have favoured the interest of the Canadian industrial heartland of southern Ontario. In its effort to maximize overall economic growth, the federal government has devised stabilization policies essentially responsive to major economic indicators which disproportionately reflect the influence of Ontario. Thus, the fact that business cycles tend to be more severe in Quebec and the Maritimes than in Ontario has often been overlooked by the federal government as it imposed restrictive policies while these regional economies were still suffering from high unemployment and poor economic performance.

In the face of the powerful forces within the capitalist economy which favour resource-extraction in Canada's west and which accord locational advantage to the manufacture of durable goods in southern Ontario, federal policies have tended to leave Quebec's economy inherently dominated by the production of non-durables. Maxwell and Pestieau further observe:

Some Quebecers would also argue that the inter-regional compensation system has been unfair, for two reasons: first, Quebec was not a significant net gainer from federal revenue and expenditure activities in the province until the 1970's; second, federal expenditures in
Quebec have largely taken the form of transfer payments, such as unemployment insurance, that have tended to reinforce Quebec's economic dependency rather than build their self-reliance. 66

Since WW II then, Quebec has been continually faced with what appears to be a multifaceted and cumulative problem. The increasing peripheralization of the Canadian economy by the American economy within overall capitalist trends both favours Toronto and southern Ontario relative to Montreal and the Quebec economy, and emphasizes economic growth in the western provinces. This peripheralization is not only taking place with regard to Quebec; it is also evident in the Maritime provinces. 67 Significantly however, the pattern of Quebec's peripheralization has coincided with deep social changes 68 and has placed increased political resources at the disposal of a class whose interests coincide with the expansion of the Quebec state apparatus. These interests have been able to cite numerous policy areas or decisions in which the federal government's attempts to maximize overall economic growth have worked to Quebec's detriment. Just two examples would be the question of the auto pact agreement and the problem of regional disparities.

The Canada-U.S. auto pact, which was signed in 1965, illustrates the increasing peripheralization of the
Quebec economy as a result of continental economic integration. While the pact was essentially an effort at rationalizing the North American auto industry, it was as well a significant step in continental integration. There is much legitimate controversy over the continuing Canadian deficit as a result of this pact. While a general discussion of this problem is somewhat beyond the scope of this study, two aspects of the auto-pact are salient: first, the auto-pact is a major example of continental economic integration, of integration of the Canadian economic periphery into the American economic core; secondly, the auto-pact has been a major sore point between the federal and the Quebec government since Quebec spokesmen have repeatedly pointed out that the Canadian benefits derived from the auto-pact have not been "fairly" distributed but rather that the Canadian industrial heartland of southern Ontario has benefitted disproportionately from its implementation.

The federal adoption of the auto-pact has contributed significantly to increasing intergovernmental conflict in the Canadian setting. In fact, it has been claimed that the adoption of such policies as the auto-pact by the federal level has tended to counterbalance the effects of the much vaunted federal interregional transfers.
the auto-pact agreement, the overwhelming benefits (in the Canadian context), have flown to the Ontario economic core, and the Quebec government is extremely critical of this disproportion and points out the discrepancy between benefits flowing to Ontario as opposed to relatively minimal benefits trickling down to Quebec.

Yet, the federal government's actions are not somehow deliberately harmful to Quebec (or for that matter to other provinces outside the industrial core). In its negotiations, the federal government obviously wanted to maximize the net benefits to the Canadian economy as a whole. However, since southern Ontario represents the industrial core of the peripheral Canadian economy, federal policies disproportionately represent Ontario's economic interests. As Maxwell and Pestieau state, the auto-pact is one example of the way in which the federal level makes policies which tend to "strengthen the strong," while they are attempting to maximize net overall economic benefits. Carl Beigie mentioned in his research on the auto-pact agreement that negotiators on both sides admitted that they never assessed the regional consequences of the pact during the negotiation period.

Just as the implications of the auto-pact agreement illustrate the relative impotence of governmental
initiatives on the part of a peripheral economy reliant on market forces, federal activity in the realm of regional disparities reveals the extent to which governmental action is severely restricted within the basic acceptance of a capitalist economy. When the federal Department of Regional and Economic Expansion was established in 1969 it was intended to "ensure that economic growth was dispersed widely enough across Canada to bring employment and earnings opportunities in the slow-growth regions as close as possible to those in other parts of the country"; significantly, it further specified "without interfering with a high overall rate of growth".76

At another level, it is notable that the federal Ministry of Industry, Trade and Commerce (MITC), in the 1969-75 period, gave more grants to industry than did DREE ($437 million compared to $256 million). Quebec received an average of $7 per capita from MITC in this period, whereas Ontario obtained $9 per capita.77

Analyzing the federal government's attempt to reduce regional disparities via DREE, a study prepared for the Economic Council of Canada (ECC) states that "The effects of such policies have been modest in reducing per capita income differences among regions".78 This study goes on to say: "... empirical results demonstrate that
the Atlantic Region and Quebec are net beneficiaries from the DREE program to a much lesser extent than is commonly supposed. Quebec receives little or no net benefit. Quebec and the Atlantic region will be better off with increased equalization payments rather than the existing DREE program.\footnote{79} In addition, it reports that DREE expenditures are only proportional to the percentage of tax paid in Quebec, i.e. 24\% of the total expenditures in 1969-75 and 25\% of federal taxation.\footnote{80} Furthermore, as André Raynauld, former Chairman of the ECC has noted, regional development policies have stimulated productivity in traditional sectors within each region without effectively modifying industrial structure.\footnote{81} A recent study of regional policies conducted by the Organization for Economic Co-operation and Development corroborates the view of Canadian regional policies as largely ineffectual in the face of overall capitalist trends. It concludes: "Regional policies have not, in the past, been on a scale capable of seriously modifying the trends which are largely determined by market forces which tend to enhance the prospects of the more favourably endowed or situated regions."\footnote{82}

What the examples of the auto-pact and regional disparities illustrate is not the malevolence of a federal government bent upon continued economic backwardness in
Quebec, but the implications of governmental economic policy which aims merely to fine-tune an economy dominated by market criteria of comparative advantage. Thus, while the present Quebec government engages in sound and fury over the manner in which the Quebec economy is disfavoured by federal government policies, it is not necessary to regard federal decisions as deliberately detrimental to Quebec to argue that state regulation of the Canadian economy has not substantially forestalled or cushioned Quebec’s economic decline. Indeed, Quebec governments themselves, especially those of the early part of this century and that of Maurice Duplessis, epitomized the kind of subservience to the unrestrained excesses of market considerations which facilitated the degree of social upheaval evident in Quebec from the 1940s onward.

The problem of Quebec’s increasing economic peripheralization would appear far more related to the acceptance, by both Canadian and Quebec governments, of the ultimate wisdom of market forces, than to concerted and conscious efforts to disfavour a particular province or region. Moreover, current efforts on the part of the Quebec government to cushion Quebec’s economic peripheralization, within an overall acceptance of a capitalist system, do not seem to be markedly altering this trend. Not only is
Quebec increasingly exhibiting severe problems in public sector spending but crown corporations have not shown themselves capable of reversing (perhaps delaying but not reversing) Quebec's economic peripheralization in an economy no longer reliant upon the Toronto-Montreal axis for its dynamism. The Quebec government-owned steel company--Sidbec, for example, has not shown a profit since the provincial government acquired it in the early 1970s, and in 1980 it lost $56 million.84

In Canada, "economic continentalization", which is the Canadian variant of the impact of international economic interdependence, has led to Quebec's economic peripheralization. Moreover, through the shrinking of Quebec's private sector simultaneous with social modernization in that milieu, market forces have significantly contributed to expansion of the provincial public sector and Quebec's "new middle class". It is preeminently this class which is currently agitating for decentralization of economic and political levers which, while they might or might not protect the Quebec economy from the peripheralizing process, would almost certainly enhance the immediate scope for upward mobility of the "new middle class" to a considerable degree.
In the patterns evident within Quebec there are parallels with comparative cases examined in this study. However, the parallels do not seem to pertain so much to the actual incidence of uneven economic development as the effect this incidence has had upon class stability. In Belgium and Quebec, and to a lesser degree Scotland, the uneven impact of international economic interdependence has altered the picture of class relations. In Scotland, Flanders and Quebec this impact has fuelled a "new middle class" whose class interests coincide with political and economic decentralization from the central state level. In the Basque area and Wallonia, it has eroded the economic position of the working class in formerly affluent but now economically declining areas. In both circumstances, the uneven impact of international economic interdependence since World War II has significantly affected class structure and eroded the rationale for according legitimacy, on the part of the now nationalist class, to the historic state. In Wales and Brittany, on the other hand, these trends do not seem to have reached substantial enough proportions to alter the class structure in such a way as to strongly fuel an escalation in ethnic nationalism.

In chapter seven, we turn to another factor hypothesized to facilitate resurgent ethnic nationalism in the
postwar period, that is, the complex interaction between the postwar growth in state intervention in western systems and long-existent traditions of social, political and economic autonomy in the now nationalist regions. As we shall once again see, the relationship between these structural factors and class relations contains considerable explanatory utility.
NOTES

I am grateful to Alain Gagnon of Queen's University's Political Studies Department, for collaboration on a previous manuscript, "Economic Peripheralization and Quebec Unrest," Journal of Canadian Studies, 17, No. 2 (1982); many opinions expressed in this chapter benefited from that collaboration.


14. For evidence of this see e.g., Tables 4.1 and 4.2, in chapter four of this dissertation.

15. Rawkins.

16. Rawkins, e.g., pp. 523, 528.


20. Brand, p. 84.


33. O.E.C.D., Regional Problems, volume 2, p.44.


35. Riley, pp.44-45.

36. Royaume de Belgique, Ministère des Affaires Économiques, L'Economie Belge en 1980 (Bruxelles, 1981), p.354. This document and other data on the Belgian economy were made available to me by the Belgian Embassy, Ottawa, Canada. For these I am indebted to Johan Ballegeer, First Secretary, Royal Embassy of Belgium, Ottawa.

37. Riley, Preface.


39. Riley, p.44.

41. Stephenson, p.510.
44. Riley, p.35.
45. Stevenson, p.20.
48. The view that nationalist agitation is largely responsible for the movement of capital out of Quebec continues to be propagated. See e.g., Jack McArthur, "Quebec Job Woes Worse since P.Q. took the Helm," Toronto Star, Wednesday, April 7, 1982, p.DT2.


57. Maxwell and Pestieau, *Table* 17, p.99.

58. These tables do not add to the Canada total due to "matching" on corporation reports from year to year and the fact that some corporations give only nationally-based data.


60. Sales, e.g., p.78.


64. Maxwell and Pestieau, p.19.


70. Bâtir le Québec, p.24.


73. Office de planification et de développement du Québec, Politique fédérales et économie du Québec, 2e édition, Québec, 1979, p.39.

74. Maxwell and Pestieau, p.100.

75. As cited in Maxwell and Pestieau, p.83, note 11.


77. Politiques fédérales, p.43.

79. Gillespie and Kerr, p.43.

80. Gillespie and Kerr, p.77.

81. According to a presentation made at Fredericton by Raynauld while Chairman of the Economic Council of Canada. In this context see Claude Tessie, "Echec de la politique de développement régional," Le Soleil, 9 octobre, 1975.


CHAPTER SEVEN

INSTITUTIONAL AUTONOMY

AND

ETHNIC MOBILIZATION
CHAPTER SEVEN

Growing government involvement in society is undoubtedly one of the most noteworthy changes in western systems. In the immediate postwar era the massive interventionist capacity of western governments was turned from the war effort toward the achievement of rapid economic growth and the provision of social welfare measures. In the shift from the negative to the positive state, governments undertook greater responsibility for economic regulation and for the provision of basic standards of welfare for their citizens. Many aspects of social security formerly left to family or private charitable institutions became accepted as governmental responsibility. In the 1950s and 60s there was great optimism about the capacity of western governments to simultaneously achieve egalitarian conditions and sustained economic growth.

As western economies encountered mounting economic difficulties in the 1960s and particularly throughout the 1970s, much of the postwar ebullience wore thin. Growing material aspirations, fuelled by the larger "pie" made possible by rapid economic growth, were increasingly frustrated as the pie either diminished in size or grew far less rapidly. Despite escalating demands from citizens, slower economic growth and more complex economies have rendered many of governments' social and economic
undertakings difficult to maintain, let alone expand. Difficulties encountered by western governments in meeting their self-imposed standards of continued economic growth, and the societal dispersion of the benefits of this growth, have left these governments vulnerable to challenges from many sources.

The growing role of governments in all aspects of societal life has posed particular problems in states where more than one "nation" exists and, especially, where a minority nation has a long history of being shielded from the effects of decision-making by the central state. In some of the states examined in this study, the regionally-concentrated ethnic minority has traditionally been insulated from the impact of central governments by a previously laissez-faire approach to government or, more particularly, by the existence of forms of structural decentralization of political authority. Just two examples of such decentralization are the Basques with their long-standing tradition of *fueros* and the Québécois who have a long tradition of institutional separation and who have inhabited a distinct province within the Canadian federal system.

The increasing role of governments since World War II has entailed considerable penetration on the part of central governments into ethnically-distinct regions which
are now experiencing policy-intervention by the state centre to a previously unparalleled degree. The growing scope of central governments in society is considered by some observers to have fuelled ethnic resurgence. Speaking of the increased claims to regional autonomy within various states, Gordon Smith says:

How should this uneven incidence and intensity be interpreted? One explanation is fairly obvious: claims for freedom from the policies of a central government will be made most effectively in areas where there are strong ethnic, cultural, or linguistic affinities. Those regions are probably the first to appreciate the negative effects of a growing centralization and show the sharpest reaction.

In the face of growing resistance to central governments on the part of ethnic minorities in numerous settings, there have been two main streams of thought regarding the role of structural decentralization in the postwar escalation of ethnic nationalism.

In this chapter, the two major arguments concerning the role played by institutional decentralization in the ethnic conflict paradigm will be briefly delineated. Then, after noting the degree of governments' growing scope since World War II, the chapter will consider whether structural decentralization, such as the establishment or
widening of federal structures, is likely to placate or, instead, to fuel nationalist demands. In conducting this examination, the chapter will assess the role played by institutional decentralization in both the comparative and Canadian contexts.

In the light of the persistent perception by both scholars and policy-makers that structural decentralization is an effective antidote to ethnic nationalism, it is timely to examine the relationship between state systems and decentralized political, social and economic structures. In this examination, we shall argue that, rather than defusing ethnic nationalism, institutional decentralization structurally perpetuates ethnic distinctions and, even more fundamentally, provides an institutional base for the articulation of ever-escalating demands. After briefly noting the implications of the growing impact of central governments, the analysis will turn to a consideration of the degree to which long-standing or recent traditions of decentralization have fostered continuing ethnic identification in the comparative cases. The Canadian setting will then be examined to illustrate the degree to which, rather than offsetting demands by ethnic groups, federal structures ensure an institutional base for interests served by cumulative devolution. The pervasive patterns of "province-
building" in Canada and the resources afforded to nationalist groups by institutional decentralization will be illustrated. Finally, the implications of the coincidence of structural decentralization and Quebec's changing class structure, and the threat this coincidence poses for the Canadian system, will be noted.

Ironically, the two perspectives adopted on the role of institutional decentralization in the postwar escalation of ethnic conflict are diametrically opposed. Some observers argue that ethnic nationalist movements have been facilitated by existent structural decentralization. They argue that devolved political and economic power simply provides a fuel for further ethnic demands.4 Hechter and Levi, as previously noted, say rather categorically, "Ethno-regionalism is likely to exist to the extent that the central state tolerates cultural and political diversity."5 Students of ethnic nationalism who adopt this position are backed by many observers of federal systems in general. David Truman, for example, has observed of such decentralized structures:

The basic political fact of federalism is that it creates separate, self-sustaining centers of power, privilege, and profit which may be sought and defended as desirable in themselves, as means
of leverage upon elements in the political structure above and below, and as bases from which individuals may move to places of greater influence and prestige in and out of government. 6

Despite the assertion by many scholars that structural decentralization is conducive to an escalation of ethnic nationalism, others, often apparently unaware of the considerable body of opinion arguing against decentralization, portray political decentralization as the most desirable solution to the threat posed to political integration by ethnic nationalism. One illustration of this position is a recent article in the Canadian Review of Studies in Nationalism. In "Ethnoregionalism in Contemporary Western Europe: The Potential for Political Accommodation", the substance of the argument posed by Joseph Rudolph Jr. is that political accommodation by means of decentralization should be more readily considered as a solution to ethnic movements. 7 And while he is aware of the possible dangers entailed in providing nationalists with "enhanced institutional status from which to launch a new set of demands", he argues that a federalizing process will neutralize the leadership of nationalist movements because it will co-opt them into the system. 8 He says, for example:
A real likelihood exists that the regionalizing and federalizing reforms now proceeding in Great Britain, Belgium and Spain—supplemented by the co-optation of regional leaders into the decision-making process at the centre, (which is not, strictly speaking, institutional accommodation, but is definitely a mode of political accommodation) will be able to neutralize the political force of ethnoregionalism in at least the short and middle term of neutralizing its spokesmen. 9

Unfortunately, Rudolph does not adequately distinguish between structural decentralization and participation by nationalists at the state centre. He views both as undercutting and/or mellowing nationalist leaders. Yet, it is arguable that while co-optation is a relatively efficacious strategy at the state level, the question of institutional concessions of decentralization involves an entirely different dynamic. Rudolph, like many other analysts advocating decentralization as a solution to ethnic mobilization, does not scrutinize this dynamic as rigorously as he might.

As Table 7.1 reveals, by 1978 most of the states selected for comparison in this study had evolved to a position of substantial governmental involvement in their societies. Nevertheless, the extension of central governments into these societies has encountered a variety of
obstacles. In the case of several regional ethnic minorities now exhibiting ethnic nationalist movements, the central state has been long perceived by these groups to systematically favour the dominant ethnic group. (See chapter eight). As central states have come to be increasingly regarded as responsible for economic well-being and overall social security, and as they have encountered difficulties in meeting expectations along these lines, mistrust of central governments has mounted among many ethnic minorities.

Table 7.1 General Government Current Revenue as a Percentage of GDP, 1978

<table>
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<th>Country</th>
<th>% of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>42.7</td>
</tr>
<tr>
<td>Canada</td>
<td>35.8</td>
</tr>
<tr>
<td>France</td>
<td>42.3</td>
</tr>
<tr>
<td>Spain*</td>
<td>26.6</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>38.8</td>
</tr>
</tbody>
</table>


*Spain data is for 1977.

The increasing scope of central government aspirations has furthermore frequently trod roughshod over traditional spheres which formerly resided fairly unambiguously with the ethnic minority. In Spain, for example, growing central government regulation of the economy has threatened the traditional Basque dominance in economic matters. The
Castilian-dominated central government has introduced programmes of regional economic development which favour investment in formerly economically-backward regions rather than the Basque country. Moreover, it has increasingly removed the kinds of protectionist trade policies upon which Basque prosperity rested. In Canada, the kinds of distinctions between central government and provincial government jurisdictions, which were plausible at the time of Canadian Confederation, do not apply in the latter part of the twentieth century. With the movement away from the strictly negative role of governments, there have been inevitable conflicts between the interests of central governments and the more specific interests of regionally-concentrated ethnic minorities in virtually all the states examined here.

In recent years, there has been considerable evidence that policy-makers in various western states are adopting the view that political and economic decentralization will effectively counter the escalation in ethnic demands. Today, several European states tend toward both supranational political and economic organization and devolution of power to subnational units. The United Kingdom's implementation of devolution measures, the granting of greater economic and political power to the Basques and
other Spanish regions, and apparent federalization in Belgium illustrate this trend. However, an examination of the comparative sample lends credibility to the view that where some form of structural decentralization has historically existed, ethnic nationalists oppose central government attempts to centralize and co-ordinate overall policy far more than where, while regionally-concentrated, ethnic minorities have not had access to institutional means for mobilizing opposition to central governments' initiatives.

Scotland has historically had far more decentralized structures than has Wales. The Act of Union (1707) guaranteed Scotland considerable social independence. While it had neither legislative nor executive decision-making political powers, it was quite independent in most other forms of social organization. It had distinct legal, educational and religious structures, a separate system of local government, its own banking and commercial establishment and a Scottish nobility. It also had distinctly Scottish literature and philosophy, and various unique cultural forms such as national costumes and music. As well, a distinct Scottish Office has long existed as a government department headed by a British Cabinet member. Over the past thirty years the degree of administrative devolution which has taken place has highlighted the distinction between
Scotland and Great Britain as a whole. In the 1960s and 1970s there was considerable devolution of economic functions to Scotland. Many students of Scottish nationalism argue that the traditional institutional autonomy evident in Scotland paved the way for autonomist demands by maintaining a strong sense of separateness. Drucker and Brown have observed of the more recent economic devolution:

> The measures of economic devolution that took place themselves created new pressures for more co-ordination and more devolution. It was not such a long step from arguing that British governments should devise special institutions to meet Scottish needs to suggesting that Scotland needed to operate its own institutions in a separate state.

Wales, on the other hand, has been considerably more integrated with England and has not exhibited the degree of institutional separateness evident in Scotland. Unlike Scotland, for example, Wales was administered in the same way as England until 1974 when some administrative devolution of public services took place. Even in more recent years, the devolution which has taken place to Wales has been less than that to Scotland. The 1978 devolution bill, which provided for substantial devolution to an elected Scottish Assembly afforded far less devolution to a Welsh Assembly. In the 1979 referendum, there was
considerably greater support for devolution measures in Scotland than in Wales. While even in Scotland the devolution measures did not receive the required 40% support of all eligible voters, in Wales the measures were soundly defeated.

Observers of both Scottish and Welsh nationalism link their differential strength at least in part to the different degree of traditional independence evident in the two areas. They also argue that the growing role of the state in society is related to an upsurge in both these movements. Once again, as Drucker and Brown have observed:

As the invisible hand of the market gave way to the more robust hand of state intervention, more and more Scots and Welshmen came to be economically dependent on the state. As the state took increasing responsibility for economic welfare, it had to show that it could perform convincingly in this new role. ... At first, economic success provided its own justification. Subsequently, without prosperity, the problem for the British state was particularly acute, for it ruled not one nation but three. 16

In Spain, the Basque country traditionally possessed wide autonomy. While Ferdinand III conquered some areas of Spain, the Basque provinces of Vizcaya, Alava and
Guipúzcoa entered a unified Spain voluntarily. In return, they were allowed their own parliament, army and money. 17 Under the system of fueros, the Basques exchanged tithes and military service for regional autonomy. 18 Moreover, under this system the Spanish king did not rule the Basque area as of right but as a seigneur, by consent of the Basques. 19 Basque history and culture have been distinct from those of the rest of Spain and, while the Basque language is rapidly disappearing with urbanization, the Basques have traditionally had their own language, music and costumes. According to Juan Linz, the failure to eliminate these differences in the seventeenth century paved the way for ethnic nationalism in the nineteenth and twentieth centuries. 20

There was considerable trauma involved for the Basque region in the centralist policies of Franco from 1939 onward. Guipúzcoa and Vizcaya lost their traditional autonomy. As elsewhere in Spain, the Castilian language was imposed and any social institutions which might have threatened central control were ruthlessly repressed. Not only did the Franco forces adopt brutal repression of Basque traditional autonomy, they adopted central government policies in which the Basque region received minimal government services and infrastructural spending. 21
With the democratizing trends evident in Spain from the 1960s onward, the traditional sentiment for a system akin to the fueros has resurfaced. Indeed, the motto of the Basque National Party is "God and the old fueros". In the 1970s steps have been taken toward devolution of certain powers to Spanish regions such as the Basque country and Catalonia. In the 1979 referenda, constitutional statutes were approved which gave the Basque territory its own parliament, control of taxation, its own police, education and broadcasting. In 1980, the Basque country and Catalonia were granted further Home Rule powers.

Despite the considerable regional autonomy indicated on paper, the central Spanish authorities have dragged out the process of actual devolution to a considerable degree. It is too soon to assess the effect of the latest devolution measures on Basque nationalism, but there is reason to believe that the long-existent traditions of autonomy in the Basque region have contributed to the strength of the ethnic nationalist movement in that territory.

In Brittany, where the nationalist movement is probably the weakest of those considered in our comparative sample, there has also been the least degree of institutional decentralization. While the Bretons have had their
own distinct culture and language, there was never any significant institutional channel available for the promotion and preservation of strongly autonomist sentiment. As has been the case throughout France, most government officers in the area have come from the Paris region. In short, in Brittany there is the coincidence of the early and thorough penetration of the French state into the region and a weak nationalist movement, despite a distinct culture and objective evidence of economic grievances.

In Belgium there has not been the kind of longstanding structural decentralization evident in, for example, the Basque area or in Canada. Since the Second World War and especially since the 1960s, however, there has been such a move toward the devolution of political power to the regional level that many observers speak of the de facto federalization of the Belgian state. With the 1977 Egmont Pact, the constitutional devolution begun in 1970 was extended and the process of federal-like devolution to the regional level with directly-elected regional assemblies continued. Nevertheless, available evidence suggests that, rather than defusing nationalist sentiment the struggles over federalization have, if anything, fostered it.
Empirical examination of the relationship between structural decentralization and ethnic sentiment in Belgium is difficult for a number of reasons. First, devolution has been a relatively recent trend. Secondly, in Belgium the linguistic dimension of the communal struggle complicates its analysis. Conflict in Belgium between the Flemings and Walloons can be regarded as a conflict between two linguistic groups and/or two regions which are largely linguistically-differentiated. Opinion polls from 1979 and 1980, reveal considerable sense of ethnic affiliation. And while historically replicative samples do not appear available, it would seem that the process of devolution has not offset regional and ethnic sentiment. As Table 7.2 reveals, a sentiment of attachment to the linguistic group or the linguistic region is high in both Flanders and Wallonia. In Flanders, attachment to the linguistic group or region, considered together, is greater than attachment to the country as a whole.

Available evidence suggests that structural decentralization in Scotland and the Basque region fostered the maintenance of distinct societies. In Wales and Brittany, the minimal channels for the maintenance of a politically-salient sense of distinctiveness appear related to the weakness of ethnic nationalism in these two regions.
Table 7.2 Responses to the Question: "To what group do you feel attached above all: to Belgians as a whole, to the French-language community, to the Dutch-language community, to the German-language community, to the Flemish region, to the Walloon region, to the region of Brussels, to your province, to your city (or district "commune")?"

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<th></th>
<th>The Country</th>
<th>Flanders</th>
<th>Brussels</th>
<th>Wallonia</th>
</tr>
</thead>
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<td>Dutch-language community</td>
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<td>2.3</td>
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<td>City or District</td>
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<td>100</td>
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</table>

On the other hand, the degree of institutional independence allowed in the case of Scotland and the Basque region was probably itself dictated by the strong differentiation of those areas from the dominant group. It is consequently somewhat unjustified to categorically assert that institutional autonomy, which arguably has contributed to ethnic nationalism, was not itself encouraged by ethnic distinctiveness in the first place. Nevertheless, available evidence strongly suggests that, rather than fostering growing allegiance to the central state, institutional autonomy structurally contributes to political dynamics which tend toward an erosion of allegiance to the central state level and tend to increase, or at least maintain, allegiance to the regional level.

One element which is crucial in a political dynamic of either growing allegiance to, or disaffection for, the central state is the behaviour of political parties. As William Riker has argued, the role that political parties play has a significant impact upon the centrifugal or centripetal tendencies evident in a state. In the context of this examination of resurgent ethnic nationalism in the postwar era, two aspects of the dynamic entailed in the relevant party systems are noteworthy.
First, it is worth observing that in the states constituting the comparative sample within this study, the nationalist parties which have emerged so strongly in the postwar era are largely populated by the "new middle class" created by postwar economic trends. In the case of Spain, minimal research conducted on the composition of parties precludes the provision of evidence that it is, indeed, the "new middle class" which is preeminent in the PNV. Research does confirm at least that it is the middle class which dominates this party. Elsewhere in the comparative sample, however, evidence that it is the "new middle class" which dominates nationalist parties is unambiguous. Birch, for example, observes that the leadership of the SNP is solidly young and middle class. Like their supporters, SNP members appear to be from the young "new middle class". As noted in chapter four, Beer has documented that the Breton nationalist movement predominantly reflects membership from the professional "new middle class" to the extent that this class exists in the Breton region. Inglehart, among others, has documented the disproportionate participation of the "new middle class" in both Flemish and Walloon nationalist parties. Even the comparatively weak Welsh nationalist movement apparently reflects the same pattern. Charles Ragin cites studies which indicate
this pattern and suggests a cogent reason for the pattern's existence in Wales as elsewhere:

... the 'knowledge industry', or the intelligentsia, broadly defined, is grossly overrepresented in the membership of Plaid Cymru. ... The simplest explanation of their overrepresentation is that they have the most to gain should the nationalist enterprise succeed--a monopoly over the roles and resources for which they now must compete. In this light, ethnic mobilization can be seen as an attempt to gain a competitive edge in the struggle for roles and resources. 30

The second noteworthy aspect of the relationship between these parties and the state system, an aspect even more obvious in the Canadian case than in the comparative sample, is that much legitimate structural autonomy afforded regionally-concentrated parties fuels the nationalist dynamic. To the extent that a political system accords rewards (in the form of increased votes) for appeals which are regionally-specific or ethnically-specific, it structurally encourages such appeals. Conversely, to the extent that a political system provides rewards for a focus on issues which transcend a specific region or ethnic group, it encourages a state-wide approach to political issues on the part of its parties. In the comparative sample, it is obvious that existent electoral systems are proving fertile
ground for the class interests embodied in the nationalist parties' demands for growing devolution of political and economic power. Not only are regionally or ethnically-specific issues "vote-catchers", but every widening of regional autonomy expands the base of the "new middle class" which, not coincidentally, both voices demands for increased devolution and most directly profits from its implementation.

The basic patterns evident in the comparative context lend little support to the view that the growing impact of governments in society should be cushioned by institutional decentralization. Although it is early to assess the impact of institutional decentralization in states such as Belgium, there is, as yet little evidence that it will serve even as a short-term palliative. There is even less reason to think political decentralization will in the longer term foster greater legitimacy of central governments. Where institutional channels have been available to support a sense of distinct "nationhood" there is evidence of stronger ethnic nationalism than where the central state penetration was early and thorough.

In none of the comparative cases, however, has there been the degree of institutional autonomy evident in the Canadian system which has been a federal state since
1867. The institutional channels available for the maintenance of a sensè of Quebec nationhood have been considerable. Institutional decentralization within the Canadian system has provided virtually all provinces with an excellent base for the pursuit of regionally-specific interests and expanded jurisdictions. Canadian history illustrates that, by and large, decentralized structures have fostered continuing decentralization rather than greater integration. In the case of Quebec, these institutions appear to have paved the way for current Quebec nationalism and provided a ready stage for the articulation of nationalist positions.

Most students of Canadian government agree that, at its inception and by design, the Canadian federal system was to be highly centralized. After studying the British North America Act, K.C. Wheare regarded it as so centralist as to be only quasi-federal in character. Evidence supporting this evaluation is considerable. Under the original BNA Act federal control over the provinces was extensive and even included power to reserve or disallow provincial legislation. Jurisdictions of importance and the residual power were allocated to the federal level. In addition, provinces were restricted to direct taxation, a minimal source of government income at the time of Confederation.
Despite its original centralization, the Canadian system has become highly decentralized. In 1979, federal and provincial government expenditures were almost equal: 20.2% and 19.1% of GNP, respectively. Despite the supposedly preeminent role of the federal government in taxation, in 1978 Ottawa received only 56.4% of the total yield from direct taxes and incredibly, given the clear intent of the BNA Act, only one-third of indirect taxes. Tables 7.3 and 7.4 illustrate the shifting patterns of both government expenditures and government employment toward the provincial level.

Garth Stevenson has argued of the Canadian system that

... the reality throughout most of the twentieth century— and at no time more than the present— has been a situation in which the central government exercises less power, and the provincial governments exercise more power, than in any other developed country.

The decentralized character of Canadian federalism can be attributed to a number of causes. Judicial review, and particularly the provincialist leanings of the Judicial Committee of the Privy Council (until 1949 the final court of Canadian appeal), considerably narrowed federal and expanded provincial jurisdiction. Economic peripheralization (discussed in chapters five and six) eroded Ottawa's
capacity to regulate an increasingly balkanized economy based upon a north-south axis and strengthened the provinces by expanding the economic importance of resource extraction (a provincial jurisdiction). Although less frequently identified than judicial review and American economic penetration, growth of the positive state also facilitated decentralization since postwar expansion of governmental initiatives has led to dramatic growth in provincial jurisdictions. The positive state had directly facilitated provincial growth by requiring massively expanded expenditures in several provincial spheres such as health, welfare and education. In fact, most of the postwar high-growth policy areas are provincial jurisdictions. The fields of health and social welfare, for example, while relatively insignificant at the time of Confederation, have so mushroomed in scope and importance since the war that they account for much of the overall growth in government spending (see e.g., Table 7.4 on education and hospital expenditures).

Under the Canadian constitution major economic responsibility and the bulk of taxing power are allocated to the federal level. Since the end of the Second World War the growing expenditure needs of the provinces have been met largely by a complex network of fiscal transfers from the federal government. This funding of the positive
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Table 7.4 - The Shifting Composition of Public Employment, Canada, 1961-1975
(As per cent of total employment)

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<th>Year</th>
<th>Federal Government</th>
<th>Provincial Government</th>
<th>Municipal Government</th>
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<th>Hospitals</th>
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Note: * Rows may not add to totals because of rounding.

state by a system of tax-sharing agreements, and both conditional and unconditional grants from the federal level to the provinces, has massively expanded intergovernmental policy-making collaboration and consequently, provincial bureaucracies.\textsuperscript{41} The positive state, which has led to the growth of "big government" at both levels, has indirectly contributed to the subsequently competitive approach to policy-making evident in the postwar Canadian system.\textsuperscript{42}

While postwar factors involving the growth of the positive state have led to conflicts between the provincial and federal levels in Canada, nowhere better-illustrated than in the case of conflict between Quebec and Ottawa, it is crucial to realize that institutional decentralization of the Canadian system has played a considerable role in ensuring that conflict between levels of government be substantial. Rather than decreasing political contention over problems which are regionally-based, institutional decentralization has ensured their continuity and importance. Canadian scholars have argued persuasively that Canada's federal structure itself not only systematically reinforces territorially-based cleavages but exaggerates these and causes virtually all issues, even political and economic problems which are inherently pan-Canadian, to be cast in territorial political terms.\textsuperscript{43} Of course, this dynamic
poses problems for the Canadian state in many ways but it poses particular problems with regard to Quebec nationalism since the geographic delimitation of French Canadians largely coincides with the territorial province of Quebec. There, not only is there the dynamic played by "institutional interests", evident throughout the Canadian system as a result of institutional decentralization, but there is the added impetus offered by the coincidence of a nation with the institutional base afforded by decentralized structures.

Most analyses of Canadian federalism contradict the assessment of federalism as a device to ensure greater legitimacy of the central government and counter the perception of institutional decentralization as an effective antidote to ethnic mobilization. They suggest instead that structural decentralization leads to the creation of institutions, with their own elites and bureaucratic structures, whose interests are furthered by a cumulative erosion of central state power in favour of increasing devolution.

Since Confederation the provinces have consistently sought to restrict federal power and expand provincial jurisdiction in every conceivable sphere. "Province building" undoubtedly has several causes. The BNA Act
may well have been too centralistic for the highly regionalized social and economic fabric, as Alain Cairns has suggested.\textsuperscript{45} In addition, federal institutions proved to have serious deficiencies as channels for the expression of regional interests.\textsuperscript{46} Excluded from effective participation in federal policy-making these gravitated toward an alliance with the provinces and under much federal-provincial conflict lie conflicts between economic interests which "had the ear" of the federal level and those allied with the provincial level.\textsuperscript{47} As Armstrong and Nelles noted of the early tendency of the Canadian system to foster intergovernmental conflict:

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Behind the collision of the two levels of government were competing economic interests, clothed in the raiment of principle whenever possible.\textsuperscript{48}
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While alliance of various interest groups with the governmental level most likely to serve their aspirations explains much of Canadian federal-provincial conflict, another major impetus for "province-building" can be found in the existence of decentralized structures themselves.

In Canada, there is no political constraint which impels those dominating the provincial level either to take a national view of policy-implications or to
facilitate the effective working of state policy-making structures, except to the degree that immediate regional benefits will ensue. On the contrary, to the extent that a province can portray the federal level as both ineffective and unfair, it legitimizes the expansion of its own jurisdiction. For example, there is no political gain to be made by the Parti Québécois in a perception of the federal level as in any way reasonable, effective or even interested in the problems of the Québécois. The political gains to be made lie in fuelling mistrust of central authorities, finding evidence which can suggest a "bad deal" for Quebec in Confederation, and heightening perception of the Québec "state" as the only possible instrument of expression for the Quebec nation.

As Black and Cairns state:

"Political federalism is not the simple creature of existent social, economic and geographic forces, but is itself a creative influence. Governments within the system tend to create their own supports through a variety of methods, ... 49"

In a 1977 presidential address to the Canadian Political Science Association, Alan Cairns extended his analysis of the dynamic by which provinces have exaggerated their disagreements with the federal level in an aggressive pursuit of their own institutional interests. Countering
the view that differences between federal and provincial institutional spokesmen invariably reflect differences which are intrinsic to Canadian society, he says:

The sociological perspective pays inadequate attention to the possibility that the support for powerful, independent provincial governments is a product of the political system itself, that it is fostered and created by provincial government elites employing the policy-making apparatus of their jurisdictions, and that such support need not take the form of a distinct culture, society, or nation as these are conventionally understood. 50

Richard Simeon also views federalism as not only a response to regionalism but as a structure which "ensures that it will continue". He says:

To maintain support, a provincial government is motivated to accentuate the degree of internal unity and to exaggerate the extent of difference with Ottawa and to divert political conflict onto an external enemy. 51

Observers of Quebec nationalism should not assume that it is somehow unrelated to Canada's structural decentralization. The role of "institutional interests" and the "province-building" dynamic is deeply rooted in Canada's federal structure which implicitly rewards divisive
policies and rhetoric. The pattern of according priority to regionally-specific or provincially-specific interests, often under the guise of a subscription to the "compact theory" of Canadian federalism, which essentially regards Canada as a league of provincial states and the federal level as the mere executor of a provincial consensus, was well underway even before the ink was dry on the Confederation agreement. Contrary to much current opinion, however, the leading exponent of this view among the provinces was not Quebec but rather Ontario. Led by the Ontario Premier, Oliver Mowat, federal predominance was challenged on every front, including the legal. As McDougall and Westmacott have argued "[t]he relationship between the government of Ontario and the Government of Canada [was] one of competition for control of political resources of the population". And as these authors suggest, the consequence of such tactics is confrontation at the political level, increasing integration at the fiscal level and confusion and competition at the community level.

While Ontario led "province-building" throughout much of Canadian history the mantle of leadership has shifted largely to Quebec since the war. Nevertheless, in an analysis of Canadian integration it is important not to separate "Quebec nationalism" from "province-building".
in other Canadian provinces. As Cairns argues:

In a logical sense the politics of the Quebec journey towards independence is simply an extended development of the traditional federal concept of provincial autonomy carried to an anti-federalist conclusion. 57

In fact, demands emanating from Quebec for greatly expanded autonomy in the form of "sovereignty-association" are in no way an atypical phenomenon among the Canadian provinces. To correctly analyze the Quebec phenomenon it is crucial to place it in part at the more "provincialist" pole of the "province-building" continuum. As J.R. Mallory commented in a 1976 preface to one of the classic studies of province-building in Canada,

... it is not a simple matter in which Quebec alone is struggling for the means of expanded control over its particular destiny while the other provinces are content to accept a modest place in a federal system strongly ruled from the centre. Regionalism, in part based on apparent differences in economic interests, is producing federal-provincial conflict throughout the system. 58

Nevertheless, in postwar Quebec and especially since 1960, "province-building" has taken on particular salience. While not overly aggressive in "province-building" in the early years, Quebec always jealously
guarded what it considered to be its sovereign spheres of jurisdiction. Indeed, the establishment of a federal system was viewed by the Québécois as guaranteeing them sovereignty in areas crucial to the preservation of their cultural distinctiveness.\textsuperscript{59} While this was possible in the era of the negative state, postwar governmental activism at all levels precludes totally discreet and sovereign spheres of jurisdiction, and inevitably leads to jurisdictional overlapping. The positive state, in most policy areas, simply does not allow a watertight distinction to be drawn between federal and provincial spheres. Fields such as education and manpower training, resource management and interprovincial trade, social welfare and basic economic management clearly do not fit into totally discreet and mutually exclusive compartments in the postwar world. In its effort to engage in macroeconomic regulation, the federal level invariably "intrudes" into jurisdictions which, in any narrow interpretation, are provincial spheres. In postwar Canada, there is an implicit contradiction between overall economic management, marked decentralization and aggressive defence of broadly-interpreted provincial jurisdictions.\textsuperscript{60}

In some respects the serious level of conflict between the Quebec government and the federal level from
1960 onward, was due to the long persistence of negative government under Duplessis well after most provinces had adopted a positive orientation. This virtually ensured that the necessary rattrapage would lead to étatisme. The delay in undertaking a dirigiste approach to government, because it implied a build-up of unaddressed social problems in the 1940s and 50s, led to an overloaded agenda from the 1960s onward. Thus, just as Quebec moved to an active orientation to government, it was faced with massive social problems requiring immediate and extensive attention. The province was in social upheaval because of the undealt with consequences of modernization, especially due to the effects of secularization and urbanization and, as well, because of Quebec governments' reliance on external capital for the development of the Quebec economy. Cairns notes:

The singular importance of provincial government in contemporary Quebec is partly a delayed compensation for the long era of negative government under Duplessis and his predecessors which bequeathed the modernizing governments of the past two decades a heritage of daunting problems. 61

In the 1960s a number of factors combined to cause "province-building" in Quebec to increase dramatically. Modernization resulted in rising material aspirations of an urbanized populace and, even more significantly
in the Quebec milieu, massive secularization. Since the Church had been the central social institution within the society, secularization shook the foundations of Quebec's social order. As well, secularization impelled the Québécois to search for a new social institution which could epitomize their sense of nationhood. Since by the end of the 1950s, the Canadian federal government was viewed as insensitive, if not hostile, to the needs and aspirations of French-Canadians, the shift was to identification with the Quebec state as a sole expression of the French Canadian nation. The provincial state came to be regarded as the primary tool available to Québécois in their search for "épanouissement". As the Québec Premier, Jean Lesage, said in 1963:

The Québécois have only one powerful institution: their government. And now they want to use this institution to build a new era to which they could not formerly aspire. 62

In addition to secularization and distrust of the federal level, which together fostered identification with the Quebec state, a particular impetus to Quebec's "state growth" or "province-building" was provided by the legacy of social and economic problems left by the Duplessis era for Quebec governments in the 1960s and 1970s. Significant
growth was required in the public sector simply to "catch up" in as disparate spheres as labour relations and the administration of educational and health institutions. In a very real sense then, the long delay of state-building in the Quebec milieu led to a dramatic change when it did occur. Rather than taking place gradually, it took on a dimension of rupturing the established order and led to change which was so thorough and rapid that it was destabilizing.

Part of the overloaded agenda involved Quebec's rapidly growing labour force and the weakening of Quebec's private sector. As chapter six illustrated, from the 1960s onward private investment considerably declined in Quebec. In order to postpone many of the ramifications of Quebec's economic peripheralization within the continental market economy, the public sector grew rapidly. Substantial provincial economic intervention in the 1960s and 1970s allowed the provincial economy to meet the employment demands of young francophone professionals whose horizons were severely curtailed by both declining private investment and anglophone domination of Quebec's private sector. In the process however, Quebec's "province-building" and the underlying "institutional interests" became highly coincident with the interests of a new technocratic middle
class. Moreover, in the face of increasing modernization and declining links with continental and pan-Canadian private economic interests, this class came to be extremely powerful in the Quebec milieu.

The role subsequently played by the alliance between the Quebec state apparatus and the new technocratic middle class is crucial to an understanding of the current strength of nationalism in Quebec. The Quebec state became the primary, and almost the sole, vehicle for upward mobility of young francophone professionals. Furthermore, every expansion of the provincial state apparatus served the interests of this class whose security and raison d'être were tied to the growing significance of provincial scope, jurisdiction and power. As Marc Renaud has argued:

The most plausible and all-embracing hypothesis to explain the distinctive problem-solving style of the Quebec state during the 1960s and 1970s is the emergence of a new middle class with a definite stake in the expansion of the state apparatus and the latter's legitimacy. Contrary to anglophone provinces, the expansion of the state in Quebec occurred in a political and economic context that radically altered the pattern of class relations. 64

During the 1960s and 1970s Quebec's public sector grew rapidly in terms of size, degree of intervention in
all spheres of activity and the aggressive pursuit of expanded spheres of jurisdiction. From 1961 to 1976, Quebec provincial expenditures grew at a rate of 16.9%. And while increasing government expenditures are evident elsewhere in Canada, and indeed throughout OECD countries, growth in public expenditures in Quebec have been particularly notable (see Table 7.5).

In 1960 positive provincial intervention in economic and social areas was minimal. Subsequent growth of the provincial public sector is illustrated by the numerous crown corporations (or sociétés d'État) established by the province to spearhead intervention in all spheres of the economy and society.

On the intergovernmental front, successive Quebec governments, regardless of their partisan affiliation, single-mindedly pursued the expansion of Quebec jurisdiction. Formation of the provincial government from 1976 onward by the Parti Québécois simply took the process of increasing demands for decentralization to its logical conclusion. In English-Canada, as well as outside the country, there has been a tendency to consider the Parti Québécois as "indépendantiste" and other provincial parties as "federalist". However, this misconstrues the actual degree to which the Quebec political climate has shifted
Table 7.5: Evolution of total government expenditures as a percentage of GPP, GNP.*

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* (i.e. expenditures of the federal, provincial and local levels of health and education)


to a radically decentralist perspective. For example, an examination of the provincial Liberal party's proposals for constitutional revision, as embodied in the Beige Paper, reveals that under the guise of supporting Canadian
federalism, it advocates such a weakening of the Canadian federal government as to render Canada more confederal than federal in character. The "conversion" of the former Quebec Liberal leader, Claude Ryan, in September 1981 to a "Quebec-first" approach should come as no surprise to anyone who has followed either his political thought or the evolution of political thought in Quebec as a whole. In that province, the current political reality is that a party which fails to take a radically decentralist position cannot realistically aspire to form the provincial government.

Since 1960 the marked shift of political thought in Quebec society away from a federal attachment, and toward strong identification with the provincial state, has at once been promoted by, and predominantly served the interests of, Quebec's technocratic middle class. Indeed it would appear to be the interests of this class which fuel Quebec's increasing intransigence vis-à-vis federal initiatives in any sphere. As Réjean Pelletier has observed of the growth of the provincial sector since 1960:

... the new middle class which came to power in 1960 was to make use of the Quebec State as an instrument of collective action and to define a new ideology, neo-nationalism, which would at the same time justify its action. 70
A crucial resource afforded to Quebec's "new middle class" has been the degree of structural autonomy afforded within the Canadian federal system. Just one element of the way decentralized political authority has facilitated the growth of ethnic nationalism in Quebec is once again the manner in which these structures have provided encouragement for regionally-specific interests to organize themselves politically. While it is beyond the scope of this study to fully explore the manner in which the Canadian party system exaggerates territorial cleavages, it is worth observing that the institutional autonomy afforded within the Canadian federal structure has itself led to problems for Canadian federalism and, moreover, proven increasingly conducive to the interests of Quebec's "new middle class". One example of the way institutional autonomy has furthered the interests of provincially-specific interests was noted by K.Z. Paltiel in his analysis of the patterns of political party finance in Canada. In speaking of the way party finance has affected the Canadian federal system, he says:

... in Quebec, the "quiet revolution" contributed to the change by establishing a partial state subsidy system to help meet campaign costs. While ostensibly aimed at eliminating the abuse-ridden party finance devices of the Taschereau-Duplessis era,
the new arrangement has in effect put the Quebec provincial parties in an independent position vis-à-vis their federal counterparts and their financial supporters. All these factors have tended to undermine the role which our national parties customarily played in the maintenance of traditional Canadian federalism. Some of the difficulties which have emerged in recent years in the sphere of federal-provincial relations may thus be attributed to these causes. 72

The dynamic involved in political party finance is, in fact, simply one way that structural autonomy has fostered further structural autonomy. What has been clear from the 1960s onward, however, is that Quebec nationalist parties, including eventually the Parti Québécois, became superb vehicles for pursuit of the interests of Quebec's "new middle class" which, from the outset, largely constituted both the leadership and the supporters of these parties. 73

In a 1976 article on the bases of Parti Québécois support, Maurice Pinard and Richard Hamilton documented the disproportionate role played by Quebec's state-related "new middle class" in the nationalist party. 74 They clearly show that it is preeminently this class that supports the Parti Québécois. And while Pinard and Hamilton register some surprise at their findings, 75 what they document is essentially the degree to which Quebec's state-related
middle class is involved in the Parti Québécois. Moreover, they show that it is the professional class predominantly located in the public rather than the private sector which characteristically supports the Parti Québécois.76 Not surprisingly, when discussing the socioeconomic characteristics of Parti Québécois members, McRoberts and Posgate observe:

As with other political parties in Québec and elsewhere, the Parti québécois membership is heavily weighted in favour of middle-class elements. ... What distinguishes the Parti québécois from other Québec parties is the particular professional categories into which its middle-class members fall: the new middle class of administrators and bureaucrats, social scientists, teachers, and mass media specialists. 77

While McRoberts and Posgate correctly note that the Parti Québécois and its militants are not confined to the "new middle class" and its preoccupations78 they observe that this party's support is preeminently in "the various elites lodged in the structures of the Quebec state or closely linked to it, as with perhaps the cooperative movement."79

This "new middle class" has been extremely effective in portraying the Québécois as isolated in the Canadian system and as "victims" of an oppressive and
centralizing federal government. The degree to which this "nationalist line" goes unchallenged and unqualified by Quebec intellectuals is perhaps the most telling evidence of their uncritical acceptance of nationalist propaganda and the degree of their incorporation in the "new middle class". The P.Q. portrayal of Canada as highly centralized and English-Canadian provinces as totally subservient to the federal level, while demonstrably false, is obviously accepted by the overwhelming majority of Quebec intellectuals and one suspects by the Québécois as a whole. The kind of nonsensical statements which go unchallenged are exemplified by a piece written by Claude Morin, "L'expérience québécoise du fédéralisme canadien". In it he says:

In English Canada federalism was favoured because it led to "national unity" supported by an all powerful federal government and docile provincial governments. In Quebec, federalism was accepted because it was considered an obstacle to this "national unity". Among both, federalism was favoured but for contradictory reasons.

Fundamentally, the English provincial governments do not adhere to their decision-making autonomy in important spheres so as to prevent federal-provincial crises capable of upsetting the system
because they know that public opinion would not follow them in this path; they therefore content themselves with insisting on not being unduly disturbed and on being consulted by Ottawa. Their preoccupations are administrative when they are not simply partisan. These governments do not seek to regain federal powers; to the contrary they often seem more interested in giving some of their power to the federal government. Moreover, this is frequently what happens. 80

In the argument proposed by Morin, the English-Canadian provinces are little more than the glorified local governments hoped for by Macdonald. Indeed, they are happily so. According to him, differences between the English-Canadian provinces and the federal level amount to little more than "subtle nuances". 81 Among the fields in which these patterns supposedly have been most evident he includes energy. 82 Yet, the first Canadian separatist movement occurred not in Quebec but in Nova Scotia, and Canadian history is replete with bitter struggles between provincial governments such as Alberta and the federal level. The picture offered by Morin contains as much fiction as fact.

The case made by nationalist spokesmen such as Morin, who was the Parti Québécois minister of inter-governmental relations from 1976 to 1981, promotes a view
in which Quebec is the only province interested in expanding its jurisdiction at the expense of the federal level and the only one with serious grievances against federal policies of, for example, economic management. Reading much of the literature on politics and economics emanating from Quebec, one would become convinced that only Quebec has not prospered under federal management and only Quebec has been disadvantaged by federal policies. The impression would be left that no other Canadian province has experienced economic hardship within the Canadian system and that other Canadian provinces are docilely content to allow the federal government almost total sway. One searches in vain for mere mention of persistent economic underdevelopment in the Atlantic provinces, the high unemployment levels (even higher than Quebec's) in Newfoundland, or the protracted struggles between the western provinces and the federal level over the "exploitation" of the west.

While the province of Quebec does indeed largely coincide with the spatial distribution of an ethnic group which has long considered itself a nation, the momentum of Quebec nationalism can be better understood if this reality is combined with an awareness of the contribution
made by the existence of institutional decentralization in the Canadian system and the relationship of Quebec's altered class structure to this institutional channel.

Most Canadian provinces have sought, at some time or another, to de-legitimize the federal level and to expand their own jurisdictional scope at federal expense. The province of Quebec, however, possesses greater "political resources" to pursue this strategy than other provinces, and the class structure of Quebec is more conducive to this goal than that of any other province. Because the province of Quebec coincides with a distinct nation, political leaders can tap emotional attachments unavailable in other provinces. The sense of distinct nationhood and ethnic grievance existent within Quebec appears more amenable to political mobilization than the simple regional grievance evident in, for example, the western provinces. With Canada's continuing balkanization and poor overall economic performance, movements such as the Western Canada Concept and "neo-nationalism" in Newfoundland may well experience greater success in the future. For now, those whose interests coincide with the further decentralization of political and economic power to the provincial level are in a stronger position of ascendancy in Quebec than in other Canadian provinces.
In Quebec, the "new middle class", which has been so significant in many political settings in recent years, is closely linked with the provincial state apparatus. Indeed, the institutional channels afforded by the provincial state in the Canadian federal system are the most obvious, if not the major, source of further upward mobility for Quebec's "new middle class". To the extent that provincial scope is expanded, their employment opportunities and life prospects are enhanced. Structural decentralization in Canada has not only established institutions which are fundamentally competitive rather than collaborative but it has provided a structural tool for Quebec's "new middle class" to protect and further its position to a greater degree than that afforded elsewhere in our comparative sample.

The existence of structural decentralization in, for example, Scotland and the Basque country has preserved the sense of distinctiveness which is the sine qua non of any ethnic nationalism. In Canada the degree of structural decentralization has not only preserved and promoted a sense of distinct nationhood but it has "fit" with the implications of overall economic changes in such a way as to provide an institutional base to a "new middle class" which has weak pan-Canadian links and whose major source
of continued socio-economic improvement is linked to the expanded role of the Quebec state apparatus.

In the Canadian context, institutional decentralization has ensured the continuity of a distinct "nation" in Quebec. It also provided a structure which allowed backward provincial elites in Quebec to delay necessary government intervention and to ignore massive social problems for such a long time that dramatic social upheavals ensued. Most fundamentally, however, it has furnished an institutional base for a powerful "new middle class" whose interests are both largely provincially-specific and furthered by cumulative decentralization and even "sovereignty-association". This "new middle class", now firmly entrenched at the helm of the Quebec state apparatus, pursues this decentralization with considerable singlemindedness and political skill. Thus, institutional decentralization in Canada has, as elsewhere, both fostered a continued sense of ethnic distinctiveness and fostered challenges to the state system. In chapter eight, this study turns to an evaluation of the considerable political resources provided for the "new middle class" by a persistent sense of "systematic discrimination" on the part of ethnic minorities.
NOTES


14. Drucker and Brown, p. 29.


27. Birch, p.112.


According to Edwin R. Black, *Divided Loyalties: Canadian Concepts of Federalism* (Montreal and London: McGill-Queen's University Press, 1975), p.36, before 1900 fifty-nine provincial bills were reserved. During his first term of office Macdonald disallowed five pieces of provincial legislation and from 1878 to 1891, forty-one.

Smiley, p.43 ff.

See Table 7.3. Note that this is exclusive of transfer payments.


For a brief overview of this see Martha Fletcher, "Judicial Review and the Division of Powers in Canada," in *Canadian Federalism: Myth or Reality*, ed. J. Peter Meekison (Toronto: Methuen, 1977); for a highly critical assessment of this influence see Scott, passim; for something of a defense of the JCPC see Alan Cairns, "The Judicial Committee and its Critics," Canadian Journal of Political Science, 4, No. 3 (1971), pp.301-345.


This has apparently been true in other federal systems such as the United States and Australia. See OECD, *Economic Surveys, Canada*. 
41. For some dimensions of this see George E. Carter, Canadian Conditional Grants since World War II (Toronto: Canadian Tax Foundation, 1977); Perrin Lewis, "The Tangled Tale of Taxes and Transfers," chapter 2 in Canadian Confederation at the Crossroads, Thomas Courchene et al. (Vancouver: The Fraser Institute, 1978).

42. Alan C. Cairns, "The Other Crisis of Canadian Federalism," Canadian Public Administration, 22, No. 2 (1979), e.g., p. 188.


44. This term is used by many analysts of the Canadian scene. For an early use of the term see Edwin R. Black and Alan C. Cairns, "A Different Perspective on Canadian Federalism," Canadian Public Administration, 9, No. 1 (1966), pp. 27-44.


47. On the interplay between institutional federalism and interest group behaviour in Canada, see Pross, passim.


49. Black and Cairns, p. 43.


52. For a specific discussion of this approach see Edwin R. Black, Divided Loyalties, chapter 5.

53. Stevenson, Unfulfilled Union, p.86.


59. La Minerve, July 1, 1867 wrote: "The new constitution recognizes the French Canadians as a distinct and separate nationality. We constitute a state within a state. We enjoy the full exercise of our rights and the formal recognition of our national independence. Our religious institutions are subject to the government of Lower Canada. Our vast natural resources and our educational institutions, in which lie the future of the country, we also control. We have in the hands of our own administrators all that is most
dear and precious to us, and we must profit from our own good fortune." This quote is taken from Alastair Sweeney, George-Etienne Cartier (Toronto: McClelland and Stewart, 1976), p.167.

60. Cairns, "The Other Crisis," e.g., p.190.


62. Balthazar, p.46. This is the present author's translation from the original French.


65. Antoine Ambroise et Jocelyne Jacques, "L'Appareil administratif," in Bergeron et Pelletier, passim. but see e.g., p. 117.


70. Réjean Pelletier, "Les partis politiques et L'Etat," in Bergeron et Pelletier, p.243. This is the present author's translation from the original French text.


75. Hamilton and Pinard, p.10.


77. McRoberts and Posgate, p.185.

78. McRoberts and Posgate, p.186; for a discussion of the different strains in the P.Q. see also Vera Murray, "Le Parti québécois: les tensions au sein de l'alliance indépendantiste," Politique aujourd'hui, Numéro 7-8, 1978, pp.55-67. Murray, like others, argues that the technocratic element is nevertheless ascendant within the party, p.61.

79. McRoberts and Posgate, p.189.

80. Claude Morin, "L'expérience québécoise du fédéralisme canadien," in La Modernisation Politique du Québec, ed. Edmond Orban (Stillery: Boréal Express, 1976), pp.82 and 85. This is the present author's translation from the original French text.

81. Morin, p.83; for just one similar view see Denis Monière, Les Enjeux du Référendum (Montréal: Québec/Amérique, 1979), p.93.

82. Morin, p.83.

CHAPTER EIGHT
SYSTEMATIC DISCRIMINATION
AND
ITS PERCEPTION
CHAPTER EIGHT

One element of the postwar resurgence of ethnic nationalism in various western states is the degree to which a sense among an ethnic minority that state power has been and is exercised contrary to its interests has coincided with postwar alterations in class structure. While patterns of ethnic dominance never occur between monolithic entities, the aggregate relations between ethnic groups in a state have frequently been sufficiently asymmetrical that it is possible to perceive a given ethnic minority as disadvantaged within a state system. In most cases where historical patterns of ethnic subservience exist however, certain members of the dominated group have benefitted from ethnic inequality. Often, the dominant class of a subordinate ethnic group has profited from asymmetrical relations within the state system and perpetuation of the status quo has served their interests despite the fact that, by and large, their ethnic group was disadvantaged within the state.

A pattern of ethnic subservience usually entails a historical situation in which elements within the subordinate group, generally its dominant class which is able to maintain docility, have profited from the existent political arrangements. Rather than a system where all the benefits flow to one ethnic group and all the
disadvantages to another, long-standing patterns tend to favour particular classes in both ethnic groups. In other words, a political system reflecting the economic and social exploitation of a large proportion of a subordinate ethnic group normally involves the collaboration of the subordinate group's leaders whose interests are served by the asymmetrical arrangement. For one reason or another, while the malintegration has not met the aspirations of the largest segment of the subordinate group, it has both maintained the position of the dominant class and met their needs more effectively than any plausible alternative.

In many of the settings under examination here, postwar economic changes have fundamentally altered the dynamic balance of class relations which maintained relative stability despite general patterns of ethnic inequality. In some cases, significant economic change has undercut the basis of dominance of the formerly dominant class which profited from ethnic subservience, and increased the power of a new class which is disadvantaged rather than advantaged by continued patterns of ethnic subordination. In others, postwar economic changes, while they may not have clearly led to the decline in the dominant class whose interests coincide with ethnic subordination, have nevertheless affected class circumstances in such a way
as to place ethnic accommodation in jeopardy. For example, they may have altered the criteria for acquiescence on the part of the dominated members of the ethnic minority. Although interaction between changes in the postwar economic environment, class structure and a sense of ethnic grievance against the state vary within the cases examined here, in some of them alterations have occurred in such a way as to modify the political costs and benefits of participation in a state system which embodies perceived ethnic disadvantage. Economic changes have fundamentally altered the class relations which maintained relative ethnic stability despite historical patterns of inequality within the state system.

In this chapter, attention will first be accorded to broad patterns of ethnic subservience which have existed historically. The different manners in which unequal relations may have existed and the resources provided by these patterns for ethnic mobilization will be noted. Secondly, the chapter will consider the specific incidence of unequal relations which has fostered a sense of ethnic discrimination in the comparative sample. As we shall see, although the economic circumstances of the ethnic minority may vary considerably, in cases where ethnic nationalism has escalated, long-standing mistrust of the state has
combined with recent alterations in economic conditions and class structure so as to radically modify the incentives for continued links with the state system. Third, historically unequal relations between English and French Canadians will be noted and the contribution of these relations to a sense of "systematic discrimination" among Québécois will be identified. The political resource provided for the "new middle class" by this sense of grievance and the way it links with middle class concerns for upward mobility will be noted. In this chapter the argument will be proposed that systematic discrimination provides, as it were, a necessary background condition for the mobilization of ethnic nationalism. And while no claim is made here that a sense of grievance against the present state system is a particularly dynamic element of postwar ethnic resurgence, it would be difficult to conceive of a scenario where an ethnic nationalism acquired sufficient potency as to threaten the state system without this sentiment. In this chapter, the existence of a sentiment of systematic discrimination will be noted in each of the cases considered in this study.

In most western states exhibiting a postwar resurgence in ethnic nationalism, the potential or actual sense of ethnic grievance against the state has long
existed. The reasons for this sense may vary. In some cases the ethnic minority has been historically backward and perceives the state as having contributed to the maintenance of this backwardness. In others, the ethnic minority may actually have been relatively prosperous historically but nonetheless associates the exercise of state power with what it perceives to be unfair treatment of its ethnic group or region. On the other hand, an ethnic minority's sense of ethnic grievance against the state may combine these perceptions. They may attribute historical backwardness to systematic discrimination within the state and perceive state policies as thwarting their current scope for upward mobility despite a relative improvement in their general economic circumstances. Although the relative economic positions of the ethnic group may vary, there is invariably at least some support for the perception that state power has been and/or is exercised to the disadvantage of their ethnic group.

One of the major factors contributing to a mistrust of the state system within the cases considered here has been the degree of overlap between social stratification and ethnic differentiation. That is, the subordinate ethnic group has appeared economically disadvantaged by the social and political status quo and has been clustered at the
bottom and middle of the socio-economic ladder. Moreover, the subordinate ethnic group has perceived a relationship between its low or precarious socio-economic status and the exercise of state power.

A sense of systematic discrimination is facilitated by a high degree of coincidence of the class or stratification system with ethnic differentiation. Scholars of varying ideological perspectives, while using different concepts, tend to concur on the effect of this coincidence. Donald Horowitz argues that ethnicity is likely to be salient where the pattern of stratification becomes synonymous with the pattern of ethnicity. Glazer and Moynihan note the importance of overlapping as opposed to cross-cutting cleavages of the economy, society and ethnicity. Michael Hechter, in his discussion of the internal colonialism model, stresses that ethnic mobilization rests upon the coincidence of cultural boundaries with the division of labour in society. Regardless of the terms used to identify the contribution of this coincidence to an ethnic nationalist movement, there is little question but that it plays a key role in fostering group efforts to ameliorate socio-economic status. Where ethnicity and class do not coincide significantly, efforts to climb the socio-economic ladder are likely to occur primarily on an
individual basis. The congruence of class and ethnicity, however, suggests that individual effort alone will not necessarily result in upward mobility. Thus, it fosters a group movement such as ethnic nationalism which if it is to be successful, usually entails the expectation that greater autonomy will result in improved opportunities for upward social mobility.

The congruent patterns of class and ethnicity reflect trends of ethnic dominance and subjection which usually pervade a social system and extend to societal political structures. As Greenberg suggests, analysis of politically-salient ethnicity requires attention to the interplay between ethnicity, power and state structures. He says:

... too much of the discussion of race and ethnicity, and particularly the discussion of "primordialism", examines group identity outside considerations of power and domination. While group identities sometimes emerge in a free-form setting, without any prior relationship between groups, very often this is not the case. Patterns of dominance between identifiable ethnic and racial groups exist prior to modernization and may survive, be invigorated, or be transferred by the process. The emotional bonds may have something to do with the persistence of these groups, but so
too, I expect, do the continuing and perhaps added advantages in the relationship between them. The "beginnings" provide an identity and meaning, but they are also a claim on the state, nation and economy, and a claim against other groups.

Interaction of ethnic groups in which one group dominates another is generally accompanied by an apparent monopoly of the ascendant group over the exercise of state power. The subordinate group's perception of an alliance between the dominant ethnicity and the state system seems to be a prerequisite for any ethnic nationalism. Not surprisingly, when an ethnic group considers itself disadvantaged by the exercise of state power it challenges the state's legitimacy. This is, of course, essentially what an ethnic nationalism involves.

Despite frequent patterns of systematic discrimination which encompass the economic backwardness of the ethnic minority, it is possible to have a strong sense of ethnic grievance against the state where this tendency is absent. The Basques, for example, have historically been prosperous. They nevertheless have a strong sense of grievance against the Spanish state for a variety of reasons including their perception that the exercise of Spanish state power has been used in others' interest and
to the disadvantage of the Basque region in a large majority of cases. In other words, the Basques tend to view their historical affluence as a function of the historically weak penetration of the Spanish state in the region. In the postwar period, as the Spanish state has exercised greater power over the lives of the Basques, the region has experienced mounting social and economic problems and, as will be illustrated, a substantial case can be marshalled to support the view that policies of the central Spanish state have produced many of these problems.

As noted in chapter four, postwar changes in the economic base and in class structure have altered the traditional balance of political relations to a greater or lesser degree in the states examined here. In other words, broad social and economic forces, often international in scope, have in many states altered the class relationships which facilitated the legitimation of ethnic domination. In some cases where ethnic nationalism has escalated considerably, the subordinate group's traditional leaders, whose actions maintained the group's relative subservience, have for one reason or another lost their hegemonic position. They have, in turn, been replaced by leaders whose class interests are not served by maintenance of a system of ethnic exclusion but rather by a severing or weakening of
a state system predicated on a pattern of ethnic subordination. In most cases where ethnic nationalism has emerged where there had previously been an acceptance of ethnic inferiority, fundamental economic changes have altered the conditions which fostered the legitimization of ethnic subservience. In other cases, they have changed the dynamics which dictated that ethnic domination served the class interests of those ascendant within the dominated group. In still others, these economic changes have eroded the conditions upon which the power of this dominant class rested and replaced it with a "new" class. In sum, wherever ethnic nationalism has resurfaced, fundamental economic changes have altered the class relations upon which the systematic discrimination rested.

In the comparative cases examined here certain patterns pertaining to systematic discrimination recur. While the parallels are not always exact since, of course, no historical situations are likely to be identical, the basic conditions of socio-economic malintegration, perception of the state as hostile, lessening legitimacy of the state level and perception of a plausible alternative political arrangement would appear to be present in varying degrees in Great Britain, France, Belgium and Spain.

In Belgium, the spatial diffusion of economic growth historically coincided with the linguistic regions
of the country, thus leading to overlapping class and ethnicity. From the outset, the unequal positions of the two major ethnic groups were reflected in Belgian state structures. Belgian institutional arrangements discriminated against members of the Flemish language group and disadvantaged them relative to the French-speaking Walloons. The French language, used by the Flemish urban bourgeoisie as well as the Walloons, was an effective barrier to the upward mobility of the Flemish lower classes thus serving the interests of both the Walloons and the Flemish bourgeoisie.

Available evidence suggests that the marked differentiation between Flemings and Walloons was exacerbated by early modernization. Objections to the pattern of systematic discrimination against Belgians of Flemish language came from the Flemish middle class as early as the latter half of the nineteenth century when they began the push for greater bilingualism in the Belgian community.

In the twentieth century, and especially from the 1930s onward, trends in the Belgian economy have favoured Flanders over Wallonia. Flemish economic subordination was reversed far more rapidly than their dominated status in Belgian society. As well, the Belgian history of systematic discrimination against the Flemish has understandably left them largely distrustful of Belgian state
policies, and actively hostile to any policy of shoring up the economically-declining Walloon region. The movement demanding "home rule" or federalization on the part of the Flemish can be viewed as an attempt to consolidate the current economic advantages of the Flemish region and to prevent the redistribution of economic benefits to Wallonia.

Belgium displays an ethnic nationalism on the part of both its major ethnic groups. The Walloons, like their Flemish counterparts, have in recent years been seeking devolution of political and economic power to the regional level. Anthony Mughan has argued that Walloon nationalism has different roots than Flemish nationalism. Historically more developed and more "modern" than Flanders, Wallonia has recently experienced economic decline. Just as the Flemish came to associate their economic backwardness with central state policies, Walloons now blame Belgian state policies for their current economic decline. Mughan comments:

... they too have experienced an inconsistency between their customary and actual statuses. Since this inconsistency was blamed upon the economic policies of a Flémish-dominated central government, the Rassemblement Wallon (R.W.), a party originating for the most part in the Socialist
trade union movement, was able to attract electoral support with the claim that the answers to the region's problems lay in rebuilding its economy along socialist lines in a federal Belgian state.

The Flemish and Walloon movements parallel each other in their fundamental distrust of the central government which is perceived by both as systematically favouring the other group. Belgians have traditionally blamed the central government for their economic problems and the perception of systematic discrimination on the part of both groups is apparently a political resource which can be tapped by those advocating the process of federalization. The strength of this orientation would appear to be related to broad economic changes which have upset the status quo in both regions. The economic resurgence of Flanders has apparently left them unwilling to acquiesce to policies which do not reflect their new economic strength. On the other hand, Wallonia's economic decline has been blamed by Walloon nationalists on unfavorable central policies. Both are left feeling that their region would benefit economically from greater autonomy in political and economic matters.

Mobilization of a sentiment of systematic discrimination would appear to be strongest in the Belgian
classes which perceive themselves most disadvantaged within the present state system and most likely to profit directly from the devolution of greater political and economic power to the regional level. The Flemish middle class, for so long a victim of discriminatory policies within the Belgian state, has in the postwar period experienced a dramatic change. Not only has this class grown markedly in that period but it has perceived its increasing affluence to be resulting in taxation subsequently funnelled to support the inefficient industries of the Walloon region which traditionally enjoyed dominance at Flemish expense. Moreover, the Flemish middle class has found that one continuing blockage to its upward mobility has been the continued domination of the Belgian state apparatus by those of French-speaking origin. Devolved political power from Brussels to the Flemish region would therefore simultaneously remove this blockage for the Flemish "new middle class" and ensure that taxation would be directed to political structures in which that class was dominant.

In Wallonia, the nationalist picture differs somewhat; it nevertheless also reflects the altered class conditions of the region. Walloon nationalism, while it is led by the Walloon middle class is not as pervasively a
middle class movement as is Flemish nationalism. This is probably because the middle class is weaker in the Walloon region and the economic downturn experienced by the area has fallen heavily on the Walloon working class thus making it more amenable to mobilization against the Belgian state system. Walloons tend to blame the Belgian state for the shift in economic dynamism to the Flemish north. Thus, postwar economic changes have simultaneously mobilized a Flemish middle class with a historical grievance against the Belgian state and, as well, the Walloon middle and working classes whose position within the Belgian economy have declined simultaneously with greater participation of the Flemish in Belgian state structures.

Brittany undoubtedly has been victimized by policy-making which has systematically fostered economic growth patterns detrimental to the region. The overlapping of class and ethnicity in Brittany is beyond dispute. As Reece notes:

... it has long been the case in Brittany that high status positions -- deputies, judges, prefects, high ecclesiastical officials, free professionals, teachers and professors -- are monopolized by metropolitan Frenchmen or thoroughly Gallicized indigenes while the masses of the local population cluster in the ranks of the unskilled. 10
Of the cases examined here, Brittany presents one of the most unequivocal examples of overlapping class and ethnicity. There is a long history of systematic discrimination on the part of the French government against the Bretons in the school system, the army, central policy-making agencies and economic policies. Since World War II, Breton nationalism has become less culturally-based and increasingly linked to the perception of social, economic and political exploitation by the French. A shift to this emphasis apparently has fostered greater support of Breton nationalism on the part of the Breton masses.

Despite the unambiguous backward situation of Brittany, the clear overlapping of class and ethnic patterns, and a history of central policies which have both kept the region impoverished and forced emigration of the most dynamic elements of the populace, the Breton movement is clearly one of the weakest considered within this study. Thus, despite a long-standing sense of grievance against the French state, a strong ethnic nationalist movement is not evident.

The Breton case clearly illustrates the crucial role played by alterations in class structure in the mobilization of ethnic grievance and the degree to which a sense of systematic discrimination, while it is a valuable
political resource available for classes bent on challenging the status quo, does not itself dictate the strength of an ethnic nationalism. In Brittany, there is obviously a strong sense of grievance against the French state. Moreover, in objective terms the basis for a sense of systematic discrimination on the part of the Bretons is probably greater than the objective complaints of, for example, the Flemish, the Scots or the Québécois. However, postwar economic changes in France have not affected the Breton region in such a way as to dramatically alter the traditional Breton class structure. Especially noteworthy is that postwar changes have not led to a dramatic increase in the tertiary sector in Brittany. And while Breton nationalism is concentrated in the more modernized sectors of a "new middle class", this class continues to play an insufficient role in the Breton economy to result in a strong ethnic nationalism. The Breton case thus underscores the intervening role of class structure between factors such as systematic discrimination and a mobilized ethnic nationalism.

In Great Britain, both Scotland and Wales exhibit nationalist movements and have traditionally reflected an overlap of class and ethnic differentiation. Both have been peripheral in Great Britain's economy which has
consistently concentrated economic growth in the south-east of England. Moreover, in both, poor economic performance is blamed on London’s economic mismanagement if not outright systematic discrimination on the part of the English. 14

Once again, however, the intervening role played by class factors is evident. While Wales possesses both a distinctive language and even greater economic hardship than Scotland, its ethnic nationalism is, by almost any measure selected, politically weaker than Scottish nationalism. Thus, the relative strengths of Welsh and Scottish nationalism challenge any assertion that the strength of an ethnic nationalism is determined solely by the degree of overlap between social stratification and ethnic differentiation.

Notwithstanding efforts to link ethnic mobilization to the degree of internal colonialism 15 the consistent contention of theorists of nationalism that its strength lies in an upwardly mobile middle class appears applicable to current Scottish and Welsh nationalism. Indeed, the patterns of these two movements strongly support the contention that the role of a new petite bourgeoisie is crucial to current ethnic nationalisms. As in the case of Quebec, and several of the other instances where a strong
nationalist movement has become increasingly apparent since the war, broad economic changes have dramatically altered Scotland's traditional social structure. Welsh social structure, on the other hand, has not been similarly affected. As Drucker and Brown observe:

...while in Wales the social structure had not yet been radically transformed, the Scottish social structure looked very much like that of England--indeed the south of England. By the mid-1970s a stronger middle stratum was noticeable and the skilled working class had lost much of its importance. Scotland was affected not only by social changes that were taking place throughout Britain but by the sheer speed of change in the country. A 1974 survey showed that only half of Scots identified themselves as 'working class' or 'middle class'. The young especially were beneficiaries of the process. Twice as many young people in Scotland entered white collar jobs in 1971 as in 1961, and by 1975 one in every four white-collar jobs was filled by someone whose parents had been manual workers.

Drucker and Brown have noted that in Scotland there is a strong "new middle class" which thinks it stands to benefit from the devolution of political power. Wales, on the contrary, continued to display a weak middle class.
Scotland's ethnic nationalism appears embodied in a "new middle class" which has linked its aspirations to dynamic economic trends from which it stands to benefit. In this it appears to resemble Quebec and Flemish nationalism. Welsh nationalism, like Breton nationalism, apparently lacks such a link and reflects a backward-looking emphasis on language and, as well, an ambivalent orientation (it cannot decide whether to pin its arguments on language or the economy) probably due to internal fragmentation of class interests. 18

The case of the Basques is simultaneously provocative and difficult to assess since research on Basque nationalism remains relatively unsophisticated. 19 Nevertheless, the patterns which are evident support the contention that a perception of systematic discrimination on the part of the Basques has provided considerable fuel for the postwar mobilization of Basque nationalism. Furthermore, the Basque case corroborates the contention that postwar alterations in economic conditions and their impact upon the traditional class structure crucially mediate the effect of factors such as a sense of systematic discrimination in the mobilization of an ethnic nationalism. Despite traditional Basque affluence, there is considerable support for the Basque perception that the
Spanish state governs in a manner which is largely detrimental to the interests of the Basque region. The relative prosperity of the Basque area was set in place in an era of weak control by the central Spanish state over the Basque region. Moreover, despite Basque affluence they have long been excluded from state policy-making structures which have been Castilian-dominated. Basques have traditionally been under-represented in the bureaucracy and the Spanish top judiciary (especially the Supreme Court). The military and police, who play a key role in Spanish life, show significant under-representation of Basques and Catalans. The often indiscriminate and vicious repression carried out by these agencies, especially though not exclusively under Franco, has undoubtedly contributed directly to both the strength and the nature of Basque nationalism. The Economist observed in 1979: "The Civil Guard, which for four decades behaved more like an army of occupation than a police force, was Eta's best recruiting agency." Overall, Spanish policies seem to have led to a Basque conviction that "Spain is a threat to Basque survival".

In the area of Spanish economic policy, as well, there is considerable support for the mobilization of Basque nationalism. While the system of autarchy profited the Basque region, the benefits of this system flowed
disproportionately to the Basque bourgeoisie which has traditionally been well-integrated into the overall Spanish bourgeoisie.24

Even more crucial for an understanding of the recent mobilization of ethnic nationalism among Basques are the trends which have accompanied the growing control of the Spanish state over the Basque region since the war. As the Spanish state has taken an increasingly activist role in management of the Spanish economy, for example, the Basque region has experienced relatively high taxation and low infrastructural spending. Moreover, the overall patterns of economic development adopted by the central Spanish authorities have had a seriously adverse effect on traditional Basque affluence.25

Extension of Spanish state intervention in the economy has resulted for the Basque region in high taxation, low government spending and rampant social problems largely traceable to central government policies. The Basque tax burden is about twice what the Spanish national average is.26 Yet Basques receive limited return for their taxation. According to one report, they receive only one tax dollar in return for every seven sent to Madrid.27 To worsen the situation, central government spending in the region has been disproportionately for repressive measures
rather than necessary infrastructure. Clark says, "... what funds Madrid did expend in these provinces went primarily for the maintenance of order, and the support of the Spanish central administrative bureaucracy, and relatively little went to finance needed social infrastructure improvements." Moreover, since the 1950s the Spanish approach to economic development has simultaneously led to massive immigration from other Spanish provinces into the Basque region and the shunting of infrastructural spending away from the Basque area. The result has been rampant social problems, industrial slums and high unemployment in the once traditionally affluent Basque heartland.

The brunt of postwar changes in the Spanish economy have been borne largely by the Basque industrial working class. Basque industrialists and bankers, who are well-integrated in the overall Spanish economy, would seem, from available evidence, to have benefitted from the postwar alterations in the Spanish economy. While the Basque nationalist party is, as elsewhere, predominantly middle class, nationalist agitation in the region reflects the altered class circumstances of the postwar period. The relative economic downturn in the Basque region and the fact that this has likely fallen disproportionately on youth and the working class, make both the persistence of
ETA and evidence of nationalist parties to the ideological left of the PNV more comprehensible.

The strategic role of the Basque middle class in the escalation of Basque nationalism remains to be assessed. Unfortunately, analysts of the Basque case have yet to transcend a simple distinction between the industrial and banking bourgeoisie and the working class. For example, even Robert P. Clark who, in a 1979 publication on the Basques, claims to accord a central analytical role to the concept of class, manages to devote a full chapter to a consideration of the PNV without probing the class basis of its support beyond noting:

The core of PNV identity has always been its nationalist and Catholic character, rather than any kind of social class identification. The PNV has consistently maintained that it does not seek alliance with any specific class, but rather aims at organizing all Basque nationalists into a unified front for purposes of meeting Madrid on a more nearly equal basis. 31

The self-characterization of most postwar nationalist parties has been that they aim to serve the "nation" and not any particular class. However, as we have seen in the case of the nationalist trend in Quebec, policy orientation has disproportionately benefitted the "new middle class" and nationalist support has come disproportionately
from this sector of the populace. PNV support has historically rested in the Basque middle class and Clark, for example, indicates that this trend has continued. The limited information which is available suggests that the democratic nationalists in the Basque area (who are numerically far greater than the ETA) resemble nationalists in Quebec, Flanders, and Scotland in being largely middle class professionals. Thus, there are grounds for believing that the long-standing hostility of Basque toward the Spanish state and the effect of worsening conditions for the Basque working class are being tapped by a middle class nationalist segment.

The comparative sample reveals patterns which allow for, or encourage, a perception of systematic discrimination on the part of the central state against the ethnic minority exhibiting resurgent nationalism. Regardless of the ultimate merits of the argument of systematic discrimination, in each of the comparative cases nationalists can marshall a credible argument to this effect. What crucially seems to determine the use and success made of this argument, however, seems to be not so much the objective degree of actual systematic discrimination but rather the way altered economic conditions and class structure have resulted in a "new middle class" which
stands to benefit from greater regional autonomy or outright separation. In Brittany and Wales, where the "new middle class" is too weak to dominate the region, the ethnic nationalism is relatively weak. In Flanders and Scotland, on the other hand, there is evidence that the growing power of the "new middle class" in the regional economy is closely related to increased nationalist demands.

Evidence of overlapping stratification and ethnic categories have been clear throughout Canadian history. Of the two Canadian "charter" groups, anglophones and francophones, those of British ancestry have consistently dominated Canadian society while francophones, both inside and outside Quebec, were generally consigned to the status of "hewers of wood and drawers of water". This differentiation along ethnic lines, long a subject of sociological comment, was first systematically documented in John Porter's Vertical Mosaic. As his data illustrates, the overlapping of stratification and ethnicity has been evident, not only in Canada at large but, in the province of Quebec itself. Table 8.1 illustrates the marked degree to which those of British origin dominated capital, and francophones filled the lower echelons of the socio-economic scale even in that predominantly francophone province.
Table 8.1 Occupational Levels of French and British Male Labour Force in Quebec, 1931, 1951 and 1961

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<thead>
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<th>Year</th>
<th>Professional and financial</th>
<th>Clerical</th>
<th>Personal service</th>
<th>Primary and unskilled</th>
<th>Agricultural</th>
<th>All others</th>
<th>TOTAL</th>
<th>Percentage over- or under-representation of Quebec Labour Force</th>
<th>British</th>
<th>French</th>
</tr>
</thead>
<tbody>
<tr>
<td>1931</td>
<td>6.2</td>
<td>4.7</td>
<td>3.8</td>
<td>19.6</td>
<td>27.4</td>
<td>36.3</td>
<td>100.0</td>
<td>6.0</td>
<td>+5.0</td>
<td>-0.9</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>1951</td>
<td>6.0</td>
<td>6.4</td>
<td>3.4</td>
<td>13.4</td>
<td>16.6</td>
<td>54.2</td>
<td>100.0</td>
<td>6.1</td>
<td>+5.1</td>
<td>-1.2</td>
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<td>0.0</td>
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<tr>
<td>1961</td>
<td>7.8</td>
<td>7.8</td>
<td>4.5</td>
<td>10.4</td>
<td>9.1</td>
<td>60.4</td>
<td>100.0</td>
<td>7.1</td>
<td>+5.1</td>
<td>-1.5</td>
</tr>
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<td></td>
<td></td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Source: John Porter, *The Vertical Mosaic*, (Toronto: University of Toronto Press, 1965), Table III, p. 94.
Findings by governmental studies, at both the federal and provincial level, such as the Royal Commission on Bilingualism and Biculturalism and Quebec's Gendron Commission, as well as other scholarly research, "support the argument of the existence of overlapping socio-economic stratification and ethnic differentiation." In a later study of economic power in Canada, Wallace Clement corroborated Porter's findings. Like Porter, Clement found considerable under-representation of francophones among the Canadian economic elite thus once again lending credence to claims of exclusion on the basis of ethnicity. (See Table 8.2)

Table 8.2 Proportion of Ethnic Representation in the Economic Elite, 1951 and 1972

<table>
<thead>
<tr>
<th></th>
<th>Economic Elite</th>
<th></th>
<th>Canadian Population</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1951</td>
<td>1972</td>
<td>1954</td>
<td>1971</td>
</tr>
<tr>
<td>Anglo</td>
<td>92.3%</td>
<td>86.2%</td>
<td>47.9%</td>
<td>44.7%</td>
</tr>
<tr>
<td>French</td>
<td>6.7</td>
<td>8.4</td>
<td>30.8</td>
<td>28.6</td>
</tr>
<tr>
<td>Other</td>
<td>1*</td>
<td>5.4</td>
<td>21.3</td>
<td>26.7</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>N</td>
<td>(760)</td>
<td>(775)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Porter says .78 per cent of his sample is Jewish; other 'third' ethnic groups "were hardly represented at all" (1965:286).

Even in spheres supposedly amenable to francophone participation there is evidence of ethnic segregation, with anglophones filling the more influential and remunerative roles. As is frequently noted, state service has been one of the avenues most successfully used by francophones to penetrate the upper echelons of Canada's stratification system. Furthermore, since the 1960s there has been considerable publicity (much of it adverse) about the increasing "french power" in the federal government at both the elected and upper bureaucratic level. Yet under the surface of increasing francophone participation in the federal bureaucracy, conditions have not changed as much as is popularly believed.

According to the Public Service Commission's 1980 report, francophone participation in the public service was 26.8%, roughly equivalent to the francophone proportion of the Canadian populace. Yet, even after fifteen years of concerted effort to reverse weak francophone representation at the federal level, francophones are clustered in the "support services" category, that is at the bottom of the public service hierarchy (see Chart 8.1). Even more significantly, francophones continue to be under-represented at the upper echelons of departments closely related to economic fields and most influential in overall policy-making.
For example, the participation of francophones in the senior executive category was 14.1% in Industry, Trade and Commerce, 13.9% in Finance, 18.7% at the Treasury Board and 4.8% in Energy, Mines and Resources. 39

Chart 8.1

Participation of francophones by organizational level, 1976 and 1980

In addition to ethnic stratification throughout the Canadian socio-economic system, reflected even in the federal government bureaucracy, evidence suggests both that federal policies have been largely designed to ensure the overall stability of the Canadian economy (in order to keep the incumbent party in power) and that the federal level has been largely influenced by the major sources of economic and political power within the country which have historically resided in English Canada. Until very recently, the federal level exhibited minimal interest in the fate of francophones inside or outside Quebec. The litany of incidents dotting Canadian history to illustrate this are numerous: the Riel affair, the Manitoba Schools Crisis, Ontario's "Regulation 17", the conscription crises, the Gens de L'Air incident and recent intervention in language policies after more than a century of federal acquiescence in the face of now irreversible systematic assimilation of francophones in anglophone provinces.

It is surely ironic that only well after the overwhelming majority of Canadian provinces were safely so English in character that migration to them virtually ensures assimilation into the English sphere within a generation (or at most two), that the federal level has committed considerable political resources to institutional
bilingualism throughout the country. The irony is even greater if one recalls that this was done under the guise of ensuring equal rights to francophones wherever they might locate in Canada but was undertaken precisely when it became evident that Québécois had largely abandoned hopes of pan-Canadian bilingualism and opted instead for a unilingual French Quebec. Thus, the federal level simultaneously wears the mantle of defender of French Canadian rights, by adopting solutions largely abandoned by Québécois in the 1950s and 1960s, while in fact pursuing a policy which undercuts current attempts to promote the French character of the province of Quebec.

Despite the grievances based in the overlapping of socio-economic stratification and ethnic differentiation, and in the historical indifference of the federal level to the aspirations of the French-Canadians for a bilingual country, the potential mobilization which a sense of systematic discrimination offers to ethnic nationalists hinges upon the perceptions of the French Canadians, and latterly more specifically the Québécois, regarding the nature of the Canadian state. In other words, the full potential for ethnic mobilization provided by a sense of systematic discrimination is best realized when it incorporates a perceived shortfall between actual government performance
and the normative expectations of Quebecois.

Since Canadian Confederation was not a particularly democratic initiative and since, in any event, most habitants of the period were minimally aware of the political events taking place, there is little point in attempting to precisely identify the legitimacy of the Canadian state at the time of Confederation. Nevertheless, available evidence of the appeal of this political association for French Canadians suggests that it rested on the degree of autonomy afforded to the provincial sphere. A.I. Silver in The French-Canadian Idea of Confederation 1864-1900 says:

Here was the very heart and essence of the pro-Confederation argument in French Lower Canada: the Union of the Canadas was to be broken up, and the French Canadians were to take possession of a province with an enormous degree of autonomy. In fact, separation (from Upper Canada) and independence (of Quebec within its jurisdictions) were the main themes of Bleu propaganda. 'A distinct and separate nationality', said La Minerve, 'we form a state within a state. We enjoy the full exercise of our rights and the formal recognition of our national independence.'

There has always been a certain dichotomy between a French-Canadian nationalism bent upon the possibility of broad provincial autonomy and the bilingual character of
the Canadian state, and one which essentially denied this as a possibility and promoted instead the notion of outright independence. During the early part of this century French-Canadian nationalists, such as Henri Bourassa, fostered a French-Canadian nationalism which was essentially pan-Canadian. In addition to stressing the role of provincial autonomy, it advocated increasing acceptance of the francophone fact both in other provinces where there were French Canadian minorities and in Canadian federal institutions such as the federal civil service. During this period the Canadian state was regarded as essentially legitimate by French Canadian nationalists; they sought simply to render it more bilingual and bicultural in character.

In the 1920s and 1930s, however, the French Canadian intellectual elite turned away from pan-Canadianism toward a more exclusive emphasis on the province of Quebec. The nationalism of this period, dominated by the thinking of men like Abbé Groulx, took on a defensive and, indeed, even racist tone. Thus, after the first world war there was a movement to an essentially "defensive nationalism" which embodied the view that Quebec was somehow the core and epitome of the French Canadian nation on the North American continent and finally to the conviction that only within the confines of Quebec could "survivance" be realistically expected. One example of this view, which was
broadly held by French-Canadian intellectuals by the early postwar era, is a piece written by the historian Michel Brunet in 1954:

It is in the interests of French Canadians to take a realistic view of the matter. They must first of all realize that the Ottawa government has become, and will remain, the national government of English Canada. A Canadian, or British-American, nation-state has been created since 1760. Especially since 1867. The French-Canadian minority was powerless to prevent it. This nation-state is monarchical, British, and Protestant. It could not be otherwise.... French Canadians have only one government to which they may confidently entrust the safekeeping, defence, and enrichment of their culture and civilization. This is the government of the Province of Quebec. Two hundred years after the Conquest the province remains the sole geographic, economic, and political framework within which the descendants of the Canadiens of 1760 can hope to organize their national life.... As far as a French Canadian is concerned, the Ottawa government can never be anything but the central government of a federation uniting Quebec and English Canada. 43

The extent to which the sentiments expressed by Brunet have been, and are, broadly shared by Québécois is difficult to establish. Not only have the Québécois, by and large, supported the centralist Liberal Party at the
federal level and a variety of increasingly nationalist parties at the provincial level but opinion polls regarding their attitudes tend to vary considerably.

Difficulty in clearly establishing the loyalties of the Québécois is caused by several factors. One of the most fundamental of these is obviously that the Québécois' attitudes are ambivalent regarding the relative legitimacy of the federal and provincial level. Since the 1960s there has been increasing documentation of what has probably existed for some time in Quebec, that is, a dual political allegiance. As early as 1963, surveys conducted in Quebec revealed evidence of separatist attitudes. On the other hand, there is continuing evidence of allegiance to the concept of a Canadian nation and to the federal political level. Jon Pammett, for example, upon studying provincial, regional and federal loyalties from the 1974 national election survey concluded that,

... although French-speaking Quebecois felt closer to the provincial government than their English-speaking counterparts, they were not more likely to translate this effect into a sole preoccupation with their provincial authorities. 45

What opinion polls in fact repeatedly document in Quebec is a system of dual loyalties which are in competition with each other. In a 1975 article in which he
examined several surveys of the political loyalties of Québécois, Maurice Pinard offered a broad outline of key political attitudes in Quebec. While noting the double loyalty of Québécois, Pinard offered evidence that there is more interest in provincial (27%) rather than federal politics (7%) (30% indicated interest in both equally). He also found from a 1970 survey that in the event of conflict between the two levels of government 40% of Québécois were likely to sympathize with the Quebec government and only 15% of them with the federal level. Subsequent studies, while they have documented ambivalent and complex attitudes on the part of Québécois, support the contention that Québécois tend to feel closer to the provincial rather than the federal level.

In some respects attitudes of Québécois do not differ markedly from those of Canadians in other provinces. As is stated in Political Choice in Canada: "The Canadian federal system is evaluated... as an unjust one by most people." Nevertheless, despite their continued loyalty to the Canadian system, the Québécois display considerable perception that they have been, and are, systematically discriminated against in favour of other provinces and in favour of English Canadians. Thus, there is evidence that
the attitude expressed by Brunet is, in fact, held at the popular level in Quebec.

Data available in *Political Choice in Canada* documents that fully 50% of Quebec residents evaluate that province as bearing more than its fair share of the cost of Canadian federalism. And while the proportion of the population holding this attitude is even higher in Ontario and Alberta these provinces, unlike Quebec, are relatively prosperous. Moreover, if the Quebec percentage is 50% one suspects that the level for francophones in Quebec is considerably higher since anglophone and francophone Quebecers differ markedly on these types of perceptions. Research conducted for the Royal Commission on Bilingualism and Biculturalism similarly documents the perception among francophones that the federal level disproportionately serves the interests of English Canadians.

Despite the complexity introduced into the analytic picture by both mistrust of the federal level in other parts of Canada and the continued Québécois support of the Liberal Party at the federal level, what is important to note in the present study is that Québécois do, in fact, seem to view themselves as systematically discriminated against by the federal government both as a province and as an ethnic group. There is evidence that
this sentiment exists to a sufficient degree to provide a valuable political resource for the "new middle class" which is at the helm of the Quebec state and whose interests coincide with the further de-legitimization of the federal level.

The presently dominant technocratic middle class has demonstrated considerable skill in eroding the legitimacy of the federal level among the Quebec populace. The Parti québécois premier René Lévesque, a former television journalist, has demonstrated particular dexterity in maximizing the opportunities provided by the mass media for shaping public opinion and moving it toward a more nationalist stance. Indeed, the indépendantistes' attention to significant symbolic gestures, and their alacrity in seizing opportunities to exploit federal weakness in order to propagandize the nationalist cause, have shown them to be excellent manipulators of public opinion.

The provincial government machinery has, since the 1976 election of the P.Q., expended considerable energy in alleging and documenting the "bad deal" for Québécois in the Canadian federal system. While the sentiments of the Québécois with regard to systematic discrimination within the Canadian system are obviously complex and nuanced, there seems to be a sufficient reservoir of
this perception that nationalists in Quebec are able to use it as a valuable political resource in the competition with those who seek to maintain and foster the allegiance of the Québécois to the federal level.

In each of the comparative cases examined here as well as the Quebec case, the claim can and has been made that the central government somehow governs contrary to the region or province's interest. Sometimes the case which can be marshalled for this claim is nebulous and unconvincing to an objective observer. In the case of Scotland and Quebec, for example, the debate continues over whether or not the central state machinery extracts more from the region in taxes than it returns in government spending. What appears more important than the objective merits of this argument, however, is its simple plausibility. As long as there is the possibility of fuelling this type of sentiment, a valuable political resource is provided to the "new middle class" whose interests are served by the devolution of political and economic power to the regional and provincial level. Indeed, it would appear that the vigour with which the case of systematic discrimination is argued has considerably more to do with the strength of a region or provinces "new middle class", and the blockages to its upward mobility inherent in the political status quo, than it
does with any objectively-assessed degree of systematic discrimination.

Evaluation of the cases scrutinized in this study suggest that systematic discrimination provides a necessary "background" condition for the mobilization of postwar ethnic nationalism. In many respects, it appears less dynamic than many of the other facilitating factors assessed in this study. Yet a long-standing mistrust of a central government and the perception on the part of an ethnic minority that it is systematically disadvantaged within a particular state provides an element of the current dynamism of postwar ethnic nationalisms which cannot be overlooked.

In chapter nine, this study will stand back from the discrete examination of the factors facilitating postwar ethnic resurgence and will both suggest links between these factors and areas for further research on the topic of postwar ethnic nationalism.
NOTES


7. Zolberg, p.204.


13. See chapter four on this.

15. Hechter, Internal Colonialism.


17. Drucker and Brown, p.49.


19. Robert P. Clark, The Basques: The Franco Years and Beyond (Reno, Nevada: University of Nevada Press, 1979), see the chapter on the PNV.


23. The Economist, p.3.


28. Clark, p.222.


31. Clark, p.322.

32. Clark, p.246 ff.


41. On these strains see e.g., Denis Monière, Ideologies in Quebec: The Historical Development (Toronto: University of Toronto Press, 1981), chapter six, passim.

42. According to Herbert Quinn, among others, the journal L’Action Française of which Lionel Groulx became editor in 1918 "was the most important single agency in the formulation and development of a nationalist ideology which was to have a revolutionary impact on political developments in the province." Herbert F. Quinn, The Union Nationale: Quebec Nationalism from Duplessis to Lévesque, second ed. (Toronto: University of Toronto Press, 1979), p.37. For an excellent tracing of the evolution of French Canadian nationalist thought see Ramsay Cook, French-Canadian Nationalism (Toronto: Macmillan, 1969), passim.


44. Peter Gzowski, "This is the True Strength of Separatism," Maclean's Magazine, November 2, 1963.


47. Pinard, pp.67-68.

48. Pinard, p.69.

49. Harold D. Clarke, Lawrence LeDuc, Jane Jenson and Jon Pammett, Political Choice in Canada (Toronto: McGraw-Hill Ryerson, 1979), p.72 Table 3.3; Edouard Cloutier and Le Centre de recherches sur l'opinion publique (CROP), Sondage sur la perception des problèmes constitutionnelles Québec-Canada par la population du Québec (Québec: Gouvernement du Québec, Ministère des Affaires intergouvernementales, 1979), p.87.

50. Clarke, et al., p.84.

51. Clarke, et al., p.83, Table 3.11.
52. Cloppier, p.33 Table D1.

53. On this see responses to question 0135A from the data set from the survey conducted for the Royal Commission on Bilingualism and Biculturalism.
CHAPTER NINE
SUMMARY AND CONCLUSIONS
CHAPTER NINE

This study has sought to systematically isolate and analytically examine factors which have fostered the postwar escalation of ethnic nationalism in western states such as Belgium, Great Britain, France and Spain. In particular, the dissertation has aimed at building an analytical framework within which the dramatic upsurge in Quebec nationalism since World War II can be better understood and explained than it had been previously. Thus, the goal of this dissertation has not been the exhaustive description of postwar Quebec nationalism or the specific events of Quebec politics since World War II. Even less has it been an attempt to describe comprehensively the comparative cases selected for this study. Instead, it has dealt with the implications of asking why resurgent nationalism has been so evident in the postwar west. While nationalist movements existed in at least latent forms in the states in question prior to World War II, why have they become so potent in the past few decades? What has led to their dramatic upsurge? Given that the escalation in Quebec nationalism has been broadly replicated in other western states, this study has been premised on the assumption that the dramatic escalation of Quebec nationalism has not been a random phenomenon. Rather, the coincident intensification of nationalist movements in several
western states has suggested the need to isolate and examine factors both commonly experienced and particularly evident in the postwar period.

This concluding chapter will return to the state of the literature and the thorny questions remaining unanswered at the outset of this study. The link between unanswered questions posed by previous scholars and the orientation of this study will be made. Secondly, the implications of the factors broadly facilitating ethnic nationalism, examined in chapters four through eight, will be assessed. As has been previously suggested, the argument will be put that, while some of these factors contain considerable potential for destabilizing ethnic relations, none of them alone, or indeed, not even several of them together, are sufficient to account for the postwar resurgence of ethnic nationalism. Such a conclusion will then contribute to a discussion of the crucial mediating role played by class structure in the postwar process which has contributed to the escalation of ethnic nationalism. This part of the analysis will accord particular prominence to the role played in various settings by a "new middle class". Finally, some of the implications of the findings of this study for the assessment of nationalism in Quebec and elsewhere will be elaborated and suggestions for future research will be offered.
As was noted in chapter two, several students of ethnic nationalism have in recent years raised specific questions for further research on this problem. Others, in undertaking their own investigations, have noted significant analytical questions posed by the postwar resurgence of ethnic nationalism. These are worth recalling. Hechter and Levi in "The comparative analysis of ethnoregional movements" suggest three major questions requiring further research:

1) What are the social bases of ethnoregional movements? Why are they sometimes based on class and at other times cultural criteria?

2) How can the varying intensity of ethnoregionalism in different countries be explained?

3) What accounts for the timing of ethnoregional political mobilization? 1

In "Patterns of Ethnic Separatism", Donald Horowitz grappled with two questions upon which he proposed to shed light:

1) What forces are responsible for the general upsurge in secessionist movements?

2) What moves certain territorially discrete ethnic groups to attempt to leave the states of which they are a part. Whereas other groups, also regionally concentrated, make no such attempts? 2
Peter Gourevitch, in "The Reemergence of Peripheral Nationalisms" poses a question resembling those offered by Hechter and Levi and Horowitz:

Among those regions of Europe and North America which have retained an ethnic distinctiveness into the present, how can we account for the much greater strength of nationalist movements in some of these regions than in others?

As these questions suggest, the available literature on ethnic nationalism has not satisfactorily explained why nationalist movements have emerged more strongly in some settings than in others. Furthermore, despite the considerable body of literature which purports to examine this phenomenon analytically, the "social bases of ethno-regional movements" have been as much obscured as identified by scholars studying this question. The failure of social scientists to illuminate the dynamics which lead to the strength of ethnic nationalism is, as previously noted, partially due to the unsystematic approach adopted by most observers of this phenomenon. Within most discussions, there is no effort to assess the explanatory utility of variables regarded by others as facilitating the escalation of ethnic nationalism. Instead, the course of the nationalist path is frequently described from an anecdotal perspective.
The failure of social scientists to locate the social bases of ethnic nationalism, while partly due to the unsystematic nature of research on this question, is especially perplexing. It is so because observers of nationalist movements in general, and recent ethnic nationalisms in particular, have regularly described the social bases of nationalist movements, apparently without fully realizing the implications of their findings. Thus, as reputable an observer of ethnic nationalism as Anthony Smith can in one place note that middle classes are the well-spring of nationalist movements and elsewhere posit that ethnic nationalism somehow replaces the salience of class in politics. In fact, the tendency to view ethnic nationalism as unrelated to class structure has, with few exceptions, been widespread among observers of this phenomenon.

The tendency among social scientists to view class and ethnicity as mutually exclusive categories of analysis, which has so hampered research on the question of current ethnic nationalisms, has no doubt itself been fostered by their curious propensity to regard the only legitimate categories of class analysis to be those of the proletariat or the bourgeoisie. Since ethnic nationalisms are not generally led by these strata, nationalist
movements are subsequently regarded as fuelled by something quite unrelated to class advantage. Somewhat incomprehensi-
sibly, if a movement is predominantly working class in origin it is regarded as a "class" movement. If, however, it is preeminently middle class in origin it is regarded as "cultural", "linguistic" or "post-materialist". 8

Despite frequently clear delineation of what is undisputably the class basis of an ethnic nationalism, this reality is all too often subsequently ignored. As Nairn has observed, social scientists have to date been unwilling to probe beyond the "cultural" rhetoric of nationalists themselves. 9

Apart from the mediating role of class structure, scholars of varying perspectives have suggested that ethnic resurgence has been promoted by a number of factors. Moreover, the general trends selected, of modernization, growing international economic interdependence, uneven economic growth, central state penetration and institutional decentralization, and systematic discrimination are among the most frequently suggested in comparative literature as generally facilitating ethnic resurgence.

In the mobilization of postwar ethnic nationalism two elements of the postwar environment appear to deserve special attention: international economic interdependence and uneven economic development, factors which although not identical, are closely related.
The growth of international economic interdependence since 1945 has been remarkable in two major respects. It has both quantitatively increased and qualitatively changed. Changes in the international economic order have had serious ramifications for the international political order and for the viability of states. Today, the market for firms is international rather than national in scope and the multinational character of many large firms has complicated the effort of states to regulate their economies. Central governments presiding over extremely open economies, such as those of Canada and Belgium, have become particularly vulnerable in the face of multinationals' ability to elude effective regulation and to dictate governmental policy. In a world of highly mobile capital and technology, the role of state governments in economic management no longer appears as powerful as it was in a previous era. Especially where state economies are highly reliant upon multinational investment, governments appear less authoritative in influencing major investment decisions, industrial policy or regional development. This, in turn, directs attention to the role played by uneven economic development in the mobilization of ethnic sentiment.

Contrary to what many observers have suggested about the linkage between internal colonialism or uneven
economic development and postwar ethnic nationalism, little in this study supports the argument that it is the degree of economic deprivation which fosters ethnic resurgence. Brittany and Wales, for example, simultaneously exhibit both backward economies and weak ethnic nationalism. In the Basque area, which is still relatively affluent within Spain, a much stronger nationalism is evident. Of course, nationalists everywhere make the often-justified case that their region has been neglected or overtly oppressed by the central state apparatus. Nevertheless, within this study economic deprivation per se does not appear to possess much explanatory utility in the case of resurgent ethnic nationalism.

What appears considerably more crucial in upsetting ethnic stability in the postwar period is the manner in which the effects of international economic integration have produced drastic alterations in long-standing economic patterns. In the postwar era, largely as a result of changes in the international economy, the traditionally affluent Basque area is in decline, Scotland anticipates the potential benefits of North Sea oil development, Flanders has replaced Wallonia as the Belgian economic core, and Quebec is being peripheralized within the North American private economy. In all these cases, economic
changes have led to broad alterations in class structures and inter-class relations which perhaps previously maintained ethnic stability. In particular, where the economic patterns have fostered growth of a "new middle class", ethnic nationalism is far more potent than where dramatic changes in class structure have not taken place, regardless of the degree of economic backwardness. The evidence uncovered in this study suggests that the significant impact which international economic integration and uneven economic development have undeniably had upon ethnic nationalism are substantially mediated by their effect upon traditional class structure.

Both central state penetration and institutional autonomy have also exerted an influence on the mobilization of postwar ethnic nationalism. In most of the states examined, it is obvious that the postwar upsurge in ethnic nationalism has coincided with the previously unparallelled impact of central state policies on the minority ethnic regions. The growth of the positive state and the communications revolution have led to increased intervention by central authorities in all aspects of societal life. Not only has this highlighted philosophical and cultural differences between the ethnic minority and the dominant ethnic group, but it also has made far more salient the
minority's claims of systematic discrimination within the traditional state structures.

The attempt to resolve ethnic conflict by recourse to institutional decentralization runs counter to increasing penetration by the central state. Moreover, the dirigiste controls and tools required by central governments in their attempt to regulate postwar economies increasingly impinge upon structures of political decentralization in areas such as Quebec and the Basque country. Where long-standing traditions of institutional decentralization exist, central governments and those advocating institutional decentralization appear to be on an inevitable collision course.

Furthermore, the preponderance of evidence from settings such as Canada, Belgium, Spain, France and Great Britain suggests that institutional decentralization promotes the interests of, and offers an institutional platform for, those interested in further decentralization. There is no evidence to suggest that structural decentralization in Canada or Spain, for example, has fostered greater allegiance to the central state. While federal features may have made political unity possible in an era of negative government, they do not appear to have eroded attachment to the ethnic region. On the contrary, to the extent that nationalist leaders have been afforded an
institutional base to promote the nationalist cause, ethnic conflict appears exacerbated. There is little evidence, either, to suggest that those advocating devolution will be satisfied with anything short of the fullest political autonomy possible. Demands for decentralization appear cumulative and insatiable. The meeting of these demands by widened autonomy does not seem to forestall future demands for even greater autonomy. Moreover, where institutional decentralization has coincided with postwar shifts in class structure so as to afford an institutional base to classes whose interests are served by greater decentralization, as appears to be the case in Belgium, Spain, Canada and Scotland, a volatile situation exists.

Despite the focus of nationalist propaganda upon evidence of systematic discrimination, this factor does not appear to be an especially dynamic aspect of postwar ethnic nationalism. A sense of systematic discrimination is, nevertheless, an essential element of any nationalist movement. In fact, it is difficult to imagine ethnic nationalism emerging in a setting in which claims of systematic discrimination are patently absurd. As in the case of regional economic deprivation, however, the degree of systematic discrimination does little to explain the postwar strength of ethnic nationalism.
Two features unrelated to the degree of systematic discrimination appear more plausible in explaining the contribution of this factor to the mobilization of postwar ethnic nationalism. These are first, the political resource which a sense of systematic discrimination affords nationalist leaders in their demands for political decentralization and, secondly, the extent to which systematic discrimination is more readily apparent when differing ethnic groups progressively compete for the same resources.

All that seems required for a perception of systematic discrimination is that a case for its existence be plausible. To varying degrees, however, all the states considered here incorporate dimensions of this feature. The Basques, although traditionally affluent, have been subjected to considerable violence and extreme repression by the Spanish state. The role played by Flemish and Québécois in the Belgian and Canadian states respectively, has not been commensurate with their historic proportion of the population. However, in terms of the dynamic of postwar nationalism, what appears salient is the degree to which nationalist leaders have used the existence of a sentiment of systematic discrimination as a valuable resource in propagating nationalist views. In Canada, for example, it is unlikely that Quebec has experienced much
greater regional exploitation by the Canadian state than have the Maritime provinces. The delimitation of the Québécois nation and its differentiation from those ascendant within Canadian state structures is, however, much clearer and therefore more accessible as a resource for political mobilization. What appears important in the debate over the balance sheet of Canadian federalism as it pertains to the costs and benefits accruing to Quebec is the simple plausibility of an argument of systematic discrimination where ethnic differentiation exists. From the evidence uncovered in this study, what appears most crucial for the dynamic of ethnic nationalism is the use made by ethnic leaders of a sense of systematic discrimination. This, in turn, seems far more related to changes in the societal class structure than to the actual degree of systematic discrimination. A sense of alienation from central state structures is undeniably required for effective mobilization of ethnic nationalism but once again, this factor appears significantly mediated by societal class relations. In particular, it seems mediated by changes in the configuration of class relations. One of the most significant contributors to an alteration in class structures is modernization.
The impact of modernization in several of the states examined here has, in a sense, rewritten the rules of the game which had previously maintained political stability despite asymmetrical relations between ethnic groups. The existence of systematic discrimination becomes increasingly intolerable once members of different ethnic groups compete for the same resources. As long as Québécois and Flemish aspirations did not dramatically conflict with those of English-Canadians and Walloons respectively, ethnic stability was maintained. Since World War II, however, postwar economic conditions have led to dramatic modernization in Quebec and Flanders. In these settings classes have been created or greatly expanded whose aspirations cannot be met by a system which pervasively disfavors them. Somewhat similarly, Basque affluence was protected by backwardness in other Spanish regions. Once these other regions aspired to material conditions comparable to those of the Basques, it is not surprising that the Spanish state has engaged in policies which, while attempting to meet these aspirations, have undercut Basque relative affluence. In Spain, Canada, Belgium and Scotland modernization has heightened competition between ethnic groups. In all of these, as a result of the impact of modernization, various ethnic groups are
seeking the same material rewards, whereas in the past, the existence of differing aspirations on the part of these groups postponed the full collision entailed in competition for the same rewards.

The crucial contribution of modernization to postwar ethnic nationalism is the extent to which it has changed class relations in the states examined here. Modernization has resulted in the political involvement of formerly apolitical and quiescent classes and, even more significantly, has led to the growth of the "new middle class" which is playing such a key role in most resurgent ethnic nationalisms. The impact of modernization has accelerated social mobility in such a way as to directly alter the class structures which maintained ethnic stability. Where the impact of international economic integration and uneven economic development have led to a modernization process which has dramatically changed societal class patterns, as in Quebec, Flanders and Scotland, ethnic nationalism is stronger than where this effect is weak, as in Wales and Brittany. Nevertheless, even where the impact of modernization has not been such as to create or greatly expand the "new middle class", and there has consequently been weaker nationalism (Brittany, Wales), the strength of postwar ethnic resurgence is concentrated in
the new middle class of professionals which has been created by the impact of modernization.

Among the noteworthy characteristics of the trends examined in this study is the fact that all are closely related to fundamental economic issues and, in fact, most are simply varying dimensions of the present stage of the world economy and its impact upon western industrialized states. Even modernization and central state penetration, while not necessarily perceived as fundamentally economic, are essentially responses to changing economic conditions. Similarly, institutional decentralization has in most cases both been originally influenced by heterogeneous economic conditions, and widened or narrowed partly as a result of economic circumstances. Systematic discrimination too, essentially pertains to the context in which competition for scarce resources takes place.

Furthermore, these factors are simultaneously closely related and interactive. For example, modernization and central state penetration have been at least partly fostered by growing international economic interdependence. Modernization, in turn, politicizes existent systematic discrimination to a previously unparalleled degree. Uneven economic development and institutional decentralization interact in such a way as to often become
closely linked in terms of the political process in any given state. Although an interactive model is beyond the scope of this study, the factors identified by observers of ethnic nationalism as fuelling this trend are clearly interrelated. While neither the economic nor interactive nature of the factors assessed here is a major finding of this study, these two characteristics suggest general directives for further research and model-building.

Overall, this study indicates that where ethnic nationalism has markedly escalated since World War II, there is an underlying pattern of basic economic trends which have altered class structure in such a way as to erode the traditional bases of class relations which maintained ethnic stability. In Quebec, the anglophone bourgeoisie has increasingly left the province and the traditional francophone petite bourgeoisie has been replaced by a powerful "new middle class". In Flanders and Scotland, as well, postwar economic conditions have fuelled the increasing political power of a "new middle class". In Wales and Brittany, where postwar economic trends have not led to a marked change in the traditional class structures, ethnic nationalism remains relatively weak. Ethnic nationalism is, however, especially evident in the sectors of the populace most affected by changes in the traditional
economy. The picture in the Basque country is somewhat more ambiguous. While postwar economic conditions have produced dramatic changes in Spanish regional economies and in class circumstances, data which documents the changing class patterns is meagre. Available evidence suggests that Basque nationalist agitation is led by the middle class, but it is difficult to be certain as to the proportion of ethnic resurgence located in the "new middle class" and that in a working class detrimentally affected by postwar economic patterns. While this area clearly requires further research, the link between ethnic nationalism and the "new middle class" in Quebec, Flanders, Brittany, Wales, Wallonia and Scotland is unambiguous. Moreover, available evidence from the Basque area, while too limited to unequivocally establish a relationship between a "new middle class" and resurgent ethnic nationalism, certainly offers support and does not contradict the existence of such a relationship.

If one examines the class interests of the "new middle class" in varius settings, gravitation to nationalist movements or to demands for devolved political structures where ethnic differentiation makes such demands plausible, is not all that surprising. While expansion of the state sector in most western industrial states coincides with the interests of the "new middle class", devolved
political structures enhance their strategic position even further. Federal structures and devolved political institutions, in expanding the state sector, multiply the career opportunities available to this class. Where ethnic differentiation and, even more, linguistic differences, have proven obstacles to upward mobility of a regionally-concentrated middle class, demands for political devolution are all the more understandable since they simultaneously expand employment opportunities and turn the tables in terms of the implications of systematic discrimination. Political decentralization can remove institutional obstacles to the aspirations of a regionally-concentrated and ethnically distinct "new middle class". Thus, just as expansion of the state sector serves the general interests of the "new middle class" in western systems as a whole, devolution (and the more the better) coincides with the specific interests of the "new middle class" of regionally-concentrated ethnic groups.12

Postwar economic trends have greatly expanded the "new middle class" in many industrial western settings including some of the states examined within this study.13 While the political implications of this change in the class structure of most western states remain to be fully analyzed by scholars, the link between its growth and
resurgent ethnic nationalism in the postwar west is readily apparent. While it is tempting to develop more fully the assessment of the overall impact of the "new middle class", it may be more instructive to turn to illustrations of the change which this class can make.

The implications of dramatic modernization are significant in postwar Quebec. Largely as a result of fundamental economic changes in this century, by the postwar era Quebec society had become highly urbanized, secularized, educated and politicized. With the arrival of a more advanced stage of capitalist economic development, the ranks of a "new middle class" of administrators, educators, engineers, journalists and technocrats have swelled over the past thirty-five years.

Yet the upward mobility of this class was constrained by a number of factors. Its ascendance was blocked in the 1950s by the power of the Church, the traditional petite bourgeoisie, anglophone domination of private capital and the scope and power of the federal level. In the late 1950s and early 1960s, the "new middle class" effectively displaced the Church and the traditional petite bourgeoisie. By the mid-1960s, the Quebec state, increasingly dominated by the "new middle class", had replaced the Church as the preeminent symbol of francophone
distinctiveness and was being utilized for the upward mobility of the "new middle class." Nevertheless, the upward ascendance of this class was still constrained by anglophone domination of Quebec's private sector and by the power of the federal level.

Throughout the postwar period, secular economic trends have progressively removed one pillar of this resistance: the dominant position of the anglophone bourgeoisie in the Quebec economy. Long before the election of an overtly nationalist party, and apparently as a result of considerations of comparative advantage within an economy which had shifted from an east-west to a north-south axis, the anglophone-dominated private sector progressively relocated outside the province of Quebec. This relocation had serious ramifications for the constellation of class forces within Quebec politics and implied substantial changes in the relationship of that province to the Canadian state.

As the anglophone-dominated private sector left the province, however, the class relations which had maintained relative ethnic stability in Canada were destabilized. The role formerly played by the anglophone bourgeoisie could not be assumed by the francophone bourgeoisie which was relatively small and itself imperilled by the economic
peripherlization of Quebec within the North American economy. Instead, the space left by the lessened participation of the anglophone bourgeoisie in the Quebec economy was filled by the Quebec state. This, in turn, fostered the increased political power of Quebec "new middle class". Simultaneously, however, it rendered more difficult the task of generating wealth in a province locationally-disadvantaged in a continental economy whose dynamism was now elsewhere. In present day Quebec, the "new middle class" exerts a power unparalleled elsewhere in Canada. Yet its aspirations continue to be constrained by two factors. First, they are confined by the implications of economic peripheralization and secondly, by the persistent power of the federal level in Canada. The current stance of nationalists in Quebec on most issues is better understood when situated within the context of these realities.

The constraints which economic peripheralization imposes on Quebec's "new middle class" are complex but undeniable. While the interests of this class are closely related to state structures, it is questionable that it is interested in thorough-going change in the economic system. Thus, while it favours state involvement in the economy, since state sector dominance maintains its independence from the bourgeoisie, this is not at the total exclusion.
of private interests. Quebec is presently characterized by a delicate balancing act involving extensive participation in the economy by state enterprises concomitant with efforts to build up the indigenous private sector. The "new middle class" needs the economic spin-offs of a private sector simply in order to sustain the economic base essential for Quebec's huge state apparatus. This explains the efforts to support the francophone private sector which is so weak and in need of Quebec state protection for its base of accumulation that it is unlikely to challenge the ascendancy of the "new middle class". It also explains Jacques Parizeau's repeated statements about the private sector continuing to be the motor of Quebec's economy. The interests of the "new middle class" are identical with those of neither the bourgeoisie nor the working class. It does not directly challenge private capital but simply seeks to enhance its strategic relationship to private capital.

While Quebec's economic peripheralization has accorded the "new middle class" greater ascendancy in the Quebec economy and thus Quebec politics, it has made the continued growth of this class more difficult because of the weakness of the province's economy. As the implications of economic peripheralization increase, it is not surprising
that challenges to the scope of the federal level in Canada show a corresponding trend. With the continental economy rendering the upward aspirations of Quebec's "new middle class" more difficult to attain, attention is increasingly shifted to the constraint which federal authority poses for this class. Here one is at the current source of much of Quebec's ethnic nationalism. To the extent that the Quebec state can be expanded, the interests of the "new middle class" are served. In the present circumstance, an obvious major constraint on this expansion is the role of the federal government. The lessened or totally curtailed role of the federal level in the Quebec milieu would increase the tax base of the Quebec state, widen its sphere of jurisdiction and, not incidentally, dramatically enhance the scope of employment opportunities for Quebec's "new middle class".

A number of political resources exist for Quebec's "new middle class" to seek the alliance of the working class in their struggle for greater political and economic autonomy. Economic peripheralization is worsening the lot of Quebec's working class and the political alienation caused by widespread unemployment, if skilfully handled, can be directed in large measure toward the federal level. The ethnic identity which the "new middle class" and the
working class share, itself provides a superb resource for political mobilization against the federal level to the extent that Ottawa can be portrayed as primarily responsive to English-Canadian interests. In these tasks, ethnic differentiation, a long-standing sense of systematic discrimination, the weakened capacity of the Canadian state, and the base provided by institutional autonomy are invaluable. And while Quebec's nationalist leaders have not been totally successful in gaining the support of Quebec's working class in the nationalist cause, neither have they been totally unsuccessful in obscuring the degree to which Quebec's autonomy coincides far more with the interests of Quebec's "new middle class" than with the interests of its working class.

The economic trends which have simultaneously weakened the capacity of the Canadian state, fostered Quebec's economic peripheralization, and led to the dominance of Quebec's "new middle class" within the class relations embodied in that province, show no signs of abating. While the framework developed within this dissertation does not provide a crystal ball to predict the political future, the coincidence of political decentralization with the interests of Quebec's "new middle class" and its ascendancy within the Quebec milieu, which appears likely to continue, does not bode well for those who would advocate the
maintenance of Quebec within the Canadian political status quo. Moreover, if the argument proposed in this dissertation regarding the close link between the interests of a "new middle class" and resurgent ethnic nationalism are accepted, observers must consequently be wary of tying assessment of the course of nationalism too closely with specific political incidents (such as a referendum) or short-term fluctuations in the relative popularity of nationalist parties. Evidence from the Quebec setting replicates what has been stated here to exist elsewhere: a trend toward support of the nationalist cause which does not exhibit a unilinear relationship to support for nationalist parties.\dagger What is indicated here is that the future course of Quebec nationalism, like ethnic nationalisms elsewhere, will be significantly influenced by macroeconomic trends and their impact upon the course of class relations within that province. Observers should, as a consequence, assess likely future trends within the historic context of these spheres and not simply on the basis of a time-specific "snapshot" of political relations which may be unduly affected by short-term influences.

Unless dramatic, and presently unforeseeable, change in the North American economy is forthcoming, Quebec is going to face growing social and economic problems.
Whether Quebec remains part of a Canadian state or achieves some expanded form of political autonomy, basic economic trends which are leaving it with a sluggish and undynamic economy in a continental network centered elsewhere, will seriously limit the possibility of satisfying the escalating material aspirations so pervasively evident in Quebec society. Moreover, the ethnic differentiation of that province from the rest of the country provides a disincentive to migration which functions as something of a "release-valve" to a far greater extent in, for example, the Atlantic provinces. Migration from Quebec is less acceptable to a Québécois than is migration from Nova Scotia to a Cape Bretoner.

Yet sovereignty-association, or some other form of marked political autonomy is unlikely to alter the fundamental economic trends which are already causing such problems for the Quebec economy. What it might achieve, is simply the forestalling of the implications of economic peripheralization for Quebec's "new middle class". It is highly doubtful, however, that an independent Quebec state would fare any better outside the Canadian state. The "new middle class" might fare better for a time, but there is little evidence that the overall effect would be beneficial; indeed, there is every reason to believe that
Quebec would find itself even more vulnerable outside the Canadian state.

Beyond noting that the likely future course of Quebec nationalism will be greatly influenced by macroeconomic trends evident in the North American setting and by the context of class relations both within Quebec and those linking Quebec with the rest of Canada, there seems little basis for offering a prognosis for Quebec nationalism. In this dissertation, however, key areas for evaluation of the likely future trends of various ethnic nationalisms have been identified to a previously unparalleled degree. What one may conclude from this study is that the postwar resurgence of ethnic nationalism in many western settings is at least partly related to broad economic trends which have dramatically altered the traditional class relations which maintained ethnic stability. Creation of a powerful "new middle class", while it is integral to much political change in western systems in general, is capable of threatening state integrity itself in ethnically-differentiated states.

In the comparative sample, as well as Quebec, ethnic resurgence is far more comprehensible when it is examined in the light of the generally-facilitating factors scrutinized in this study and, even more, when the crucial
mediating role of class structure and, in particular, the growth of a "new middle class" are identified.

Where strong new middle classes have been created in a region which differs ethnically from the group which is ascendant within the central state apparatus, there has been a strong postwar resurgence of ethnic nationalism. One clear example of this is Flanders. Where there has been limited creation of such a "new middle class", postwar ethnic nationalism tends to be weaker regardless of the extent of economic backwardness or historic systematic discrimination. Yet, despite the key role apparently played by the "new middle class" in resurgent ethnic nationalism, speculation about the future trend of ethnic nationalism in any specific setting must incorporate not only consideration of this class but also its relative position within overall class relations and the position of both the bourgeoisie and the working class. The political strength of the "new middle class" in fostering ethnic nationalism no doubt is enhanced in regions where bourgeois interests have declined in power and where the economic circumstances of the working class are deteriorating (at least in relative terms) and thus leaving it amenable to political mobilization. Thus, while this study strongly indicates that resurgent postwar ethnic nationalism is
closely associated with the creation and interests of a "new middle class" in specific settings, it also suggests evaluation of the political role of this class within the overall context of class relations in a given region or state.

While it is tempting to speculate about the likely future course of the various comparative movements examined within this study, considerable future research is required in settings such as Great Britain, Belgium, France and Spain before the probable impact of macroeconomic trends upon class relations can be specified clearly enough to hazard opinions about the direction of nationalist movements. Very clearly, there is a dire need for continued research in these settings on the links between changing class relations, a powerful "new middle class" and resurgent ethnic nationalism. The means adopted in this study to amass data supporting the link between the "new middle class" and ethnic resurgence in Great Britain, Belgium, France and Spain have been uncomfortably tortuous as a result of the frequently rudderless approach characteristic of much of the work done of ethnic nationalism. It is obviously time for students of ethnic nationalism in these states to adopt an analytical focus which places increased emphasis on postwar economic trends, their impact upon class relations, and the
creation and political and economic status of a professional "new middle class" in those settings. While the findings reflected in this dissertation about the intimate relationship between postwar economic trends, altered class relations and Quebec nationalism contribute toward theorizing about resurgent ethnic nationalism in the post-war west, they require qualification and refinement that assessment of this relationship in other settings can provide. What has been shown here is that postwar ethnic resurgence is related to changes in the postwar economies of western states, and to changing class relations in these settings. It thus points a clear direction for future research on this pressing political problem.
NOTES


5. An example of this, previously cited, is da Silva who notes the class basis of Basque nationalism but then denies its existence. Milton M. da Silva, "Modernization and Ethnic Conflict: the Case of the Basques," Comparative Politics, 7, No. 2 (1975), p. 241 ff. For a discussion of da Silva's considerations, see chapter two, p. 40, of this study.


13. For a documentation of this as a general trend see Inglehart, *The Silent Revolution*. Interestingly, according to Inglehart's data this trend seems especially marked in Belgium. See e.g. Table 2.3, p. 38.


15. This is not applicable, of course, if the struggle clearly becomes one of conflict between the "new middle class" and the working class.
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